



Submission
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NEW SOUTH WALES
MINISTER FOR HEALTH

B05/146

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Mr K Greene MP
Chair
Standing Committee on Public Works
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Greene

I write in response to your letter of 3 March 2005 concerning the inquiry into Infrastructure Provision in Coastal Growth Areas

The attached submission addresses all of the terms of reference of the Inquiry, as they apply to public health services. It has particularly concentrated on activities undertaken by NSW Health to address short and long term health infrastructure needs of growing populations in coastal areas of NSW.

I look forward to reviewing the results of this Inquiry. Should the committee require any further information, the person to contact is Ms Jennifer Sheehan, Manager, Rural Health Services at the Department of Health, on (02) 9391 9488.

Yours sincerely

Morris Iemma MP
Minister for Health

SUBMISSION TO STANDING COMMITTEE ON PUBLIC WORKS:
STRATEGIES TO MANAGE AND ADDRESS SHORT AND LONG TERM HEALTH NEEDS
OF GROWING POPULATIONS IN REGIONAL COASTAL AREAS

1. INTRODUCTION

Investment in infrastructure is essential to maintaining a quality service environment and support changing methods of health service delivery. The drivers of NSW Health capital infrastructure strategy are the effective and efficient use of capital to support these service goals. Strategies such as networking of support services across Area Health Services, building capacity to effectively respond to growing and changing demand, and a commitment to a strong public hospital sector are major influences on the nature of future capital investment.

The pressures on the NSW health system are similar to those faced by health care systems both nationally and internationally. These include:

- Population growth and ageing;
- Changing service models including ambulatory care, community based care, increasing day surgery and growing emergency and critical care needs;
- Population health priorities such as Aboriginal and mental health;
- Increasing community expectations regarding access to, and quality of, health services;
- New medical technologies and treatments;
- Availability of a suitably trained and skilled workforce;
- The need for improved information management and technology; and,
- pressures to reduce costs whilst maintaining or improving quality.

In implementing asset and infrastructure solutions to support the delivery of health services NSW Health is responsible for developing an integrated strategic framework for investment and ensuring compliance with Government and Departmental policy directions. NSW Health acts as the asset management regulator, consistent with its core roles of developing strategic policy and planning frameworks, performance monitoring and accountability. Area Health Services are responsible for the management of the assets under their control throughout their life cycle. This covers strategic asset planning, asset acquisition, maintenance and asset divestment.

2. STRATEGIES TO ADDRESS SHORT AND LONG TERM NEEDS OF COASTAL COMMUNITIES FOR HUMAN SERVICES INFRASTRUCTURE

The NSW Health System provides a comprehensive range of health and health related services. These services include health protection, health promotion and education, health screening, diagnosis, treatment, transport, acute care, rehabilitation, continuing care for chronic illness, counselling, support and palliative care. These services are provided in a wide range of settings from primary care outposts in the remote outback to metropolitan based tertiary health centres.

These health services are provided through a range of people and organisations in public and private sectors. Public sector Health Services are provided through eight recently created Area Health Services, The Children's Hospital Westmead, Justice Health and the Ambulance Service of NSW.

2.a. Services Planning

Services planning generally occurs with a five to ten year horizon. This is consistent with the often rapid changes that occur in services models and service delivery systems. Planning beyond this five to ten year period will provide context, but is usually heavily qualified with assumptions.

Acute inpatient services are the single highest item of NSW Health expenditure. Acute activity projections are used in planning the number and type of patients likely to be treated in the future; how services need to be configured to meet the changing needs of patients; and the number of hospital beds that will be required.

Since the early 1990s, NSW Health has used a planning model for these acute services built upon historical activity and accounting for variations in the age; sex and morbidity of different population groups; changing trends in the types of treatment provided; and, the impact of new technology on health service provision. Clinicians and planners review, on a regular basis, the historical based trend projections to ensure that they reflect epidemiological evidence and are consistent with clinical experience.

This historical data is overlayed with population projections as population growth is the major driver of the demand for future health services. The population projections (split by age and sex) at the LGA level are the major input into services planning undertaken by the Area Health Services and NSW Health.

A number of LGAs are forecast to have quite significant increases in population people over the current period through to 2031. Changing age profile will also have implications for the type and quantum of community based services, as well as the need for residential aged care and hostel accommodation. Provision of residential aged care accommodation is not a state responsibility, but obviously consideration is given to ensuring there are opportunities for the private and non government sectors to expand, or establish, these services.

2.b. Asset Planning

Asset or capital planning in the NSW Health System is directly linked to health service needs. Area Health Services go through a rigorous asset strategic planning process in identifying their capital needs to meet their service delivery obligations. These plans are routinely reviewed to ensure assets continue to support service delivery requirements.

The NSW Health State Asset Acquisition Program is developed through the prioritisation of the outputs of these Area Asset Strategic Plans and consideration of statewide commitments and priorities.

NSW Health works on a ten year capital planning cycle. This planning includes the range of Government commitments; statewide priorities such as clinical quality and mental health initiatives; and, projects that have been identified by Area Health Services and subsequently confirmed as a priority through the NSW Health prioritisation process.

This planning gives an indicative assessment of project priorities against future funding and investment cap limits. Given the ten year planning horizon, both the scope and prioritisation of the projects are reviewed on an annual basis, and followed by very detailed capital planning processes for endorsed projects.

3. COORDINATION OF COMMONWEALTH, STATE AND LOCAL GOVERNMENT STRATEGIES

There are a number of initiatives and strategies currently underway in all coastal Area Health Services that aim to provide a coordinated approach of the delivery of services by the Commonwealth, State and Local Government agencies. Current examples, by Region, include:

Shoalhaven area:

- Home and Community Care Projects – accommodation built by local councils and funded by DADAAC to house various agencies providing services to the Aging population.
- The establishment of forum consisting of service groups such as TAFE, Council and Health work together to improve the coordination of services.
- Coordinated Family Case Management Project Partnership between DOCS, Department of Housing and Health targeting high-risk families.
- Families First Project, which is a coordinated approach by all Government and Non-Government sectors for the planning and allocation of resources focused on families with young children.
- Other Partnerships include:
 - Agreement with Aboriginal Medical Service to jointly deliver services
 - Jervis Bay & Wreck Bay Agreement with Department of Transport and Regions Services
 - Small Towns Project

Eurobodalla and Far South Coast area:

- There is a process of social planning which looks at infrastructure for health and comprises a wide ranging cross section of the population, including clinical and population health staff.
- In developing local facility plans, the Area Health Service is committed to community and partnership engagement with other agencies, not least councils and education, to work towards creating a healthy environment to promote health as well as the clinical delivery of services.
- The process of developing integrated planning approaches for health, in partnership with other agencies, is seen as crucial to the development of forward looking healthy environments which minimise social, emotional and physical impact with design and infrastructure which is sympathetic to the existing physical surroundings. The intent is to develop healthy living environments, which promote health and social well-being. The use of healthy by design guidelines are seen as being a crucial initial step in development of such initiatives.

Central Coast:

- Central Coast Regional Coordination Management Group (RCMG) has provided a forum for bringing together Wyong Council and government departments looking at the Warnervale Wadalba developments. This has also been an opportunity to look at provision of outreach services.
- Establishment of a local advisory group (Health and Sustainability) that meet regularly to discuss and comment on development and planning on the Central Coast. Members consist of representatives from Public Health, Health Promotion, community and environmental interest groups.

- Area Health Service Planners and Local Government planners have regular meetings to discuss aspects of health service facility planning and health service delivery in new and urban development.

Mid North Coast:

- A strategy that has been identified by the AHS for the growth areas is to seek access to space within shopping centres for the purpose of providing community health services.
- The Area Health Service is also actively involved in the Regional Co-ordination Management Group, including recent discussions with the Hunter RCMG about the Lower Hunter Strategy which is being developed by the Department of Infrastructure Planning and Natural Resources.
- The Area Health Service has identified the importance of health and other human services agencies having input throughout infrastructure planning processes to ensure that planning for population increases has the best health and welfare interests of the community. For example, using the formal health impact assessment process.

4. BEST PRACTICE METHODS TO PLAN, MANAGE AND PROVIDE INFRASTRUCTURE TO COASTAL GROWTH AREAS

Integrated Primary Care

NSW Health is establishing integrated primary care sites across NSW including coastal areas to provide multi-disciplinary care through teams of GPs, community health and allied health to target clients such as people with chronic and complex conditions and older people. The local community health needs will drive the establishment of these services.

Resource Distribution Formula

The Resource Distribution Formula (RDF) is a population needs-based funding model that the Department uses as a guide in allocating recurrent resources between Area Health Services (capital is excluded). The Formula attempts to estimate the relative future health needs of Area Health Services, largely driven by the projected future population profile. The implications of this are that relatively more resources should be allocated to those Area Health Services with higher health needs. For example, over the last ten years, the projected population growth and health need in coastal Area Health Services were taken into consideration in the RDF, with these Area Health Services receiving a progressively increasing share of resources to increase/develop services to meet the health needs of this increased population.

5. MANAGEMENT OF SOCIAL, ENVIRONMENTAL AND ECONOMIC CONSIDERATIONS

5.a. Health Impact Assessment

Since 2002/03, the NSW Department of Health has been involved, along with the Centre for Health Equity Training Research and Evaluation (CHETRE), in the development and adoption of a Health Impact Assessment (HIA) approach for planning future health needs. A HIA is a combination of procedures, methods and tools by which a policy, program or project may be judged as to its potential effects on the health of a population and the distribution of these effects within a population.

An early phase of the project has resulted in a small number of sites having been approached to participate to test the potential application of this method for future health service planning. For example, a site has been selected that involves reviewing a Management Plan for a coastal foreshore development.

The Area Health Service involved will undertake a HIA of the Plan, over a number of years, so as to be able to influence the development and/or staging of implementation. The HIA will assess the likely impact of the proposed infrastructure changes on physical activity levels of residents in the LGA and determine the likely number of people that would be affected by the changes, the potential level of health impact and likely level of investment.

The latest phase of the HIA project will be to lead and facilitate opportunities for debate and learning about health impact assessment that can add value to the NSW health system.

More extensive use of Health Impact Assessment methodology in the provision of basic and human service infrastructure would ensure that, where there is not recognised evidence available, the HIA tool could identify the health impact.

5.b. Building Public Health Infrastructure In Local Government

One of the priority directions for the Centre for Chronic Disease Prevention and Health Advancement at the NSW Department of Health, is to "*Strengthen NSW Health capacity for health promotion action through settings-based approaches, such as in Community Health, General Practice, Schools, and Local Government settings.*" This priority is also a reflection of the directions for Public Health in NSW set out in Healthy People 2005 – including "strengthened coordination of public health activities" (page 14) and planning in partnership with local councils (p 24).

As part of this commitment NSW Health has funded a Policy Officer position at the Local Government and Shires Association (LGSA) in order to develop capacity within the Associations to focus on public health issues (both health promotion and health protection) and to enhance partnership arrangements on key public health issues and identify areas of collaboration between health and local government that have the potential to improve public health and implementation of agreed strategies.

LGSA has established this position in liaison with NSW Health and has regularly participated in the Strategic Liaison Group between Health and Local Government stakeholders. The Associations are therefore in a strong position to undertake relevant public health focused activities in association with NSW Health, local councils, Area Health Services and other partners as appropriate.