

Industry Briefing for Residential Support Services Request for Application

03 July 2025



### **Welcome and opening Karakia**

#### Welcome

- Introduction to session
- Presenter(s):

**Catherine Poutasi** Director DSS Commissioning

Michael Hiscox Director DSS Commercial DSS

#### **Opening Karakia**

Whakataka te hau ki te uru, Whakataka te hau ki te tonga. Kia mākinakina ki uta, Kia mātaratara ki tai. E hī ake ana te atakura. He tio, he huka, he hauhū. Tihei Mauri Ora!



# Introduction and overview

This session will cover:

ltem:	Speaker:
<ul> <li>About DSS and Community Residential Services</li> <li>An overview of the panel contract model</li> <li>The new pricing approach</li> </ul>	Catherine Poutasi
<ul> <li>The Request for Application:</li> <li>The process and information we have provided</li> <li>Questions we have asked and information we have asked for</li> <li>Support and questions</li> </ul>	Michael Hiscox
Q&A	DSS Team



# About Disability Support Services





# **Disability Support Services**

DSS was established as a business unit within the Ministry of Social Development (MSD), following an independent review of disability supports in September 2024.

DSS is responsible for providing essential support to around 50,000 disabled people, tangata whaikaha Maori and their whanau, as well as equipment and modification services for approximately 100,000 New Zealanders.

The immediate priorities for DSS include:

- Stabilising and strengthening operations.
- Better managing cost pressures and improving consistency, fairness and transparency.
- Designing a sustainable system that provides certainty for the future for people, whānau, and carers receiving supports and services.



### **Our purpose**

• DSS plays a critical role as a commissioner, funder, and steward of disability support across Aotearoa.

Commissioner	Funder	Steward
Ensuring services are	Fair and transparent	Ensuring high quality,
effective, efficient, and	distributer of funding to	suitable, and safe services
responsive now and in the	enable high quality of	are delivered throughout
future	services	the system

• DSS fits in a wider system of disability supports across government including Health, Education, Social Development, Transport and Accident Compensation.

# **Community Residential Services**





### **Community Residential Services**

The aim of Community Residential Services is to provide a range of opportunities for disabled people who require high levels of support, to foster relationships and to maximise their inclusion and participation in the community.

Disabled people are supported to achieve goals, engage in life enhancing activities, have opportunities for learning and employment, participate in family and social life - like others at similar stages of life.

Key outcomes to be delivered through this service are:

- a good quality of life and a place to live in that feels like home, upholds personal dignity, independence, and respects privacy, and
- 24-hour support at the level necessary for people to have a safe and satisfying home life.

The following types of Community Residential Services are considered in this procurement:

- Community Residential Services for People with Intellectual Disabilities (ID).
- Community Residential Services for People with Physical Disabilities (PD).



# **Outcomes we are aligning to**

We are seeking to deliver the following long-term outcomes through these services:

- Improve the experience of disabled people receiving residential support: To drive service quality improvement by strengthening quality and safeguarding mechanisms.
- **2. Improve access to and appropriateness of services:** To ensure disabled people can obtain the right services at the right time, irrespective of income, geography and cultural background.
- **3. Stabilise the price of residential support:** To create a residential support system that is fair, consistent, transparent, and sustainable.



# **Community Residential Support Services**

Community Residential Services in Community Group Homes (the Services) for Disabled People who need this level of support, so that they can enjoy a good quality of life and live in a place that feels like home, one that upholds personal dignity, independence and respects privacy.

24-hour support at the level necessary for Disabled People to have a safe and satisfying home life	Ensuring Disabled People have a range of opportunities to foster relationships and to maximise their inclusion and participation in the community	Ensuring Disabled People are supported to achieve goals, engage in life enhancing activities, have opportunities for learning and employment, participating in family/whānau and social life
Ensuring Disabled People are supported by staff who understand their means of communicating and can communicate effectively with them	Working flexibly with Disabled People to determine how support can best be provided in the home and community	Putting Disabled People at the centre of support so that they have greater choice and control over their home and environment



# **Service Specification – Components**

The service specification outlines the following service components:

Personal Planning	Primary Support Worker	Supervision, assistance and support	Access to the community
Personal Financial Management	Communication	Involvement of the Disabled Person and their family/whānau	Staffing (including both paid staff and volunteers)
Home and settings	Health, medicine and first aid	Risk Management	Supported Decision Making

# The Commercial Model:

# **An Open Panel**

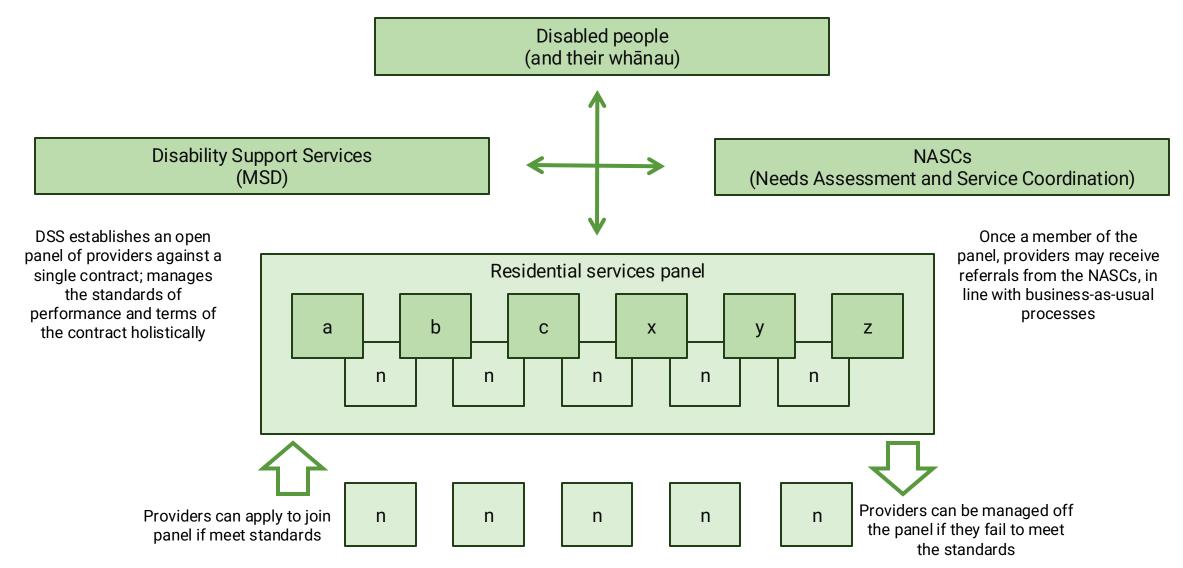


#### IN-CONFIDENCE

#### Disability Support Services



### **Residential Services in the disability support system**





### The structure of the draft panel contract

#### DSS residential panel contract artefacts

Open panel agreement	<ul> <li>The agreement that DSS and providers sign.</li> <li>Contains the agreement details and refers to service schedules and panel T&amp;Cs being applied.</li> </ul>
Residential Services Open Panel Terms and Conditions	<ul> <li>The standard terms applied across the residential providers.</li> <li>Contains standard contractual positions aligned to the broader DSS Standard Terms and Conditions.</li> <li>Contains specific panel management conditions, such as joining instructions, open panel governance, and notice provisions.</li> <li>Schedules contain compensation models for the services being provided.</li> </ul>
Service specifications for residential services	<ul> <li>Reflect the specific needs, processes, and procedures for each service area.</li> <li>Can be updated as required.</li> </ul>





### **Benefits of this model**

Sets a clear and consistent expectation of standards

Consistency and clarity in contract obligations across the market

 $\checkmark$ 

Long term commitment and certainty, with future flexibility built in



Embeds the new pricing model for CGH

 $\checkmark$ 

Ability to onboard new providers to the same standards with ease

# **Pricing Model**





### **Background to the model**

- Following the Independent Review recommendations, a funding freeze was placed on residential care while DSS conducted a rapid review of its residential contracting and pricing.
- In March 2025, Cabinet approved a new DSS Community Group Home Pricing Model.
- The new model, and the associated fund to support its implementation was announced in May as part of Budget 25.
- Implementation of this model will be undertaken in the new panel contracts.





IN-CONFIDENCE

#### Disability **Support Services**



### **Components of the model**

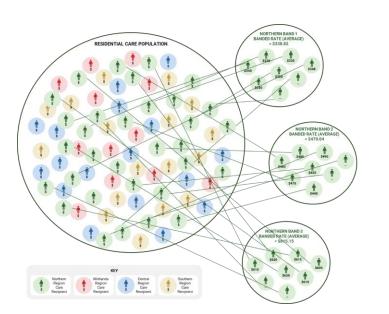
#### **Global Pricing Tool**





The GPT will be used in the setting of prices for community residential supports. The model will inform both current pricing and sustainable pricing into the future.

**Disability Support Services** 



#### Banded Rates

Northern Region		Midlands	Midlands Region	
Band	Rate	Band	Rat	
Band 1	\$320.00	Band 1	\$320	
Band 2	\$410.00	Band 2	\$400	
Band 3	\$490.00	Band 3	\$490	
Band 4	\$670.00	Band 4	\$630	
Band 5	\$830.00	Band 5	\$720	
Band 6	\$960.00	Band 6	\$850	

Band	Rate
Band 1	\$320.00
Band 2	\$400.00
Band 3	\$490.00
Band 4	\$630.00
Band 5	\$720.00
Band 6	\$850.00

Central Region	
Band	Rate
Band 1	\$320.00
Band 2	\$400.00
Band 3	\$490.00
Band 4	\$630.00
Band 5	\$730.00
Band 6	\$840.00

_	
Southern	Region
Soutien	Negion

Band	Rate
Band 1	\$310.00
Band 2	\$390.00
Band 3	\$480.00
Band 4	\$660.00
Band 5	\$810.00
Band 6	\$910.00





Procurement: Request for Application



IN-CONFIDENCE





# **Overview of the request and timings**





### **RFA – what you will have seen:**

# Request for Applications (Instructions)

Instructions on the process, timeframes, how to seek clarification, etc.

# Response Form (the application):

The form you need to complete to apply to join, inc. questions and information required.

#### **Draft Contract:**

The draft panel contract we are seeking feedback on.

#### **Service Specification:**

The service specification you will be contracted to (inc. minor updates from the current)

#### **Estimated Rates:**

The current estimated banded rates, noting these are being validated.

# **Procurement approach and phasing**

30 July 31 October 01 December Request for Assessments of Award of Applications applications contracts for (RFA) released against the contract start 16 June standards and date 1 December (for 6 weeks) due diligence







# **Timeframes for this process**

Tender process	
Release of the Request for Applications to providers	16 June 2025
Industry Briefing (this session)	03 July 2025
Deadline for questions	15 July
Deadline for submissions	30 July 2025
Assessment and award	
Due diligence & assessment	June to 30 August 2025
Notify providers	From 13 October 2025
Development of improvement plans (where applicable)	From 13 October 2025
Award of panel contracts	From 31 October 2025
Contract start date	01 December 2025

IN-CONFIDENCE



# Your response / application

The information we require from you





# **RFA Response Form**

You will have to complete an application form with the following sections:

- Business requirements & service sustainability
- Quality requirements
- Health & Safety
- Information security





### **Pre-conditions**

A pre-condition is an upfront test to ensure that providers can meet a minimum level of capability

Precondition	Description
Legal capacity	Confirm you are a registered legal entity (i.e. either business, trust, or incorporated society)
Join the open panel	Confirm that you will agree to joining the open panel of residential providers.
Financial capacity	Confirm that you can provide the required services under the 'CGH Pricing Model'.
Service specifications	Confirm that the services you provide match and meet the Community Residential Support Services service specification
Provider compliance with health and disability standards	Confirm that you understand that you must comply with Ngā Paerewa Health and Disability Services Standard NZS 8134:2021
Provider code of conduct	Confirm that you understand and comply with Supplier code of conduct in providing community residential services to disabled people



### **1. Service Delivery Model**

Question focus area:	What are we looking for:
Your service delivery model	<ul> <li>How you deliver services across your organisation.</li> <li>Cohort of disabled people you support / are able to support.</li> <li>Your organisational objectives, and whether they align to DSS.</li> <li>Where you support people, and how you provide support.</li> <li>Composition of workforce, and approaches.</li> <li>Other services you provide.</li> </ul>



### 2. Business Requirements and Service Sustainability

Question focus area:	What are we looking for:
Management and governance	<ul> <li>An understanding of how you are organised to manage and govern delivery of the services.</li> </ul>
Other services	<ul> <li>How these service may interact with other services you provide.</li> <li>Where there are synergies or benefits from other services.</li> </ul>
Skills and experience	<ul> <li>How you make sure your staff / resources have the required skills.</li> <li>How you maintain / build this skillset</li> </ul>



### 3. Quality Requirements

Question focus area:	What are we looking for:
Disabled person participation and voice	<ul> <li>How your organisation enables choice and control for disabled people in the care they receive.</li> </ul>
Safeguarding, abuse prevention and restrictive practices	<ul> <li>An understanding of the practices and controls your organisation has to ensure disabled people in your care are safe and free from abuse.</li> </ul>
Quality improvement	<ul> <li>An understanding of how your organisation improves the service provided to disabled people.</li> </ul>
Complaints management	<ul> <li>An understanding of the processes and practices in place to manage complaints in a constructive manner.</li> </ul>
Incident management	<ul> <li>An understanding of the practices and controls your organisation has to manage and/or prevent incidents.</li> </ul>
Quality audits and evaluations / independent investigations	<ul> <li>Demonstration and understanding of how you have responded to, or are responding to, any findings from audits or investigations.</li> </ul>
Accreditations	Where you may have been accredited by relevant organisations.



### 4. Health and Safety

Question focus area:	What are we looking for:
Provision of Safe care	<ul> <li>An understanding of the practices in your organisation to keep disabled people safe in care.</li> </ul>
Staff safety and Person Conducting a Business or Undertaking (PCBU) responsibilities	<ul> <li>An understanding of how you ensure staff are safe in how they perform their roles.</li> </ul>
Health & Safety reviews	<ul> <li>An understanding of how you improve your practices to ensure safety in your environments / operations.</li> </ul>



### **5. Information Security**

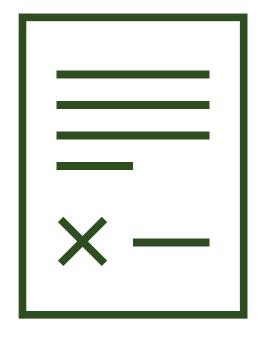
Question focus area:	What are we looking for:
Systems and processes	<ul> <li>An understanding of how you protect people personal information in line with the Privacy Act 2020.</li> </ul>
Retention of care records	<ul> <li>Understanding the processes and control you have to protect care records you hold.</li> </ul>

### **Contract feedback**

#### What are we looking for:

- We want your feedback!
- Whether it's on specific clauses or the practicalities of the contract as a whole.
- The contract is a draft we anticipate it will be updated prior to awarding contract.







### Other information to be provided

Question focus area:	What are we looking for:
Financial statements	<ul> <li>A requirement for public agencies to undertake appropriate due diligence of who we engage with – including liquidity and fiscal risk.</li> </ul>
Insurance	<ul> <li>An understanding that you are appropriately insured for the types of services you provide.</li> </ul>

IN-CONFIDENCE



# How we will assess applications





# **Assessing applications**

Based on your applications, we will be assessing:

Business requirements & service sustainability	Quality requirements
Assessing business continuity, viability and that the service delivery approach aligns to DSS expectations.	Assessing that the quality of services delivered meets the required standards including approach to safeguarding.
Health & Safety	Information security
Assessing that the providers have the required processes and policies in place to meet the required health and safety standards.	Assessing that the providers have the required processes and policies in place to meet the required information security standards.

+

#### **Other due diligence**

Where we may require other information we may undertake further due diligence including things like: reference checks, audit checks, past performance checks, visits, interviews, etc.



# **Assessment RAG rating**

Rating	Action
Green	Progress to further due diligence and contract award
Amber	Progress to award of contract will be contingent on actions identified in a joint improvement plan
Red	Do not progress to contract award

IN-CONFIDENCE



# Support, responses and contacting us





### Support

# Disability Support Services

Contact DSS Commissioning for support or clarification in responding:

dss\_commissioning@msd.govt.nz



Contact NZDSN for support, advice, and consolidation of feedback:

https://nzdsn.org.nz/contact-us/



# **Questions and Answers**

Reach out to the DSS Commissioning Team at: <u>dss\_commissioning@msd.govt.nz</u>

Q&A are being published on:

**Opportunities | Disability Support Services** 



# **Probity**

Probity refers to honesty and integrity, ensuring fairness, and maintaining accountability in decision-making and actions.

DSS has engaged an independent probity auditor to provide assurance that we are following good practice and are being fair in how we engage with the market.

If you have any concerns, please reach out to: Minnie Prakash - <u>minnie.prakash@mchalegroup.co.nz</u>

# Any questions?

You can also reach out to the DSS Commissioning Team at: <u>dss\_commissioning@msd.govt.nz</u>







# **Closing Karakia**

Kia whakairia te tapu Kia wātea ai te ara Kia turuki whakataha ai Kia turuki whakataha ai Haumi ē. Hui e. Tāiki ē!