

Fact sheet

Funding freeze on residential care lifted on 1 July 2025

Information for disabled people, their whānau and carers

April 2025

Following the [2024 Independent Review](#) of Disability Support Services (DSS), current levels of funding for residential care were frozen, while an urgent review of the contract and pricing models was carried out.

Needs Assessment and Service Coordination organisations (NASCs) and Enabling Good Lives (EGL) sites need to prioritise entry to residential care to those with the highest need within their available budgets.

The freeze did not refer to the number of people who could access residential care. Disabled people continued to come into and leave residential care services.

DSS funds services and support for about 50,000 disabled people, including about 7,200 people who live in residential care. It also funds a range of other services including equipment, home and vehicle modifications and Child Development Services.

About half of all DSS funding is spent on residential care

What lifting the funding freeze means for disabled people

When the funding freeze is lifted, disabled people are unlikely to notice any immediate changes.

NASCs and Enabling Good Lives sites will continue to be responsible for prioritising decisions on residential care packages.

They will also continue to hold responsibility for determining:

- if you meet eligibility for DSS support, and
- what that support looks like – it may be residential, or it may be at home in the community, with the right support.

Your NASC or EGL site is committed to working collaboratively with you and your whānau to help you access the supports you need.

If you have concerns about the services and supports you, or someone you care for, receive, please contact your NASC or EGL site. They will be able to discuss this with you.

DSS is committed to making future improvements. This includes strengthening the quality and safety of disability support services, and providing more options for disabled people who are looking for residential care.

What lifting the funding freeze means for NASC and EGL sites

NASCs and EGL sites will still need to prioritise supports and services to those that need them the most.

When the pricing freeze is lifted NASCs will have more flexibility to work with disabled people and their families to find the best options to suit them, whether these are in the community or residential care.

Will there be changes to NASC and EGL budgets?

NASC and EGL site budgets will be confirmed following the Government's annual Budget announcements in May 2025.

Find out more

More information on the Community Group Home Pricing Model, is available on our website:

www.disabilitysupport.govt.nz/cgh.