

Community Group Homes Pricing – Summary of Core Model Components by Band (June 2026)

Overview

The Band Allocation Tool (BAT) is used by NASCs and Enabling Good Lives (EGL) sites, alongside a disabled person or their family/whānau or carer, to calculate the service variables that determine the funding needed to access community residential services.

The variables from the BAT are entered into the Global Pricing Tool (GPT), which converts those into the rate offered to the provider.

Providers have told us that they would like to better understand the costs in the GPT so they can compare this to their own costs and inform their business planning.

The material in this document provides that information at a level that we trust is useful. The GPT is a cost model and is complex in places, so we have summarised and simplified some content.

Supporting Information

Information is available on the DSS website to support providers to understand and implement the Community Group Home Pricing Model. This includes:

- The [Global Pricing Tool page](#) – includes information on how the GPT works, rate ranges throughout the country, the pricing tool matrix, and the GPT factsheet which provides an overview of the GPT and Final Banded Rates.
- The [Information for providers on the Community Group Home Pricing Model](#) page includes information on the work DSS did to develop the model, and links to [webinar](#) content.
- The [Community Residential Support Services](#) page includes current contracts and service specifications for residential based services, operational guidelines, and information for providers interesting in joining the Panel.

DSS Bands and Prices

DSS commissions Community Group Homes (CGH) services from providers under contracts that set the banded rates for those supports. DSS decides the pricing for CGH services, informed by the Global Pricing Tool (the GPT) and by other factors, such as the level of funding agreed by the government.

Note: price changes are part of the DSS business process; they are not an automatic result of changes to provider input costs.

Most disabled people who are supported through CGH are funded through banded rates.

The bands are based on averaging costs across a funded population. Although providers are paid for each person they support, they have the flexibility to use their total funding pool to provide support across the people in their care.

Providers are expected to deliver services within the overall funding level allocated for the people they support, and in accordance with the agreements, service specifications and performance standards.

Each band has a price point, which is the amount paid per day under that band for a range of care and support needs. The price paid may be more or less than the service cost for a given individual. For most providers, these banded rates average out over time and across a mix of supported people.

This moves away from our previous system where the rate paid must be spent on supporting an individual.

Each band also has a minimum and a maximum, which is used when matching people to the band. The rates and funding bands are shown for each region in the tables below.

Banded Rates and Ranges (rates as implemented 1 December 2025)**Table 1 Northern Banded Rates**

Band ID	Banded Rate	Band Minimum	Band Maximum
Northern1	\$327.81	\$299.36	\$358.82
Northern2	\$414.57	\$358.82	\$447.62
Northern3	\$494.93	\$447.62	\$561.42
Northern4	\$643.75	\$561.42	\$738.79
Northern5	\$842.06	\$738.79	\$855.48
Northern6	\$893.61	\$855.48	\$944.28

Table 2 Midland Banded Rates

Band ID	Banded Rate	Band Minimum	Band Maximum
Midlands1	\$320.77	\$298.19	\$349.83
Midlands2	\$424.40	\$349.83	\$476.14
Midlands3	\$531.32	\$476.14	\$589.52
Midlands4	\$654.72	\$589.52	\$736.98
Midlands5	\$855.44	\$736.98	\$880.06
Midlands6	\$939.00	\$880.06	\$939.00

Table 3 Central Banded Rates

Band ID	Banded Rate	Band Minimum	Band Maximum
Central1	\$324.31	\$297.89	\$356.17
Central2	\$438.99	\$356.17	\$481.77
Central3	\$528.79	\$481.77	\$591.29
Central4	\$661.55	\$591.29	\$734.41
Central5	\$847.99	\$734.41	\$875.10
Central6	\$905.70	\$875.10	\$947.27

Table 4 Southern Banded Rates

Band ID	Banded Rate	Band Minimum	Band Maximum
Southern1	\$318.08	\$297.23	\$349.72
Southern2	\$408.66	\$349.72	\$449.70
Southern3	\$494.85	\$449.70	\$546.31
Southern4	\$635.00	\$546.31	\$730.46
Southern5	\$838.23	\$730.46	\$865.60
Southern6	\$911.54	\$865.60	\$934.11

The Band Allocation Tool (BAT) and the GPT Tool

NASCs and EGL sites use the Band Allocation Tool (BAT) to determine which banded rate best reflects the situation and needs of a given disabled person who is entering CGH services. The BAT establishes the level of support required by the disabled person, including how often the person requires exclusive support. This informs the labour ratios used in the banding process.

The BAT process replaced the earlier process of iCare Hours and the SPA rating; the BAT and GPT Tool effectively replace the earlier TPM / Individual Rate models.

The NASC or EGL site then use an output of the GPT called the “GPT Tool”, where they input the region, locality, house size, as well as the labour ratios (from the BAT) and the tool advises which scenario the disabled person’s CGH support needs best match.

The GPT tool matches the rate for a scenario to the applicable ranges for the region. For example, if the person is in the Northern region and the scenario has an estimated cost of \$305.00 then it will match to Northern1, which has a range from \$299.36 to \$358.82, and a contracted rate of \$327.81.

The Global Pricing Tool (GPT)

The core GPT is a model of the reasonable costs of delivering CGH services. It is not intended that the model perfectly reflects each provider’s specific costs. Nor is it intended that the model instructs providers on what or how much they should spend on the different inputs into their businesses.

Every provider’s particular cost mix will vary, based on how they operate, their business, and its circumstances.

Structure of the GPT

The GPT model is built on costing all possible combinations of:

- Region (Northern, Midland, Central, or Southern)
- Locality (Urban or Rural)
- House size (1 bedroom through 6+ bedrooms, with and without a sleepover room), and
- labour ratios (see below).

For each of these, costs are estimated for support and hospitality costs. This produces thousands of combinations, each of which is a scenario with a calculated GPT rate, for example:

Table 5: Illustration of Scenarios

	Region	Locality	No. of bed-rooms	Core Shift Labour Ratio	Assist-ance Shift Ratio	Support Costs	Hospital-ity Costs	GPT Rate
1.	Northern	Rural	3	1:2 ratio	1:5 ratio	\$359.20	\$149.89	\$509.09
2.	Northern	Rural	4	1:2 ratio	1:5 ratio	\$318.67	\$133.03	\$451.70
3.	Northern	Urban	3	1:2 ratio	1:5 ratio	\$359.20	\$159.37	\$518.58
4.	Northern	Urban	4	1:2 ratio	1:5 ratio	\$318.67	\$140.95	\$459.63

Key Drivers

The key drivers of the core GPT model are described below, along with the average component size for each band. Please note that:

- These costings are as per the design of the model in 2025. DSS engaged with a number of CGH providers, as part of the development process, to test these assumptions. You can read more about that engagement and the feedback from providers here via the links in the Supporting Information section of this document.
- DSS will update the GPT model assumptions in December 2026. This work will inform future price uplifts for Community Group Homes.
- Contract-based price reviews are undertaken annually by DSS. Any price uplift applied through this is separate to a model review planned for late 2026. Any uplift in the interim will be based on a global assumption and given effect through contract rates from 1 July.
- Many costs are benchmarked against the Household Economic Survey (HES) data from Stats NZ. Data was from the survey release in 2019. We adjusted this for inflation using the Consumer Price Index (CPI). For example, the HES Food Category is estimated using the CPI Food Subgroup.
- We used assumptions from the earlier Transparent Pricing Models (TPMs), which are mostly priced from 2005. We also adjusted those for inflation using the CPI subcategories that match the TPM component.

- Items that aren't based on HES or TPM were based on costs estimated when the model was being developed in 2025. For example, electricity and furniture costs were sourced from relevant supplier websites.

Statistical note: the averages shown are the average across the range of scenarios within the core GPT cost model. This is not the same as a weighted average of the components of the rates allocated to each person who has a CGH support. Until a significant portion of the supported CGH population has had a BAT process, providing a weighted average would be misleading, as most people are currently on the "scripted" rates that were determined from the initial matching process in December 2025.

Care Costs

Staffing - Support Workers

Note: this is the key driver of costs across all scenarios as direct labour costs are a significant part of each GPT cost scenario and drive the management fee portion of the overhead costs.

Support worker staffing costs are estimated based on assumptions about the number of hours of support a disabled person requires. Those assumptions are determined as part of the BAT process.

Costs are determined for shifts (see tables below):

- **Core and Assistance shift costs** are based on the number of hours in the shifts, the labour ratios for those shifts for that person, and the average weighted cost for an hour of support worker labour. For example, if a person was assessed as needing 1:2 support in the core shift they are funded for 50% of 9 hours = 4.5 hours of support worker time for that shift.
- **Sleepover shift costs** are based on the number of hours per house and the average weighted cost for an hour of support worker labour. The sleepover shift doesn't have a labour ratio under banded rates. Every house is assumed to have a person available overnight, with the cost split across the house.

Table 6 Shift Lengths

Shift Name	Number of hours
Core Shift	9
Assistance Shift	6
Sleepover Shift	9
Total hours	24

Table 7: Labour ratios

Shift Ratio Name	Staff	Supported People	Ratio Percentage
2:1 ratio	2	1	200%
3:2 ratio	3	2	150%
1:1 ratio	1	1	100%
2:3 ratio	2	3	67%
1:2 ratio	1	2	50%
1:3 ratio	1	3	33%
1:4 ratio	1	4	25%
1:5 ratio	1	5	20%
1:6 ratio	1	6	17%

Note: 1:5 & 1:6 labour ratios are usually only for the assistance shift.

Table 8 Average support worker costs

Band	Support Worker Hours Funded (average)	Support Worker Rate including Oncosts	Support Workers Costs	Support Workers % of GPT rate
Band1	5.9	\$34.34	\$201.89	60%
Band2	7.6	\$34.34	\$262.37	63%
Band3	9.9	\$34.34	\$341.18	66%
Band4	13.0	\$34.34	\$445.34	68%
Band5	16.5	\$34.34	\$565.81	71%
Band6	18.5	\$34.34	\$634.28	70%

Notes:

- The support worker labour rate is based on the weighted average labour rates under the support worker Pay Equity settlement (that is, the level 0, 2, 3, 4a, and 4b rates). These rates including the tripartite increase agreed for 2023/24, following the end of the legislated increase.
- The oncost rate used is 28.6%, which updates the earlier rate used in the Pay Equity Settlements (of 24.7%), including the addition of Matariki as a public holiday.

Other Care Costs

The GPT includes costs assumptions for other care costs, including for a care coordinator, transport, and food costs.

- **The Care Coordinator costs** are based on a portion of an annualised \$80,000 and a 3.0% KiwiSaver contribution. This is apportioned based on an assumed one hour of coordination per 12 hours of care.
- **Transport, food, and other costs** are based on Household Economic Survey costs, apportioned across the number of people in the house.

Table 9 Care Coordinator Costs

Band	Care Coordinator Hours (average)	Care Coordinator Rate	Care Coordinator Costs	Care Coordinator % of GPT Rate
Band1	0.20	\$38.46	\$7.74	2%
Band2	0.25	\$38.46	\$9.76	2%
Band3	0.34	\$38.46	\$13.20	3%
Band4	0.42	\$38.46	\$16.30	2%
Band5	0.52	\$38.46	\$19.84	2%
Band6	0.75	\$38.46	\$28.91	3%

Note: Care Coordinator costs assumed at \$80,000 per annum + KiwiSaver contribution at 3%.

Table 10 Transport, food, and other costs

Band	Transport Costs	Food and Other Care Costs	Total Other Care Costs	Other care costs %
Band1	\$10.71	\$16.81	\$27.52	8%
Band2	\$12.10	\$18.17	\$30.27	7%
Band3	\$12.72	\$18.55	\$31.27	6%
Band4	\$13.59	\$19.00	\$32.59	5%
Band5	\$13.52	\$18.92	\$32.44	4%
Band6	\$13.57	\$19.03	\$32.60	4%

Housing and Rental costs

The GPT includes assumptions of rental, furniture, and other housing supplies and services costs.

- **Rental costs** are based on average Tenancy Service rates (by house size and region) apportioned across the number of people in a house.
- **Furniture costs** are based on a “basket of furniture items”, costed as per major retailers, apportioned based on a renewal frequency (in years), and then divided across the number of people in a house.
- **Other costs for household supplies and services** are based on Household Economic Survey costs, apportioned across the number of people in the house.

Table 11 Rental and Other Housing Costs

Band	Rent Costs	Furniture and Other Housing Costs	Total Rent and Housing	Housing and Rental %
Band1	\$30.28	\$4.71	\$34.99	10%
Band2	\$32.11	\$5.12	\$37.22	9%
Band3	\$34.69	\$5.44	\$40.13	8%
Band4	\$38.10	\$6.04	\$44.14	7%
Band5	\$38.10	\$6.06	\$44.16	6%
Band6	\$38.23	\$6.03	\$44.26	5%

Utilities costs

The GPT includes utilities costs for maintenance, energy and water costs, insurance, telecommunications, and lawn mowing.

- **Maintenance costs** are assumed at \$2000 per room per annum. These costs apportioned based on the number of people in a house.

- **Energy costs** are sourced from the PowerSwitch website (<https://www.powerswitch.org.nz/questionnaire>) for each region and house size. These costs are apportioned based on the number of people in a house.
- **Water costs** are assumed for the Northern region, based on assumptions from the SmartWaterMark website (<https://www.smartwatermark.org/watercalculator/NZ/>). These costs are apportioned based on the number of people in the house.
- **Insurance costs** for housing and contents insurance are assumed based on rates sourced for major insurance providers. Contents insurance costs are a per person assumption. Housing insurance costs are determined for a house and apportioned across the number of people in a house.
- **Telecommunications costs** are based on the costs in the Household Economic Survey, apportioned across the number of people in a house.
- **Lawn mowing costs** are based on costs in the previous Transparent Pricing Models (TPMs) by house size, apportioned across the number of people in the house.

Table 12 Maintenance and utilities costs

Band	Maintenance Costs	Utilities Costs	Total Maintenance and Utilities	Maintenance and utilities %
Band1	\$6.25	\$7.17	\$13.41	4%
Band2	\$6.46	\$7.98	\$14.44	3%
Band3	\$6.69	\$8.80	\$15.49	3%
Band4	\$6.88	\$10.71	\$17.59	3%
Band5	\$6.76	\$10.92	\$17.69	2%
Band6	\$6.81	\$10.73	\$17.53	2%

Overhead costs

The model includes assumptions of overhead costs for facilities management, administration and accounting, stationery and office equipment, vehicle costs, and a management fee.

- **Management Fee** is costed at 15% on the costs for Support Workers core and Sleepovers shifts and the Care Coordinator.
- **Facilities management costs** are based on an annualised \$70,000 per annum with adjustments for KiwiSaver contributions, apportioned at one hour of management per 12 hours of care.
- **Administration and Accounting costs** are based on annualised costing across accountants, bookkeepers, accounts administrators, and accounts clerks (based on data from Seek.co.nz). This is apportioned based on an assumption of 0.5 hours of administration time per client per week
- **Stationery costs** are based on the Household Economic Survey (HES), apportioned across the number of people in a house.
- **Vehicle Reimbursements** and **Office Equipment** costs are based on an escalated assumption from the previous TPMs.

Table 13 Overhead costs

Band	Management Fee Costs	Facilities Manager Costs	Other overheads Costs	Total Overheads	Overhead costs %
Band1	\$31.44	\$9.97	\$8.17	\$49.58	15%
Band2	\$40.82	\$12.57	\$8.25	\$61.64	15%
Band3	\$53.16	\$17.00	\$8.31	\$78.47	15%
Band4	\$69.25	\$21.00	\$8.43	\$98.68	15%
Band5	\$87.85	\$25.56	\$8.44	\$121.85	15%
Band6	\$99.48	\$37.24	\$8.43	\$145.16	16%

Total Rate and Total GPT Costs

The GPT model has thousands of rate combinations (as described earlier). Each of these produces its own GPT Rate. Shown below are:

- the number of GPT rates contained within the band,
- the average support costs,
- the average hospitality costs, and
- the total average GPT rate.

Band	Number of GPT Rates	Average Support Costs	Average Hospitality Costs	Average GPT Rate Excluding GST
Band1	128	\$226.44	\$108.66	\$335.10
Band2	428	\$290.30	\$125.39	\$415.68
Band3	542	\$372.93	\$146.77	\$519.70
Band4	928	\$480.64	\$173.98	\$654.62
Band5	644	\$604.57	\$197.21	\$801.78
Band6	322	\$682.22	\$220.50	\$902.72