

**Submission  
No 37**

**THE IMPLEMENTATION OF PORTFOLIO COMMITTEE No. 2  
RECOMMENDATIONS RELATING TO WORKFORCE ISSUES, WORKPLACE  
CULTURE AND FUNDING CONSIDERATIONS FOR REMOTE, RURAL AND  
REGIONAL HEALTH**

**Organisation:** Local Government NSW

**Date Received:** 13 October 2023

LGNSW Draft Submission:

**“The implementation of Portfolio Committee No. 2 recommendations relating to workforce issues, workplace culture and funding considerations for remote, rural and regional health”**

October 2023



# OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Local government in NSW employs **55,000 people**



Local government in NSW is responsible for about **90% of the state's roads and bridges**



Local government in NSW looks after more than **\$177 billion** of community assets



NSW councils manage an estimated **4 million tonnes of waste** each year



Local government in NSW spends more than **\$2.2 billion** each year on caring for the environment



NSW councils own and manage more than **600 museums, galleries, theatres and art centres**



NSW has more than **350 council-run libraries** that attract tens of millions of visits each year



NSW has more than **400 public swimming and ocean pools**

## **TABLE OF CONTENTS:**

<b>INTRODUCTION:.....</b>	<b>4</b>
<b>BACKGROUND: .....</b>	<b>5</b>
<b>LOCAL GOVERNMENT &amp; THE BURDEN OF COST SHIFTING.....</b>	<b>9</b>
<b>LOCAL GOVERNMENT and COMMUNITY ENGAGEMENT.....</b>	<b>14</b>
<b>LGNSW POLICY POSITION .....</b>	<b>15</b>
<b>CONCLUSION .....</b>	<b>18</b>
<b>ATTACHMENT .....</b>	<b>19</b>

## INTRODUCTION:

Local Government NSW (LGNSW) is the peak body representing all 128 general purpose councils across the State as well as a number of other related entities. By providing advocacy, representation and support, LGNSW helps member councils deliver improved services and better outcomes to their local communities.

Concerns regarding the accessibility and quality of healthcare to our rural, regional and remote communities is of significant and ongoing concern to LGNSW. Having provided two submissions to an earlier inquiry into *"Health outcomes and access to health and hospital services in rural, regional and remote New South Wales"*, LGNSW now welcomes the move by the Select Committee on Remote, Rural and Regional Health to conduct an inquiry into the implementation of recommendations from that original health inquiry.

As the level of government closest to the community, councils play a key role in helping to maintain and improve the health and wellbeing of their residents. This is especially true in rural, regional and remote communities. While the provision of healthcare is a state and federal government responsibility, the reality is that in the absence of adequate provision, it is councils that often take on additional responsibilities to support their communities. This includes councils providing a range of assistance to attract and retain medical practitioners to their areas including accommodation, travel incentives, private and commercial rental subsidies and the funding of equipment, facilities and other infrastructure. This comes at a significant cost burden to council, absorbing much needed funds and resources that could and should be used on other critical infrastructure projects and community services that are the core responsibility of councils.

The establishment of this particular inquiry into workforce issues is consistent with the resolution moved by Leeton Shire Council and endorsed by delegates at the LGNSW Annual Conference in 2022. The resolution was that LGNSW urges the NSW Government to partner with the Federal Government to, amongst other actions:

1. immediately commence implementation of the health reforms recommended in the Upper House Inquiry - Report 57 - *"Health Outcomes and Access to Health and Hospital Services in Rural, Regional, and remote NSW"*
2. focus first on the recommendations aimed at recruiting and retaining doctors and clinicians in rural and remote areas of NSW

LGNSW notes that this current inquiry is seeking direct input on specific recommendations relating to workforce issues, workplace culture and funding considerations for remote, rural and regional health. While LGNSW acknowledges this committee is not seeking further submissions that detail the concerns and barriers regarding health outcomes and access to health services, the reality is that those issues are ongoing and councils continue to carry the burden. This submission therefore does re-iterate some of the ongoing concerns outlined in previous submissions, but with a focus on the delivery and implementation of recommendations. Please note, this submission remains in draft form until endorsed by the LGNSW Board. Any revisions made by the Board will be forwarded to the Parliamentary Inquiry as soon as possible.

## BACKGROUND:

Local Government NSW (LGNSW) has long called for the full implementation of all 44 recommendations of the original Parliamentary Inquiry into Health outcomes and access to health and hospital services in rural, regional and remote New South Wales which took place from September 2020 – May 2022 (the “original health inquiry”).

On behalf of our members, LGNSW was pleased to provide two submissions to that original health inquiry:

- [December 2020: Primary Submission](#)
- [September 2021: Supplementary Submission – End Cost Shifting for Health onto Regional and Rural Councils](#)

In May 2022, LGNSW welcomed the Final Report from the inquiry, with its 22 findings and 44 recommendations that were made in an attempt to improve the delivery and standard of healthcare services in rural, regional and remote communities across NSW.

In summary, the parliamentary committee found that residents of rural, regional and remote NSW have poorer health outcomes and inferior access to health and hospital services, and face significant financial challenges in accessing these services, compared to their metropolitan counterparts. The dire situation facing communities in rural, regional and remote NSW was summed up in the first finding of the inquiry:

***Finding #1:*** *That rural, regional and remote patients have significantly poorer health outcomes, greater incidents of chronic disease and greater premature deaths when compared to their counterparts in metropolitan areas.<sup>1</sup>*

**LGNSW has repeatedly taken a strong position in calling for the full implementation of all 44 recommendations.** Noting that the current Government, when in Opposition, committed to the full implementation of all 44 recommendations<sup>2</sup>, there is every expectation amongst councils and communities that the recommendations will indeed be implemented in full.

It is pleasing to see that the former state government had begun the process of implementing the recommendations through initiatives such as:

- [the expansion of the eligibility and services covered by the Isolated Patients Travel and Accommodation Assistance Scheme \(IPTASS\) \(Recommendation 2\)](#)
- the re-establishment of the Bilateral Regional Health Forum between State and Federal Governments (Recommendations 7,9 and 10)

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<sup>1</sup> [Report \(nsw.gov.au\)](#) page xii

<sup>2</sup> [Second NSW parliamentary inquiry to probe whether improvements have been made to regional healthcare - ABC News](#)

- a review of membership and terms of reference of the End of Life and Palliative Care Committee to strengthen the focus on regional and rural NSW and representation from Aboriginal communities and vulnerable population groups (Recommendation 23)
- the publication of a new [Regional Health Strategic Plan for 2022 - 2032](#) (Recommendation 38)

Most notable among measures by the former government was the establishment in April 2022 of the Regional Health Division (RHD) within the Department of Health. The role of the RHD is to ensure strong advocacy and a single point of contact for regional health issues and take a key role in developing a new Regional Health Plan, in accordance with Recommendation 38 of the report from the original health inquiry.

Significantly, the RHD will also oversee the implementation of the full list of recommendations of the original health inquiry and provide regular progress updates to the Minister.

At a presentation to the Country Mayors Association on 15 September 2023, the RHD advised that 68 action items had been identified within the 44 recommendations. Attendees at the forum were further advised that an Independent Review carried out in July 2023 made the following status determinations in regards to those 68 action items:

<b>68 Action Items from the 44 recommendations of the original health inquiry</b>			
<b>15</b> Completed and validated with evidence	<b>42</b> in progress, on track and validated with evidence	<b>7</b> have challenges and/or limited evidence	<b>4</b> no or limited progress

We understand that a copy of that independent review<sup>3</sup> carried out by EY has been provided to the Select Committee and we welcome any progress on implementation made so far. While the work of the Regional Health Division is to be commended, it should be noted that in its essence, it is government investigating government.

For that reason, LGNSW supports the establishment by the Select Committee on Remote, Rural and Regional Health of this inquiry to independently assess the process of implementation of those recommendations.

In a similar spirit of transparency and accountability, LGNSW strongly urges the RHD to work alongside local government to gain first-hand experiences and community-based knowledge of the extent of the problem in delivering improved healthcare outcomes and the efficacy (or otherwise) of suggested solutions.

<sup>3</sup> [Letter and attachments from the Secretary, NSW Health to Committee Chair.pdf](#) - Independent Review of the implementation of recommendations

In that regard, it was welcome to see that the RHD has identified four key priority areas within the *NSW Regional Health Strategic Plan 2022–2032* where it has identified potential engagement with the local government sector<sup>4</sup>:

**Priority 1: Strengthen the regional health workforce:**

engage with local councils to improve key worker accommodation and opportunities to welcome new staff to regions.

**Priority 2: Enable better access to safe, high quality and timely health services:**

engage with local councils to improve local transport solutions

**Priority 4: Keep communities informed, build engagement and seek feedback:**

engage communities through genuine consultation and shared decision-making – design of health services and sustainable local health service development and local health advisory committees

**Priority 5: Expand integration of primary, community and hospital care:**

engage with local councils about place-based health plans and services

The identification of these four key priorities for engagement with local government is welcomed by LGNSW and councils. Existing concepts like the Collaborative Care program in Snowy Valleys, the Health and Knowledge Precinct in Wagga Wagga and the community concierge service in places like Griffith, Wagga Wagga and Corowa have been greatly enhanced with the active involvement and contribution of local government. We look forward to an active and collaborative interaction with the Regional Health Division in engaging on these four priority areas.

LGNSW also welcomes recent initiatives of the new state government in regards to addressing significant workforce issues within the healthcare sector, including:

- [Doubling the incentive for healthcare workers to \\$20,000](#)
- [Expansion of the Single Employer Model from the original Murrumbidgee pilot program](#)
- [Establishing an Inquiry into healthcare funding](#)
- [Moves to improve accommodation options for rural and regional healthcare workers](#)
- [Delivering permanency in employment to over 1000 nurses and midwives, including over 400 positions in rural and regional NSW](#)
- [500 new paramedics for regional, rural and remote NSW](#)
- [Study subsidies for nurses, rural doctors to stay in NSW](#)

LGNSW looks forward to engaging with the Select Committee on Remote, Rural and Regional Health to ensure that all 44 recommendations of the original health inquiry are fully implemented with a collaborative intergovernmental approach across all three tiers of government with the sole purpose of achieving better health outcomes for our communities.

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<sup>4</sup> [regional-health-priority-framework.pdf \(nsw.gov.au\)](#) – as detailed at a gathering of the Country Mayors' Association on 15/09/2023



## General: Recommendations

1. The NSW Government recognises local government as a delivery agent of vital healthcare services and as a valued partner in the general health and wellbeing of communities.
2. The complete list of 44 recommendations from the *'Health outcomes and access to health and hospital services in rural, regional and remote New South Wales'* (Report No 57) be implemented in full.
3. The NSW Regional Health Division work with LGNSW and its members in a spirit of collaboration to progress the key priorities identified for local government engagement in the NSW Regional Health Strategic Plan 2022 – 2032, namely:

### **Priority 1: Strengthen the regional health workforce:**

engage with local councils to improve key worker accommodation and opportunities to welcome new staff to regions

### **Priority 2: Enable better access to safe, high quality and timely health services:**

engage with local councils to improve local transport solutions

### **Priority 4: Keep communities informed, build engagement and seek feedback:**

engage communities through genuine consultation and shared decision-making – design of health services and sustainable local health service development and local health advisory committees

### **Priority 5: Expand integration of primary, community and hospital care:**

engage with local councils about place-based health plans and services

# LOCAL GOVERNMENT AND THE GROWING BURDEN OF COST SHIFTING

It was disappointing to note that in the Final Report from the original health inquiry, there was very little attention paid to the role of local government in delivering many services and supports within the healthcare sector. Nor was there a recognition of the repeated concerns around the lack of adequate housing and childcare being a major contributor to workforce shortages in the healthcare sector; provisions that were – and still are – often provided by local government with no other avenues filling the void.

For many years, councils have been reporting significant health cost shifts from state and federal government onto local government. Councils are making up for critical shortfalls to attract suitably qualified medical practitioners into regional, rural and remote areas of NSW. Further, it is councils that are often providing or subsidising much needed facilities and services to maintain the health and wellbeing of their communities.

This cost shift is the result of demonstrated community need to take additional steps, above and beyond existing state and federal budget and resourcing, to ensure critical health services are provided and that suitably qualified medical professionals are attracted and retained to practice in regional, rural and remote communities.

During the original health inquiry, LGNSW worked with rural, regional and remote councils to identify the extent of cost-shifting and understand the budgetary and resource impacts on already stretched regional and rural councils across the state. The data collected highlighted the significant impact on council finances and resources that cost shifting has on the local government sector. In the 2020/2021 Financial Year, the primary cost shifts onto local government in the health sector included:



#### OFFERING SCHOLARSHIPS, BURSARIES AND SPONSORSHIPS

6 councils have reported that they provide financial sponsorships and/or bursaries for local medical students or to train and return to practice in the region.



#### PROVIDING SUPPORT AND LIAISON

All 21 councils/joint organisations have reported that they have provided specialised services and resources to attract and retain medical practitioners in their local communities.



#### SUBSIDISING RUNNING COSTS OF MEDICAL FACILITIES

11 councils reported that they had provided direct financial subsidies to practitioners to help cover operational overheads of medical centres and undertake property maintenance.



#### PROVIDING HOUSING & ACCOMMODATION FOR MEDICAL PRACTITIONERS

9 councils have reported that they have purpose built housing and/or are subsidising rent for medical practitioners to live in their local communities.



#### PROVIDING CRITICAL HEALTH INFRASTRUCTURE

5 councils have reported needing to purpose build or offer existing council properties for medical facilities.



#### PROVIDING TRANSPORT ALLOWANCES AND VEHICLES FOR MEDICAL PRACTITIONERS

5 councils have reported that they provide vehicles and/or fuel subsidies for medical practitioners.

The impact of this cost shift is significant. LGNSW analysis identified nearly \$2 million of direct costs borne by 21 of NSW's smallest councils or joint organisations to ensure that critical health services are being delivered in regional, rural and remote communities<sup>5</sup>.

#### DETAILED EXAMPLES OF THE COST SHIFT TO LOCAL GOVERNMENT

COUNCIL OR JOINT ORGANISATION	COST SHIFT FY 20/21	TYPES OF SUPPORT PROVIDED	DESCRIPTION
Bourke Shire Council	\$170,807.00	 	Bourke Shire has subsidised the costs of both doctors' accommodation and local medical facilities.
Carrathool Shire Council	\$325,820.00	  	Carrathool Shire Council provides a vehicle to a local doctor and provide financial support for staff and running costs of a local medical centre.
Central NSW Joint Organisation	\$75,000.00	 	Member councils provide funding for a 5 year scholarship for a local medical student to return to practice in the Central Tablelands region
City of Wagga Wagga	\$53,000.00	  	City of Wagga Wagga waives fees for healthcare flights using council airfields and funds specialised recruitment of medical practitioners into the region.
Coonamble Shire Council	\$30,000.00	 	Glen Innes Severn offers grant assistance to doctors looking to move into the Shire to provide critical health services.
Coolamon Shire Council	Not yet available	   	Coolamon Shire has built housing and subsidises rent for medical practitioners, as well as provided land and capital to build rooms at a local hospital and an ambulance station.
Edward River Council	\$5,000.00	 	Edward River provides a financial incentive to attract a registrar practitioner to the local government area.
Forbes Shire Council	\$367,124.00	   	Forbes Shire provides a number of financial supports to practitioners and services including donations, attraction incentives, support for running costs and medical accommodation.
Gilgandra Shire Council	\$173,862.83	  	Gilgandra Shire provides council-owned and subsidised accommodation for doctors coming to work in the Shire and subsidises operating costs for 4 local medical centres.
Glen Innes Severn Council	\$40,000.00	 	Glen Innes Severn offers grant assistance to doctors looking to move into the Shire to provide critical health services.
Gunnedah Shire Council	\$57,666.65	  	Gunnedah Shire provides council-owned and subsidised accommodation support for doctors coming into the Shire, as well as operates community transport and aged care.

<sup>5</sup> 0345a Local Government NSW.pdf

Gwydir Shire Council	\$20,000.00		Gwydir Shire provide an annual donation to Rural and Remote Medical Services to run two Council-owned medical centres within the Shire.
Hay Shire Council	\$113,461.00		Hay Shire provides a number of incentives including subsidised housing, access to council-owned property and vehicles.
Lachlan Shire Council	\$30,088.00		Lachlan Shire provides funding towards the running costs of a medical centre in the Shire, transport support, a bursary, as well as subsidised accommodation.
Murrumbidgee Council	\$5,985.00		Murrumbidgee Council has provided funding to support the maintenance of a general practice and doctor's residence (both previously constructed by Council).
Narrandera Shire Council	\$9,150.00		Narrandera Shire Council provides subsidised accommodation for medical practitioners within Council property.
Temora Shire Council	\$39,914.00		Temora Shire provides funding towards an academic bursary as well as subsidises the operating costs of 3 medical centres within the Shire.
Upper Lachlan Shire Council	\$102,813.63		Upper Lachlan Shire subsidises the operating costs of two medical centres within the Shire.
Uralla Shire Council	\$3,000.00		Uralla Shire provide funding towards a local medical student bursary.
Snowy Monaro Regional Council	\$19,000.00		Snowy Monaro provides a financial donation to support running costs of a GP clinic in Bombala.
Wentworth Shire Council	\$266,000.00		Wentworth Shire provides numerous incentives and support, including the running costs of critical facilities, offering a bursary for medical students, provides partial funding for medical recruitment services and provides a grant donation to the local Aboriginal health service.

**TOTAL** \$1,960,707.11

*Please note, the data provided is not an exhaustive list of the number of councils experiencing cost shift in supporting the delivery of health services. Data provided has been sourced and shared with the permission of the council or joint organisation identified.*

More recently, an informal survey was conducted by Weddin Shire Council when gathering material for their representations regarding council provided healthcare services and facilities.

**Attachment A** contains a summary of responses they received. While it does not depict the full extent of the issues felt by councils across the state, it does reinforce that the cost shifting identified in 2021 still continues 2 years later.<sup>6</sup>

These financial imposts adversely impact council budgets. Beyond upfront capital and foregone rental costs, councils are further burdened with costs for maintenance, property depreciation and eventual renewal. Where councils bear these costs, they also bear the burden of lost opportunities having fewer funds to spend on other important services for their community, including revenue generating facilities such as sporting grounds, halls, gyms and swimming pools.

Financial assistance provided by councils to ensure access to healthcare places pressure on councils' discretionary budgets and ultimately their bottom line. Compounding this pressure, council support for local healthcare provision is not factored into IPART's Local Government Cost Index for rate pegging.

The abrogation of responsibility by other levels of government, and the reasonable expectation of communities that there should be equitable access to healthcare, places many councils in a challenging position, where already stretched budgets must be dedicated to a function that is not actually the role of local councils.

**The local government sector needs to be appropriately recognised and resourced for the vital role it plays in supporting the provision of critical health services to communities and in the attraction and retention of medical practitioners in rural, regional and remote NSW.**

LGNSW calls on the state and federal governments to urgently act to end the impacts of cost-shifting on councils, and work collaboratively with local government to support an improved intergovernmental delivery model for health services into regional, rural and remote communities across NSW.

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<sup>6</sup> Correspondence from Mayor Craig Benbrick, Weddin Shire Council – see Attachment A

### **Cost Shifting: Recommendations**

4. The state government carry out an extensive survey of all councils in NSW, particularly those in rural, regional and remote areas to ascertain the current level of service delivery and funding that local government provides to the healthcare sector.
5. That state and federal governments work with councils to end the cost shift by adequately funding incentives and services in regional, rural and remote communities. State and federal governments must act to end the health cost shift immediately, so that councils will no longer need to divert funding from core local government services towards providing incentives to medical practitioners to practice in their local communities.
6. State and federal governments to jointly fund the development of an intergovernmental governance model for health care services that includes federal, state and local governments. LGNSW has called for greater cooperation between all three tiers of government in understanding and delivering local health services and enhancing health outcomes for regional, rural and remote New South Wales. This should include:
  - The development of a formal MoU between NSW Health, Primary Health Networks and LGNSW to provide the basis for intergovernmental cooperation.
  - The establishment of a joint task force representing local, state and federal governments to formulate a model for improving the provision of medical services in rural and regional areas and developing strategies and funding financial relocation packages for the engagement of an essential health workforce.
  - Revising the Local Health Advisory Committee model to give local leaders and affected residents a far greater say in the scope and delivery of health services in their local communities.
7. State and federal governments to introduce a local government rural and regional health reimbursement scheme. The scheme would reimburse councils for their health expenditure, ensuring that rural and regional communities do not miss out on infrastructure and services that would otherwise be funded by their council.

## LOCAL GOVERNMENT and COMMUNITY ENGAGEMENT

Local councils are the closest level of government to the communities that are directly impacted by the deficit in healthcare services. Councils are best placed to identify ongoing issues, to develop strategies and policies to address these issues and to report on the pace and efficacy of any reform measures.

Of the 44 recommendations from the original health inquiry, only 3 of them (recommendations 11, 30 and 43) refer to local government and it is primarily in the context of broad-based public consultation rather than a recognition of the current service delivery that councils provide.

LGNSW believes there is a more significant role for local government to play in providing feedback and real time observations and assessment. It is strongly recommended that the Committee work closely with local governments across the state in assessing the ongoing issues of healthcare delivery and the pace and efficacy of the implementation of recommendations from the original health inquiry. Local Councils are best placed to provide honest, independent, community-based responses with examples drawn from real lived experience.

Councils have frequently expressed concern and frustration with the operations of both their Local Health Districts and the Local Health Advisory Committees. By involving local government in consultation, policy development and framework reform, a mutual understanding can be created and a genuinely collaborative partnership is more likely to evolve.

### Community Engagement: Recommendations

8. That the Committee for Rural, Regional and Remote Health work closely with local councils in rural, regional and remote areas, to monitor the implementation of recommendations of the *'Health outcomes and access to health and hospital services in rural, regional and remote New South Wales'* (Report No 57).
9. That the RHD continue to foster a spirit of collaboration and mutual respect in consulting with all stakeholders including local governments, Local Health Districts and Local Health Advisory Committees.

## LGNSW POLICY POSITION

Access to health services in rural, regional and remote areas is a critical issue for LGNSW member councils and is the subject of frequent discussion and resolutions at our Annual Conference. Some examples in recent years include:

### 2022

#### **Leeton Shire Council - Addressing poorer health outcomes in rural, regional and remote NSW**

That Local Government NSW urges the NSW Government to partner with the Federal Government to:

1. immediately commence implementation of the health reforms recommended in the Upper House Inquiry - Report 57 - "Health Outcomes and Access to Health and Hospital Services in Rural, Regional, and remote NSW"
2. focus first on the recommendations aimed at recruiting and retaining doctors and clinicians in rural and remote areas of NSW
3. increase the intake of overseas-trained doctors and other medical staff to give immediate relief to rural and remote locations experiencing shortages of trained medical personnel
4. ensure there is improved health service governance and greater transparency at the local level.
5. improve the capacity and quality of health services infrastructure in rural, regional and remote NSW to meet growing community demand.

*This issue was also raised by Kyogle, Bland Shire, Albury City, Warrumbungle Shire, Armidale Regional, Bega Valley Shire, Muswellbrook Shire councils.*

#### **Kyogle Council - Rural health services**

That Local Government NSW lobbies the State Government to adequately fund and resource health services and develop strategies to attract and retain professional staff in the health industry in rural communities.

#### **Bland Shire Council - Public hospital and health services**

That Local Government NSW lobbies the NSW Government to:

1. seek a more equitable distribution of health infrastructure and operational funding to support current health services in regional and remote NSW.
2. work with educational institutions to remove barriers for practitioners to establish services within regional and remote NSW to meet the current and ongoing needs of the community.

#### **Albury City Council - Improve capacity/quality of health services/infrastructure in regional NSW**

That Local Government NSW calls on the NSW Government to improve the capacity and quality of health services and infrastructure in regional NSW to meet growing community demand.



**Warrumbungle Shire Council - Access to health and hospital services in rural, regional and remote NSW**

That Local Government NSW supports and advocates for implementation of the findings of the Parliamentary Report on Health outcomes and access to health and hospital services in rural, regional and remote New South Wales with particular emphasis on recommendations 12 and 13.

Recommendation 12 That NSW Health review the working conditions, contracts and incentives of GPs working as Visiting Medical Officers in public health facilities in rural, regional and remote New South Wales, to ensure that the GP/VMO model remains viable while broader innovation and reform progresses.

Recommendation 13 That NSW Health establish a state-wide system of GP/VMO accreditation, which is independent of the Local Health Districts. As part of this system, NSW Health should ideally look to establish an online GP/VMO availability system where GP/VMOs can nominate dates and locations they are available to work that can be accessed by the rural and regional Local Health Districts and general practices in filling vacancies.

**Armidale Regional Council - NSW parliamentary inquiry into rural health**

That Local Government NSW acknowledges finding one of the NSW parliamentary inquiry into rural health that people living outside of the city have "significantly poorer health outcomes, greater incidence of chronic disease, and greater premature deaths" and advocate for rapid implementation of all 44 recommendations in the final report'.

**Bega Valley Shire Council - Doctor servicing of hospitals**

That Local Government NSW calls on the NSW Government to review the model for doctor servicing of hospitals so that doctors are adequately and equitably incentivised to service hospitals and so that local health districts have greater capacity to manage their budgets

**Muswellbrook Shire Council - Access to health services**

That Local Government NSW advocates to the NSW Government for the provision of equitable access to health services in rural, regional and remote NSW, particularly in the fields of mental health, obstetrics and gynaecology, and paediatric services.

**2021 (held online in March 2022)****Hay Shire Council - Cost shifting onto local government**

That Local Government NSW calls upon the State Government to undertake an urgent review into the cost shifting from the State to local government, particularly in the areas of emergency services, external audit, crown land management, planning, companion animals, underground petroleum storage systems, disaster recovery, waste management and now COVID-19 Health Order compliance.

*This issue was also raised by Bayside, and Armidale Regional Councils*

**2020**

**Leeton Shire Council - Health services in rural, regional and remote NSW**

That Local Government NSW:

1. Advocates for the Local Health Advisory Committee (LHAC) model to be revised to give local residents a far greater say in the scope and delivery of health services in their local communities.
2. Pursues a formal MOU with NSW Health and Primary Health Networks which provides the basis for collaboration between councils and NSW Health and Primary Health Networks.
3. Makes a submission to the Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW.

*This issue was also raised by Gilgandra Shire Council*

**2019**

**Forbes Shire Council - Rural doctor incentives**

That a joint task force representing local, State and Federal governments be formed to formulate a model for improving the provision of medical services in rural and regional areas, and funding financial relocation packages for the engagement of doctors in rural towns.

*This issue was also raised by Parkes Shire, Leeton Shire, Lachlan Shire and Snowy Valleys Councils*

**2018**

**Hay Shire Council - Health in rural areas**

That Local Government NSW calls for the NSW Minister for Health to urgently form a joint task force representing local, State and Federal spheres of government, to formulate model financial packages for the engagement of doctors in rural towns, and contribute to those financial packages.

*This issue was also raised by Gunnedah Shire Council*

The healthcare needs of our rural, regional and remote communities and the inherent tension that exists when smaller, less resourced councils have to fund any gaps in service, is reflected in our [Policy Platform](#) in statement 4, outlining that LGNSW advocates for:

- 4.1 An audit of service delivery and funding flows into rural and regional NSW by State and Commonwealth agencies.
- 4.2 State and Commonwealth Government accept that rural councils will never be able to fund the basic standard of infrastructure and public services to which all Australians are entitled from own source revenue.
- 4.3 Recognition of the higher costs of infrastructure and service delivery faced by rural communities due to inherent and unavoidable economies of scale.

4.4 New models for rural and regional infrastructure, service delivery, health, mental health care and aged care, including consideration of council coordination and/ or implementation that avoids cost shifting and is built on close collaboration between local, state and federal governments and NGOs.

4.7 Action to address difficulties meeting Continuing Professional Development requirements for professionals working in rural and remote NSW

### **LGNSW Policy Position: Recommendations**

10. The NSW Government provide a more equitable distribution of health infrastructure and operational funding to support current health services in rural, regional and remote NSW.

## **CONCLUSION**

As the peak body for local government in NSW, LGNSW has long recognised the need for urgent action from the NSW and Australian Governments to adequately and fairly fund the provision of healthcare across NSW, particularly in rural, regional and remote communities.

The first five findings of the Parliamentary Inquiry into *Health outcomes and access to health and hospital services in rural, regional and remote New South Wales* were particularly stark:

- That rural, regional and remote patients have significantly poorer health outcomes, greater incidents of chronic disease and greater premature deaths when compared to their counterparts in metropolitan areas.
- That residents in rural, regional and remote New South Wales have inferior access to health and hospital services, especially for those living in remote towns and locations and Indigenous communities, which has led to instances of patients receiving substandard levels of care.
- That residents living in rural, regional and remote communities face significant financial challenges in order to access diagnosis, treatment and other health services compared to those living in metropolitan cities.
- That rural, regional and remote medical staff are significantly under resourced when compared with their metropolitan counterparts, exacerbating health inequities.
- That the Commonwealth/State divide in terms of the provision of health funding has led to both duplication and gaps in service delivery.

As the President of LGNSW stated at the time of the report's release – "rural and regional communities don't need a report to know the struggle to access high quality healthcare because



they live it every day.” She went on to say “The time for inquiries and reports is long past and what we need now is real action”.

Almost 18 months on, LGNSW is pleased to see that the Select Committee on Remote, Rural and Regional Health is taking real steps to ensure that the much needed action is being taken and that the full list of recommendations is being implemented.

Similarly, the establishment of the Regional Health Division within the Department of Health is very welcome, particularly with their stated priority to support the Government’s response to the 44 recommendations of the original health inquiry.

LGNSW looks forward to working with both the Parliamentary Committee and with governments at a state and federal level to ensure improved healthcare outcomes are delivered for rural, regional and remote communities across NSW.

For further information on the issues raised in this submission, please contact LGNSW Government Relations Manager Bronwen Regan at [Bronwen.regan@lgnsw.org.au](mailto:Bronwen.regan@lgnsw.org.au)

## **ATTACHMENT**

Attachment A – Correspondence from Mayor Craig Benbrick, Weddin Shire Council; September 2023



WEDDIN SHIRE COUNCIL



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12 September 2023

The Hon. Michael McCormack MP  
Member for Riverina  
Suite 2, 11-15 Fitzmaurice St  
WAGGA WAGGA NSW 2650

Dear Michael

### RURAL AND REGIONAL HEALTH OUTCOMES

I am writing to you on behalf of my constituents to provide you awareness of correspondence that I have sent to multiple State and Federal members of parliament regarding the rural and regional health outcomes for my community. For your awareness, I wrote to NSW Minister for Regional Health, the Hon. Ryan Park MP regarding Council's concern on an update on the Grenfell Multipurpose Service (MPS) Clinical Services Plan, our ageing and deteriorating Weddin Street Clinic and the decline of service providers within our local government area on 26 June 2023 and requested a meeting.

Disappointingly, I heard back from Minister Park who shared that there are no current increase or planned reduction in services provided by the Grenfell MPS. I take some comfort that the service is to maintain status quo, for now. The additional response also included that Council's assets are for us to manage and declined a need to meet.

As you are well aware, we own two medical centres, the Weddin Street Clinic and the Grenfell Medical Centre. As part of our package offering to our local general practitioners (GP), we also offer subsidized housing. Our GPs pay significantly subsidized rent in order to operate and maintain their business; the tradeoff includes a commitment or contractual requirement of 100% bulk billing, and for them to provide the role of Visiting Medical Officer at the Grenfell MPS. Confidential discussions with our local GPs show that the requirement to maintain their contracts and commitment to be 100% a bulk billing service has unviable consequences on their business.

I have provided for your awareness the issue I was hoping to raise with the various members of parliament that I have written to, and hope that you can advocate on my behalf the need to have these meetings and conversations.

Attached for your reference is our analysis of the jurisdictional creep of rural and regional health services into local governments across NSW. Weddin Shire Council is not alone in this situation. We believe that without a strong focus on rural and regional health outcomes, the situation will only deteriorate for rural and regional NSW at the detriment of the health outcomes for our local communities.

From our analysis of the submissions provided by Councils to the Health Outcomes and Access to Health and Hospital Services in Rural, Regional and Remote NSW Inquiry in 2020, the following is provided for your consideration:

1. Twenty two (22) Councils plus the Western Parkland Councils provided submissions requesting a change to the health outcomes in our regions. These submissions included the number of councils and communities stressed in attracting GPs, raising the concerns of telehealth in emergency medicine, the outsourcing of services for councils further west.
2. Gunnedah, Temora, Mid-Western Regional Council, Walgett, Warren, Parkes, Coonamble, and Hay Shire Councils provided in their submissions the range of their own issues, not dissimilar to ours. This included:
  - a. Subsidised housing for doctors and allied health professionals.
  - b. Donation of land for the construction of housing, facilities.
  - c. Financial contributions for scholarships.
  - d. Ownership of medical centres.
3. The number of Councils providing aged care, home care services and community transport due to the lack of service providers.

Further to the NSW Rural Health Inquiry of 2020, we approached our colleagues in local government to understand what assets they owned and what incentives they were providing in maintaining health services in their communities. The following is anecdotal information shared with us to show some depth to the issue, however it is not the true extent.

We call on the government at State and Federal levels to survey all councils to understand the services that they provide in rural and regional health and for recommendations to alleviate this pressure off local government. A summary of what was shared to us in recent days is provided below with a Table attached to this letter:

1. Similar to Weddin Shire Council; Snowy Monaro Regional Council, Lachlan Shire, Coolamon Shire, Murray River Council, Upper Hunter Shire Council, Bourke Shire Council, Cobar Shire Council, Temora Shire Council and Federation Councils own their medical centre buildings and generally leased with subsidized rent. Many of these doctors provided the visiting medical officer role in their local hospitals.
2. Local councils owning houses/units to retain our doctors and allied health professionals including Weddin Shire Council, Hay Shire Council, Federation Council, Lachlan Shire Council, Gunnedah Shire Council, Snowy Monaro Regional Council, Upper Hunter Shire Council, Bourke Shire Council, Cobar Shire Council, Temora Shire Council and Warren Shire Council. All Councils offered subsidized rent or zero rent in some instances.
3. Blayney Shire Council through its Attraction and Retention of Medical Professional Policy provides an interest free loan of \$50,000 for up to two years. The incentive is to help with initial costs of relocation and has been utilized by professionals to assist in housing and an upgrade of a medical facility. Other Councils like Cowra Shire Council provided funding (\$100,000) to assist in building a medical practice. Whilst Edward River provides a \$10,000 per annum bonus to doctors and nurses moving to the region.

4. Leases to NSW Health for Community Health Nurses or other allied health professionals in Queanbeyan-Palerang Regional Council, Snowy Monaro Council, Bathurst Regional Council.
5. Cars being provided to doctors, including three vehicles by Hay Shire Council.

We understand that Council's Weddin Street Clinic is our asset and our asset to manage. My concerns are the number of Councils who are providing health infrastructure and services due to the lack of service providers and how both tiers of government are ignoring this. We believe that this issue is not a NSW standalone issue and request that you work with your peers in our State and Territory governments to understand this jurisdictional creep in local government across Australia and call on all councils to respond to a Federal Health Inquiry.

The difficulty in the health system is the delineation between general practitioners (federal government) and the NSW public hospital systems (NSW Health). In our small communities, generally our GPs are the doctors providing the visiting medical officer roles in our facilities. However, local government is providing the brick and mortar, the housing and the other incentives to try to retain a basic essential service for our communities, with no assistance or acknowledgement.

A number of councils have provided the infrastructure and services for many years that it is normalized in our local communities and an expectation from our constituents to continue to fund and maintain these services. We request acknowledgement and assistance or incentives, not just for us but also for all councils who have stepped in this space due to this service gap. However, we advocate that the Federal Government undertake a Federal Health Inquiry to quantify the issue in rural and regional areas.

Submissions raised previously to the NSW Government included the fear of competition amongst councils. Simply not addressing the issue will only increase the burden onto local government to the detriment of our communities.

All of the health plans talk about local government being a partner or a key stakeholder without specifying many more words that define that relationship. We call on the government to truly define these boundaries.

We hope to start working with the NSW Government to clearly define this relationship.

We appreciate your time in advocating this matter for us.

The Deputy Mayor Cr Paul Best, the General Manager Ms Noreen Vu and myself will be attending the Country Mayors Association Rural Health Forum. We trust that the information provided in this letter will be of value to you and look forward to meeting with you into the future.

For your information, I have again written to NSW Minister for Regional Health, the Hon. Ryan Park MP to request a meeting. I have also written to:

- Dr Michael Holland MP, NSW Parliamentary Secretary for Regional Health,
- The Hon. Steph Cooke, MP, Member for Cootamundra,
- The Hon. Mark Butler MP, Federal Minister for Health and Aged Care,
- The Hon. Ged Kearney MP, Assistant Minister for Health and Aged Care,
- The Hon. Emma McBride, MP Assistant Minister for Rural and Regional Health.

We look forward to continuing our relationship with improving the health outcomes for our local community.

Thank you for your consideration.

Yours faithfully

Craig Bembrick  
**MAYOR**  
WEDDIN SHIRE COUNCIL



Informal Question sent to Councils on 8 September 2023.

The following does not depict the true extent of the issue:

<b>Council</b>	<b>Assets</b>	<b>Other Incentives</b>
Weddin Shire Council	Grenfell Medical Centre (includes GP and Dentist) Weddin Street Clinic Two Houses Old bank building - Chiropractic services	Subsidised rent Furnished accommodation and facilities
Bathurst Regional Council		NSW Health rents community facilities at Kelso at subsidised rent
Bland Shire Council	Community Care Centre	Rental to Doctors
Bourke Shire Council	Medical Centre Two houses	
Cobar Shire Council	Medical Centre Unit for Doctor	Subsidised rent for medical centre Unit subsidised at nil rent
Coolamon Shire Council	33 bed residential aged care Home Care Doctor/Dental surgery in Coolamon Doctor Surgery in Ganmain	Previously owned Doctors premises at Ardlethan but now provided to Community Health Own land Coolamon MPS and Community Health are on at \$0 rent. Provide rooms to allied health professionals Built Doctor's house which has been purchased
Cowra Shire Council		Funding to assist building medical practice (15 years)
Edward River Council	Medical Centre	Doctors and Registered Nurses attraction policy of \$10,000 per annum support to move to region
Federation Council	Two medical centres One house	Peppercorn leases Subsidised rent
Gunnedah Shire Council	Housing	
Hay Shire Council	Medical Centre Two Houses Three Cars	
Lachlan Shire Council	Doctor's housing in Lake Cargelligo, Condobolin and Tottenham Medical Centre in Condobolin	Subsidised rent
Murray River Council	Medical Centre at Moama	Subsidised rent No-interest loan to a medical centre trust
Narrandera Shire Council	Housing	Subsidised rent
Narrabri Shire Council		Contribution of \$150,000 for doctors housing in Wee Waa and \$300,000 for doctors housing in Boggabri
Snowy Monaro Regional Council	Two medical centres Two residential aged care	Accommodation for locum workers

Council	Assets	Other Incentives
	facilities Housing	
Temora Shire Council	Two medical buildings with pathology and consulting rooms. Three units	
Upper Hunter	Two medical centres Two houses Aged care facility	Subsidised rent
Warren Shire Council	Warren Family Health Clinic including medical equipment Two bedroom unit	Subsidised rent