

NZDSN Conference 2018

Speech Notes/Key messages – Garth Bennie, NZDSN Chief Executive

Making Change Real is our conference theme. And this speaks to the need for real change to be genuinely innovative, sustainable and to create tangible and meaningful differences to the lives of disabled people and families. Real change is not about changing the rhetoric on agency brochures, it is not fleeting or momentary.

Making change real requires real determination, persistence and leadership, and this conference will be showcasing examples of this – through the key note presentations, workshop sessions and through our largest ever number of exhibition stands. The conference will also look at what's getting in the way of real change – practices, policies, regulations and funding arrangements that are creating real barriers and genuine frustrations – for providers, disabled people and families.

It is important to recognise that many organisations have been pursuing and implementing real change for some time, but often in spite of rather than because of the system – restrictive service specifications, fragmented funding streams, a well-established tradition of suppressed funding and a failure by successive governments to recognise the legitimacy and necessity for NGO's to deliver margins that enable reinvestment – in people, innovation and infrastructure like new technology.

The sector has appreciated the strong commitment by Government to co-design and co-governance in the development and implementation of the system transformation work programme. This is not without its challenges and it has placed significant demands on many of us, but it has also produced some very robust debate and a high level of consensus on critical aspects. This improves the likelihood of better outcomes, but we still need to be mindful that there will be headwinds in front of us – not the least of which is maintaining the momentum for such significant change.

So we welcome the prospect of system transformation – and the opportunity for disabled people and families to exercise real choice and control over how support is provided and what the role of disability services will be in this context. In a transformed system all those involved need to be able to participate with confidence – and all of us will need to develop new capacities and capabilities in order to do so.

Disabled people and families will variously need multi-channel access to information, independent facilitation, independent advocacy and real choice when it comes to decisions about what funded services and supports to purchase. Negotiating a newly emerging market place of services will be a new experience for everyone – users and providers.

And not just for those who are champing at the bit for self-direction and employing their own support staff, but also for those who are more cautious, those that just want to dip their toe in the water to start with, those who need quite specific support around decision making, and those that assert their comfort for things the way they currently are. After all, choice and control, as well as being the opportunity to turn your world upside down, is also the opportunity not to – or for now at least.

So while the system changes themselves may be transformative, it will clearly take a period of time for some to understand the opportunities and choices it enables and be empowered to translate transformation of the system into transformed lives. As we move forward it will be essential we do not leave anyone behind.

Providers will need to understand and prepare for changing power relations around the people using their services, to be very clear about their point of difference and to realise that, in the rapidly advancing world of social media, their reputation may only be as good as the last person who came through the “front door.”

So in a world of personal budgets disabled people and families will be demanding real choice and flexibility – and a degree of purchasing power that ensures the good life is within reach, not beyond reach, and not where the old rules are simply exchanged for some new rules. – rules that drive all of us to distraction – whether we are trying to use or provide services.

Their clearly needs to be some synergy between the funding available (whether it's to people in the form of personal budgets and/or to providers in the form of contracts) and the real cost of providing quality, safe and responsive supports and services.

In the absence of this synergy everyone is going to be disappointed – the purchasing power of personal budgets will be severely compromised and those providing services will struggle to respond with the quality and innovation that we all want to see.

Over the past 6 months a working group people from the NZDSN membership have been meeting regularly with the Ministry of Health to provide advice and guidance in relation to a residential services pricing model to address long standing funding inequities.

The recent pay equity legislation had the effect of exacerbating some very long standing funding issues and NZDSN has greatly appreciated the engagement with Ministry officials around the development of a more transparent and equitable funding model. For NZDSN this involvement was also important for two additional reasons:

1. The possibility of agreeing on some pricing principles that would have relevance, not just for residential services, but for other service lines such as supported living, community participation and employment
2. The importance of a sustainable funding model that would enable the innovation and responsiveness that everyone expects from the impending system transformation, not just in the short term, but over the long haul.

It has become clear however, that the Ministry is between a rock and a hard place: by imposing a framework that rests on a fixed funding ceiling the proposed funding model has been “reverse engineered” to fit an arbitrary funding cap – leaving a significant gap between the funding available and the actual cost of providing services. In doing so the assumptions that underpin the different cost areas in the model significantly under-represent the realities faced by providers – and by disabled people.

For example, is it reasonable that provision for food equates to less than \$7.50 per day per person (including household items) for one of the county’s most vulnerable groups whom we know experience far poorer health outcomes than the average population?

The funding model also:

- fails to acknowledge well established practice around the need for organisations to create margins that enable investment in innovation and to manage risk (contrary to the advice of the Ministry’s own external consultants)
- Seeks to implement pay equity in a way that is against the spirit of the legislation to create a more qualified workforce and ignores wage relativity issues that have a very significant cost

- Is not based on the actual cost of providing supports and services

So while we acknowledge that the Ministry's proposed model will create some transparency and equity the overall size of the funding pie has grown very marginally with the effect that all providers will still be significantly under-funded, and particularly when attempting to meet the needs of those with the highest and most complex needs.

Having a sustainable sector is not just about balancing the books from year to year (and likely using up any reserves to do this) – it's about being able to consistently invest in innovation, quality and people.

What we are left with are partially funded services and where government still demands full accountability for all aspects of service delivery and full compliance with all relevant legislation. Providers are subsequently, and very reluctantly, forced into efficiencies and delivery models that are at odds with the direction of the Enabling Good Lives Principles which underpin the proposed system transformation.

The Ministry's own recently released Residential Support Services Strategy: *Where I Live; How I live*, seems little more than empty rhetoric in this context.

The struggles and dilemmas currently faced by providers will simply be passed on to disabled people and families as they end up having to grapple with increasingly unacceptable trade-offs between funded and unfunded supports and services – and I suspect a plethora of new rules to dampen down expectations and costs. NZDSN's position is not about the self-interest of providers, it's about everyone being able to participate with confidence in a transformed disability service system

For all these reasons NZDSN regards the proposed residential pricing model in its current form as just a first step – a temporary reprieve for some. It's a short term, limited and very temporary fix when what is really needed is a long term sustainable approach to funding embedded in the principles that underpin system transformation – and not just for residential services but across all disability funding streams.

Of course there is a funding gap, but let's be transparent about what it really is and collectively focus our attention on how to close it over time, but let's not take too much time about it!

Relevant Ministers need to urgently provide a fresh mandate for officials across involved government agencies that is future focused and requires some bold thinking about long term and sustainable funding arrangements – successful system transformation depends upon it. We cannot continue the tradition of suppressed and thus only partial funding of services.

We also need to be paying just as much attention to those broader legislative and regulatory issues that system transformation will not directly address, but are a key to its success – areas such as accessible housing, transport and employment – and NZDSN endorses the work of the Access Alliance in this regard.

I also want to touch briefly on some other significant projects that we have been involved in over the past year and to emphasise that each has been the result of significant sector collaboration – something that NZDSN places a high value on:

- The publication and recent Launch of the Employment Support Practice Guidelines which we worked on with Inclusive NZ, Platform, People First, DPA, SAMs, ACC and MSD. These guidelines will be a critical touch stone for raising expectations about the quality, performance and funding of employment support services.
- Fire Regulations in Community Residences – we now have an alternative solution to a one size fits all approach which will save hundreds of thousands of dollars – and mean people will live in homes, not facilities.
- The EGL Workshop programme and Communities of Practice project in partnership with the Enabling Good Lives National Leadership Group. Hopefully we will be resuming this soon as it is an important vehicle for nationwide momentum and preparation for system transformation
- Collaborations with Careerforce and the Open Polytechnic on the development and much needed review of the Health and Well Being qualifications. Nationally consistent, fit for purpose and highly valued qualifications are an essential ingredient for the changes we all want to see.

I want to acknowledge and thank the many people who have and are collaborating with us on these particular projects.

So back to the conference theme – a call for government – and all of us, to work hard on creating the policy, legislative and funding environment that will support making change real - and lasting.

I wish you all the very best over the next couple of days as we are exposed to new ways of working, grapple with thorny issues and enhance our networks across the sector.