

14 April 2016

Mark Brown  
Chairperson  
NASCA

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Dear Mark

Re: NASCA Management Fee

Thank you for the letter about NASC Management fees and the offer to work together to find a way of ensuring the NASC role is valued and organisations can keep skilled and qualified staff.

I want to acknowledge the close relationship Disability Support Services (DSS) has with NASCA, directly through funded support of your organisation and indirectly through the open way we have been able to communicate and work together to improve the service provided by NASCs to our disabled clients.

While I understand the concerns noted in your letter, and the request of both more funding to address these and a change in the way funding is spread across NASCs, you will appreciate that DSS has to work within its available funding. I have shared openly in a number of NASC forums our financial position and I regularly acknowledge the key role NASC is playing in managing demand pressures.

NASC play a critical role in the wider disability support system supporting the more than 32,000 people who access funded supports each year. We are always open to working with you to find efficiencies and ensure we have the best range of skills and experience available. Part of this work will be as a result of the current DIAS/NASC review.

In response to your specific questions and information requests it is not possible for me to answer each individually as the information is not held or not easily available. We do not hold information on NASC staff remuneration as we do not fund by FTE or have a set case-load requirement. The funding we receive through our annual appropriation is not linked to inflation.

The current NASC management funding method has been explored in some depth at the NASCA Reference Group meetings in the past. The topic was covered most fully in 2013 during the April and August NASCA Reference group meetings in preparation for the contract variations at the time.

In summary, we have explained to the current NASCA reference group members that the NASC funding method was developed jointly by a working group comprising DSS staff and NASCA representatives in 2006.

The work considered the existing service specifications (these specifications are still in use but due for review) and held the underlying assumptions that on balance NASC were meeting the service specification requirements and servicing the population they covered well. This was a position held by NASC organisations and agreed by DSS.

Cost information was gathered from each NASC. The process did not seek to challenge each NASC's existing structure, efficiency or management effectiveness. The information provided by each NASC was signed as accurate and true. In addition information was collected about regional populations, ethnicity, region size and population distribution.

As part of the pricing approach it was agreed that raw data provided by NASC was not to be shared. Data was sent directly to financial analysts who completed the analytical pricing work in line with the process the group agreed. Where information was discussed by the group it was aggregated and all working group members committed to hold any information in confidence. NASC representative members consulted with the wider NASC as needed and all NASCs agreed the final position.

Since the pricing work with NASCA in 2006, DSS has applied a consistent percentage increase to NASC as funding has become available. As well as regular funding increases, DSS has supported NASC through other initiatives. These include developing and managing the national NASC database, introducing and funding specific training and external development opportunities for NASC, investing in national process support, investing in national practice support and opening access to self-directed national training initiatives through the Te Pou organisation. Over the last three years DSS was able to apply additional funding to support change and development as it occurred in process and practice eg ASD eligibility, Funded Family Care, quality improvements.

You also raise the issue of comparing NASC roles to the developing LAC and equivalent EGL roles of Navigation and Connector.

I am aware of the level of resource made available to the LAC and EGL initiatives and that this level of investment translates to being able to spend much more time working with individuals. We know that LAC and Navigation cannot be directly compared with Needs Assessment and Service Coordination, the roles and resources are different. We have discussed this regularly at the NASCA reference group and I also make this point when engaging with the EGL and LAC work groups. If there is something you think we can do to provide more clarity on this issue to the disability sector I would welcome those suggestions.

One result of the current NASC/DIAS review led by Sapere might be a clearer understanding of how to develop NASC functions further. Any significant future change in this area is likely to need a new pricing approach. DSS is open to working with NASCA on this.

The Ministry is committed to its ongoing support for NASC organisations and I am always willing to discuss or receive any suggestions which may improve our processes.

Yours sincerely



Toni Atkinson  
**Group Manager**  
**Disability Support Services**