

1. Department overview: New Disability Ministry

KEY ISSUES

The Ministry of Disabled People – Whaikaha (the Ministry) is focused on supporting implementation of Cabinet’s decisions on the independent review of Disability Support Services. This includes:

- identifying parts of the Ministry that support the delivery of Disability Support Services, which will transfer to MSD in December 2024 and
- building the Ministry of Disabled People – Whaikaha as a standalone Ministry *[September to end of financial year 2024/25]*

We are developing advice on the detailed design of the disability leadership and stewardship roles and functions Cabinet has agreed for the standalone Ministry and working on the capability we need to deliver these roles and functions. They are:

- a. System leadership and societal change
- b. Strategic policy
- c. System level monitoring
- d. Disability information and advice
- e. Managing the government relationship with disabled people

TARGETS AND PRIORITIES

Government targets

The Ministry intends to work on:

- Targets one and two: Shorter stays in emergency departments and shorter wait times for treatment** – support health agencies to collect better data about disabled people to improve emergency care outcomes, avoid re-entries, and ensure timely access to different forms of care.
- Target four: Reduced violent crime** – support initiatives to reduce the number of disabled people affected by violent crime, including through safeguarding, abuse prevention responses, and improving police training to de-escalate challenging behaviour.
- Target five: Fewer people on the Jobseeker Support Benefit** – work with Employment Action Plan lead agencies on a range of targeted employment initiatives for disabled people who are Work Ready Jobseekers.
- Targets six and seven: Increased student attendance and more students at expected curriculum levels** – work with Ministry of Education to ensure targets are achieved for disabled students, through the Attendance Action Plan, Learning Support Priorities Action Plan, addressing barriers to attendance (including schools discouraging attendance), and ensuring education is inclusive.
- Target eight: Fewer people in emergency housing** – work with housing agencies to achieve less use of emergency housing by disabled people through suitable social and private sector housing alternatives.

TARGETS AND PRIORITIES CONTINUED...

Strategic priorities

Whaikaha is building out our Cabinet-agreed stewardship role and functions into our strategic priorities:

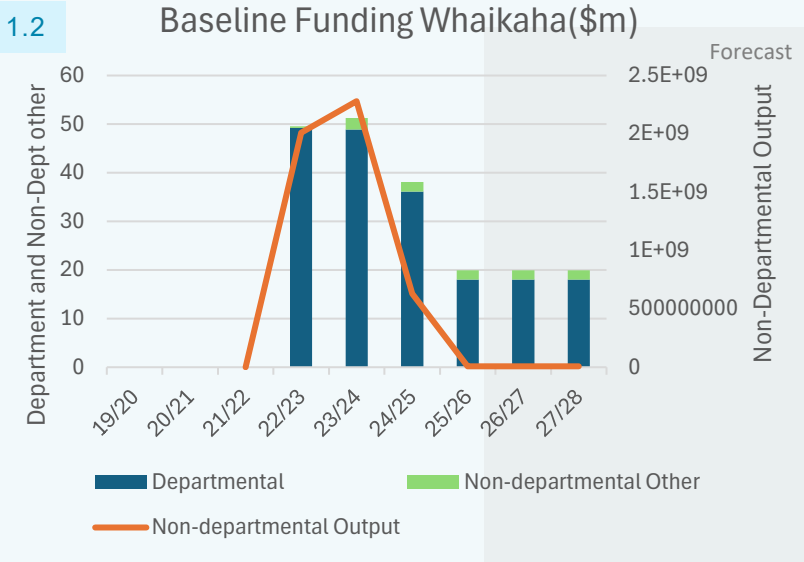
- System leadership and societal change:** accessibility work programme; NZ Sign Language Board; the NZ Disability Strategy; UN Convention on the Rights of Persons with Disabilities. Creation of opportunities for ‘three way’ contributions from government, the private sector and the community.
- Strategic policy** – in areas including education, health, employment, transport and housing.
- System level monitoring** – cross-government evaluation, monitoring and promoting accountability for outcomes.
- Disability information and advice** – integrate and improve government information for disabled people, including advice on opportunities, supports, and the alternate format service.
- Managing government relationship with disabled people** – systematic approaches for agencies to access views and expertise of disabled people, and high-quality information provided out to disabled people.

Portfolio priorities

The work programmes below reflect emerging government priorities (the Royal Commission response), and work programmes that the Ministry must deliver because of a mandate based on a Cabinet-agreed priority, legislation, or an international obligation:

- The Government Response to the Royal Commission of Inquiry into Abuse in State Care
- Evidence to policy, policy to practice, and better outcomes: work across government to improve data, evidence and insights to improve access to services and outcomes for disabled people
- The New Zealand Disability Strategy and the Disability Action Plan (legislative mandate, due for refresh) – these could be combined with Whāia Te Ao Mārama (the Māori Disability Action Plan) and the National Pacific Disability Action Plan
- Leading the government’s response to the United Nations Committee on the Rights of Persons with Disabilities concluding observations on NZ (international obligation)
- Responsibilities related to the New Zealand Sign Language Act 2006, NZSL Board and NZSL Strategy (legislative mandate – strategy due for refresh)
- Coordination of alternate formats (moving to the Ministry through independent review, CAB-24-MIN-0301)
- An expanded accessibility work programme (pending Minister’s decisions)

EXPENDITURE BY TYPE



Recent changes in expenditure

The largest increase in costs related to the Disability Support Services (DSS) that Whaikaha was administering until 16 September 2024. Cost pressures for DSS included: increases in the number of Disabled people accessing services; increasing prices for delivery due to inflation and care and support worker wage increases; and changes in foreign exchange rates impacting on equipment prices.

The largest change from 2024/25 and outyears is the move of DSS administration responsibilities from Whaikaha to MSD from 16 September 2024.

Expected changes in expenditure

From 16 September 2024 Whaikaha has transferred all commissioning for DSS to the Ministry of Social Development. This will result in a reduction of approximately \$2.4b in the Whaikaha baseline non-departmental output expenditure and approximately \$27m in departmental funding (initial staffing transfer on 16 September 2024). The full scope of the funding and staffing transfer from Whaikaha to MSD will be agreed by Ministers by 1 December 2024.

2. Department overview: Current specific fiscal risks, workforce, and third-party revenue

SPECIFIC FISCAL RISKS

Title / Description	Amount and Probability	Mitigations
On 12 August 2024, Cabinet agreed to transfer responsibility for the commissioning and administration of the Disability Support Services (DSS) from Whaikaha to MSD. The specific fiscal risks associated with the DSS have also transferred to MSD responsibility. Whaikaha does not have any residual specific fiscal risks.		

WORKFORCE

How FTE is changing

Year	FTE
17/18	0
18/19	0
19/20	0
20/21	0
21/22	0
22/23	175
23/24	250
24/25	125.9
25/26	125.9
26/27	125.9

Drivers and implications of change(s) in FTE

Ministry of Disabled People - Whaikaha was established on 1 July 2022 as a departmental agency within the Ministry of Social Development.

In August 2023, the organizational structure was confirmed with a cap of 331.5FTE. Whaikaha has not yet reached this FTE level.

On 16 September 2024, the Commissioning Design and Delivery Group (CDD) moved to MSD-DSS (approx. 205.6FTE roles and funding including vacancies). As of 4 November 2024, 170.13FTE of those roles are filled in MSD-DSS.

On 30 September 2024 an Order in Council was made that will disestablish the departmental agency on 1 December and simultaneously establish a new Government Department titled Ministry of Disabled People.

On Monday 2 December it is proposed that further FTE from the departmental agency will move to MSD to support MSD-DSS, and the remaining staff will transfer to the newly established Government Department or be made redundant.

The details of how many and which FTE will transfer is going to be confirmed in the week of 11 November 2024. The result will be that the FTE numbers estimated in this plan will reduce. However, because the exact numbers are not yet confirmed, the FTE information shown in this table still reflects the remaining Whaikaha workforce as of 30 October 2024, being the establishment FTE less those that transferred to MSD on 16 September: 125.9FTE, being establishment 331.5 less 205.6 CDD (of which 170.13FTE are currently filled in MSD-DSS).

As such, this number is subject to change.

WHAIKAHA DOES NOT COLLECT THIRD PARTY REVENUE

3a. Value and Performance: Key impact areas

KEY IMPACT AREA: VOICE

Current state

Disabled people have told us they want government agencies to include their voices as they work to provide services founded in a rights-based understanding of disability. However, opportunities for disabled people to input into agencies’ work programmes can be ad hoc, and do not necessarily influence better outcomes for disabled people.

Desired state

Agencies have the confidence and knowledge to make it easy for disabled people to contribute their views and expertise. The Ministry supports agencies to build their capability and be accountable for reflecting disabled people’s voices in their work. Communication is two-way, with the Ministry and agencies also communicating a range of information effectively with disabled people, including being transparent about how they are achieving outcomes for disabled people.

Constraints and opportunities

The Ministry’s approach to facilitating disabled people’s dialogue with agencies is not as systematic or as ‘user friendly’ for disabled people as it could be. Agencies lack capability to engage well.

Improvement and learning

The Ministry will work with agencies to ensure information is gathered on disabled people’s experience of engaging with agencies; how their feedback is reflected in agencies’ work programmes; and whether agencies are closing the loop by letting disabled people know what happened with their feedback. This will enable us to establish an informal baseline and develop a ‘maturity model’ allowing progress to be tracked.

KEY IMPACT AREA:
ACCESS & PARTICIPATION

Current state

Disabled people have told us that accessibility continues to be a challenge across many domains: physical environments, government services, digital environments, justice processes and more. In addition, some of these areas can pose safety challenges for disabled people.

Desired state

Accessibility and participation improvements will be key to achieving the goal of the New Zealand Disability Strategy, that “New Zealand is a non-disabling society - a place where disabled people have an equal opportunity to achieve their goals and aspirations, and all of New Zealand works together to make this happen”. All aspects of society will be safe for disabled people.

Constraints and opportunities

We have formulated a potential accessibility work programme with the following themes:

- Accessible car parking
- Accessible local government
- Accessible information and communication
- Accessible Parliament
- Accessible society

There is also potential to consider accessibility in tourism.

Improvement and learning

Depending on the Minister’s decisions on which accessibility and participation initiatives to pursue, we could establish baselines and measure progress using information sources including the following:

- Complaints data
- Service uptake data
- Surveys
- Monitoring of government agencies’ roll-out of accessibility measures

KEY IMPACT AREA: DATA

Current state

Data on disabled people is limited, partly because of methodological challenges, and partly because gathering service-level data has not always been a focus for agencies. The release this year of the results of Stats NZ’s 2023 Disability Survey will create some improvement, but will not address service-level data gaps in particular.

Desired state

Disabled people’s journey within and across government services is visible in the data, making sure government services are a joined-up system disabled people can easily navigate; that services meet their needs; and that disabled people’s life course outcomes are more visible, enabling a social investment approach.

The Ministry is an authoritative voice and steward for disability data and data accessibility, supporting other agencies, disabled people and communities to make better, evidence-based decisions. We make better use of the IDI to understand life courses and support social investment.

Constraints and opportunities

There is a risk we will not be able to fully deliver on our new role and functions as a standalone Ministry, and our model of influence, without improving our own data capacity, and without the support of other agencies to gather, use and disseminate data on disabled people.

Improvement and learning

In relation to data, our key measure of success would be other agencies gathering, using and disseminating data – with the Ministry offering valued support to enable agencies’ work.

3b. Value and Performance: Key impact areas

KEY IMPACT AREA: MODEL OF INFLUENCE

Current state

As the independent review of the Ministry has noted, we have capability challenges in some areas. These challenges are flowing through to our ability to influence other government agencies who are major service providers to disabled people. As part of the independent review, we are considering the capabilities we need to give effect to our role and functions as a standalone Ministry.

Desired state

The Ministry is a sought-out source of expertise for other agencies. We influence their work early, helping them meet their objectives as we meet our own. We use our deep knowledge, data and evidence, and skilled cross-agency working. We are also seen as a source of expertise by disabled people, the private sector and the community.

Constraints and opportunities

The Ministry’s stewardship role could be strengthened by a mandate (potentially from Cabinet, or in legislation) and stronger governance arrangements, and the planned establishment of a Ministerial Group on Disability Issues.

Improvement and learning

Through our response to the independent review, we will consider what baseline and metrics we can use to measure the success of our model of influence – potentially through an organisational maturity assessment.

SUPPORT TO DELIVER ON KEY IMPACT AREAS: NON-WORKFORCE CAPABILITY

Non-workforce Capability (e.g. organisational systems, processes, governance, technology and data)

Our establishment as a standalone Ministry requires setting up a number of organisational systems and processes throughout phase three of the independent review.

As described in our ‘Data’ key impact area, data is critical – but it needs to be supported by the right processes and capabilities.

Australia’s review of their National Disability Insurance System indicates that joining data across systems is critical to stewardship. Our internal ability to better collect, use, and make accessible data on disabled people will enable we maximise the role and functions Cabinet has agreed for the standalone Ministry.

This will involve:

- A strategic approach that looks at data as a portfolio, so we can see disabled people’s journeys across the system, not only within service siloes.
- A better data platform (linking into the Social Investment Agency’s Mahi Tahi) will allow us to compile, store, and disseminate disability data more easily.
- Improved internal data governance, to support us to improve our practices and processes (e.g. adherence to relevant data standards), become an evidence-led agency, and better influence and support other agencies.

4. Managing within baselines: Current and future drivers

DRIVERS OF COST PRESSURES AND INITIATIVES FOR MANAGING WITHIN BASELINES

4.1

	Operating impact \$m increase, (decrease)					
	2017/18	2024/25	2025/26	2026/27	2027/28	2028/29
Total baseline*	-	669	30	30	30	30
Operating baseline	-	669	30	30	30	30
Total volume pressures	-	-				
Total price pressures	-	-	0.11	0.11	0.11	0.11
Total wage pressures	-	-	0.25	0.26	0.26	0.27
Total other pressures	-	-				
Total cost pressures	-	-	0.36	0.37	0.37	0.38
Total reprioritisation/ savings	-	-	(0.36)	(0.37)	(0.37)	(0.38)
Net impact on baseline	-	-	0	0	0	0

*Includes estimates of departmental and non-departmental funding and personnel costs that are expected to be confirmed in November 2024. As such, these numbers are subject to change.

Summary of cost pressures:

Future period cost pressures are likely to include wage/salary inflation and general price inflation. These have been calculated based on assumed funding in our years and an estimated staffing complement based on proposals that will be finalised in November. These amounts are subject to change with operating model decisions for the new Ministry that will be made between November 2024 and March 2025.

The establishment of a new standalone Ministry could involve the new Ministry receiving additional work from other agencies in the Disabilities space where the new Ministry has a powerful influencing role. This may create further cost pressures beyond those included here. However, the specific deliverables of the new Ministry are still under development.

The New Ministry may require new or different support functions to enable the new Ministry to deliver on activities beyond those currently delivered by Whaikaha, which may not currently be funded.

FUTURE DRIVERS

Key demand pressure in the long term are likely to be from increased engagement with disability communities and individuals across Aotearoa and growing the standalone Ministry’s presence and influence across Government lending a strong voice to disability issues across Government policy.

The forecast fiscal costs of future drivers over the next 20 years

Longterm forecast in cost drivers (\$m)

Year	Wage/salary inflation	Non-personnel inflation
21/22	0	0
22/23	25000000	25000000
23/24	32000000	20000000
24/25	12000000	10000000
2030	14000000	6000000
2035	16000000	7000000
2040	17000000	7500000
2045	18000000	8000000

4.2

Choices to mitigate/manage long term pressures

Policy that causes demand or demand driver	Options to manage this?	Lead time required to make changes?
There are no specific Policy impacts represented here. Because the operating model for the new standalone Ministry is not yet confirmed, the cost drivers shown here are limited to departmental wage and salary inflation and non-personnel base cost inflation, based on forecasts inflation levels from the Reserve Bank of New Zealand.		

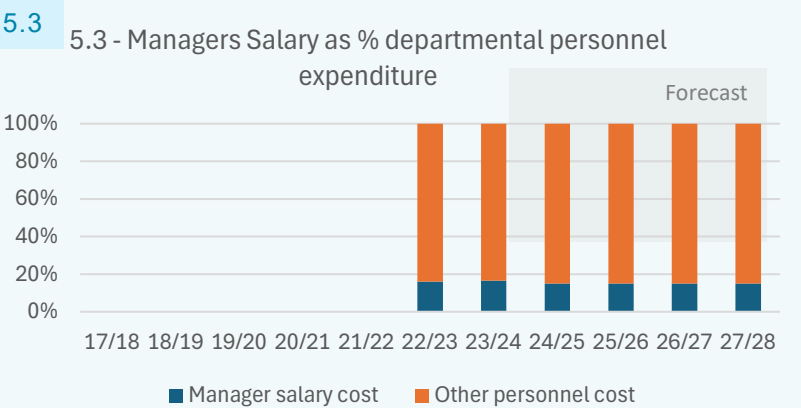
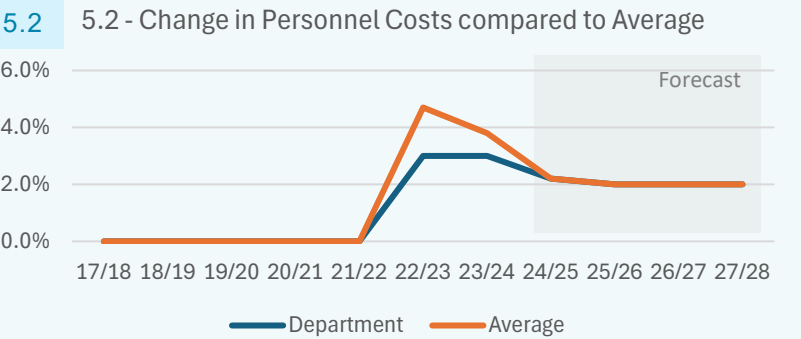
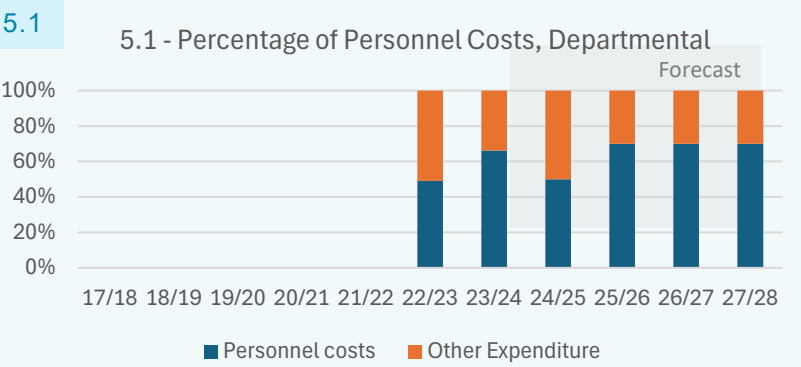
Plan for managing within baselines (Table 4.1)

• [How are you planning on managing savings and cost pressures in the next four years to live within set baselines (including considering revenue raising options)? *This should include all current savings measures and the trade-offs required, e.g. Budget 2024 savings.]

Impact						
Area	24/25	25/26	26/27	27/28	28/29	Description
The operating model for the new standalone Ministry must be set up in a fiscally neutral manner, in line with the Cabinet directive on 12 August 2024.						

5. Managing within baselines: Workforce and capability

SUMMARY OF WORKFORCE



Contractor and consultant spend

Once the operating model for the new standalone Ministry is decided it may be necessary to engage Contractors or Consultants in the establishment phase of the new entity, where, for example, specialist skills or capabilities are required for the implementation or development of IT systems or data-capture applications, among other specialist requirements.

Impact of workforce

Indicate how much of your overall workforce in 2024/25 is allocated to the 2-6 impact areas identified in section 3 and the roles or functions that they undertake.

Explanation of workforce breakdown

Overall workforce allocations for areas of impact will be assessed as part of the work to establish the standalone Ministry.

While we know that overall FTE will not rise in the short term, the actual FTE available for the new Ministry is due to be confirmed in the week of 11 November 2024. So, the mix of roles within that may need to change to reflect impact areas and ensure that desired outcomes can be achieved. For example, a more data-driven organisation may require additional specialist skills in data and analytics to support this direction.

Strategy for workforce costs, including remuneration

Whaikaha – Ministry of Disabled People will be disestablished on 30 November 2024 and replaced with a new Government Department titled Ministry of Disabled People as a standalone Ministry.

The workforce composition of the new Ministry is yet to be determined, with operating model and organizational design work scheduled from September 2024 – March 2025 (TBC).

From a remuneration perspective, the new Ministry will seek to stay aligned to remuneration practices in operation across the public service and in line with the Minister of Finance’s express expectation that department personnel expenditure growth should not exceed forecast CPI.

Capability – non-workforce (e.g. organisational systems, processes, governance, technology and data)

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Workforce changes required to ensure delivery in the key areas of impact

Change required (including targeted workforce segment)		Current state (% of the target workforce)	Ideal state within the time horizon	Plan to achieve the change	Risks, challenges, and barriers
1	Enabling resources required to support the new DSS function of MSD need to be identified and transferred to MSD. A new Ministry that is being established from 01 December 2024. A number of staff will transfer to that new Ministry.				Enabling resources required to support the new DSS function of MSD will be identified and transferred during 2024. The new Ministry will be established from 01 December 2024.
2	Identifying an effective operating model and associated organisation structure within allocated FTE is likely to be completed by March 2025.				
3	Once this work is complete, current and ideal state assessments can be completed.				

6. Managing with baselines: Investment and monitoring

INVESTMENT (\$200M+)

Investments in the planning stage (departmental and non-departmental)

The table below outlines departmental Investement or non-departmental investments over \$200m in the planning stage.

Project	Total Cost	Forecast business case approval	Forecast delivery start	Forecast completion	
(AGENCIES MAY NEED TO POPULATE)					CBA

6.1

The transfer of Disability Support Services to MSD from 16 September 2024 included the transfer of responsibility for the High and Complex Framework. In response to the Ombudsman’s report, there is a proposal to make improvements to the delivery of High and Complex Framework services, which would require additional government funding to enable its implementation. Whaikaha had signalled this as a specific fiscal risk. Whaikaha has transferred this to MSD to decide how they prioritise this work going forward.

Assurance on delivery of investments

N/A

Implementation of \$200m+ projects in the last five years:

Total no. of projects	No. assessed	Met or exceeded expected benefits	On time	On Budget	To scope
0					

MONITORING STATEMENT (IF APPLICABLE)

Whaikaha (transitioning to the new standalone Ministry of Disabled People on 1 December 2024) does not monitor Crown Entities, nor does it have any investments over \$200m.