

Aged Care Royal Commission Submission by Rural Councils Victoria

Who we represent

Rural Councils Victoria (RCV) is an incorporated body representing 37 smaller rural councils across country Victoria. Our membership does not include regional councils so our focus is on issues relevant to smaller rural areas and populations some of which are quite isolated or sparse. Our members' experiences will also reflect those of many smaller rural and remote areas of Australia.

The demographic size and profile of our members is variable. The total population of Victorian rural councils is around 750,000 with overall growth being experienced. Some areas are growing in total population but others declining. However, with only a few exceptions, there is major growth being experienced in the older (70+) population in all councils.

Hence there is a heightened awareness among our members of issues affecting the welfare of our older citizens and their importance within our communities. Optimal care and support for older people is critical for families, community strength, social health and for beneficial economic effect for rural Victoria as a whole.

Relevant Commission Terms of Reference

A number of matters of Inquiry for the Royal Commission are relevant to this submission but we see the following elements as most pertinent:

- a. " - - - the extent to which those (aged care) services meet the needs of those accessing them"
- b. "the future challenges and opportunities for delivering accessible, affordable and high quality aged care services in Australia, including:
 - i. - - - -
 - ii. in remote, rural and regional Australia"
- c. "how best to deliver aged care services in a sustainable way, including through innovative models of care, - - -"

The Royal Commission has recently issued Consultation Paper 1 which canvasses issues of Program Redesign for future services, which we have reviewed. This document is also clearly relevant in consideration of a number of the points we will raise and potential changes which we suggest. We have also reviewed the Commission's Interim Report and earlier Background Papers.

Research which we have initiated

With support from the Victorian Government RCV has undertaken a number of research projects broadly aimed at continued sustainability and viability of rural communities and to achieve economic development. A key piece of research was on Population Attraction and Retention Strategies (2017) and the report arising from this initiative highlighted a keen awareness among our members of the need for accessible services and accommodation for older people to maintain community strength and provide social and economic benefits.

Following on from a recommendation in this 2017 report, RCV commissioned further work in 2018 (undertaken by Verso Consulting) which closely examined the situation for each of our 37 members in respect of available 'Older Persons Services and Accommodation'. That work yielded significant insights and recommendations which we have utilised in making this submission. A copy of the Verso report is available on request is provided as an appendix to this submission.

What we hope to convey

We hope to convey to the Royal Commission the vital role that access to quality local services for older people (and suitable accommodation) plays in the personal, social and economic health of rural communities. Current service availability in rural areas is inconsistent and, under current policy, is ultimately dependent upon a 'commercial' delivery model for sustainability and growth to meet the forecast demand. In rural settings, of mostly smaller scale, this model is often deficient.

As well as the personal disruption and cost, failure to meet service and accommodation needs for older people in rural settings has major effects on the sustainability of communities if those people (and possibly their families) have to move away to access suitable support.

On the other hand, full local provision of services provides a large potential benefit for individuals, families and to rural communities from a social sustainability perspective but also offers very real (and potentially large) economic and employment benefits arising from transfers of significant subsidy inflows from the Commonwealth.

As noted in the Royal Commission's December 2019 Consultation Paper discussion of 'The current system' (pp. 2-3) "*The direction of current reforms puts too much faith in market forces and consumer choice - - -*". Whilst this may be interpreted as mainly applying to commercial providers, the same operating principles are adopted in practice by non-profit and government providers to achieve break-even under a constrained funding system.

Because of the demographic profile of most rural areas, meeting the growing demand for services and accommodation is vital to community welfare and viability. The strains on local service provision stem in large part from reliance on market forces in areas where there is evidence of market failure or at least 'thin markets'. In respect of Residential Care much rural

infrastructure is reaching end of life and there is little evident interest in new investment at the smaller scale required.

In respect of non-residential care, local government in Victoria has historically provided much of the most widespread of aged services (Commonwealth Home Support – CHSP) but many are now reviewing their role or have actually decided to cease service provision due to funding constraints. These developments highlight the current dependence on and lack of viability of the commercial model of in the rural context. Combined with reduced financial returns from the consumer choice model of Home Care and high travel time/costs involved in home based delivery, adequate access to care at home is therefore under real threat.

The Commission's Interim Report concluded that *"the aged care system is in desperate need of redesign – not mere patching up"*. Accordingly RCV wishes to take the opportunity to highlight some needed changes which will address *"the future challenges and opportunities for delivering accessible, affordable and high quality aged care services"*. The changes we suggest will be feasible because they include changes to the delivery model which will be more cost effective by reducing reliance on the more costly residential component of aged care delivery. Our suggested changes will also provide potential to meet a number of disparate objectives, namely:

- Providing greater access to the preferred home based service delivery setting
- Residential Care more attuned to the needs of a smaller cohort
- A system which supports older people to maintain contact and involvement with their communities
- Responding to unmet housing needs for older rural residents – particularly those of lower means and older women
- Providing an affordable rural approach

Ultimately we wish to convey that there are practical responses to difficulties in providing sustained access to quality support and care for older people in rural/remote areas. These responses will require changed funding arrangements or promotion of alternative models. However the identified changes accord with the approaches now being canvassed by the Royal Commission.

Our research

The 2018 'Older Persons Services and Accommodation' (Verso) project made a number of key findings based on research and extensive evidence. These included:

- In the context of a national shortfall in available packages major growth in demand for Home Care Packages (nearly 130%) is predicted by 2031 in rural Victoria (based on projected demographics and provision ratios)
- A comparable increase in demand for the Commonwealth Home Support Program is likely (based on demographic projections)

- Most rural Victorian LGAs will need additional residential aged care places within 10-12 years (on projected demographics and provision ratios)
- Lead times for development and approval mean that planning should commence immediately in most cases
- The scale and urgency of the requirement in some cases is quite marked, e.g. 9 rural shires will each need 100 extra beds or more by 2026
- 3 rural shires (East Gippsland, Mitchell and Moorabool) will have predicted unmet demand for around 200 extra beds by 2026
- Across rural Victoria, approximately 3,600 additional beds will be needed by 2031 above those currently allocated
- Of those 3,600 additional beds, nearly 2,700 will need to be built and staffed by 2026 if recently allocated beds are included
- Provision of care at home is deficient outside main towns due to travel time/cost

A challenge exists in relation to estimation of true local supply of care in the home in rural communities. The Commonwealth service provider data contained in its published annual Aged Care Stocktake no longer contains figures for the Home Care Packages Program (HCPP) although regional level data is available in its quarterly HCPP Data Reports. This is not fine grained enough to assess the pattern of delivery within a region which generally contains well serviced regional centres as well as underserved rural locations.

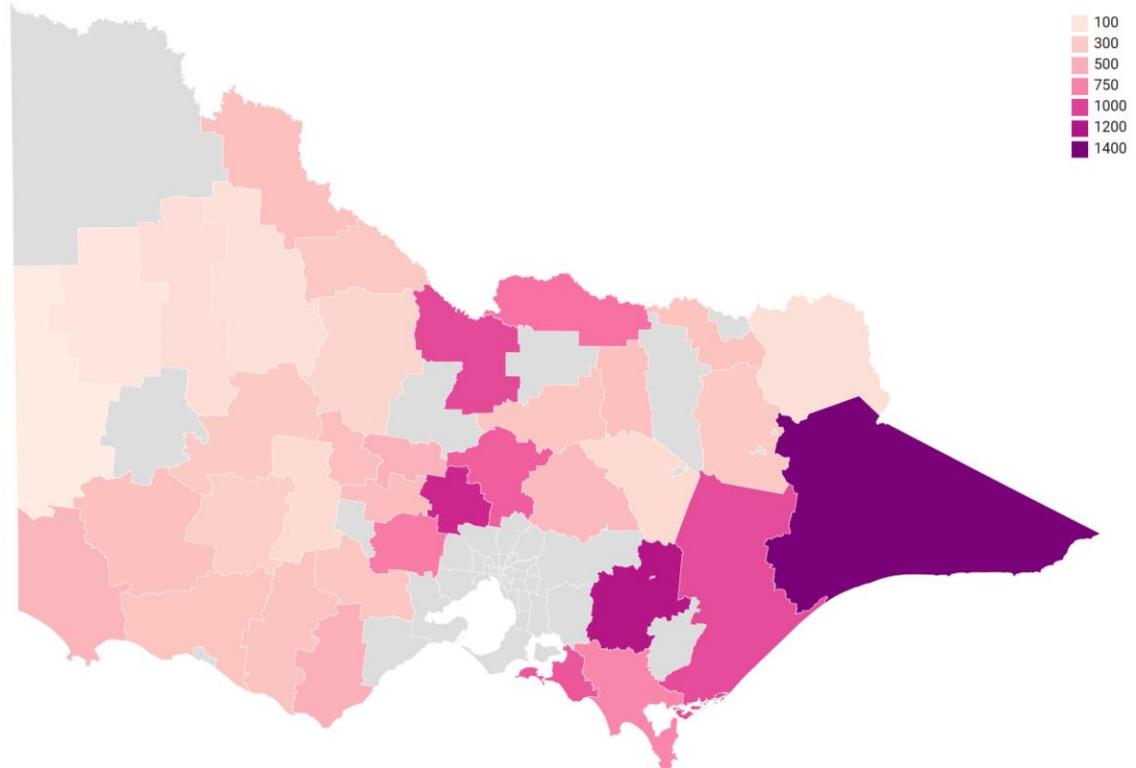
In addition, no client/service type or provider data has been published in respect of CHSP since the Commonwealth assumed management of the program from the states. (This latter deficiency is a major impediment to transparency and planning). This means that the numerically largest and most important program has become opaque in terms of service level monitoring.

Local data in respect of Residential Care beds is still available as a basis to estimate projected bed needs based on 70+ population projections and the Commonwealth's planned provision ratios. Demand projections are based on the current facility based model continuing unchanged.

In relation to older persons' housing a mapped estimate was made of potential unmet demand for accessible suitable housing (including independent living units - ILUs). This estimate does not account for current specialized older persons housing but much of this was built under a Commonwealth subsidy program which ceased in 1986. From 1954 to 1986 the Commonwealth subsidised non profit organisations for up to 50% of capital cost of older persons housing under the former Aged Persons Homes Act. Most current ILUs were built under this scheme but are now reaching end of life.

2031 Gross Housing Demand Estimates

Global Demand Estimate



Map: Verso Consulting • Source: Victoria in Future 2019, Victoria's future population projections • Map data: PSMA Australia Limited • Get the data • Created with Datawrapper

Potential older persons housing demand estimates were made to provide a context for further discussion which will raise the prospect a revised model of aged care where appropriate housing provision underpins increased delivery of care in the home. Providing more suitable housing is a major factor and issue in rural areas because desired movement to more central locations and more appropriate housing is strongly inhibited by the typically low market value of current dwellings.

Research recommendations

In its report on the Older Persons Services and Accommodation project Verso Consulting provided a number of recommendations which we consider relevant to this submission. The recommendations were structured around four key planks of aged support and care, namely;

- promotion of age friendly communities
- provision of accessible and suitable housing (universal design)
- ensuring ready access to appropriate care at home
- adequate provision of higher level/secure care in a residential setting

Selected key recommendations included:

- Future state government support for age friendly initiatives should place emphasis on developing and embedding ongoing age friendly plans or strategies as specific outcomes
- Effort should be made to 'demystify' age friendly planning and offer simplified strategies for smaller councils, e.g. appointment of ambassadors to lead consultations with clear guidelines and develop straightforward plans which can progressively deal with nominated priorities year by year
- Councils should consider offering - - - - facilitation - - - - to potential (housing) investors to encourage investment

Note: This recommendation is being supported by dedicated investment training for rural councils to be delivered by RCV in 2020

- Efforts should be made by rural councils to raise community awareness (especially among Commonwealth Home Support Program clients) of Home Care Packages as a real alternative to Residential Care
- Councils should endeavour to assist older people to navigate the My Aged Care website where possible
- Councils should liaise with local Home Care Package providers or attend regional peak body meetings of providers to ensure they are aware of the significant potential demand for Home Care within their communities
- Councils should consider facilitation of local provider presence through offers of office space (if possible) or other incentives to selected providers in return for commitment to local operation and wide service coverage
- If councils are reviewing their future role in CHSP delivery, a major consideration should be to ensure continuity of delivery if divestment is to occur

Investment Attraction - Promotional recommendations

In addition to the research aspects of the project RCV sought advice on ways that councils could promote service and capital investment responses by relevant parties. Promotional recommendations included:

- Councils should specifically note the enormous social and economic benefits available for most LGAs in meeting projected demand for residential aged care and care in the home
- Individual councils or groups should take immediate action to carry forward a communication and promotion campaign regarding the growing need for investment in residential facilities
- Where there is a likely demand for up to 50 additional beds by 2031, councils should use the (research) materials available from this project to approach local residential care providers to alert them to the demographic demand analysis - - - and offer any practical assistance available to encourage investment in expanded facility capacity

- Where there is likely demand above 50 additional beds by 2031, (as a natural extension of this project) councils should be further assisted to meet with Leading Age Services Australia (Victoria) peak body members and major providers of residential care to discuss the predicted demand evidence and discuss ways in which investment can be facilitated
- Pathways should be utilised through the provider peak body (LASA) and to government as a provider
- Promotional templates made available through this project should be used to develop tailored local prospectuses
- Every rural council should also consider the housing demand potential outlined and estimate the likely scale of gaps by comparing with local supply
- A housing investment campaign should be initiated if there is a likelihood of real demand gaps, sites available and facilitation on offer
- Identified pathways to potential investors via LASA and the Property Council of Australia's Victorian branch should be utilised
- The state government should be alerted to the very large and concrete regional development potential offered through investment in residential aged facilities and a scheme of support proposed to promote it
- Advocate for a state and/or federal program to build older persons accommodation modeled on the former Commonwealth Aged Persons Homes Act (focused on rural areas)

Subsequent to the 'Older Persons' study and recommendations the RCV Board has had a presentation on its content which promoted keen discussion of the potential for a model of aged care delivery which can address emerging shortfalls in older persons rural accommodation and delivery of support and care in the home up to a high level. A 'cluster' model of universal design housing, properly arranged and serviced with a range of in home support and care, is an obvious alternative to the current model of Residential Care. This accords with the care need identified in Consultation Paper 1, namely that *"People in the care stream will be able to receive the care they need, when they need it, regardless of the setting"* (p13).

This model is particularly suitable as an alternative in rural settings with 'thin markets' and can also respond to the forecast older housing shortfalls in an accommodation and care continuum.

System and policy level change requirements

Despite our view that market mechanisms are often deficient in rural/remote settings it can be seen that RCV has been active in assessing the status of aged support and care in its local government communities and has been prepared to support its members to take their own initiatives to ensure adequate services are available and to prepare for the future. However there are features of the current system and policy approach which need to be improved or changed to address current and impending aged care challenges in rural and remote areas.

In considering our suggestions for change we have particularly taken into account the Royal Commission's Interim Report and Consultation Paper 1 as well as other background papers and evidence heard by the Commission. We note with approval and make comment on the following key contents of Consultation Paper 1:

Reflections on Consultation Paper 1

RCV sees the following sections of the paper as being of particular importance in the rural context.

Principles

- *provide equity of access, regardless of location, means or background*
- *deliver care according to individual need*
- *maximise independence, functioning and quality of life for older people*
- *be affordable and sustainable, both for individuals and the broader community*
- *be capable of being implemented, monitored and evaluated*

The above principles are key in rural aged support and care.

Fundamental change

- *create three service streams to assist older people: an entry level support stream, an investment stream and a care stream*
- *streamline access to low intensity and cost-effective support services through an entry level support stream to support a large number of older people to retain their independence*
- *provide respite and delay or prevent progression to more intensive forms of care*
- *create a care stream for services delivered either in the home or in more flexible and less institutional forms of residential care*
- *move to individualised funding for care matched to need within the care stream, irrespective of setting*

RCV strongly supports changes which will ensure ready access to entry level support as the most widespread and cost-effective program. There are real issues in this area due to uncertainty about future rural delivery of CHSP which are touched on below. Mechanisms need to be put in place to ensure adequacy of supply. This will include transparent measures of availability for the target population and timely supply responses.

Most crucially, we endorse emphasis on a care stream delivered at home or in less institutional residential settings. We will expand below on the specifics of a model of care delivery in a housing 'cluster' setting.

New program design

RCV generally supports the multiple propositions included in the Consultation Paper under this heading. We strongly support the suggestion that access the aged care system should be arranged "*primarily through face to face support*" (p. 8) supplemented by online and contact

centre access.

This is particularly needed in rural areas where people are often in the lower range of socio-economic advantage with less access to or knowledge of online systems and/or with reduced connectivity.

Entry level support

RCV has a real concern that the vital CHSP program is currently too opaque in its operation in that data about its real availability and uptake are not in the public domain. There is also concern about:

- future delivery by Victorian local governments
- Commonwealth mandated pricing of services being obscure and possibly inadequate and
- pricing that doesn't allow for the cost of delivery in distant or sparse locations

The role of Victorian local government as providers of CHSP domestic assistance and personal care has been historically very prominent. The fact that many councils are now considering their future in the area raises alarm bells as to future availability in rural areas given the potential lack of local provider interest unless steps are taken to ensure pricing will ensure viability. A key part of this is differential pricing to allow for differing travel time/vehicle costs.

The concept of funding for the "*efficient cost of care*" (including travel) as mooted for personal, nursing and allied health care (p. 13) is also required for entry level care. The funding for rural delivery must be a true reflection of the additional cost of delivery to ensure service provision is equitable.

Merging of CHSP and HCP program

Many RCV membercouncils are currently providers of home based support and care as well as undertaking the role of Regional assessment for CHSP. Thus we can comment as being active participants in the current system.

In respect to the Commonwealth's stated intention to merge CHSP and HCP we believe the principle of accessibility is more important than 'consumer choice' which currently underpins the HCP program. The latter principle is largely hypothetical in rural areas where the real issue is access. The main discretion which care recipients value is choice of particular services to suit their needs and preferences as well as delivery times.

Concepts such as choice of providers and consumer driven ordering of 'the market' and quality are hardly relevant in most rural settings. We are concerned that dilution of the current system of contracted CHSP service delivery under a 'competitive' model will threaten orderly future delivery of this fundamental program.

In combining CHSP and HCP we support a system design which begins with entry level support/s and builds upon these with **timely** additional supports/care through to nursing, allied health and any other required complex care. In other words we consider the CHSP service model as a

preferable basis for a combined in-home service system – with the caveat that its operation be made transparent including measures of geographic provision levels, service gaps and unmet needs.

Specialist services (including palliative care and dementia)

We note and concur with the observation “that people living with dementia who have a high level of need will continue to receive care in residential settings into the future.” (Consultation Paper 1 p. 15). Together with required services for end of life care and some complex care where the home environment is no longer suitable these will likely form an irreducible suite of care needs where care in a residential setting is unavoidable.

The model required for this form of facility based care in rural areas is not obvious if this is to form the predominant profile of residents. If home based care is to play a larger role (which we think it should) it implies a smaller number of residents (with high needs) in facilities. The current viability equation for Residential Care would appear to require a minimum scale (80 to 100 beds?), currently occupied by residents with a mix of care needs. If facilities are to become more specialised to care for a smaller number with the highest care needs then financing will need to be attuned to that new profile and likely scale in less populated areas.

If this is not addressed there is a risk that the pattern of facility distribution will thin out and become confined to larger regional centres with all the negative consequences that implies for residents and families trying to maintain contact. There is a serious issue of access to transport in rural/remote areas (and cost) for older relatives and friends if they have to travel significant distances to maintain connection.

The government’s funding equation could nevertheless be favourable to allow for increased subsidisation of highest care residential facilities if there are parallel subsidisation reductions through reduced numbers in Residential Care through increased delivery in care at home. There are also potential savings available via a home service model which builds on the current cost efficient CHSP program in preference to the higher cost HCP model.

Access in rural and remote areas

RCV fully endorses the need for the following changes nominated in Consultation Paper 1:

- *funding of the differential costs of service provision, including travel costs*
- *funding and service models that enable providers to meet the challenges of thin markets and achieve economies of scope and scale (which could include, for example, periodic flexible block funding based on the allocation of places or the ability to pool funding across different aged care services, - - -)*
- *ensuring there is a ‘provider of last resort’ to address issues of market failure*
- *place-based models focusing on local need*
- *mechanisms that allow for government response or intervention in appropriate cases where there is an identified risk to sustainability of a care provider and a shortage of local services*

There has been extensive discussion over years of the issue of improved aged care provision in rural areas but there has been no effective action to address the most obvious solution - appropriate differential subsidy levels. In the first two nominated changes above, the Consultation Paper clearly identifies the two most pressing steps needed. Early action is crucial on this front.

Inadequate funding supplements for rural areas

In RCV's view the main area of focus should be the in-home programs since these deliver the vast bulk of existing and even greater scale of potential services. Current remote service subsidies under the Home Care program are minimal and don't reflect the additional travel costs (true vehicle costs or allowances) and additional time spent to deliver services in distant locations.

The bulk of services in rural Victoria are in areas classified as MM 5 under the Modified Monash Model of remoteness for the Viability Supplement used by the Department of Health. Only the western Little Desert Area and far East Gippsland in Victoria are classified as MM 6. The daily Viability supplement for Home Care to service MM 5 areas is only \$2.35 (\$16.45 pw). This is totally inadequate when a to and from journey time can commonly be 1 to 1.5 hours at a worker's hourly rate (approx. \$23 per hour) in addition to either the running cost of a vehicle or payment of award vehicle allowance (78c per kilometer).

To illustrate the current supplement's inadequacy, consider an additional twenty minutes to and from journey time each way (above a metro visit time) and a total additional distance covered of 40 kilometers. That is an additional worker time cost of around \$15.33 and additional vehicle allowance entitlement of \$31.20 - equals \$46.53 (over metro). For one visit!

The employer may provide a vehicle but the capital and running costs will not be much different from paying an employee vehicle allowance.

There is no public pricing data for CHSP to determine whether adequate differential prices are offered to rural/remote providers. Given that the history of most existing contracts derives from state jurisdictions a reasonable assumption can be made that there is little method or consistency to be found in pricing. This program also needs to have a rational and transparent allowance for differential pricing in rural areas.

Implement a new care model including a housing element

In respect of funding and service models for thin markets and place-based models focusing on local need, RCV sees a pressing case to advance the 'cluster housing/home service' model as a response in rural/remote areas. In doing this we draw on the Consultation Paper's identification of need for a care stream of *"services delivered either in the home or in more flexible and less institutional forms of residential care"*.

The context for this initiative includes:

- the previously discussed potential for a residential facility model more focused on end of life care, secure dementia care and other high complexity care
- the implications of such a shift for rural areas
- older persons rural housing which can be unsuitable for safe or efficient delivery of support/care in the home or is distant from services
- the cessation (in 1986) of a previous Commonwealth capital matching program for 'aged persons homes' which supported development of most existing rural ILUs
- evidence of a consequent shortfall of new build older persons housing in rural areas
- widespread affordability issues in meeting the cost of more suitable new housing in weak property markets
- the strong desire for older people to remain connected and 'age in place' in their communities
- potential for delivery of a seamless, highly cost efficient continuum of care
- more opportunity for in-reach health services
- potential major savings in Residential Care delivery costs by facilitating more care at home

A substitute for rural Residential Care

Verso Consulting has provided us with access to earlier work they have done for rural/remote clients in WA and (with permission) we cite as follows from that work in describing features of a less institutional form of housing based care setting.

"In rural and remote locations sparse settlement and workforce shortages have persistently created an environment where private/commercial models of Residential Aged Care are not viable. The result is that in many rural locations the market has not delivered the Residential Aged Care sought by community members.

Other factors affecting the capacity of the current system to respond are changing care needs in residential aged care, particularly dementia/mental health care and high care that now accounts for the majority of new entrants.

Project work by Verso initially undertaken on behalf of the Wheatbelt Development Commission, focused on developing creative solutions to respond to the need for an alternative model to MPS based residential aged care in small rural towns. The following elements for an alternative model were identified:

- *Capacity to provide high quality and safe care;*
- *Capacity to support ageing in place;*
- *Capacity to create a viable model (Viability considerations, Governance, Workforce and Financial); and*
- *Capacity to deliver care that is consistent with contemporary needs of people entering residential aged care*

Verso's challenge was to consider the smallest size possible to maintain viability.

A small scale aged care solution is proposed as an alternate solution to older persons who would otherwise require residential aged care due to:

- *The need for constant monitoring/supervision;*
- *The absence or inability of carer to maintain their caring role;*
- *Safety issues;*
- *A home environment that cannot support the care needs of the client;*
- *The package cannot support care needs due to the limitations of hours of service (particularly where travel time/cost reduces the service hours considerably); and*
- *Clinical care needs that require access to constant nursing care or care provided under the supervision of a nurse.*

In more detail the cluster model is:

- *A group of eight independent living units built to platinum disability access standard;*
- *The eight units are orientated to provide a secure garden;*
- *The units are developed with the latest passive monitoring technologies;*
- *The cluster is served by a common building that also acts as an office and overnight facility for staff;*
- *The cluster is supported by 24/7 staff;*
- *The cluster is ideally to be co-located with the primary health facilities;*
- *The cluster uses flexible aged care or Home Care Packages as the care funding and pension or consumers funding for accommodation and hotel costs; and*
- *The cluster uses an alternate Approved Provider to WACHS to deliver the aged care."*

An additional less structured housing based option

It should be emphasised that the form of care setting described above is a proposed direct alternative to Residential Care. An equally important initiative is one which can meet unmet demand for older persons housing combined with providing an optimal setting for delivery of highly cost-efficient support and care in the home more generally.

The key ingredient for this would be to reintroduce a form of the capital matching scheme which operated for over three decades and resulted in over 9000 thousand ILUs being built in Victoria (34,700 nationally)¹. As mentioned above, this was under the Commonwealth's scheme governed by the Aged Persons Homes Act (1954).

This Act provided for grants to non-profit organisations for (the lesser of) half the capital cost of the home (excluding land) or a sum matching what was raised by the organisation (excluding borrowings and other government moneys).

If the terms of a new scheme could provide for targeting to rural areas where it is most needed,

¹ Housing for Aged Action Group - Submission to Victorian Legislative Council Inquiry into Retirement Housing Sector

costs could be restrained. Establishing 'universal design' requirements for housing would ensure that the housing would be appropriate for ageing in place and very efficient delivery of care at home when required.

Combined with priority for those of lesser means and older women, together with mixed/accessible forms of tenure (purchase, lease for life, economic rental), such an initiative would underpin a much needed revival of ILU construction in rural areas. On the evidence we have gathered such a revival is needed to forestall a possible crisis in availability of this vital form of older persons housing.

It would also facilitate a ready shift to the less costly delivery of care at home with all the attendant benefits to recipients and the community.

Although superficially peripheral to delivery of an improved aged care system, mature consideration reveals the housing support element to be of vital relevance to more appropriate, efficient and sustainable models of care in rural settings. There is also a case to be made that state governments may be willing to buy in to such an initiative since most have financing capacity under rural/regional development programs and the effects of optimal delivery of aged care will reduce the demand burden on the acute health sector which they fund.

A particular case can be made for state participation in Victoria where in all but one of our member council LGAs the state government also operates a Residential Care facility and a number of these will soon require capital for expansion/refurbishment where the 'market' isn't responding to increasing demand. In some areas the state government is the sole provider of Residential Care.

Economic modeling would be needed to balance the relative potential costs, savings and design features of a revived matched grant housing scheme but we have confidence that if all relevant factors are considered the equation would be favourable. Without it, there is potential for a desired shift to increased home based delivery of care in rural areas to be significantly constrained.

In summary

The conditions for delivery of aged support and care in rural areas present particular challenges which have been widely canvassed. In addition, demand for such services will not remain static but will differentially increase with typical faster ageing rural population profiles. Failure to respond with reforms and innovative and tailored models will worsen the situation.

Many of the Royal Commission's published suggestions for change provide excellent potential for necessary reforms which will suit rural areas. We have attempted in this submission to flesh out real world issues facing Victorian rural councils, both as representatives of their communities but also, commonly, as providers of aged services and to provide practical responses.

We have carried out our own research in the area and, in doing so, have attempted to ground

our suggestions for change on evidence and innovative thinking. A number of changes needed only require action on matters that are practically self-evident – e.g. better recompense for increased cost of home care delivery in sparsely populated areas and greater transparency and sustainability measures in the operation of CHSP.

We fully support the need for new models of aged support and care and strongly recommend serious consideration of the 'cluster housing' alternative to the current Residential Care model and a renewed older persons housing grant scheme as particularly relevant to increase and improve home based rural aged support and care.