Local Government
Association of NSW

Shires Association of NSW

Our ref: R90/00128 Out-14002
Further contact: Esther-Tina McGrath

30 July 2006

Ms Jackie Ohlin
Senior Committee Officer
Public Accounts Committee
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Ms Ohlin

I write in response to the NSW Parliament Public Accounts Committee Inquiry into the Home and Community Care (HACC) Program.
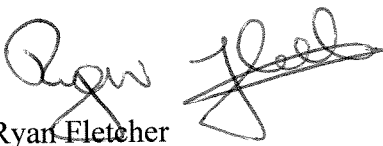
The Associations acknowledge the importance of this Inquiry and will briefly highlight the key points from a Local Government perspective.

However, in view of the evolving nature of responses to these issues we hope to be able to elaborate on the basic points at a later hearing, when councils may have had an opportunity to give us further feedback.

The Associations draft submission is attached. Please note that this submission will remain draft until the Executives have the opportunity to consider it at their next meetings. I will contact you if there are any changes.

If you have any questions please contact Esther-Tina McGrath, Senior Policy Officer, Ageing and Disability on 9242 4159 or tina.mcgrath@lgsa.org.au

Yours sincerely

Ryan Fletcher
Director – Policy and Research

Local Government and Shires Associations of NSW
Draft Submission to the NSW Parliament Public Accounts Committee Inquiry into Home and Community Care Program.

Introduction:

The Local Government Association and Shires Associations of NSW welcome the opportunity to offer comment to the Public Accounts Committee Inquiry into the Home and Community Care (HACC) Program.

The Associations represent general purpose councils, county councils and Regional Aboriginal Land Councils in NSW. The Associations represent Local Government, provide services to councils and facilitate the development of an efficient, effective, responsive, community-based system of Local Government in NSW.

While NSW standards of living remain high compared to many countries around the world, our communities expect better co-ordination from governments to produce more effective outcomes at the local level.

The LGSA submission to the Inquiry unashamedly takes a community, rather than an individual council perspective. It is also predicated on the notion that communities, including older people and people with a disability, expect governments to work together to sort out "who does what" best.

In general terms older people and people with a disability are interested in contributing to their own well-being and want a say in key decisions which affect them. From a range of perspectives the voice of older people and people with a disability and their capacity to influence their welfare and amenity has been lost with a greater degree of centralisation to the State and Australian governments.

It is time for a new approach to strengthening the services which are provided to older people and people with a disability which is built on better data and information, clear objectives and pre-determined outcomes. The Committee's inquiry is therefore timely.

The Association's and the Local Governments they represent want to acknowledge the commitment of the various State and Australian government agencies to older people and people with a disability.

The Associations understand that the terms of reference are that the Committee is to inquire into:

1. The efficiency and effectiveness of the joint arrangements by the Commonwealth and NSW State Government for approval of the annual expenditure plan for the HACC program, with a focus on the timeliness of agreement of the plan and discharging of grants;

2. A follow-up inquiry of the Auditor-General's review of the NSW Home Care Service in terms of:
   a. Strategies for addressing unmet need in the context of growing demand for services from eligible parties
   b. The effectiveness of Home Care Service processes for managing access to services, across service types
   c. The extent of consumer input to Home Care Service Design, management or delivery of programs and other mechanisms for assessing service quality

d. The implementation by DADHC and Home Care Service of systems and processes to plan, monitor, report on and improve accountability of the service; and

3. Any other relevant matters.

Local Government has a big role in identifying, providing and facilitating the provision of facilities and services which meet the needs of older residents and residents with a disability to maximise their quality of life and wellbeing. The Associations therefore strongly support an inquiry into the effectiveness and efficiency of HACC Program.

In line with our published policy statements Local Government recognises that older people and people with a disability have a right to quality facilities, services, and programs that enable them to remain living in their own homes and active in their communities. The Associations' policies on older people, people with a disability, community planning and community services provision are available in further detail at the end of this report (see Appendix 1)

1. The efficiency and effectiveness of the joint arrangements by the Commonwealth and NSW State Government for approval of the annual expenditure plan for the HACC program, with a focus on the timeliness of agreement of the plan and discharging of grants;

The Associations believe that the delay in the approval of expenditure and release of grants results in the following:
- Delayed service to consumers;
- Inhibited ability of services to extend and expand home support services;
- Difficulty in the planning and management of service provision;
- Implications for the financial acquittals process of funded organisations due to close proximity to the end-of-financial-year release of grants resulting in some instances in the unplanned accumulation of funds; and
- In some instances, strategic planning for HACC growth being made more complex due to new planning cycles commencing prior to the outcomes of the previous funding rounds being approved and made public.

We are aware this view is shared with the Council of Social Services of NSW and other peaks.

These delays are seen to be largely the result of the joint arrangements by the Australian and NSW State Government approval process and the inability to agree and then approve the annual expenditure plan referred to as the HACC State Plan. Adding to this is the delay between the handing down of Australian and State Government budgets and the release of the funding.

The relevancy of undertaking the HACC planning process consultations each year and the validity of the results is questionable given that planning cycles commence prior to the outcomes of previous rounds being made public. In addition to this the timeliness between the agreement of the plan and discharging of the grants also needs to be streamlined.

Also affecting the release of grants has been the failure of strategic planning processes to keep up with Local Government boundary changes. As a result of the boundary changes HACC funding allocations have not yet been renegotiated which has led to difficulty in service users accessing appropriate support as well as the community care service providers trying to negotiate appropriate support for clients in areas where the boundaries have been changed.

Without clear processes and lines of communication situations such as failure to renegotiate existing funding allocations as outlined above add to the problems faced by HACC funded services in the provision of service to those most in need. This adds to the accumulation of unspent funds and resources being allocated to areas where there is less need or where no assessment of priority of need has been undertaken.

Possible suggestions for improvement to the planning and grants process include:
- The Australian and State Governments signing off on core elements of the HACC State Plan in advance of Australian and State Government budgets;
- The development of a memorandum of understanding about the process and timeframe for approvals of HACC State Plans;
- The implementation of three year funding cycles;
- Streamlining the acquittals process; and
- An accelerated process for the allocation of accumulated unspent funds.

With all the concerns we have demonstrated about the HACC Planning Process it may be timely to take a step back and redesign the process from top to bottom. As we have noted the HACC Planning Process has strengths and weaknesses. The Inquiry may provide the impetus needed to redesign the process in a genuinely collaborative way across the three spheres of government, the non-government and private sectors. For the redesign to be truly successful a commitment would need to be provided by central governments to maintain all stakeholders funding and provide funding growth through proportional allocation and indexed escalation. This would mean that all parties agree that over the next year (or two) HACC growth funding be given to all existing services on a proportional allocation, whilst high level intergovernmental work on developing a revised HACC planning system that overcomes the problems that have become entrenched in the funding system be undertaken.

2. A follow-up inquiry of the Auditor-General's review of the NSW Home Care Service...

The 2004 Performance Audit undertook to review the effectiveness and economy and efficiency of Home Care. The Associations are unable to provide comment on the Effectiveness or the Economy and Efficiency of the service as there has been no public reporting against the Performance Review recommendations or review criteria.

As Home Care has approximately a third of the HACC budget and is the largest HACC provider in the State it is disappointing to note that there has been no public release of information.

The Associations support what the Performance Audit was trying to achieve by setting effectiveness and economy and efficiency criteria to ensure transparency of management and accountability and input from the community and consumers.

a. Strategies for addressing unmet need in the context of growing demand for services from eligible parties

The Auditor-General's report found that there was a widening gap between those in need and those who receive assistance with at least 50 percent of those eligible to receive assistance missing out. The NSW HACC Issues Forum has been informally advised by DADHC that Home Care only maintains a waiting list for the High Needs Pool (HNP) but not for other services due to it being resource-intensive.

There are therefore individuals who have been assessed as needing a service but may not be receiving one. Without an accurately maintained waiting list across all service areas of Home Care it is extremely difficult to determine the actual level of need and satisfaction with current levels of service provision.

The Associations are concerned that there is no clear eligibility criteria for fairer access to services. NSW is rapidly ageing both numerically and structurally. In order to adequately plan for population ageing and the level of service provision required, a policy should be implemented to measure and monitor all levels of unmet need, and not limited to those as being assessed as part of the HNP.

Local Government has extensive interaction with older people and people with a disability and believes that their standard of living and quality of life would be significantly improved if the following areas of unmet need are addressed:
- Home modification
- Therapy services for both adults and children with a disability
- Community Aged Care Packages
- Residential Care (identified waiting time 6mths for high care and a couple of years for low care)
- Respite (including overnight respite & longer term)
- Respite for people from culturally and linguistically diverse backgrounds (CALD)
- Access to additional centre based day care for people living with dementia (including CALD)
- Domestic assistance for people with low level support needs
- Access to allied health services such as speech therapy, occupational therapy and podiatry services
- Access to individual transport (medical appointments and social outings)
- Transport for community organisations
- Ageing carers and older people who have had a life long disability
- Assisted shopping services
- Equitable geographic spread of services (In rural and remote areas where HACC services are centralised in some instances this has meant that one service isn't able to cover the whole of the LGA.)

This list of the level of unmet need in relation to the HACC target group is not exhaustive and has been identified through a variety of mechanisms such as the social planning process, stakeholder meetings when developing ageing strategies to plan for population ageing, and as part of Council's role in servicing the needs of their community.

The Australian Local Government Association (ALGA) recently conducted a survey of Local Government to gauge awareness of population ageing within Local Government and to determine the level of Local Government action on population ageing issues. The survey found that Councils in regional, rural and remote parts of Australia believed that the impact of population ageing will be severe in the areas of home and community care and transport services. [1]

In addition to this the survey found that some 'councils are bearing the cost of addressing the demand gaps in home and community care services'. Further evidence of funding inadequacies and demands for additional services can be seen by the various conference resolutions pertaining to the HACC target group population. (See appendix 2)

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[1] ALGA Ageing Awareness and Action Survey Report, April 2006
www.alga.asn.au/ageing

The recent Independent Inquiry into whether Councils are financially sustainable[2] confirms that Local Government faces serious financial sustainability questions and will not be in a position to meet the gaps in HACC and Health services and continue to maintain and develop areas of service such as infrastructure and roads.

It is therefore recommended that the NSW Government negotiates for appropriate resource allocation and an increase in funding to the HACC Program. The Associations Pre-Budget Submission called for an increase of 20% as allowed under the HACC Act until the level of unmet need is addressed.

b. The effectiveness of Home Care Service processes for managing access to services, across service types

The Local Government (General) Regulation 1999 requires all councils in NSW to develop a social/community plan. It is intended that the Social Planning process will assist councils in addressing the needs of their local communities. Part of this is developing a demographic profile of their local community and conducting a needs assessment of mandatory target groups as well as broad community needs.

Evidence from councils' Social Planning processes have shown that issues consistently raised by older people and people with a disability have been access to accommodation, health, transport, access to the built environment, personal safety and HACC programs such as personal care, housekeeping, respite and gardening/home maintenance.

This highlights the need for DADHC and HCS to improve communication between community care programs such as HACC, CACP's, Veterans Home Care and other systems such as health, residential aged care, housing and disability support programs. This also needs to incorporate the needs of Aboriginal people, CALD, carers, people with dementia and people living in rural and remote areas.

As data is only kept by HCS on those requiring access to the HNP the actual level of unmet need across service types is hard to determine. Flexibility in the HACC service system and enhanced integration between aged care, community care and health programs across the different levels of government is required to increase responsiveness and reduce inequalities of service between individuals presenting with high or low care needs.

The Associations support the exploration of different models of service especially where the care needs are short term or episodic if the HACC service system is to be responsive and move beyond crisis management.

c. The extent of consumer input to Home Care Service Design, management or delivery of programs and other mechanisms for assessing service quality

The Associations support the recommendation as outlined in the Auditor-General's report that "DADHC introduce a standard approach for HCS regularly conducting client reviews that assesses individual need and satisfaction with services."

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[2] LGSA Are Councils Sustainable? Final Report, Independent Inquiry into the Financial Sustainability of NSW Local Government, May 2006

A standard approach would assist in the monitoring of service quality and provide measurable comparative data across the State. Consultation with potential HACC users and peak stakeholder bodies would also assist HCS to ensure consumer input into service design, management and delivery of programs. This would also allow strategic and future planning to meet the changing needs of the HACC target group population.

d. The implementation by DADHC and Home Care Service of systems and processes to plan, monitor, report on and improve accountability of the service; and

The Associations are aware that DADHC is currently rolling out the Integrated Monitoring Framework used for quality assessment and governance/provision monitoring for all DADHC funded services. As a major Government provider and the largest HACC provider in the State it is envisaged that HCS will also be subjected to the same monitoring standards as other HACC funded services. As HCS is a business unit of DADHC it is unclear how the Framework will be applied.

As mentioned earlier in the submission as there has been no public reporting against the recommendations as made in the Auditor-General's report. It is difficult to ascertain HCS level of accountability and transparency of service in relation to the HCS systems and process to plan, monitor, report on and improve accountability of service. Clarification of these arrangements would be desirable.

3. Any other relevant matters

Australia's population aged 65 and older is projected to increase from 2.5 million (12%) in 2002 to 4.2 million in 2021 (18%). NSW currently has 19 local government areas (LGAs) with more elderly than children. By 2022 this will have increased to 135 LGAs which equates to approximately 90%. Based on this figure over a quarter of the population in most LGAs will be aged over 65. Population ageing pressures will continue to escalate and is considered to be one of the major long term challenges of change facing councils throughout Australia.

In 2004 the Associations commissioned a report examining population ageing and the potential impacts on Local Government titled *Planning the local government response to ageing and place* (See appendix 3). Communities expect Local Government to anticipate these trends and plan infrastructure and services accordingly at the local level.

The report identified that population ageing would mean an increase in demand for infrastructure, facilities and services (or non-regulatory) functions. The impact of these demands on the service functions would be of most concern to the:
- 47% of councils with ageing and disability development staff
- 39% of councils with Senior Centres
- 28% of councils with HACC Centres
- 28% of councils with Community Transport
- 24% of councils with Food and Meals on Wheels Services
- 24% of Councils with Respite Care
- 10 of Councils with Community Options services
- 10% of councils with Home Maintenance and Modification
- 6% of councils with Community Aged Care Packages
- 91% of councils support seniors week
- 86% of councils facilitating development of new facilities, services or activities ageing people.

The impacts on these functions will involve increased demand for more and very possibly qualitatively different community care services such as:

- ageing and disability planning, development and coordination staff
- HACC Centres
- food and meals-on-wheels services, respite care services, community options services, aged and
- disabled transport services, home modification and maintenance services, community aged care
- packages and similar emerging approaches, other existing and emerging HACC services (especially new service approaches to dementia and to social isolation)
- practical supports such as gardening, shopping, laundry services, and cleaning to complement
- personal care needs of high support clients.
- carer's support services; research and policy development in order to identify and meet support needs of carers, and
- overlayed with continuing/renewed emphasis provision of accessible, culturally appropriate information and services

A significant overhaul of HACC planning and funding needs to be undertaken if we are to actively plan for an ageing population and the increases in demand for service provision as a result. Part of this will need to include a look at demand for services in terms of the emerging needs rather than relying on the existing model of HACC service provision which is clearly unable to cope with the existing level of demand based on the current level of resources allocated.

The Independent Inquiry into the Financial Sustainability of Local Government found that 25% of Councils are not financially sustainable and many more are facing significant challenges. This will have a serious impact on Councils ability to plan for an ageing population and operate effectively to meet the needs of their local communities.

As Local Government's revenue raising capacity is mainly restricted to property rates in an environment of rate pegging and regulated fees and charges. Councils face the dilemma of competing demands on resources for infrastructure and services without the ability to generate the funds to ensure the sustainability and appropriate growth of Local Government community care services.

This is particularly evident for councils in regional, rural and remote areas where they also fulfill the role of being the main provider of social infrastructure and services such as aged care facilities, transport, and medical services. If Councils are to be able to improve their capacity to provide an adequate level of service there needs to be an allocation of sustainable grant funding and an increase in HACC Growth Funding. The Associations will continue to advocate that Australian and NSW State Governments provide appropriate levels of funding for the HACC program so that demand for services can be met.

Again it can be said that a significant overhaul of HACC planning and funding needs to be undertaken if we are to actively plan for an ageing population and the increases in demand for service provision.

Conclusion:

Therefore in conclusion the Associations make the following recommendations:

- That a significant overhaul of the HACC planning and funding process be undertaken with consideration given to the following:
    - The Australian and State Governments signing off on core elements of the HACC State Plan in advance of Australian and State Government budgets;
    - The development of a memorandum of understanding about the process and timeframe for approvals of HACC State Plans;
    - The implementation of three year funding cycles;
    - Streamlining the acquittals process; and
    - An accelerated process for the allocation of accumulated unspent funds.
    - Redesigning the process across the three spheres of government, the non-government and private sectors.
- That the NSW Government negotiates for appropriate resource allocation and an increase in funding to the HACC Program of 20% to assist in addressing the current level of unmet need.
- That the HACC planning and funding processes utilise a model which incorporates emerging needs as opposed to relying on the existing model of HACC service provision.
- That central governments explore different models of service especially where the care needs are short term or episodic.
- That communication be improved between community care programs such as HACC, CACPs, Veterans Home Care and other systems such as health, residential aged care, housing and disability support programs.
- That the transparency of management and accountability of Home Care Service be improved through the public release of information and input from the community and consumers.
- That Home Care Service introduces clear eligibility criteria for fairer access to services through the implementation of a policy to measure and monitor all levels of unmet need.

The Associations commend the Committee for conducting this Inquiry and hope to be able to elaborate on and explore with the Committee the basic points at a hearing, when councils have had more of an opportunity to give us feedback.

Appendix 1

Extract from Local Government Association of NSW and Shires Association of NSW Policy Statements

Community planning

Community or social planning must involve co-operative needs-based analysis, which includes the identification of the most appropriate service delivery model and agent.

Local Government:

- is the primary planner at the local level, especially in measuring and mitigating the impact and maximising the benefit of developments (social impact assessment), in local community facilities planning (including s94 planning), in preparing Social/Community Plans under the Social and Community Planning Regulation and in the social aspects of plan making under the Environmental Planning and Assessment Act.
- promotes integrated planning between council sections to integrate social/community, cultural or housing planning with physical and corporate planning, seeking whole-of-council responses to issues.
- promotes integrated planning between council, other spheres of government and the non-government sector to integrate social/community, cultural or housing planning, seeking whole-of-government responses to local, regional or state issues.
- ensures its social/community planning under the regulation includes demographic and needs data relating to children, young people, women, older people, people with a disability, people from culturally and linguistically diverse backgrounds, and Aboriginal and Torres Strait Islander people.
- Recognises its social/community planning under the regulation can build beyond that required in the guidelines called up by the regulation covering housing, culture, crime prevention, gay, lesbian and transgender communities and other groups or functions of local importance.
- will actively engage citizens in its social/community planning and resulting development activities to maximise the use of local skills to craft local solutions to local problems.

Local Government seeks:

- the State and Commonwealth Governments and their agencies ensure that rigorous social impact assessments are conducted on any policy, program and development changes that may effect local communities
- the State Government formally recognise councils' social or community plans under the Social and Community Planning Regulation, and formally use these plans in State agency planning processes
- the State Government formally recognise and resource councils' planning and development work under programs such as the Area Assistance Scheme (AAS), Community Services Grants Program (CSGP) and the like and adequately resource these roles.
- the State Government formally recognise and resource councils' social/community planning and administrative role in the Community Development and Support Expenditure Scheme (CDSE) and ensure maximum participation of registered clubs, where Local CDSE Committees are required.
- the Commonwealth Government formally recognise councils' social/community plans under the Social and Community Planning Regulation, and formally use these plans in Commonwealth human service agency planning processes.

Local Government is an ideal provider of community services because of local positioning, democratic accountability, financial accountability, stability and organisational infrastructure.

Local Government:
- provides those community services that are identified through and which complement its social/community planning and therefore are in response to clear articulated needs
- ensures its community services remain consumer orientated, responsive and flexible
- ensures its community services pursue continuous improvements in the standard of facilities, in services, in human relations, in costs and in competitiveness in response to the needs of the community.
- ensures services are available, free from any form of discrimination on the basis of gender, marital status, sexuality, language, culture, race, religion, disability, status or age.

Local Government seeks:
- State and Commonwealth Government funding and purchasing arrangements for local government and non-government organisations be predictable, administratively simple and negotiable within the agreed overarching goals of any given program
- State and Commonwealth programs permit and promote the development and use of rural and remote models where appropriate to mitigate the disadvantage arising from location, including adequate financial provision for travel costs of outreaching services to remote or isolated communities
- State and Commonwealth programs provide sufficient finance to ensure all charges in partnership or funded programs are affordable
- State and Commonwealth programs apply the principles of social justice in the provision of community services and in any restructuring of such programs
- continuity of funding particularly for the coordination and provision of core services and administrative facilities for State and Commonwealth programs.

Local Government recognises that older people have a right to quality facilities, services and programs that enable them to remain living in their own homes and active in their communities.

Local Government:
- identifies, provides or facilitates the provision of facilities and services which meet the needs of older residents to maximise quality of life and well being
- assists older residents to remain in their local community by facilitating appropriate infrastructure and facilities, adequate support services and housing options
- recognises the importance of including older people in council's planning and other activities relating to infrastructure
- provides or facilitates the provision within the local community of services and programs relevant for all older people, regardless of their health status, gender, marital status, sexuality, language, culture, race, religion, disability or status.
- recognises and supports Seniors' Week as an important vehicle to recognise the valuable contribution older people make to their community through respect, inclusion and being sensitive to the needs of older people.
- recognises the important role Seniors' Centres play in local communities.
- supports initiatives which encourage government, non-government and private sector employers to develop more flexible work practices and attitudes that are supportive of the continued participation of mature workers in paid employment.

Local Government seeks:
- Commonwealth and State Government adequately resource residential, community care programs (such as Home and Community Care) and healthy ageing programs to meet the real and growing level of need amongst older people and their carers.
- Commonwealth and State Governments provide funding to Local Government to up-grade Seniors' Centres so that they are physically accessible to all residents and to provide for recruitment and employment of staff at Seniors' Centres.

Local Government recognises that people with a disability have a right to quality facilities and services that enable them to live and fully participate in their communities.

Local Government:
- recognises the importance of including people with a disability in council planning and regulatory activities relating to infrastructure and council social/community planning
- develops local Disability Discrimination Act Action Plans and leads their implementation.
- seeks to improve access to existing Local Government infrastructure and facilities as resources permit and in accordance with the local Disability Discrimination Act Action Plan
- ensures physical access to all new Council infrastructure and facilities
- encourages improved physical access to community and privately owned publicly accessible facilities
- ensures that local pedestrian networks are accessible to all people in the community
- identifies, provides or facilitates the provision of facilities services and housing options which meet the needs of people with a disability to maximise quality of life and wellbeing and remain in their local community
- provides or facilitates the provision of local support services and programs relevant for all people with a disability, irrespective of their gender, marital status, sexuality, language, culture, race, religion, or status.
- pursues work practices which do not discriminate against people with a disability

Local Government seeks:
- The Commonwealth and State Governments develop a framework for funding improvements to public infrastructure to comply with the requirements of the Disability Discrimination Act.
- The Commonwealth Government make available resources to enable Local Government to modify infrastructure to comply with the requirements of the Disability Discrimination Act.

Appendix 2

Local Government and Shires Associations Conference Resolutions

- That this conference calls on the federal government to provide capital funding for short term, high care level facilities for the aged, to complement its "ageing in place" policies. (Resolution 19 Local Government Association Conference 2002)

- That the Local Government Association make representations to the State and Commonwealth Governments to emphasise that the current level of funding for Home and Community Care (HACC) services is inadequate and fails to meet the needs of our aged and disabled population. (Resolution 30 Local Government Association Conference 2002)

- That the Executive urgently lobby the Hon C M Tebbutt MLC, Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth, to:
  1. recognise the crisis being faced by community-based organisations funded under the Community Services Grants Program (CSGP) who, due to the current funding freeze, are having to reduce hours and close services targeted at disadvantaged and marginalised communities; (Resolution 22 Local Government Association Conference 2003)

- That the Department of Veterans Affairs:
  1. be requested to formally advise councils who auspice Community Transport Services of any proposed changes to current provision of medically related transport for its clients through community transport services in rural /regional areas.
  2. establish an advisory committee, with a minimum of three representatives of community transport representatives and three client representatives from rural / regional services prior to the implementation of any changes to ascertain the affects such changes may have on clients, particularly in country regions.
  (Resolution 23 Local Government Association Conference 2003)

- That State and Federal Governments be lobbied for additional funding for Home and Community Care (HACC) services. (Resolution 186 Local Government Association Conference 2003)

- That the Local Government Association make representations to State and Federal Governments for increased funding for health related community transport. (Resolution 18 Local Government Association Conference 2004)

- That the Shires Association of NSW lobby both State and Federal Governments for improved funding for Aged and Disability Services. (Resolution 119 Shires Association Conference 2003)

- That the Grants Commission Schedule of Disability Factors, include an assessment of the provision of subsidised medical services by local communities. (Resolution 24 Shires Association Conference 2003)

- That the Shires Association lobby the NSW Treasury to set up a pool of funds to be made available to Local Government, on an interest free loan basis, to provide medical facilities, e.g. Doctors' surgeries for their communities. (Resolution 25 Shires Association Conference 2003)

- That the Shires Association of NSW lobby for capital funding to be incorporated into Home & Community Care Program to cater for changes in service delivery. (Resolution 15 Shires Association Conference 2004)

- Ministers for Community Services and Ageing, Disability and Home Care to have the NSW government adopt as a matter of policy a model for preferred co-location of HACC and related community services operating in rural and regional communities and that adequate project feasibility/planning funding is allocated, whenever redevelopment or upgrade of such services in a community is planned. (Resolution 16 Shires Association Conference 2006)

- That the Shires Association make urgent representations to the Minister for Health regarding the price hike on Meals on Wheels and the reduced standard of meals. (Resolution 23 Shires Association Conference 2006)

Appendix 3

Executive Summary – 'Population ageing is everyone's business' Local Government Association of NSW and Shires Association of NSW Policy Statements

Planning the local government response to ageing and place is intended to offer a framework to assist councils begin to plan for the population ageing unique to their area by:

- providing information on what is happening with general population trends
- providing population projection information for each local government area
- providing information on the existing and likely diversity amongst older people
- providing evidence on what population ageing means for all roles that councils performs
- encouraging councils to examine their numbers and proportion of older people and their rate of population ageing, in conjunction with the evidence on impacts, to identify what roles they may need to change and when.

The Associations hope the paper will lead to heightened awareness amongst councillors and staff that population ageing is everyone's business. In local government population ageing effects strategic and statutory planners, infrastructure providers from traffic engineers to water engineers to parks managers, community care services staff, library staff, rates clerks, environmental health officers engaged in regulatory health protection, recreation staff, and human resource managers to name a few.

The Associations hope the paper will assist councils to plan appropriate changes to activities and services at a rate that matches the increase in the numbers or proportions of older people in the council populations. As the impacts of population ageing range across nearly every role councils perform, there is a significant opportunity to give meaning to the idea of 'whole-of-council' planning.

Section 2 covers *the population background.*

This section gives information on the demographics, long term trends, and different speeds of population ageing amongst different nations, states and local government areas.

At the beginning of the nineteenth century 4 percent of the Australian population were aged over 65. By 2004 this percentage has risen to 13% and is projected to rise substantially further.

It is clear that there will be a significant increase in the proportion of older Australians in the Australian population. It is also clear that Australian demographic regional and sub-regional differences will be marked, with population drivers changing and gaps accelerating and with the speed of ageing varying. There will be significant growth in some regions and decline in others.

Like the rest of Australia, the population of NSW is ageing.

NSW is ageing numerically, as improvements in life expectancy bring about an increase in the numbers at old age.

NSW is ageing structurally, as the declining birth rate brings about a decrease in the proportion of the population that is young and an increase in the proportion that is aged.

As elsewhere, these two dimensions will soon come together, as the Baby Boomers contribute to both the numbers and proportions at old age. If the birth rate remains low or continues to fall, the population will shift from a long-term experience of *natural increase* (where births exceed deaths) to *natural decline* (where deaths exceed births). This is expected to occur in Australia sometime during the 2030s.

At national level (and in some states), increased migration levels may postpone this outcome for a short while, but will not change the situation in the longer term. The numbers required are simply too great and there will be increasing global competition for skilled migrants.

These changes are ushering in unprecedented challenges for all spheres of Australian Government. There will be no overall 'net' effect – they will bring with them both positive and negative effects, and different institutions will experience these effects quite differently.

It is of major significance for Australia's councils that the phenomenon is unfolding at markedly different rates across local government areas. Data profiles for individual NSW councils will be found at www.lgsa.org.au.

In 2004 the number of people in Greater Sydney is 4,246,081 and the percentage 65 years and over is 12% whilst the number of people outside Greater Sydney (NSW Balance) is 2,506,006 and the percentage 65 years and over is 15.8%.

By 2022 the number of people in Greater Sydney will be 4,947,332 and the percentage 65 years and over will be 17.1%. The number of people outside Greater Sydney (NSW Balance) will be 2,736,661 while the percentage 65 years and over will be 23.6%.

By 2051 number of people in Greater Sydney will be 5,652,500 and the percentage 65 years and over will be 24.3%. The number of people outside Greater Sydney (NSW Balance) will be 2,703,100 while the percentage 65 years and over will be 32.2%.

When we look at current and projected age structures in 2022 for Greater Sydney and NSW Balance differences are clear. The age structures for Greater Sydney look similar to those for total NSW but those for NSW Balance differ greatly. While both show conventional structural ageing, those for NSW Balance show a visible net migration-related loss at the younger working ages whereas those for Greater Sydney show evidence of net migration gain over these ages.

When we look at structural ageing in terms of the ratio of older people to children, and the ratio of those at labour market 'entry age' (15-24 years) to those at labour market 'exit age' (55-64 years) there is reason for forward planning. From around 2016, NSW will have a greater number of older people than children, and more labour market exits than entrants. These unprecedented crossovers will occur somewhat earlier in NSW Balance (around 2010-2012) and a little later in Greater Sydney (around 2020-22).

Section 3 covers *the people context*: This section gives basic information on ageing people emphasising 'diversity' from sociological, psychological and cultural perspectives.

Older generations Centenarians are the nation's fastest growing age group, with an apparent 40-fold increase over the 20th Century that is led by men who have improved their survival rate between the ages of 80 and 100 years. Those born in the first and second decades of the 20th Century were largely born in Australia, UK and Ireland, received primary education, and were effected by the First World War, the Depression and the Second World War. They managed to become homeowners. The older group saw the men retiring at traditional retirement age in the 1970s, with couples staying on in their post-war homes. For the slightly younger group the men retired, many before the official retirement age due technological and workplace change in the 1980s. There has been a tendency for women's husbands to predecease them.

Lucky Generation Those born in the third decade or the 1920s are deemed the Lucky Generation. Whilst their childhood and adolescence were effected by the Depression and the Second World War they regard themselves as luckier than their parents' generation. They were spared the challenges of their parents and believe enduring the hardships of the Depression was a good preparation for their subsequent more comfortable existence. They are joined to an extent by the Silent Generation born in the period 1931-46. Many left education at 15, although a higher percentage than previous groups continued to tertiary education. The Australian born tended to be better educated than their immigrant peers. They all entered a buoyant labour market after the Second World War and many married and bought homes in the 1960s. Both groups are seen as a having jobs and marriages for life and practiced thrift over long periods that has provided many of them with reasonable retirement incomes.

The Baby Boomers were born in the period after World War 2 until the 1960s. Boomers had a start full of the promise of an endless prosperity, followed by turbulence and hardship in their middle years. The baby boom was the product of two other booms – the marriage boom and the economic boom that ran from the late 1940s to the early 1960s. They were also the children of the Cold War. This gave rise to two contradictory beliefs: the belief in a rosy future and the concurrent belief in the possibility of no future at all. The Baby Boomers are often characterised as being the first generation to challenge established mores and actually change them.

Generation X was born in the period from the 1960s until the mid-1970s. These are partly the 'Options' Generation. On the whole Generation X is seen to have been the first generation to experience fairly widespread broken homes, job insecurity and user-pays higher education. Many of Generation X have had a series of short-term relationships, a series of short-term jobs, carry significant HECS debts, and are excluded from the home ownership market. They are often seen as the most cynical generation. But Generation X has become more adaptable and resourceful than the Boomer generation.

Whatever generation people fit within it needs to be recognised their needs aspirations, values and life experiences will differ if they are Aboriginal people, Torres Strait Islanders or migrants.

Section 4 covers *the policy context:* This section summarises information on Commonwealth and State frameworks that relate to population ageing in general.
There is information on the following:
- National Strategy for an Ageing Australia
- The Intergenerational Report 2002-03
- Australia's Demographic Challenges
- NSW Healthy Ageing Framework 2004-2009
- Work of other Local Government Associations
- 'Transition not crisis': benefits of an ageing population

Section 5 covers *dealing with the changing ageing populations.*
This section invites council to look forward and use
- the population projections to examine and understand their own unique speed of ageing and when ageing and young population percentages converge
- the ALGA's LGA *population-ageing input assessment tool (Local government, self completion diagnosis)* to see if they are in trouble or not.
- use the projections in conjunction with an ageing population impact assessment framework to look at impacts on all revenue, service, planning and regulatory and other functions at say 5 or 10 year stops into the future. This is called: *"Assessing social, environmental and economic impacts of*
- *ageing populations for councils".*

The framework for assessing social, environmental and economic impacts of ageing for councils covers:
- Revenue raising functions – the way councils raise their finances
- Service (or non-regulatory) functions – the direct infrastructure, facilities and services that councils provide to people
- Statutory Planning and Regulatory functions – the way councils plan for and regulate their localities
- Council as an employer – the employment that councils offer

For each functional area there is information on likely impacts and the sources from which the Associations have drawn this information.

For revenue raising functions, conventional and/or emerging wisdom says the impacts on local government functions may involve:
- possible reductions to local government financial assistance from Commonwealth and State
- inappropriate rates of FAGS due to Local Government Grants Commission funding formula
- possible inadequate or no growth to local government specific purpose funding
- reductions to rate revenue due to increases in pensioner rate rebates, pensioner rate and charges supplements or rate deferrals
- reductions to user charges revenue due to asset rich cash poor long term retirees

In Service (or non-regulatory) functions, conventional and/or emerging wisdom says the impacts on local government functions will be:
- increased demand for more and possibly qualitatively different community care services, for integrated service planning and co-ordination of community care services, and for more and possibly qualitatively different seniors centres and other seniors services
- increased need at population level for health promotion programs and activities to prevent non-communicable diseases
- increased demand for different public library facilities, collections, technologies and programs

- increased demand for different cultural facilities, services, technologies, programs and activities
- increased demand for modifications to sporting, recreational and entertainment facilities
- increased demand for heightened environment conservation, protection and improvement
- increased demand for modifications to household waste collection, to cope with mobility and frailty issues
- increased demand for modifications to transport facilities and services
- increased demand for modifications to pedestrian facilities
- increased demand for modifications to road design and road safety programs
- increased demand for ageing sensitive policies and practices in water management
- increased demand for more and possibly qualitatively different residential aged care facilities and self care units
- demand to assess industry development and assistance strategies and services for impact of competing pressures
- increased opportunities for attracting older tourists
- increased demand for ageing-friendly tourist facilities and services.

In Statutory Planning and Regulatory functions, conventional and/or emerging wisdom says the impacts on local government functions will be:
- increased need for State and local Housing planning policies directed towards ensuring inclusive balanced communities
- increased need for State and local Housing planning policies directed towards ensuring ageing people can shift to more suitable conventional housing within their existing community/ neighbourhood.
- increased need for State and local Housing planning policies that provide for sufficient levels of general housing that is adaptable (meets AS4299), accessible (meets AS 1428), safe in terms of minimising slips and falls (meets any emerging standard that is introduced) and ecologically sustainable
- increased need for State and local Housing planning policies directed towards appropriate provision for retirement villages.
- increased need for State and local Housing planning policies directed towards appropriate provision to sustain residential care facilities.
- increased need for State and local Housing planning policies that provide for sufficient levels of affordable housing
- increased need for local planning policies that provide heightened or renewed attention to land use planning and design to promote active ageing/walk ability
- increased need for local planning policies that provide heightened or renewed attention to Crime Prevention through Environmental Design (CPTED) to deal with older people's generally heightened fear of crime in general and older people's fear of crime discouraging walking
- increased need for State and local Housing planning policies that take account of and/or promote the National Indigenous Housing Guide
- increased need for State and local Housing planning policies that deal with the phenomenon of ageing populations in mobile home parks
- increased need to engage older people and their communities in housing and wider planning processes
- increased need to engage a wide variety of older people in preparing – and heightened attention paid to ageing issues in – social or community plans under the Local Government regulation.
- increased care in assessing the need for heightened attention to regulatory activities such as food safety surveillance, other public health protection activities or environmental regulatory activities.

In the council employment function, conventional and/or emerging wisdom says the impacts on local government functions will be:
- increased need for retaining more mature staff
- increased need for creating opportunities for ageing staff to work part-time
- increased need for Human Resource Management strategies on attitudes of employers, of employees, and relations between generations in the workplace, to recognise and realise the benefits of age diversity in the work place
- more widely initiatives are needed to address systemic age discrimination within the Australian workforce and wider community.