



City of Whittlesea Council

Aged Care Services Review

July 2018

**Attachment 1 to LGNSW Report
'Beyond Aged Care Reform Issues for Local Government'
October 2018**





6.2 COMMUNITY SERVICES**6.2.1 AGED CARE REFORM - A NEW ROLE - GETTING THE BEST OUTCOME FOR THE COMMUNITY**

- Attachments:**
- 1 **Summary of Current City of Whittlesea A&D Services**
↓
 - 2 **Aged Care Reform Community Consultation summary of findings** ↓
 - 3 **Desired Community Outcome Statements** ↓
 - 4 **Evaluation Framework** ↓
 - 5 **National Competition Policy** ↓
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 - 8 **Detailed Evaluation Matrix - CHSP** ↓

Responsible Officer: Director Community Services

Author: Manager Aged & Disability Services

RECOMMENDATION SUMMARY

That Council realign its aged services to enhance ways older residents can pursue fulfilling lives, eliminate social isolation and get practical assistance to access services and programs when required, as follows:

1. Transition from the delivery of highly subsidised services which can be provided by other providers in the market based aged care system. [Domestic Assistance, Personal Care, Respite, Property Maintenance, Council subsidised trades and regular garden maintenance].
2. Continue to deliver services and programs to maintain or increase Positive Ageing desired outcomes. [Delivered Meals, Social Support Groups, Social Support Individual, Support for Carers, Volunteer Coordination, Vulnerable Persons Register, Aged Care Planning, Let Everyone Actively Participate (LEAP) program, Seniors Support, Positive Ageing Supports].
3. Transition from the delivery of subsidised electrical, plumbing, garden maintenance and lawn mowing and establish a list of approved businesses and organisations that provide home and garden maintenance services and trades.
4. Continue to deliver regional assessment services until the Commonwealth and State Governments determine the future operating and funding model and then review Council's role.
5. Establish a Council funded information, advocacy and navigation service which supports older residents and carers to navigate a significantly changed service system and a diverse range of positive ageing programs.
6. Develop and resource a transition plan to effectively implement these changes.

KEY FACTS AND / OR ISSUES

The Commonwealth has implemented a new system of aged care introducing 'client choice' by funding multiple providers competing for clients. This means many of Council's services will be uncompetitive even if significant changes are made to the way it delivers home support services.

Council currently contributes \$█████ annually toward delivery of services and programs for the aged. The cost is growing and represents a significant subsidy of the Commonwealth's responsibility for funding these services.

It is proposed that Council remain in some services, and exit from those services which are uncompetitive and where there are other suitable providers.

The proposal provides an opportunity for Council to strengthen its support for older residents by reinvesting funds currently subsidising Commonwealth Home Support services.

In particular it will enable Council to immediately increase its response to the two most common concerns raised by older residents:

- Isolation and loneliness - by increasing social support programs.
- Confusion about the service system - by creating an information and support program to assist residents to access the services and activities that enable them to age well.

REPORT**INTRODUCTION**

This report describes the process and outcomes of a review of services provided to Council's ageing population in response to the Commonwealth Government changing service and funding arrangements for community care services for older people.

The following Aged and Disability department activities have been reviewed:

- Commonwealth Home Support Program (CHSP)
- Home and Community Care Program for Younger People (HACCPYP)
- Council subsidised electrical, plumbing and lawn mowing services
- Assessment
- Support for Carers
- Vulnerable Persons Register
- Let Everyone Actively Participate program
- Seniors Support
- Positive Ageing

The current services provided within these activities, the cost and number of residents supported are outlined in Attachment 1: Summary of Current A&D Services.

Council's Positive Ageing Strategy (2016-2025) Desired Community Outcome Statements supports the proposition that Council realign its role in supporting older people toward achieving *'improved opportunities and choices for older residents to age well'*.

An evaluation framework based on the Desired Community Outcome Statements was used to evaluate potential future options.

It is neither viable nor feasible to deliver some Commonwealth services due to the cessation of guaranteed block funding from the Commonwealth, the ongoing requirement for substantial subsidisation from Council, alternative appropriate providers in the market and the requirements of National Competition Policy (NCP).

A transfer of services to an approved provider releases Council funds to invest in positive ageing initiatives to improve outcomes for residents.

The report summarises the systematic collection, analysis and evaluation of material leading to the proposed future role for Council.

PROPOSAL

It is proposed that Council realign its role in supporting older people toward achieving the Positive Ageing Strategy's primary outcome of improved opportunities and choices for older residents to age well, by:

- Delivering CHSP Social Support Group, Social Support Individual and Delivered Meals with a redesigned service model integrated with Support for Carers and Volunteer Coordination programs
- Delivering Regional Assessment Service for CHSP and HACCPYP services pending clarification of future funding arrangements
- Leading local service planning and service system development through the Municipal Aged Services Planning role

- Establishing an information, service navigation and assisted service access program to meet one of the key needs identified by clients and community members
- Enhancing positive ageing programs and activities including LEAP and Senior Citizens Support to support more older residents in ways that are reflective of priority issues identified through consultations

The proposed future role results in Council ceasing to deliver CHSP and HACCPYP Domestic Assistance, Personal Care, Respite and Home Maintenance as well as Council funded property maintenance. HACCPYP services will not be sustainable when CHSP services are no longer delivered, while Council funded property maintenance imposes significant cost and inequities. Transitioning these Commonwealth services to a preferred alternate service provider reduces Council's significant annual subsidy and allows for reinvestment in addressing issues for older people not currently being met.

CONSULTATION

The review was informed by the findings and summaries of seven consultative processes including with older residents and their carers undertaken since 2015. The local findings have been correlated with other regional and national consultations plus a recent literature review and there were no significant differences identified across these settings.

Consistent priorities emerged:

- The need for stronger social connection and reduced social isolation emerged as the most important need of older people at a local level, across the North metro region and nationally.
- Residents rate services provided by Council very highly based on their positive experience and high levels of trust. People also explained that they were less concerned with who provided the service as long as certain quality criteria are met.
- Service provision needs to come from trusted, affordable and reliable providers where workers are 'vetted' and the service model is flexible and focuses on outcomes not tasks.
- There continues to be unmet need for carer support in the form of relevant services for the person they care for and direct social and emotional support for them as a carer.
- The reformed aged care system is experienced as 'daunting' and 'overwhelming'; with a lack of information and support to navigate the system and understand the available choices.
- Council could play a valuable role by providing support to older residents to access information about services and community activities.

Additional findings are summarised in Attachment 2: Aged Care Reform Community Consultation Summary of Findings.

A range of community consultation and methods, staff forums, workshops and meetings and regular meetings with the Australian Services Union (ASU) have underpinned the review of Council's future role.

CRITICAL DATES

30 June 2019: end of current funding agreements for CHSP, HACC PYP and Assessment.

1 July 2020: full operation of marketised CHSP commences in Victoria.

1. Local Government's role in Aged Care

The Local Government Act 1989 requires that Councils endeavour to achieve the best outcome for the community with regard to the best use of resources for long term effect.

Consistent with this, the Positive Ageing Strategy (2016-2025) commits Council to support residents 50+ to have improved opportunities and choices for ageing well, as illustrated in the following table:

Positive Ageing in the Whittlesea municipality		
Council role	Focus areas	Outcomes
Advocate Facilitator Provider	Friends, connections and a welcoming community	Residents 50+ years will have improved opportunities and choices for ageing well
	Active – socially, mentally, physically	
	Learning and sharing knowledge	
	Getting around	
	Informed and having a say	
	Feeling safe	
	Housing, employment and financial security	
Health and support services when required		

The Desired Community Outcome Statements for older people (Refer Attachment 3: Desired Community Outcome Statements) translate Council’s commitments to older residents to focus on outcomes and to provide a tool for evaluating the effectiveness of Council’s investment to support older residents to age well. The statements underpin the evaluation of the proposed options in response to aged care reform.

2. Transition of Home and Community Care program to Commonwealth Home Support Program

From 1 July 2016, the Commonwealth assumed full funding, policy and operational responsibility for the Home and Community Care (HACC) program services for older people in Victoria as part of the Commonwealth Home Support Program (CHSP).

Access to all services is now via the My Aged Care gateway and assessment of service eligibility is undertaken by either the Regional Assessment Service or the Aged Care Assessment Service. Service types, service levels and service guidelines are being determined by the Commonwealth with a view to creating a national aged care system.

Council no longer has a role in determining priority of access to services or service levels. It is no longer the ‘preferred monopoly provider’ of entry level support services. The Commonwealth now funds multiple providers to deliver CHSP services. For example, Council has not accepted referrals for Domestic Assistance since February of this year as financial and service targets have been met. Since this time any residents seeking Domestic Assistance have been referred by My Aged Care to other providers.

Further reforms are imminent in both assessment and service delivery with an emphasis on increasing choice.

Key issues for Council to take into consideration include:

- probable discontinuation of block funding from July 2020
- no certainty in future funding levels due to increased competition for CHSP funding
- client choice in selecting from an increasing range of available service providers, many of whom can offer a broader range of services including from entry level to high needs.

A level of stability exists based on special transition provisions in Victoria until 1 July 2020. This includes continuity of funding levels (and output based ‘block funding’). The period from July 2019 to July 2020 will be funded through a separate one-year agreement yet to be finalised.

3. Strategic Options for CHSP Service Provision

Five strategic options were developed for analysis through the Northern Metro Region Aged Care Reform Project:

- Option 1: Remain in service delivery (business as usual)
- Option 2: Council to continue to deliver all current services through either:
 - 2A: an optimised business model
 - 2B: sub-contracting
- Option 3: Establish a new entity to deliver services
- Option 4: Council exit service delivery through either:
 - 4A: winding down slowly
 - 4B: transfer to another provider
- Option 5: Continue to deliver some services while exiting others

In late 2017 an evaluation framework, based on the Positive Ageing Desired Community Outcome Statements was established and used to evaluate a range of potential future options for delivering current programs.

To effectively review all Aged and Disability services and propose a future role, it was necessary to review current activities in sequence and then consider potential future options and propose a future role.

The review sequence is explained below:

Review Sequence	Comment
1) CHSP	CHSP services were reviewed first as they are the largest in terms of volume, expense and clients. Each service type (for instance Domestic Assistance or Delivered Meals) was evaluated against each of the future options to identify the best community outcome.
2) HACC PYP	HACC PYP service types are very similar to CHSP service types and are delivered by the same teams. The future option chosen for a CHSP service, for instance Domestic Assistance strongly influences the options for delivery of HACC PYP Domestic Assistance.
3) Support for Carers	Once preferred outcomes for delivery of CHSP and HACC PYP service types were identified; the future options for delivery of other programs such as Support for Carers, Vulnerable Persons Register and Council subsidised plumbing, electrical and lawn mowing were each reviewed using the same evaluation criteria . As well as reviewing the best outcome for the community, it was also necessary to consider whether delivery of these services was dependent upon or complementary with a particular CHSP / HACC PYP services type. For instance Council Subsidised electrical, plumbing and lawn mowing uses the same contractors as CHSP / HACC PYP Property Maintenance.
4) Vulnerable Persons Register	
5) Council Subsidised electrical, plumbing and lawn mowing	
6) Positive Ageing Programs	The LEAP, Seniors' Support, Seniors' Festival and Positive Ageing Programs were reviewed to identify opportunities to improve outcomes for the community.

7) Identified unmet need	Once all existing services had been reviewed; opportunities to meet identified unmet needs were considered.
8) Recommendations for Council's future role	The final step was to develop a set of recommendations on Council's future role in Aged Care for consideration.

Projects to inform recommendations

A number of projects were conducted to inform Council's role, responsibilities and activities in aged care. Each project involved Council staff and independent experts in business development, research and consultation and financial modelling. Some projects were conducted in conjunction with other local government authorities that are also considering their future role in supporting older residents.

<p>Projects</p>
<p>A.Environmental Scan provided an assessment of the impact of sector changes on the operations of aged care services provided by Councils, including the financial and industrial risks related to changes to the funding and delivery of aged care services.</p>
<p>B.Desired Community Outcome Statements for People Aged 50+ Years in Whittlesea, developed to be consistent with Council's Positive Ageing Strategy and other strategic documents. Presented to Forum on 25 July 2017. The Statements provide the foundation for deciding Council's future role and responsibilities in supporting older people. (Refer Attachment 3: Desired Community Outcome Statements).</p>
<p>C.Northern Metropolitan Local Government National Aged Care Reforms - CHSP Developed and analysed five strategic options following sector policy and financial analysis.</p>
<p>D.Evaluation Framework developed to guide timely, efficient and consistent assessment of options and to assist in short-listing options which are desirable, feasible and sustainable. (Refer Attachment 4: Evaluation Framework)</p>
<p>E.National Competition Policy</p> <p>Council CHSP services are considered a significant business and are required to comply with National Competition policy. Full reflective costing of services must apply in order to avoid a net competitive advantage due to public ownership. Council can deliver subsidised services where the market may not deliver specific service types.</p> <p><u>Outcome</u></p> <p><i>Based on market sounding a number of services will be required to apply full reflective costing (Domestic Assistance, Personal Care, Respite, Social Support Individual and Home Maintenance). The market is unlikely to deliver several service types thus Council's subsidisation of these would not be considered a breach (Delivered Meals and Social Support Group).</i></p> <p>Refer to Attachment 5: National Competition Policy</p>
<p>F.Financial Model developed to consistently quantify operating and transition costs for each option and to provide a robust basis for comparative financial assessment of options. The financial model has been applied to each option to provide an indicative total cost over 10 years including transition costs and projected annual costs.</p> <p>Refer to Attachment 6: Summary of Financial Analysis – CHSP</p>

G.Northern Metropolitan Market Sounding undertook consultation with potential appropriate service providers to gauge their interest and capacity to deliver CHSP services within the local area in order to assess market maturity. Focus areas included demonstrated capacity to deliver some or all services, operational practice supporting quality client outcomes, interest in employment of Council staff and potential terms of employment.

Outcome

Market sounding indicated there are appropriate service providers with interest, capacity & capability to provide services to eligible clients, however provider numbers are limited. All providers indicated they would be unable to deliver services without expanding their current staff numbers. Council staff are considered to be well trained, experienced and employable.

H.Service Optimisation developed a model of direct service delivery that is optimised in cost and quality within market, industrial and organisational constraints. The optimised model identifies and estimates process & structural efficiencies, a review of employment conditions, and maximisation of fees and funding.

Outcome

The optimised model proposes changes to Council's service offering and operating model for specific services. Workforce structure, operational systems and processes and client fee structures were also modified across all services. Despite the operational efficiencies embedded in the optimised model and modified staff conditions a Council annual subsidy of \$[REDACTED] would still be required. The ten year projected cost for this model including transition is \$[REDACTED].

I.Council subsidised Property Maintenance (Plumbing, Electrical, Lawn mowing) Review

This service is unique to the City of Whittlesea and services approximately 1500 clients per annum at a cost to ratepayers of [REDACTED]. The provision of electrical and plumbing is modestly subsidised, but the cost of lawn mowing is highly subsidised for the growing number of older residents who receive it. In addition there is considerable cost associated with administering the service.

A review was conducted to identify options and evaluate these against the Aged Care Reform Review Evaluation Criteria. (Refer Attachment 7: Review of Council Funded Property Maintenance).

J.Positive Ageing Program Review

The City of Whittlesea Positive Ageing Program provides positive ageing opportunities of over 5000 residents weekly at an annual cost of [REDACTED]. This team of seven staff (5.9 EFT) led the development of the Positive Ageing Strategy (2016-2025) and has oversight of delivering Council's Positive Ageing Action Plan #1 (2016-2019).

The program aligns with Council's desired outcomes for older people that underpin the review of all Aged and Disability services. In 2018/19 this team will lead the development of the Positive Ageing Action Plan #2 (2019-2022).

4. Benefits of an early Council Decision

An early decision on the future of Council's role in the provision of aged care services provides the following potential benefits, depending on the option chosen:

- Certainty for clients, carers and staff to plan future arrangements.
- Sufficient time to conduct appropriate transition to new arrangements.
- Influence the local market by attracting quality providers with capacity and capability to Whittlesea.

- An opportunity to negotiate the potential transition of clients to an alternative provider(s) of choice.
- A delayed decision may reduce the number of quality providers that have capacity and capability.
- Increases the cumulative savings by reducing the level of Council's financial contribution to current service delivery.

5. Evaluation Framework

Evaluation criteria are grouped in nine desired outcome areas which collectively describe desired outcomes for older people, clients, carers, staff, Council and the community:

- Quality (mandatory)
- Access (mandatory)
- Legal obligations (mandatory)
- Feasibility (mandatory)
- Financial sustainability (mandatory)
- Fair work
- Market maturity
- Strategic alignment
- Economic development

Refer Attachment 4: Evaluation Framework

6. CHSP Option Evaluation

The five CHSP strategic options have been assessed against the evaluation criteria (Refer Attachment 8: Evaluation Matrix). The options were evaluated for all CHSP service types collectively and individually. Financial modelling was developed to consistently quantify operating and transition costs for each option and to provide a robust basis for comparative financial assessment of options. The financial model has been applied to each option to provide an indicative total cost over 10 years including transition costs and annual projected costs. Strategic alignment evaluates the options against the Desired Community Outcomes for Council's older residents.

The following summarises the outcome of the CHSP evaluation.

Option	Evaluation Summary
Option 1: Remain in service delivery – business as usual	Does NOT meet the mandatory criteria in relation to: <ul style="list-style-type: none"> • Legal Obligations: Detailed advice from Ernst & Young indicates that National Competition Policy would apply to Council's current service model given the very high level of subsidisation by Council. • Financial Sustainability: Financial modelling indicates that Council contribution for this option will increase rather than decrease over time with an indicative total cost to Council of ████████ over ten years.
Option 2A: Remain in service delivery with an optimised business model	Legal obligations and Feasibility: would not meet mandatory criteria, particularly in relation to the application of National Competition Policy. Option viability is dependent on: <ul style="list-style-type: none"> (i) salaries being significantly reduced through EA re-negotiation

Option	Evaluation Summary
	<p>(ii) the Commonwealth increasing the funded unit price for a reduced number of units and/or</p> <p>(iii) Council meets a National Competition Policy public value test to continue to provide services (ie recognising local government's role in maintaining service access and quality)</p> <p>Successfully negotiating an increase in CHSP unit price would not eliminate Council contribution.</p> <p>Strategic Alignment: Remaining in service delivery may impact effectiveness / legitimacy in a competitive market environment to act in other roles particularly local system steward / planner</p> <p>Financial sustainability: Financial modelling indicates this model could potentially significantly reduce Council's contribution, however contributions would remain in the region of █████ over ten years</p>
<p>Option 2B: Remain in service delivery through sub-contracting with alternative service provider</p>	<p>Feasibility: Uncertainty if contractor(s) will deliver services within the CHSP funded Council price (+ client fees) – financial modelling assumes no Council subsidy</p> <p>As a potential contract is likely to be for a short time period , service outputs cannot be guaranteed post June 2020 – and may therefore not be attractive to potential contractors</p> <p>Financial Sustainability: Financial modelling provides an indicative total cost to Council of █████ over ten years with significant transition costs.</p>
<p>Option 3: Establish a new entity to deliver services</p>	<p>Does NOT meet the mandatory criteria in relation to:</p> <ul style="list-style-type: none"> • Feasibility: Previous experience indicates that establishing a new entity requires a considerable period of time to develop, implement and transition and would not be fully operational by July 2020 • Financial sustainability: financial modelling indicates that the cost to Council to establish and operate a new entity over a ten year time frame would be █████ The high establishment costs of a new entity with seven other Councils have a significant financial impact on this option. This option would not decrease Council's contribution.
<p>Option 4A: Exit service delivery through winding down</p>	<p>Market Maturity: Market sounding indicates there are service providers with the capacity & capability to provide services to eligible clients, however numbers of providers are limited which may reduce options if the decision is delayed. There are some specific service types that the market has less interest in and/or capacity for.</p> <p>Quality & Access There is a high level of variation between providers with regard to quality and access. Winding down does not provide a mechanism to choose the alternative provider/s, and influence future service quality and access</p> <p>Feasibility: Wind down through client attrition (and soft transfer) results in limited control of client exit making it difficult to manage staff resourcing and exit</p>

Option	Evaluation Summary
	<p>Financial Sustainability: Financial modelling provides an indicative total cost to Council of ██████ over ten years with costs associated with ceasing services potentially being spread over a number of years</p>
<p>Option 4B: Exit service delivery through transfer to another provider</p>	<p>Market Maturity: Market sounding indicates there are service providers with the capacity & capability to provide services to eligible clients, however numbers of providers are limited which may reduce options if the decision is delayed. There are some specific service types that the market has less interest in and/or capacity for.</p> <p>Quality & Access There is a high level of variation between providers with regard to quality and access. By choosing the alternative provider/s, Council can have a medium term influence on quality and access.</p> <p>Feasibility: Consultation with the Commonwealth indicates its support of a coordinated transfer of funded services to another appropriate provider prior to the expiry of Council's current agreement.</p>
<p>Option 5: Remain in some services and exit others Remain in social support group, social support individual and delivered meals Exit Domestic Assistance, Personal Care, Respite and Home Maintenance</p>	<p>Market Maturity: Market sounding indicates there are service providers with the capacity & capability to provide services (Domestic Assistance, Personal Care, Respite & Home Maintenance) to eligible clients, however numbers of providers are limited which may reduce options if the decision is delayed. There are some specific service types that the market has less interest in and/or capacity for (Delivered Meals & Social Support Group)</p> <p>Feasibility: Consultation with the Commonwealth indicates its support of a transfer of funded services to another appropriate provider prior to the expiry of Council's current agreement.</p> <p>Strategic Alignment: Remaining in Social Support Group, Social Support Individual and Delivered Meals provides a strong alignment with community priorities to address social isolation</p> <p>Financial sustainability: Financial modelling indicates that while this model could significantly reduce Council's contribution from business as usual, contributions would remain in the region of ██████ over ten years</p>

7. Proposal for Council's future role in CHSP

It is proposed that **Option 5: Continue delivering some CHSP services while exiting others** provides the most beneficial outcome for Council, clients, staff and the community. Option 5 is a blended model that has been developed considering the relative strengths and weaknesses of individual service types for each option.

Option 5 has been informed by opportunities to strengthen the linkage between service delivery and Council's commitment to improved opportunities and choices for older residents to age well, including reducing social isolation. Exiting some service types will create opportunities for investment consistent with Council's commitment to older residents.

OPTION 5:

1. Council continue to deliver CHSP funded Social Support Group, Delivered Meals and Social Support Individual services through a redesigned operating model.

- Delivered Meals will continue to purchase meals and deliver to clients with volunteers through an optimised service model
 - Social Support Group will be an enhanced model of group based social and activity based programs delivered by Council employees
 - Social Support Individual will provide one to one support to assist older residents to attend social activities and build on current Positive Ageing projects
2. Council transition from delivery of Domestic Assistance, Personal Care, Respite and Home Maintenance through transfer to an alternative preferred provider(s). Council and the Commonwealth will work collaboratively to select other service providers and to ensure continuity of services for clients.

Benefits and strengths of this option include:

- Client continue to receive CHSP services from a vetted provider
- Targets Council's effort and contribution to service areas of least market maturity
- Reduces Council's financial subsidisation of Commonwealth services
- Redesign of the service model will realise opportunities for efficiencies, increase service hours delivered and maximise income from fees and funding
- A more flexible service offering that is focussed on reducing social isolation and providing support for carers
- Increases opportunities for volunteering and contributes to community building
- Maintains Council's presence and knowledge about resident needs
- Brings together complementary services and funding to build a cohesive service offering
- Provides future options for affected staff to either exit the sector or gain employment with another employer
- Enables a planned transition for clients and staff.

8. Impact of CHSP recommendation on HACC PYP

The recommendation for CHSP services informs recommendations for Council's role in other services due to the relative magnitude of Council's CHSP funded services, which constitute the majority of Council's existing services.

Service Type	Evaluation	Recommendation
HACC PYP funded: <ul style="list-style-type: none"> • Delivered meals • Social Support Group 	Deliver within new Social Support redesigned service model Council contribution required for a very small number of service hours	Retain as a direct service provider within the enhanced Social Support & Delivered Meals programs
HACC PYP funded: <ul style="list-style-type: none"> • Domestic Assistance • Personal care • Respite • Home Maintenance 	Financial sustainability of these service types impacted by decision in relation to CHSP funded services Not viable to maintain capacity to continue to provide services for a small cohort of residents Alternate providers as per CHSP market	Exit from service delivery through transfer to an alternative provider(s)

9. Recommendation for the provision of other services

The recommendations for CHSP and HACCPYP services inform recommendations for Council's role in other services and programs.

Service Type	Comment	Recommendation
Regional Assessment – CHSP and HACCPYP	Retain until further clarification from the Commonwealth about future funding model	Council continue to deliver CHSP and HACCPYP funded assessment services
Support for Carers	Deliver within new Social Support redesigned service model No Council contribution required Supports the Social Support Group & Individual service model There are no other local providers and little demonstrated capacity or interest to expand into Whittlesea municipality	Retain as a direct service provider
Vulnerable Persons Register	State funded emergency management initiative currently administered by A&D Assessment team Consistent with proposed service model Does not require Council contribution	Retain
Council funded Property Maintenance	Currently a significant cost to Council Currently inequitable access and provision of services Experiencing rapid and ongoing growth A mature market of alternative providers exists	Cease to fund or provide Council funded regular garden maintenance, regular lawn mowing, electrical and plumbing services Establish a list of approved businesses and organisations that provide home and garden maintenance services and trades

10. Proposal for transition from Council funded Property Maintenance

Council currently provides access to subsidised electricians, plumbers and regular lawn mowing (4 weekly) in addition to services provided under the CHSP & HACCPYP programs. This service is unique to the City of Whittlesea.

The current service model has some issues such as inequity in eligibility and access, difficulty in controlling demand and thus an ongoing and cumulative increasing cost to Council, and high administrative resource requirements.

The following options were identified and evaluated:

- Retain current service model (Business as usual)

- A volunteer model (lawns only)
- 'Seniors Friendly' list of approved providers
- Voucher system in conjunction with preferred providers list
- Free market (no Council involvement)

Refer to Attachment 7: Review of Council Subsidised Electrical, Plumbing and Lawn Mowing for a detailed explanation of the options, review process and the evaluation outcomes.

Evaluation summary:

- The option which passed all mandatory evaluation criteria was the 'Seniors Friendly' preferred providers list.
- All other options failed one or more mandatory criteria.
- The current model lacks equity, is expensive to provide, is rigid, requires intensive administration and diverts resources from achieving broader positive ageing outcomes.
- The current model is embedded (administered and delivered) within the CHSP and HACCPYP services and from a resident perspective is indistinguishable from these programs.
- A 'Seniors Friendly' list of approved home and garden maintenance businesses that have been vetted by Council would be relatively simple to administer. This list would be equitable for residents and place them in control of who they select and how often they use services. There is an established local market of home and garden maintenance businesses and the list of approved providers could be expanded to include other services such as window cleaning or spring cleaning. Businesses may be willing to offer seniors discounts as part of being a recognised 'Seniors Friendly' provider. This model does not exclude volunteer services, social enterprises or not-for-profit organisations.
- The free market was the simplest and cheapest solution but did not address the concerns raised by older residents about how to choose a quality provider and whether they may be financially exploited.
- Implementation of this model could be managed consecutively with other service transitions.
- **Proposal for enhanced Positive Ageing program**

The City of Whittlesea Positive Ageing Program provides positive ageing opportunities of over 5000 residents weekly at an annual cost of [REDACTED]. This team of seven staff (5.9 EFT) led the development of the Positive Ageing Strategy (2016-2025) and has oversight of delivering Council's Positive Ageing Action Plan #1 (2016-2019).

A brief preliminary desktop review has been undertaken of this program to identify immediate opportunities to improve outcomes for residents within the context of the overall review of Aged and Disability services. The program is aligned with Council's desired outcomes for older people that underpin the review of all Aged and Disability services. The Positive Ageing Action Plan #2 (2019-2022) will be developed based on the outcome of the Positive Ageing Action Plan #1 and a review of activities in order to identify priorities and opportunities.

The Positive Ageing Team delivers several interconnected programs:

Seniors Club Support: This provides support to 76 Senior Citizens Clubs with combined weekly attendance of over 4,500 older residents. Supports include an annual operating grant for eligible clubs, assistance with governance, training, subsidised meeting room rent and free set up and set down of meeting rooms.

Let Everyone Actively Participate (LEAP) Program: A program of outings, events and activities including movie groups, exercise groups and golf. There are over 2,000 members of the LEAP program and many LEAP members are involved as volunteers in the planning and delivery of the program.

Seniors Festival Events: The Victorian Seniors festival is held in October and the Positive Ageing Team coordinates a program of activities.

Positive Ageing Program: The team also engages in projects, often in partnership with other agencies, groups and community members to improve opportunities for residents to age well.

The key finding of the desktop review highlighted that the current range and level of activity is not sustainable given the incremental enhancements in the program. Of note, during the past five years 16 more seniors clubs have been recognised with three more to be considered in 2018.

A number of opportunities have been identified that would significantly enhance outcomes for the community relating to social isolation, dementia and developing capacity of community and local agencies' response to issues facing older people and desired outcomes. This work builds on the increase in Community Transport capacity achieved during the last five years through securing additional funding to resource two local providers.

A detailed evaluation of these opportunities will be incorporated into the development of the next Positive Ageing Action Plan, due for adoption by June 2019 and implementation during the 2019/20 financial year and ongoing. A detailed proposal for resource requirements and program planning will be developed.

11. Proposal for new role in Aged Care

The need for information and practical assistance to navigate the service system is a consistent message from older people. It is proposed that a new ongoing role for Council is to provide **information and support to navigate & access services and programs**. It is envisaged that this service would provide information to the community on a range of topics relevant to ageing well. The **Navigator and Connection Program** will resource people to access quality information for informed decision making. Short term practical assistance will be available if necessary to navigate the pathways to get started or to make change. This applies to the service system such as My Aged Care if assistance is required to continue living independently, as well as the diverse range of programs supporting people's efforts to maintain wellbeing as they age. This new service would integrate the existing funded Access & Support role (ATSI) and is complemented by the current Assessment function.

12. Recommendations for Council's future role

It is recommended that Council realign its role in supporting older residents based on the Positive Ageing Strategy and in response to reforms by the Commonwealth in aged care, as follows:

1. Transition from delivery of services received by a small portion of older residents as these services can be provided more efficiently by other available local providers, through the:
 - a) Transition of Commonwealth and State funded Domestic Assistance, Personal Care, Respite and Home Maintenance services to suitable providers, by 30 June 2019.
 - b) Transition from the delivery of subsidised electrical, plumbing, regular garden maintenance and lawn mowing by 30 June 2019, and establish and maintain a list of approved home and garden maintenance businesses and organisations.
2. Realign delivery of some services and programs into an enhanced service model to maintain or increase access and complement achieving the Positive Ageing Strategy's objectives, including:

- a) Commonwealth and State funded Delivered Meals, Social Support Groups, Social Support Individual, Support for Carers, Volunteer Coordination, Aboriginal Access and Support, Vulnerable Persons Register and aged care planning by 30 June 2019.
 - b) Council funded supports to older residents including Let Everyone Actively Participate (LEAP), Seniors Clubs and Positive Ageing programs, as per the Positive Ageing Action Plan #2.
3. Continue to deliver regional assessment services (CHSP & HACCPYP) until 30 June 2019 and review Council's ongoing role following the Commonwealth and State Government announcement on a future operating and funding model.
 4. Expand access to opportunities to age well by establishing a Council funded information, advocacy and navigation service for older residents and carers in a significantly changed service system, by 30 June 2019.
 5. Resource a supported transition to minimise the impact upon current clients, contractors and staff and maximise the benefits for older residents, their carers and the broader community.

6. Transition and Implementation

A high level plan has been developed to identify the key stakeholders, elements and projects that would be required to deliver a supported transition and implementation. All elements and tasks would require detailed development and planning. Broad timelines have been identified with more detail to be added as the tasks become clear. It is envisaged that there would be additional resource requirements for roles to plan and implement the transition, roles to provide support for clients and to cover costs associated with communications, etc.

FINANCIAL IMPLICATIONS

The financial implications for the exit of some services, transition of clients to another provider and implementation of an enhanced service model and system navigator role has been estimated at a high level.

Managing a planned exit of services and transition of clients and staff will cost a maximum of [REDACTED] will be incurred in the 2018/19 financial year in addition to the operational budget. Implementation of Option 5 would likely realise savings in the realm of [REDACTED] over 10 years.

POLICY STRATEGY AND LEGISLATION

In response to the Commonwealth Aged Care Reforms and following a review of options, it has been found that it is neither viable nor feasible to deliver some Commonwealth services due to the cessation of guaranteed block funding from the Commonwealth, the ongoing requirement for substantial subsidisation from Council, alternative appropriate providers in the market and the requirements of National Competition Policy (NCP).

The proposals and recommendations contained within this report are consistent with the policy directions and commitments of the Positive Ageing Strategy for the Whittlesea Municipality 2016 – 2025 and with the primary and facilitating objectives of The Local Government Act (1989).

LINKS TO THE COUNCIL PLAN

Council Priority	Health and Wellbeing
Future Direction	Health and wellbeing
Theme	Healthy community
Strategic Objective	People of all ages and abilities are supported to live well with appropriate program, service and infrastructure delivery

DECLARATIONS OF CONFLICTS OF INTEREST

Under section 80C of the Local Government Act 1989 officers providing advice to Council must disclose any interests, including the type of interest.

The Responsible Officer reviewing this report, having made enquiries with the relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

CONCLUSION

In response to the Commonwealth Aged Care Reforms and following a review of options, it has been found that it is neither viable nor feasible to deliver some Commonwealth services due to the cessation of guaranteed block funding from the Commonwealth, the ongoing requirement for substantial subsidisation from Council, alternative appropriate providers in the market and the requirements of National Competition Policy (NCP).

Other services and programs provided by Aged and Disability were then reviewed against the same evaluation criteria to assess the best outcome for the community.

It is proposed that Council remain in some services, and exit from those services which are uncompetitive and where we know there are other suitable providers. It is proposed that Council will remain in Social Support Group, Social Support Individual, Volunteer Coordination and Delivered Meals, and exit from Domestic Assistance, Personal Care, Respite and Home Maintenance.

Transition may take up to twelve months. A planned transition and exit will ensure that people continue to receive services they need and be supported to move to a new provider. Planning the implementation will also ensure that staff affected by these changes will be appropriately supported.

The proposal provides an opportunity for Council to strengthen its support for older residents by reinvesting funds currently subsidising Commonwealth Home Support services. Council can continue to play a very influential role in supporting the ageing population through service planning, facilitation and advocacy as

RECOMMENDATION

THAT Council resolve to:

- 1. Realign its role to enhance ways older residents can pursue fulfilling lives, eliminate social isolation and get practical assistance to access services and programs when required, by:**
 - a) Transitioning from the delivery of Domestic Assistance, Personal Care, Respite, Home Maintenance, and Council subsidised trades, garden maintenance and lawn mowing, by 30 June 2019.**
 - b) Continuing to deliver Delivered Meals, Social Support Groups, Social Support Individual, Support for Carers, Volunteer Coordination, Vulnerable Persons Register, Aged Care Planning, LEAP program, Seniors Support and Positive Ageing Supports.**
 - c) Establishing and maintaining a list of approved home and garden maintenance businesses and organisations for the use of residents of the City of Whittlesea, by 30 June 2019.**
 - d) Continuing to deliver Regional Assessment Services until the Commonwealth and State Government announcement on a future operating and funding model and then review Council's role.**

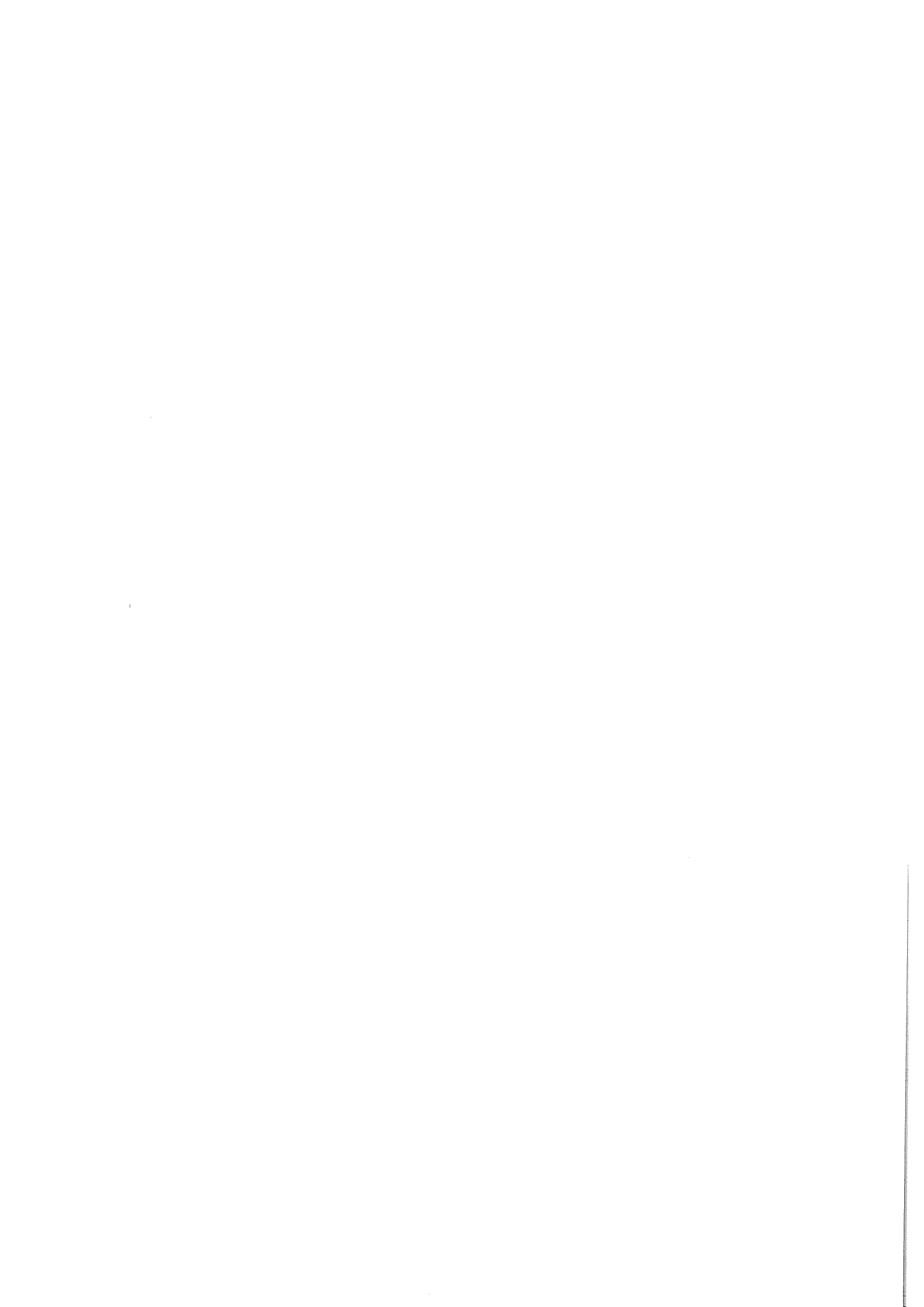
- e) **Establishing a Council Navigation and Connection Program which supports older residents and carers to navigate a significantly changed service system and a diverse range of positive ageing programs, by 30 June 2019.**
- f) **Resourcing a transition plan to enable effective implementation of these changes which maximise the outcomes for older residents, their carers and the broader community to age well and minimises the impact upon current clients, staff, volunteers and contractors.**

ATTACHMENT 1: Summary of Current CoW A&D Services

Program	Service Type	Number of Clients	Number of Hours	Total Expenditure (\$)	Council Contribution (\$)
		2016/17 actual		2017/18 Forecast	
Commonwealth Home Support Programme Responsibility of the Commonwealth Total number of individuals assisted under CHSP = 2,816	Home Care	1,768	39,992		
	Personal Care*	561	20,534		
	Respite Care	102	3,335		
	Social Support*	144	14,710		
	Delivered Meals	390	23,896		
	Property Maintenance (excluding lawn mowing)	1,902	3,184		
	Assessment	1,684	5,317		
	Volunteer Co-ordination	128	836		
	Access & Support	36	336		
Home and Community Care Program for Young People (HACC PYP) Responsibility of the State Total number of individuals assisted under HACC PYP = 275	Home Care	59	715		
	Personal Care	41	1,006		
	Respite Care	72	1,623		
	Social Support*	5	285		
	Delivered Meals	35	1,500		
	Property Maintenance	75	279		
	Assessment	122	264		
	Volunteer Co-ordination	20	130		
	Access & Support	0	0		
Support for Carers Program	Programs & Activities	82	1,745		
Council funded Property Maintenance	Lawn mowing	1,321	11,229		
Positive Ageing	LEAP Program	2,323			
	Senior Citizens Club Support	4,894			

* Personal Care for CHSP includes Social Support Individual

* Social Support includes service types 'social support group core' and 'centre-based respite high'



ATTACHMENT 2:**Aged Care Reform Community Consultation****Summary of Findings****Introduction**

This report brings together the findings and summaries of a range of consultations, as well as a recent literature review. The focus of the research relates to service user and carer experiences and perceptions of aged care services, elements of aged care reform and ageing well. It provides a local (City of Whittlesea), regional (North Metro Region local governments) and national perspective to inform Council in its decision-making about its future role in supporting older residents and deliberations about the Commonwealth Government's reform of the aged care system.

Purpose

To provide Council with a picture of community, service user and carer perspectives about what is important for them in the context of Council needing to make a decision about its future role in supporting older people.

Summary of Findings**Ageing Well**

Council's 'A Positive Ageing Strategy for the Whittlesea Municipality 2016-2025' and associated Focus Areas and Outcome Statements are further supported by the consultations undertaken and reviewed for this Community Feedback Report.

The need for stronger social connection and reducing social isolation emerged as the single most important need for older people at a local level, across the North metro region and nationally. Respondents from the Darebin Local Government consultation about ageing well emphasised that social connection needs to be at the 'centre' of everything Council does.

Other themes that emerged are also consistent with Council's Positive Ageing Strategy. These include the ongoing need for access to health, medical and aged care services; access to affordable services and activities; access to transport; access to information; opportunities for volunteering; and accessible walking. These are all seen as important to age well and this is consistent with the World Health Organisation (WHO) Age Friendly Cities: A Guide, developed in 2007.

Aged Care Service Provision

There is very high satisfaction with City of Whittlesea aged care service provision and workers / volunteers delivering the services.

The aspects of service provision and service providers that are important to service users and carers seem to be universal and were highlighted in Whittlesea, the North Metro Region and nationally. These aspects include a relationship of trust and that workers are 'vetted'; continuity of worker; genuine relationship with worker; turning up on time; and integrity, respect, and interest in older people. Other universal aspects include providers that are not for profit; services that are affordable; service delivery models that are based on outcomes

not specific tasks; care that is flexible to meet the person’s needs; having good feedback and complaint handling processes and responsive follow-up, workers and staff speaking the language of the service user; and good communication of changes to service delivery.

There is identified unmet need for care givers (informal, family carers) that focuses on education, more flexible aged care service models and emotional support and this was raised both locally (Whittlesea focus groups) and nationally (National Seniors Australia and Australian Aged Care Quality Agency literature review).

There are gaps in service provision nationally in relation to care planning and coordination; the need for greater communication from providers, poor cleaning services, the need for more dementia training and the lack of respite and support services for informal carers.

Aged Care Reform

The consistent messaging about aged care reform from a service users and carer perspective both locally (Whittlesea municipality) and in the North Metro region is a lack of understanding of the new system; choice is ‘daunting’ and ‘overwhelming’; there is a lack of access to information and support to navigate the system and understand choice; and choice seems disingenuous. Respondents were not confident in the new system, “service quality is not clear” (who do you trust?), and there is fear about lack of quality and that there will be less service provision. Access issues were raised by indigenous and CALD groups. A further point emphasised is the lack of local knowledge of the My Aged Care system.

Council’s Future Role

Access to aged care services is very important to service users who identify they would not be able to live independently without these services. Council is the preferred service provider for existing service users who attended the Whittlesea focus groups – this is based on trust and the relationship developed with workers. However non-English speaking service users would prefer a provider from their own culture if given the choice and if the organisation were able to deliver like-for-like services. Carers do not mind ‘who’ provides services so long as the values identified under the Aged Care Service Provision summary are met.

The greatest need for Councils future role was identified as support for older residents to access information about the aged care system and broader community activities, to provide support for service users and carers in their decision-making about services and to link residents to social opportunities and activities. The North Metro region consultation with community organisations identified the need for a service to bridge the information gap and that this service would be more welcome from Council than direct provision of home support services. This service could also register systemic issues, advocate for change, and find ways to apply pressure in the aged care system to weed out poor service and promote good providers.

The lack of access to affordable social support and connection opportunities has also been raised from the national consultation undertaken by National Seniors Australia. Currently those who access a Home Care Package have to pay for this out of package funding which does not often stretch to include social support. This acts as a systemic disincentive for social connection which is an increasing issue for those consulted.

Increased support for carers is also an identified need arising from the consultations, particularly as carers are often caring for more than one person. This was also highlighted for indigenous participants in Whittlesea focus groups who are often caring for a grandchild.

National-Focus on support and education for informal carers will help reduce the negative impacts of the caring role on health including stress, mental exhaustion and feeling overwhelmed.

Another opportunity identified from the Whittlesea focus groups was to undertake activities that bring isolated and lonely residents together on a regular basis. The focus groups were particularly successful as a pilot for this and they provided the opportunity for participants to input their experience and provide feedback to inform Council decision-making as well as to be connected and share and receive information from each other. National consultation supports the idea of focus groups for service users and carers and identified 'the consumer voice as the driver of change in the aged care industry as ageing in place increasingly becomes the norm'.

The Whittlesea Seniors linkup Project has proven to be a successful program to support isolated older people to connect to community and social activities, and facilitating social connection opportunities and supporting access to medical, health and aged care services is a priority area for advocacy in the municipality.

The Household Survey has highlighted the need to encourage more walking for all age groups with respondents identifying improved lighting, creating more walking tracks, creating better footpath connections, improving footpaths/walking tracks and creating more seating along them and improving road crossings as ways to encourage this.

Finally, there is further work to be undertaken to explore, test and identify who are Whittlesea's most vulnerable aged care residents and the factors that may negatively impact on access to supports and services. Geographic location is likely one factor in addition to living alone without family or carer support, indigenous background, cultural background, financial circumstances and housing situation. This piece of work would assist Council to ensure these residents are not 'falling through the gaps' created in the new aged care environment.

Source Materials

Conversations with Whittlesea Aged Care service users and carers about what they need to age well, April 2018 (Pope). City of Whittlesea. Internal only report.

Whittlesea Seniors Link up Project, 2017. City of Whittlesea. Internal only report.

City of Whittlesea Household Survey: Municipal Report, August 2017. City of Whittlesea. <https://www.whittlesea.vic.gov.au/about-us/our-city/research-reports/>

Aged & Disability Social Support Group Survey Report, 2017. City of Whittlesea. Internal only report.

Aged & Disability Delivered Meals Survey Report, 2017. City of Whittlesea. Internal only report.

Aged Services Client Satisfaction Survey, 2016. City of Whittlesea. Internal only report.

Ageing Well in Whittlesea municipality: Community Survey Summary Findings, 2016. City of Whittlesea. Internal only report.

Review of the Needs of Older People in Darebin, 2017 (Pope). City of Darebin. <https://www.yoursaydarebin.com.au/growingolder>

Meeting older people's needs for social connection and to live independently at home, April 2018 (Pope). City of Darebin on behalf of North Metro Region Councils. Internal only document.

AACQA literature review: Choice and quality in community care. Final Report: Draft 1, March 9 2018. La Trobe University report for the Australian Aged Care Quality Agency. <http://www.aacqa.gov.au/publications/consumer-experience-reports-1/LaTrobeLiteraturereviewfinalreport9March2018.pdf>

Accentuating the positive: Consumer experiences of aged care at home, April 2018. National Seniors Australia. <https://nationalseniors.com.au/accentuatingthepositive>

ATTACHMENT 3: Desired Community Outcome Statements for People Aged 50+ Years

Focus Areas	Community Outcome Statements
<p>1. Friends, connections and a welcoming community Improve wellbeing for people as they age through social connections and an inclusive community.</p>	<p>Older people feel connected to others and feel like they are part of a community. They are able to socialise locally and connect with their neighbours.</p> <p>They are not defined by their age and live free from age related discrimination.</p> <p>They are aware of the diverse range of formal & informal opportunities to meet their particular cultural and life circumstances.</p>
<p>2. Active – socially, mentally, physically Increase opportunities for people to remain active and engaged and maintain functional health, wellbeing and independence for as long as possible.</p>	<p>People make healthy lifestyle choices resulting in a lower incidence of preventable & chronic illness. Older people participate in social, mental and physical activities.</p> <p>They understand the link between regular activity & social connection to their health & well-being. They feel encouraged to pursue opportunities to be active.</p> <p>They can choose from a range of affordable and locally-based options and have the capacity to lead & develop new activities and groups.</p>
<p>3. Learning and sharing knowledge Increase opportunities for people of all ages to continue to learn and actively contribute their skills in the community.</p>	<p>Older people are able to engage in learning and share & use their knowledge, skills and experience.</p> <p>They are encouraged to contribute & valued as community members, volunteers, mentors, workers and business owners.</p> <p>There are a range of formal & informal avenues to learn, participate and contribute that suit their culture, lifestyle, circumstances and goals.</p>
<p>4. Getting around Improve access to a variety of transport options to assist community participation, maintain social engagement and access facilities and services.</p>	<p>Older people can get to where they want to go. Activities and services are available locally. Access to transport is not a barrier to participation.</p> <p>There are a diverse range of transport options, including private, public and community transport, that are safe, affordable, connected, reliable, frequent and available after-hours.</p> <p>Independent movement is supported by infrastructure in public spaces including adequate toilets, seating, shelter, lighting and paths.</p>
<p>5. Informed and having a say Improve communication and provision of information to increase community participation and connections and support older people to have a say in decisions that affect their lives.</p>	<p>Older people are heard and valued. They are encouraged to lead and influence public decision-making and decisions that affect their lives.</p> <p>Timely and reliable information about public decision-making can be accessed from a range of sources, locations and formats.</p> <p>Their views are actively sought in a variety of ways about issues that affect their community. Public decisions are improved by the informed participation of older people.</p>

Focus Areas	Community Outcome Statements
<p>6. Feeling safe Address perceptions/ feelings/ experiences around safety to encourage residents 50+ years to remain active and engaged in the community as they age.</p>	<p>Older people feel safe in their home and community. They are less likely to be victims of elder abuse and crime.</p> <p>The built environment promotes safety.</p> <p>The public understands and responds to perceptions & experiences of safety.</p> <p>The community recognises elder abuse and takes appropriate steps to reduce occurrence.</p> <p>There is a timely response to incidents by justice and social support services.</p>
<p>7. Housing, employment and financial security Support housing, employment and financial security for people in their older years.</p>	<p>Older people will have housing, employment and financial security.</p> <p>They are encouraged & supported to plan for their current & future housing, employment and financial needs.</p> <p>They can choose from a range of local housing options that are responsive to changing circumstances. Housing options are affordable, adaptable and accessible</p> <p>They can participate in the workforce without experiencing age-based discrimination. There are employment options and opportunities for career change and skills development.</p> <p>They have access to trusted financial counselling, advice and support.</p>
<p>8. Health and support services when required Access to a range of health and wellbeing support when required and assist people to manage/treat their health condition</p>	<p>Older people receive the health & support services they require including primary & acute care, community care and preventative health programs.</p> <p>They are able to choose from a range of high quality, locally-based health & support services which are affordable, accessible and available when needed.</p> <p>They have the information and assistance to know what health & support services are available and are confident & capable to access them.</p> <p>They experience a straightforward and responsive service system. They receive trusted advice and services and are confident in the capacity & responsiveness of accountability & complaints mechanisms.</p>

ATTACHMENT 4: Evaluation Framework

Desired Outcome	Criteria
<p>1. Quality <i>Older people will receive timely, coordinated and integrated basic maintenance and support services to continue to live in their community</i></p>	<ul style="list-style-type: none"> a. Services will be delivered by registered service providers (mandatory) b. The current range of community care service types are maintained c. Clients experience minimal disruption and difficulty, including continuity of direct care staff d. There is opportunity for integration across the service continuum, including both across sectors (eg health and community care) and the spectrum of need (eg for increasing needs/age) e. Service provider(s) have a demonstrated history of providing community care services
<p>2. Access <i>All older people within the municipality, irrespective of where they live or their social, cultural and economic status, should have access to quality services that maximises their potential to live in and contribute to their local community(s)</i></p>	<ul style="list-style-type: none"> a. Services are available in all geographic areas (mandatory) b. Eligible clients will receive a service regardless of complexity c. Services are available at time and day needed by client d. Services are responsive to people’s circumstances (cultural, language, lifestyle, relationships diversity) e. Clients will have supported access if required f. Service fees / ‘out-of-pocket’ costs are affordable for clients
<p>3. Legal obligations <i>Meets all legislative and regulatory requirements</i></p>	<ul style="list-style-type: none"> a. Complies with National Competition Policy (mandatory) b. Complies with Commonwealth funding agreement obligations (mandatory) c. Complies with Corporations Act and / or other relevant legislative requirements (mandatory) d. Complies with relevant industrial awards and legislation (mandatory)
<p>4. Feasibility <i>Option(s) can be implemented within required timeframe and budget</i></p>	<ul style="list-style-type: none"> a. Can be implemented and operational by July 2020 (mandatory) b. Confident that all significant risks have been identified and can be mitigated or managed c. Council has the necessary capacity and capability to support transition
<p>5. Financial sustainability <i>CoW’s A&D service will be in a sustainable financial position</i></p>	<ul style="list-style-type: none"> a. There is a material reduction in the cost to Council (ie total Council contribution to operating costs plus transition costs) between the 2018/19 budget and the annual average between 2019/20 and 2026/27 (\$’s) (mandatory) b. Total (\$’s) of Council contribution to operating costs and total (\$’s) of savings available for re-investment or re-allocation in 3, 5 and 10 years c. Transition costs (eg business transformation, establishment or transfer costs) as a proportion of potential savings

Desired Outcome	Criteria
<p>6. Fair work Service provider staff receive appropriate salary and conditions</p>	<p>a. There is minimal impact on current Council staff salary and conditions b. Staff have secure and stable employment with a reputable employer</p>
<p>7. Market maturity <i>There is sufficient choice, information and resources to make effective purchasing decisions (to drive efficiency and innovation)</i></p>	<p>a. Adequate <u>number of providers</u> to provide required level and range of services b. Sufficient <u>number and diversity of offerings</u> across service providers (including balance of larger mainstream services and smaller niche service providers) c. Client and community has the capacity & capability to navigate system and exercise choice d. Clients and stakeholders have reliable, transparent and accessible information to inform decisions on service quality and price</p>
<p>8. Strategic alignment <i>Delivers on Council's responsibilities & commitments</i></p>	<p>a. Delivers on Council's commitments to older people as documented in: <ul style="list-style-type: none"> - Age Friendly Declaration - Positive Aging Strategy 2016-2025 - Community Outcome Statements for People Aged 50+ Years in Whittlesea </p> <p>b. Provides opportunities for Council to fulfil its desired future role in the aged care sector (as service provider, advocate, planner and system steward)</p> <p>c. There is minimal impact on residents' ability to receive other services currently delivered by Council services (eg HACCPYP, community transport)</p>
<p>9. Economic development <i>Council funding and activities promotes local economic activities and employment opportunities</i></p>	<p>a. The number and diversity of locally based businesses and not-for profit organisations is maintained or grows b. There are employment opportunities for local residents</p>

ATTACHMENT 5: National Competition Policy

(sources: Ernst & Young (2018) Northern Metropolitan Local Government National Aged Care Reform Project Addendum 1: Competitive Neutrality Review; and DTF Vic (2012) Competitive Neutrality Policy)

Background: Overview of NCP

Victoria is a party to the inter-governmental *Competition Principles Agreement 1995* (CPA) which is one of the three agreements that underpin National Competition Policy (NCP). Under the CPA, each state and territory is obliged to apply competitive neutrality policy and principles to local government and to all government agencies. The objective of competitive neutrality is set out in Clause 3(1) of the CPA:

'...the elimination of resource allocation distortions arising out of the public ownership of entities engaged in significant business activities: Government business should not enjoy any net competitive advantage simply as a result of their public sector ownership. These principles only apply to the business activities of publicly owned entities, not to the non-business, non-profit activities of these entities.'

Government departments, agencies and local governments are responsible for determining, on a case by case basis, whether its business activity is "significant" in the relevant market and therefore subject to the NCP.

The CPA does not provide a definition of "significant business activities". In determining whether its business activity is significant or not, assessment of the nature and extent of the relevant market, as well as the probable nature and extent of the competition within that market, is required.

The "relevant market" can normally be identified on the basis of the competing goods or services which could reasonably be used interchangeably by most customers or consumers. In addition to this, the relevant market may also be identified in terms of the geographic area or areas in which sellers of a good or service operate and to which consumers can practically turn for the good or service in question.

The question of whether a business activity is "significant" in the relevant market can only be determined on a case-by-case basis. Some of the factors which could be considered in this regard include:

- the size of the relevant business activity in relation to the size of the relevant market
- the influence or competitive impact of the business activity in the relevant market
- the resources the business activity commands and the effect of poor performance
- whether the costs of providing services by the entity are being predominantly met by users

Following a determination that an activity is "significant", an assessment of the expected benefits and costs of introducing appropriate competitive neutrality measures is required. An assessment of the potential benefits of applying competitive neutrality measures should include, but is not limited to:

- increased market contestability which enables competition in the markets that have been traditionally dominated by public sector businesses. Such contestability produces incentives for businesses to lower prices and provide greater choice for consumers
- improved performance of government businesses in comparison with competitors. Competitive neutrality increases the incentives for the business to operate efficiently thereby encouraging better use of the community's scarce resources
- clarifying non-commercial objectives, and thereby determining whether the business is effectively meeting these objectives.

There are three ways in which Councils can comply with competitive neutrality:

- Full cost reflective pricing: includes all direct, indirect costs and advantages of public ownership such as tax exemptions (and applies to all three competitive neutrality measures)
- Commercialisation: separate regulatory functions from direct service delivery
- Corporatisation: establish a new business entity (alone or with another organisation).

Finally, if it is considered that the implementation of a competitive neutrality measure would compromise other public policy objectives, a public interest test should be conducted in order to demonstrate the case for not implementing the measure in question. If implementation of a competitive neutrality measure is shown to be not in the public interest, then the business activity in question is exempt from the NCP.

Note that competitive neutrality does not apply to businesses or services that Councils' sub-contract to a third party provider (such as Nillumbik and Yarra Councils). However, Councils are required to ensure that internal bidders or external third parties do not enjoy any competitive advantages such as subsidisation of unit price, in awarding contracts.

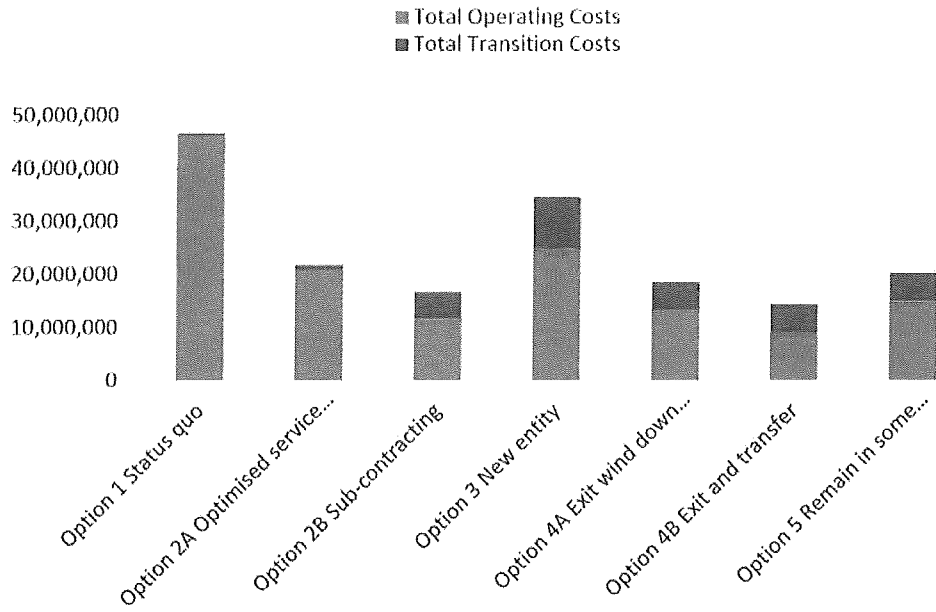
Assessment of CoW's A&D services

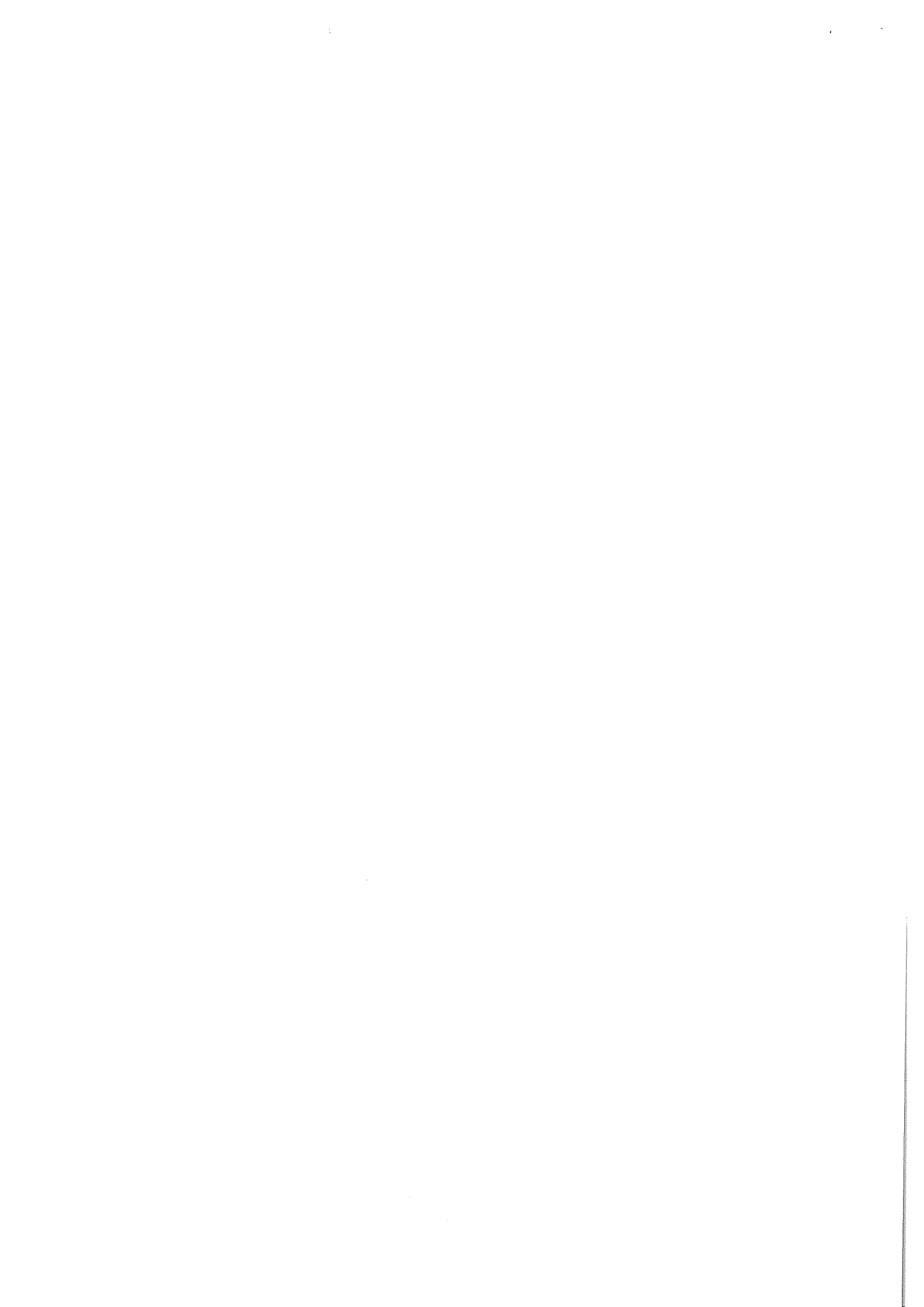
To help inform Councils' decision making, Ernst & Young (EY) was commissioned to undertake a high level competitive neutrality analysis as part of the Northern Metro Local Government National Aged Care Reforms- Commonwealth Home Support Program Report. EY considered that:

1. Councils' CHSP services were significant business and are therefore required to consider how they will comply with the competitive neutrality policy post 2020
2. The benefits of CHSP services delivered in-house do not outweigh the costs
3. Councils' CHSP service delivery operates at a loss due to their high cost of delivery which is on average 30-50% higher than the unit price paid by the Commonwealth. This requires Council to subsidise CHSP services significantly
4. In addition, for full cost reflective pricing the additional benefits of Council ownership such as payroll tax, land tax and company tax needs to be added to the output costs resulting in an even higher level of subsidisation
5. To remove this subsidy would require Councils to increase their pricing to cover the higher cost base. This cost would be met by clients, families & their carers
6. To avoid the significant increase in costs to clients, Councils would need to consider a public interest test to identify potential policy and socio-economic reasons why Council should to continue to subsidise CHSP services and not implement full cost reflective pricing
7. EY's analysis suggested that the removal of the subsidy for CHSP services would not jeopardise Councils' ability to deliver on their ageing policy objectives. However, EY identified the need further client and community engagement to validate their analysis
8. Alternative ways in which Councils can deliver on their ageing policy objectives other than full cost reflective pricing and include:
 - alternatives such as sub-contracting
 - identifying CHSP services that the market may not deliver such as group-based services
 - facilitating the market to deliver services in specific geographies or to specific cohorts
 - delivering alternative services outside the remit of CHSP that realise Councils ageing policy objective

ATTACHMENT 6: Summary Financial Analysis of Options

Operating and Transition Costs 10 years (2017/18 to 2026/27)





ATTACHMENT 7: Review of Council Subsidised Electrical, Plumbing and Lawn Mowing

**Aged Care Reform Project
Review of Council Subsidised Electrical, Plumbing
and Lawn Mowing**

Background:

The City of Whittlesea currently provides access to subsidised electricians, plumbers and regular lawn mowing (4 week cycle). This is in addition to suite of services provided by Council under the Commonwealth Home Support Program (CHSP) and Home and Community Care Program for Younger People (HACC PYP).

The service is unique to The City of Whittlesea, there are no other known Victorian councils who provide this particular service to their residents.

Expenses for this program in the 2017/18 financial year is forecast to be \$962,000, of which \$797,000 is ratepayer funded. This is significantly higher than the initial budget due to escalating demand and an eligibility process that does not manage demand once budgets are fully committed.

The current gateway to accessing these services is via Council being accessible on the My Aged Care Portal as a CHSP Provider, and residents being eligible for a Regional Assessment Service, where the residents' needs are identified beyond CHSP funded programs for services such as lawns and trades.

While the provision of electrical and plumbing is only modestly subsidised by Council, the cost of lawn mowing is highly subsidised for the growing number of older residents who receive it. In addition there is considerable cost associated with administering the service, rostering services, managing the schedules of over 1100 clients, liaising with contractors and contract management.

The Council Subsidised Property Maintenance Service has been reviewed as part of the overall review of all Aged and Disability services.

The review considered five options for access to electrical, plumbing and lawn mowing:

- a) Business As Usual
- b) Volunteer Model: (Lawns only)
- c) 'Seniors Friendly' list of Preferred Providers
- d) Voucher System in conjunction with Preferred Providers List:
- e) Free Market (no Council involvement)

The five options are described in the table below:

Model	Description
Business As Usual	Council subsidised electrical, plumbing and regular lawn mowing (four weekly roster). Eligibility is based on demonstrating a level of need and access is on an entitlement basis which results in an inability to effectively manage demand and expense.
Volunteer Model: (Lawns only)	<p>Cease provision of electrical and plumbing activities</p> <p>Create teams of volunteer lawnmowers who will be responsible for 'rounds' of lawns.</p> <p>Existing office staff undertaking administration and rostering tasks will be retained.</p> <p>Client fees will need to be increased to cover cost of volunteer coordinators and lawn mowing equipment and consumables.</p>
'Seniors Friendly' list of Preferred Providers	<p>Businesses, volunteer groups and social enterprises submit an Expression of Interest to be registered as a 'Seniors Friendly' provider of trades, lawn mowing or other related services. Providers will need to agree to meet a set of standards similar to those expected of current property maintenance contractors; offer transparent pricing and preferably 'seniors discounts'. Registration will be valid for 12 months and resident feedback will be incorporated into the re-registration process.</p> <p>Residents will be able to independently access the list of providers and contact the provider of their choice and will be responsible for arranging services and paying the provider.</p> <p>This option will require limited ongoing Council support to manage the list of providers and direct residents to these lists.</p>
Voucher System in conjunction with 'Seniors Friendly' list of Preferred Providers	<p>Eligible residents will receive vouchers for subsidised access to services from providers established using the preferred provider model above. Once residents have been assessed and issued with the relevant voucher(s) they will contact the provider themselves. The provider will charge their standard fee for the service, less the value of the voucher. The provider will then redeem the voucher with Council.</p> <p>Residents who are not eligible for a voucher, may still contact the 'Seniors Friendly' providers and purchase services from these providers.</p> <p>This model requires maintenance of an assessment function and the pool of 'Seniors Friendly' providers. The model would also need to develop a methodology to ensure eligibility for vouchers was aligned with available budget.</p>
Free Market (no Council involvement)	Council ceases having any role in residents accessing Lawns and Trades services, with residents accessing a free market.

Consultation:

These services have always been highly regarded by residents along with the other Home Maintenance services provided through CHSP and HACC PYP funding. They provide access to desirable services and resolve two common concerns; how to choose suitable, quality providers to come into clients' homes; and provide protection from financial abuse.

In 2012, existing clients of the HACC and Council subsidised Property Maintenance services were asked to rank all 38 Property Maintenance tasks in order of importance. The ranking

asked clients to take into account the criteria drawn from the core objectives of the Victorian HACC Program:

- Health & Safety
- Access & Mobility
- Maintain Essential Services
- Enhances Comfort
- Cost Savings
- Energy Efficiency
- Cosmetic Benefit

At that time the top four services were all trades (i.e. toilet repairs, installation of power points, fuse replacement; gas leak investigations) with lawn mowing ranked last at 38. Refer Appendix A at the end of this document.

As part of the Joint Community Engagement project of North Metropolitan Aged Care Reform project, Northern Councils hosted an 'Ideas Hack' in March 2018 in order to gain a community perspective on the challenges being faced by local councils in responding to the needs of older people to age well, in light of current Aged Care Reforms. In reference to home maintenance and gardening, the community expressed that councils could host 'member organisations' similar to Grey Army, gardening clubs, Mens' sheds etc , with an option for residents to rank their experience with trades and lawn services

[We need] ... a Council vetted/endorsed grey army. I don't expect it to be free but honest, reliable and affordable for pensioners.

We need a "Trip Advisor" type site for local businesses where we can rate them and share information

These findings are consistent with outcomes from other community engagement activities where residents placed high value on services provided by councils, but in cases where a council was no longer able to provide, the key criteria were trustworthy, reliable and affordable.

Refer Attachment 3 Aged Care Reform Community Consultation Summary of Findings

Evaluation:

The options for Council Subsidised electrical, plumbing and lawn mowing were evaluated against the same Evaluation Framework used for all other Aged and Disability services currently being reviewed.

Evaluation criteria are based on the Desired Community Outcome Statements for older people, clients, carers, staff, Council and the community. If an options fails a mandatory criteria it cannot be further considered:

- Quality (mandatory)
- Access (mandatory)
- Legal obligations (mandatory)
- Feasibility (mandatory)
- Financial sustainability (mandatory)
- Fair work
- Market maturity
- Strategic alignment
- Economic development

Refer Attachment 8 Evaluation Framework and Attachment 2 Desired Community Outcomes Statements

The following table summarises the evaluation of each of the options.

Model	Description
Business As Usual	<p>Quality: Met (Mandatory): This service is highly valued by residents, including the opportunity to approach the contractors to do 'private work' where it is outside the scope of the service. Many clients have expressed that aspects of the lawn mowing service are too rigid, such as the regular four weekly roster and the requirement to be present when the contractor arrives. If they miss a lawn mowing they often have to wait another four weeks. Resolving this aspect of access has proved difficult to achieve whilst simplifying the cost of managing such a large number of regular services.</p> <p>Access: Not Met (Mandatory): The current model reaches a relatively small proportion of older residents. It would appear that access to the electrical and plumbing services are more equitably distributed than lawn mowing. These are comparatively low frequency services.</p> <p>Strategic Alignment: Not Met: The high cost to ratepayers of subsidising this service model diverts resources away from other opportunities to more effectively assist a larger portion of residents to age well.</p> <p>Financial Sustainability: Not Met (Mandatory): This model is a cost to ratepayers, has regularly exceeded budget and does not have effective demand management mechanism. This is forecast to continue. Resolving the 'rigidity' issues raised by residents would impose further administrative cost.</p>
Volunteer Model: (Lawns only)	<p>Quality: Unlikely to be met: Considerable investment in volunteer coordination would be required to achieve a high level of quality and reliability. This model would likely replicate the 'rigidity' of the current model.</p> <p>Access: Not Met (Mandatory): This model would struggle to achieve the current volume of lawn mowing and would require revised (restricted) eligibility requirements.</p> <p>This model would not provide access to electrical or plumbing services.</p> <p>Legal Obligations: Not Met (Mandatory): Council would have direct responsibility for OH&S and Public Liability of volunteers performing unsupervised and potentially dangerous tasks on private property.</p> <p>Feasibility: Not Met (Mandatory): It is doubtful that this model could effectively replace the current level of service provision or even a significant portion of the current services by June 2020.</p> <p>Strategic Alignment: Met: This model would provide high Positive Ageing outcomes, particularly social connection and participation outcomes for both clients and volunteers, as most volunteers would likely be older residents. This model would also release significant resources for other opportunities to more effectively assist a larger portion of residents to age well.</p> <p>Financial Sustainability: Met (Mandatory): This model would significantly reduce cost to ratepayers, but still require an assessment and administration team plus additional resourcing for volunteer coordination, volunteer reimbursement and equipment supply and maintenance.</p>
'Seniors Friendly' list of Preferred Providers	<p>Quality: Met (Mandatory): Residents would have access to choice of provider knowing they have been vetted for quality, reliability and price.</p> <p>Access: Met (Mandatory): All residents would have access to accredited providers as this model does not require eligibility criteria or assessment of clients. This model could also provide access to an increased range of services compared to the current model.</p> <p>Whilst the most highly valued services are trades, these services are relatively rarely required by any individual and whilst affordability is an issue, the priority</p>

Model	Description
	<p>concern is being able to access trusted, reliable providers at a fair price.</p> <p>Legal Obligations: There are no identified legal issues associated with this model that would not be met by assessing certified trades people and suitable qualified and insured providers, which could include volunteers and social enterprises operating under suitable auspice.</p> <p>Feasibility: Met (Mandatory): This model could be readily provided within existing skills and knowledge well before June 2020.</p> <p>Market: There is a very mature local market for all the services being considered. This model provides quality providers an opportunity to distinguish themselves in a crowded market and would empower residents to navigate that market with confidence.</p> <p>Strategic Alignment: This model provides residents with increased access to needed services and a means of safely navigating the market. This model also releases significant resources for other opportunities to more effectively assist a larger portion of residents to age well.</p> <p>Economic Development: This model may provide opportunity for emergent local services to grow their business and specialise in servicing this growing market</p> <p>Financial Sustainability: Met (Mandatory): This would be the least expensive model to administer with the lowest operating costs and a very favourable increase in access</p>
<p>Voucher System in conjunction with Preferred Providers List:</p>	<p>Quality: Met (Mandatory) Residents would have access to choice of provider knowing they have been vetted for quality and reliability and price.</p> <p>Access: Not Met (Mandatory) A restricted number of residents would have access to services and this model would require eligibility criteria and assessment.</p> <p>Legal Obligations: There are no identified legal issues associated with this model that would not be met by assessing certified trades people and suitable qualified and insured providers, which could include volunteers and social enterprises operating under suitable auspice.</p> <p>Feasibility: partly met (Mandatory) This model would require the development of an effective voucher management model. A key challenge would be ensuring risk management associated with fraudulent reproduction or 'sale' of vouchers. This model could be implemented by June 2020</p> <p>Market: There is a very mature local market for all the services being considered. This model provide quality providers an opportunity to distinguish themselves in a crowded market and would empower residents to navigate that market with confidence.</p> <p>Strategic Alignment: Highly Met: This model provides residents with increased access to needed services and a means of safely navigating the market. This model also releases significant resources for other opportunities to more effectively assist a larger portion of residents to age well.</p> <p>Economic Development: This model may provide opportunity for emergent local services to grow their business and specialise in servicing this growing market.</p> <p>Financial Sustainability: Not Met (Mandatory): Depending upon the value of vouchers, there are potential savings from this model compared to business as usual, however this model will have higher administration cost associated with the voucher distribution and redemption and the risks associated with fraudulent reproduction or 'sale' of vouchers.</p>

Model	Description
Free Market (no Council involvement)	<p>Quality: Not Met (Mandatory): Residents would have no guarantee of quality.</p> <p>Access: Met (Mandatory): Access to services would be on the open market. Residents could choose any business and make a decision about qualifications and price and their ability to pay.</p> <p>Legal Obligations: There are no identified legal issues associated with this model</p> <p>Feasibility: (Mandatory) This model could readily be achieved well before June 2020.</p> <p>Financial Sustainability: Highly Met (Mandatory) This model is the cheapest to provide. There would likely be a small number of redundancies in Home Maintenance administration and no ongoing costs.</p> <p>Market: There is a very mature local market for all the services being considered.</p> <p>Strategic Alignment: Partly Met: This model releases current resources for other opportunities to more effectively assist a larger portion of residents to age well. This model does not support residents to navigate a competitive market to obtain needed services with confidence</p> <p>Economic Development: This model may provide opportunity for emergent local providers to grow their business and specialise in servicing this growing market</p>

Outcome:

The option which passed all mandatory evaluation criteria was 'Seniors Friendly' list of Preferred Providers.

All other options failed one or more mandatory criteria and cannot be further considered.

Impacts:

This service is programmatically separate from the CHSP and HACC PYP funded Home Maintenance programs, however the three programs are administered by the same team of Council staff, and the actual services to residents are provided by the same contractors.

Therefore, from a resident perspective, the Council subsidised program is indistinguishable from the other programs.

In 2016/17 the program provided subsidised access to electrical and plumbing services for 244 residents, with a forecast of relatively modest growth in line with growth in the older population. Whilst subsidised access is a valued component of this service, these services are irregularly needed and residents also place a very high value on knowing that the providers are vetted and that they will not be financially exploited. A recurring feature of this program has been that the initial visit by a Council subsidised electrician or plumber is able to make an emergency repair to a problem requiring additional follow-up work that is done as a private job. On many such occasions, the resident arranges for the same provider to do the additional work as a 'private job'. It is proposed that providing 'Seniors Friendly' access to an increased range of trades for all residents is a major benefit to older residents who struggle with confidently navigating a crowded market. This benefit offsets the removal of subsidised access to electrical and plumbing for a small number of residents.

Over the past 3 years the regular lawn mowing was growing at approximately 200 clients per annum. In 2016/17 the program provided regular lawn mowing to 1436 residents and is forecast to grow rapidly due to population ageing and difficulty managing eligibility and

access. Growth in the service will require substantial ongoing increases in ratepayer subsidy to this service.

Residents who receive this service place a very high value on access to a reliable low cost service. They have also repeatedly fed back that aspects of the service model are rigid and if they miss a service it is difficult to provide a timely replacement. Ceasing this service would be disruptive to current recipients.

However, access to this service is inequitable in that under the current assessment process a resident who is eligible for CHSP is also typically eligible for the service. This suggests that there are almost certainly a significant number of older residents who would be found eligible for this service if they requested it. This inequity could be addressed by:

- Assertively promoting the service and expanding access to everyone who is found eligible. This would impose an unpredictable increase on the ratepayer contribution to this service and conflict with the primary objective of Council to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.
- The eligibility criteria could be adjusted to reduce access to the service. This would still need to be complemented by a promotional activity which ensured eligible residents were aware of the program and encouraged to test their eligibility. It is not possible to accurately predict the net financial or community benefit impacts of this strategy as it will result in many existing clients losing access to the service whilst simultaneously attracting new recipients. It would be very difficult to effectively manage the financial and reputational risks.
- Replace the subsidised lawn mowing service currently used by a small portion of potentially eligible older residents with a service model that provides all older residents access to a trusted service. This approach has reputational risks but they can be managed with appropriate communication and by providing residents with support to transition into the new model.

The electrical, plumbing and lawn mowing services are currently provided by a panel of 8 contractors, several of whom also deliver the CHSP and HACC PYP services for eligible residents.

The contracts expire on 30 September 2020 and are based on a schedule of rates with no minimum spend, and all contractors have agreed that they will accept self-referrals from residents for 'private jobs' that fall outside the scope of the CHSP, HACC PYP or Council subsidised programs.

Wind down of the Council subsidised program could be conducted without affecting the contractors' capacity to provide the CHSP or HACC PYP services and would create increased capacity for these contractors to accept direct referrals from residents if they chose to become registered 'Seniors Friendly' Preferred Providers.

The operational management of the Council subsidised electrical, plumbing and lawn mowing is provided by the same team who administer the CHSP and HACC PYP Home Maintenance programs, with costs apportioned by hours of service delivered by each program. Ceasing the existing Council subsidised program would release staff resources, which is difficult to quantify as they are enmeshed in the administration of the CHSP services. It is assumed that operating the new 'Seniors Friendly' list of Preferred Providers could be achieved with the existing Contract Management resources and any future customer service or community information services.

Implementation:

A successful transition to the proposed model can be managed by ensuring the process is well planned and communicated and that the new program is established and available for all older residents before the current program is ceased for existing clients. This will require dedicated, time limited resourcing, similar to the transition support model implemented for

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HACC clients transitioning to the NDIS. The NDIS transition experience suggests that with appropriate support, residents' focus rapidly moves from concerns about what is changing and why it is changing to what the new system can provide them and how they can obtain access to what they are now entitled to.

It is proposed that the implementation timelines and transition support for this program be aligned with and incorporated into the broader transition support model for implementing the outcomes of the broader Aged and Disability service review. This will provide a more consistent resident experience and be more efficient for both the organisation and the community.

The process of developing the model of 'Seniors Friendly' Preferred Providers would need to commence in early 2019 and the selection criteria for inclusion could be modelled on the selection criteria previously used to select current contractors:

- Staff undertake Police Checks (annual) and maintain a current Working With Children Check and nominate Council as a relevant agency
- All insurances and Work Safe/Work Cover programs are up to date
- Provide a listing of prices across different job types and sizes that will be publicly available and valid for twelve months
- Demonstrated quality service provision with an awareness of seniors' needs
- The register will emphasise where providers offer additional community benefit:
 - Social enterprise, volunteer based or provide a demonstrated community benefit
 - Locally based business or program
- Annual accreditation of providers will also consider resident feedback and performance

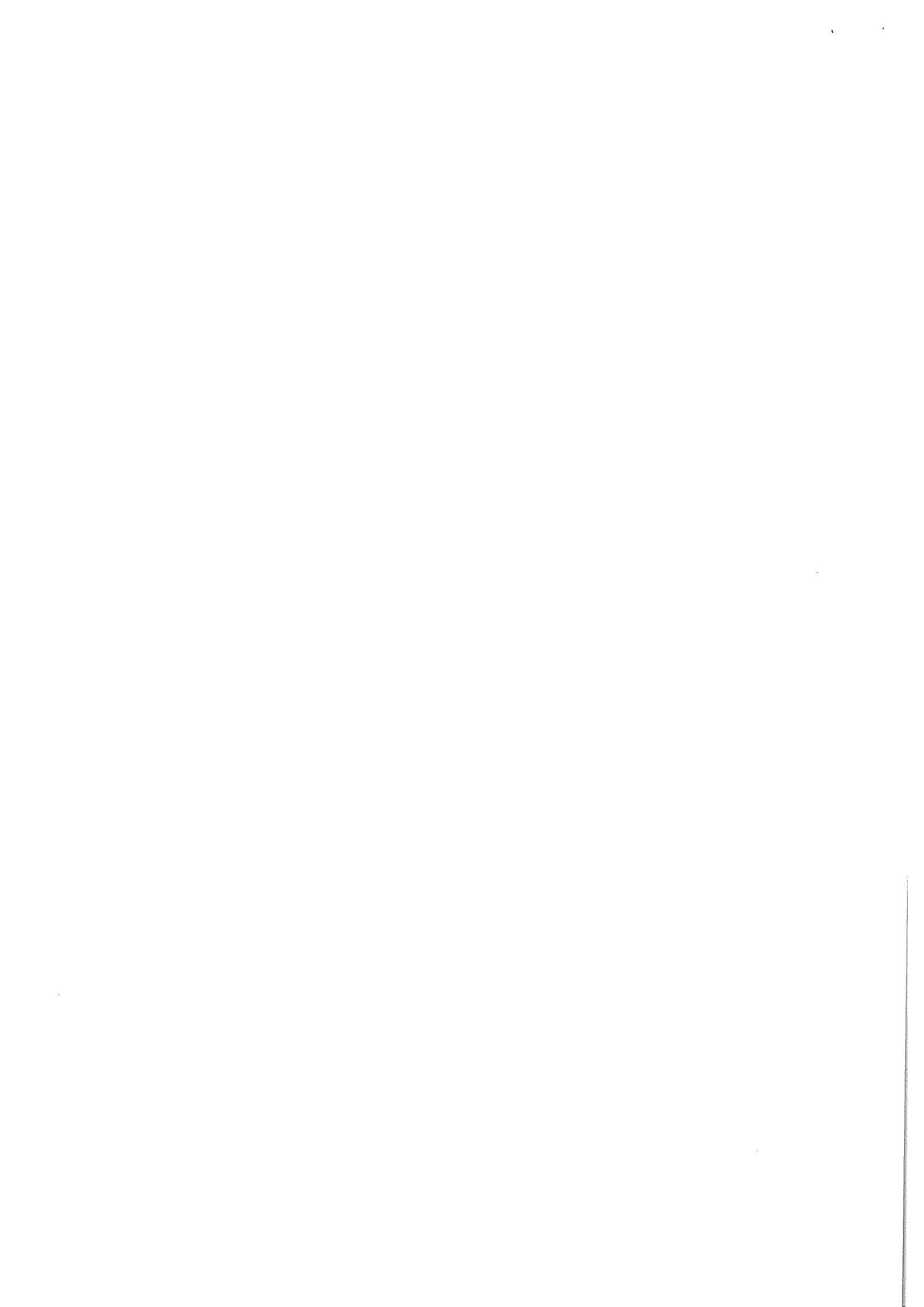
Recommendations:

It is recommended that as part of the Aged and Disability Services Review, Council exit the current model of providing Council subsidised electrical, plumbing and lawn mowing and replace it with a program based on a 'Seniors Friendly' list of Preferred Providers by 30 June 2019 as follows:

- Work to develop and implement the 'Seniors Friendly' list of Preferred Providers commence in early 2019 so that this service is able to be fully operational for all older residents before 30 June 2019.
- Council's entry on the My Aged Care Provider Portal be amended immediately to remove references to Council subsidised electrical, plumbing, lawn mowing and regular garden maintenance.
- During the 2018/19 financial year, Council subsidised electrical and plumbing be provided up to the value of the approved budget which based on current demand will be sufficient for up to twelve months.
- During the 2018/19 financial year Council subsidised lawn mowing be provided only to existing clients up to the value of the approved budget which based on current demand will be sufficient for up to twelve months.
- Resources be allocated to ensure clients are supported to transition to the new program.

Appendix A: Property Maintenance Task Ranking (2012)

Task	Category	Program Benefit Weighting	Ranking
Toilet Repairs	Plumbing	3.56	1
General Power Point Installation	Electrical	3.32	2
Fuse Replacement	Handyman	3.28	3
Gas Leak Investigation	Plumbing	3.18	4
Internal Handrails Installation	Carpentry	3.17	5
External Handrails Installation	Carpentry	3.17	6
Light Switch Repairs/Replacement	Electrical	3.14	6
General Electrical	Electrical	3.08	8
Hot Water Service Repairs	Plumbing	3.02	9
Ceiling Fan Replacement / Installation	Electrical	2.94	10
Pipes Leaking / Blocked	Plumbing	2.91	11
Smoke Alarms Battery Replacement	Handyman	2.9	12
Hot Water Service Repairs	Plumbing	2.87	13
General Plumbing	Plumbing	2.81	14
Light Globe Replacement	Handyman	2.78	15
Door Lock Replacement / Repairs	Carpentry	2.78	15
Sinks Blocked	Plumbing	2.77	17
Door Replacement / Repairs	Carpentry	2.74	18
Handheld Shower Installation	Handyman	2.73	19
Hot Water Service Installation	Plumbing	2.71	20
Fencing Repairs	Handyman	2.54	21
Shower Minor Repairs	Plumbing	2.51	22
Oven / Stove Installation – (Electrical)	Electrician	2.49	23
Pilot Light Check	Handyman	2.47	24
Oven / Stove Installation – (Gas)	Plumbing	2.43	25
General Handyman	Handyman	2.34	26
General Carpentry	Carpentry	2.34	26
Tap Washer Replacement	Handyman	2.27	28
Convert To Low Maintenance Garden	Gardening	2.21	29
Showerhead Exchange (To Low Flow)	Handyman	2.2	30
Cupboard Repairs	Handyman	2.16	31
Occasional Garden Maintenance	Gardening	2.1	32
Rubbish Removal / Clean Up	Handyman	2.1	32
One Off Garden Clean Up	Gardening	2.1	32
Courtyard Lawn / Tree / Hedge Trim	Gardening	2.1	32
Spouting Replacement / Repairs	Plumbing	2.07	36
Spouting Cleaning	Handyman	2	37
Regular Lawn Mowing	Gardening	1.7	38



Aged Care Reform Project – Evaluation Matrix

ATTACHMENT 8: Detailed Evaluation Matrix – CHSP

Criteria	Option 1 Business as Usual	Option 2A Service Optimisation Implementation 1 July 2019	Option 2B Sub-contract services	Option 3 Form a new entity (alone or with others)	Option 4A Exit all service delivery and wind down slowly	Option 4B Exit all service delivery and transfer to alternative provider/s	Option 5 Optimised direct service delivery for Social Support & Delivered Meals and transfer other services to alternative provider/s	
						Social Support and Delivered Meals	Other Services Transferred	
Quality		<p>H</p> <ul style="list-style-type: none"> ✓ Maintains existing high level of positive experience for clients with least change to service experience ✓ Local government provides unique value: accountability, connection to rest of Council resources, high level of compliance, local knowledge ✓ Current range of community care service types maintained with least change to service levels ✓ Provides a benchmark for quality services in the market ✗ Entry level service only – other providers likely to provide wider offering along the service continuum ✗ High risk that residents will experience ANY change to service experience or service levels as a significant drop in quality 	<p>M</p> <ul style="list-style-type: none"> ✓ Longer-term influence on quality of services provided through tender specifications and ongoing performance monitoring of sub-contractor ✗ Requires a high level of commitment to CoW contract management and tender specification & evaluation ✗ Residents highly sensitive to any change in service level or experience compounded by change of provider 		<p>L</p> <ul style="list-style-type: none"> ✗ Uncertainty on quality of service offering of alternative providers ✗ No mechanism for local government to influence quality 	<p>M</p> <ul style="list-style-type: none"> ✓ Short-to-medium term influence on quality of services provided through choice of alternative provider ✗ No long term influence 	<p>H</p> <ul style="list-style-type: none"> ✓ Maintains existing high level of positive experience for clients with least change to service experience ✗ Some risk that residents will experience ANY change to service experience or service levels as a significant drop in quality 	<p>M</p> <ul style="list-style-type: none"> ✓ Short-to-medium term influence on quality of services provided through choice of alternative provider
Access		<p>H</p> <ul style="list-style-type: none"> ✓ CHSP eligible clients will not be rejected, or discriminated against, based on locality within municipality or individual circumstances ✓ Safety net for eligible clients that are not 'profitable' for other providers 	<p>H</p> <ul style="list-style-type: none"> ✓ CoW can choose and monitor subcontractor to ensure access for all eligible clients (Note: May require an increase in client fees or CoW subsidy to maintain access across the municipality and meet diversity of individual needs /circumstances) 		<p>L</p> <ul style="list-style-type: none"> ✗ Some alternative providers likely to discriminate against clients that are not 'profitable' ✗ Large dominant or monopoly provider may reduce access or raise costs ✗ No mechanism for local government to influence access ✓ New market entrants may offer enhanced / wider range of services 	<p>M</p> <ul style="list-style-type: none"> ✓ Short-to-medium term influence on access provided through choice of alternative provider ✓ New market entrants may offer enhanced / wider range of services ✗ No long term influence. ✗ Large dominant or monopoly provider may reduce access or raise costs 	<p>H</p> <ul style="list-style-type: none"> ✓ CHSP eligible clients will not be rejected, or discriminated against, based on locality within municipality or individual circumstances ✓ Safety net for eligible clients that are not 'profitable' for other providers 	<p>M</p> <ul style="list-style-type: none"> ✓ Short-to-medium term influence on access provided through choice of alternative provider ✓ New market entrants may offer enhanced / wider range of services ✗ No long term influence.

Aged Care Reform Project – Evaluation Matrix

Criteria	Option 1 Business as Usual	Option 2A Service Optimisation Implementation 1 July 2019	Option 2B Sub-contract services	Option 3 Form a new entity (alone or with others)	Option 4A Exit all service delivery and wind down slowly	Option 4B Exit all service delivery and transfer to alternative provider/s	Option 5 Optimised direct service delivery for Social Support & Delivered Meals and transfer other services to alternative provider/s		
							<table border="1"> <tr> <th>Social Support and Delivered Meals</th> <th>Other Services Transferred</th> </tr> </table>	Social Support and Delivered Meals	Other Services Transferred
Social Support and Delivered Meals	Other Services Transferred								
Legal Obligations	<p>X</p> <ul style="list-style-type: none"> Detailed advice from Ernst & Young indicates that Business as Usual would not comply with National Competition Policy given Council provided CHSP services are a 'significant business' and the very high level of subsidisation by Council. Market sounding shows there is a market for CHSP services and so it is improbable that Council could successfully demonstrate there was a public interest in subsidising services 	<p>X</p> <ul style="list-style-type: none"> Would not meet National Competition Policy. Option is dependent on: <ul style="list-style-type: none"> (i) salaries being reduced by at least 20% through EA re-negotiation (ii) AND the Commonwealth increasing the funded unit price for a reduced number of units and/or (iii) OR Council meets a National Competition Policy public value test to continue to provide services (ie recognising local government's role in maintaining service access and quality) 	<p>X</p> <ul style="list-style-type: none"> Would not meet National Competition Policy. Due to high likelihood that subsidy will be required and unlikely to pass public interest test 	<p>X</p> <ul style="list-style-type: none"> There are currently no known partners seeking to form an entity, the costing of this option assume multiple partners Previous experience indicates that establishing a new entity requires a considerable period of time to develop, implement and transition to full operation. Unlikely to be achieved by July 2020 	<p>M</p> <ul style="list-style-type: none"> Low risk of non-compliance with Commonwealth funding agreement obligations No mechanism for local government to influence compliance 	<p>H</p> <ul style="list-style-type: none"> Low risk of non-compliance with Commonwealth funding agreement obligations Short term influence on compliance through choice of provider 	<p>H</p> <ul style="list-style-type: none"> Optimised model of Delivered Meals and Social Support requires minimal subsidy and in the context of a limited market for these services these services would comply with National Competition Policy <p>H</p> <ul style="list-style-type: none"> Market maturity high for these service types which minimises risks Risks could be managed by investing in transition support for clients and staff Consultation with the Commonwealth indicates their support of Council having an active role in a transfer of funded services to another appropriate provider 		
Feasibility	<p>X</p> <ul style="list-style-type: none"> This option can only be achieved with both significant change in: <ul style="list-style-type: none"> low services are delivered staff conditions (reduced by at least 20%) requiring renegotiation of industrial agreements This would still leave a significant annual subsidy (\$1.7M) that would conflict with National Competition Policy It is unclear whether this model would be viable post 2020 when 'funding stability' ends. 	<p>X</p> <ul style="list-style-type: none"> Unlikely that a subcontractor will commit to long term delivery of services without a significant Council subsidy High level of capability required for contract management Certainty and control over resourcing and client transfer It is unclear whether this model would be viable post 2020 when 'funding stability' ends. 	<p>X</p> <ul style="list-style-type: none"> No control of client and staff exit therefore difficult to manage resourcing or service delivery for remaining clients 	<p>M</p> <ul style="list-style-type: none"> Market maturity variable across service types High level of capacity and capability required to manage client transition Potential implementation delay with regard to EO1 and transfer process for all service types Risks could be managed by investing in transition support for clients and staff Council has well developed procurement and change management skills Consultation with the Commonwealth indicates their support of Council having an active role in a transfer of funded services to another appropriate provider 	<p>H</p> <ul style="list-style-type: none"> These services can be optimised within existing industrial instruments These services would require a modest subsidy that would not conflict with National Competition Policy 	<p>H</p> <ul style="list-style-type: none"> Market maturity high for these service types which minimises risks Risks could be managed by investing in transition support for clients and staff Consultation with the Commonwealth indicates their support of Council having an active role in a transfer of funded services to another appropriate provider 			

Aged Care Reform Project – Evaluation Matrix

Criteria	Option 1 Business as Usual	Option 2A Service Optimisation Implementation 1 July 2019	Option 2B Sub-contract services	Option 3 Form a new entity (alone or with others)	Option 4A Exit all service delivery and wind down slowly	Option 4B Exit all service delivery and transfer to alternative provider/s	Option 5 Optimised direct service delivery for Social Support & Delivered Meals and transfer other services to alternative provider/s
						Social Support and Delivered Meals	Other Services Transferred
Financial Sustainability	<p>X</p> <p>Financial modelling indicates that Council contribution for this option will increase rather than decrease over time with an indicative total cost to Council of \$46.8m over ten years.</p>	<p>L</p> <p>✗ Lowest reduction in the cost to Council Total cost to Council over 10 years: \$21.9m Average annual Council contribution (19/20-26/27): \$1.5m</p>	<p>M</p> <p>Mid-level reduction in the cost to Council Total cost to Council over 10 years: \$16.9m Average annual Council contribution (19/20-26/27): \$0.9m Risk: need to provide subsidy as contractors unlikely to provide all service /client contact at CHSP rate paid to council This possibility is not included in above costings</p>	<p>X</p> <p>This option would not decrease Council's contribution. Financial modelling by Ernst & Young indicates that the cost to Council to establish and operate a new entity over a ten year time frame would be \$95m. The high establishment costs of a new entity with seven other Councils have a significant financial impact on this option.</p>	<p>L</p> <p>✗ No control over future employer for current staff ✗ Pay and conditions of alternative providers lower than current EA and proposed pay & conditions in optimised model ✗ Risk of casualisation of workforce</p>	<p>H</p> <p>✓ Highest reduction in the cost to Council Total cost to Council over 10 years: \$14.4m Average annual Council contribution (19/20-26/27): \$19K</p>	<p>M</p> <p>✓ Mid-level reduction in cost to Council Total Cost to Council over 10 years: \$20m including some aspects of proposed enhancements to enable residents to age well. Average annual Council contribution (19/20-26/27) approximately \$1.5m including some aspect of proposed enhancements to enable residents to age well.</p>
Fair Work		<p>M</p> <p>✓ Higher pay & conditions than non-government providers ✓ Salary and conditions remain fair in comparison to alternative service providers ✓ Provides certainty of workforce conditions and employment in the short to medium term ✓ Provides a benchmark for fair work in the market ✗ Salary and conditions to be renegotiated with union and staff (proposed rates 20-25% lower) ✗ Reduced conditions for A&D staff would create two tier system within council</p>	<p>M</p> <p>✓ Maintain some control over level of pay & conditions through choice of sub-contractor (Note: if transmission of business – pay and conditions of current staff maintained until current EA expires) risk: staff will not want to forgo redundancy and work for a contractor at a lower rate</p>		<p>L</p> <p>✗ No control over future employer for current staff ✗ Pay and conditions of alternative providers lower than current EA and proposed pay & conditions in optimised model ✗ Risk of casualisation of workforce</p>	<p>H</p> <p>✓ It is possible to deliver this model under current staff conditions avoiding significant cuts and risk of two tier employment within council</p>	<p>M</p> <p>✗ Maintain some control over level of pay & conditions through choice of alternative provider (Note: if transmission of business – pay and conditions of current staff maintained until current EA expires) Staff are likely to prefer an option where they can receive a redundancy early and have option to move to the pick of alternate providers at best possible conditions in new market environment</p>

Aged Care Reform Project – Evaluation Matrix

Criteria	Option 1 Business as Usual	Option 2A Service Optimisation Implementation 1 July 2019	Option 2B Sub-contract services	Option 3 Form a new entity (alone or with others)	Option 4A Exit all service delivery and wind down slowly	Option 4B Exit all service delivery and transfer to alternative provider/s	Option 5 Optimised direct service delivery for Social Support & Delivered Meals and transfer other services to alternative provider/s	
							Social Support and Delivered Meals	Other Services Transferred
Market Maturity		M <ul style="list-style-type: none"> ✓ Supports stability of the market whilst it is developing. ✓ Maintains capacity to provide services in the future (in case of market failure) ✗ Maintaining large market shares limits new entrants and growth for alternative local providers 	M <ul style="list-style-type: none"> ✗ Market sounding identified a limited number of service providers interested in being a sub-contractor for all services. Alternatively, an opportunity to subcontract to a range of providers across services ✓ Opportunity to shape emerging market through choice of sub-contractor/s ✓ Maintain service agreement with Commonwealth (or status as registered provider) - could re-enter direct service delivery in case of market failure 		L <ul style="list-style-type: none"> ✗ Market sounding identified a limited number of service providers with the capacity and capability to provide services to CHSP eligible clients ✗ There are some service types the market has limited interest and or capacity. ✗ No mechanism for local government to influence market 	M <ul style="list-style-type: none"> ✗ Market sounding identified a limited number of service providers interested in offering services to CHSP eligible clients ✗ There are some service types the market has limited interest and or capacity. ✓ Opportunity to shape emerging market through choice of service provider/s 	H <ul style="list-style-type: none"> ✓ This option avoids the thin market for Delivered Meals and Social Support 	H <ul style="list-style-type: none"> ✓ Short term - Strong market for these particular services
Strategic Alignment		M <ul style="list-style-type: none"> ✗ This option focuses Council's resources and efforts in service delivery to one group of older residents and provides limited opportunity to invest in other opportunities for all older residents to age well 	H <ul style="list-style-type: none"> ✓ This option provides the second best outcome against the achievement of Council's strategic objectives in that it ensures access to services for all residents and releases significant resources for investment to ensure residents can age well. 		L <ul style="list-style-type: none"> ✗ This option releases significant resources for investment to ensure benefit is offset by the lack of input or influence on the service outcomes for residents 	M <ul style="list-style-type: none"> ✓ This option has relatively high positive outcomes for current clients and also releases significant resources for investment to ensure residents can age well. 	H <ul style="list-style-type: none"> ✓ This option optimises the achievement of Council's strategic objectives in that it ensure access to services for all residents and releases significant resources for investment to ensure residents can age well. 	
Economic Development		M <ul style="list-style-type: none"> ✗ Maintaining large market shares limits new entrants and growth for alternative local providers ✓ Council remains a significant local employer in this sector ✓ Maintains number of providers 	H <ul style="list-style-type: none"> ✓ Promote number and diversity of locally based businesses or not-for-profit organisations and local employment opportunities through choice of sub-contractor 		L <ul style="list-style-type: none"> ✗ No influence or support to locally based service providers or local employment 	H <ul style="list-style-type: none"> ✓ Promote number and diversity of locally based businesses or not-for-profit organisations and local employment opportunities through choice of alternative provider 	M <ul style="list-style-type: none"> ✓ Council remains a significant local employer in this sector ✓ Maintains number of providers 	<ul style="list-style-type: none"> ✓ Promote number and diversity of locally based businesses or not-for-profit organisations and local employment opportunities through choice of alternative provider