Community Care Workshops - Summary Report

Key issues presented and discussed with council officers at regional workshops in Benalla, Bendigo, Ararat and Springvale

September 2018
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Disclaimer
This report was prepared by INCITE information and does not necessarily reflect the views of the MAV or individual councils.

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Contents

Introduction ........................................................................................................................................... 3

Changing operating environment ........................................................................................................ 4
  What are the key changes in the operating environment for aged and disability services? ....................................................... 4
  What are the pre-conditions required to realise the potential benefits of public sector markets? ......................................................... 8
  What are the potential strategic directions for councils? .............................................................................................................. 12

Service provision in a competitive environment .................................................................................. 13
  What are the strengths and weakness of council as a service provider? ............................................................ 13
  What can councils do to increase their competitive position? ................................................................................................. 14
  How can councils work collaboratively with other providers to deliver services? .............................................................. 16

System support and development roles ............................................................................................. 17
  What support and information could be provided to clients and carers? .............................................................. 17
  What support or incentives could be provided to attract appropriate providers? ......................................................... 18
  What is the objective of planning and advocacy in a competitive environment? ................................................................. 19

Transition from direct service delivery ............................................................................................... 20
  What mechanisms can be used to transition from direct service delivery? ........................................................... 20
  What are the opportunities to collaborate with other councils during transition? .......................................................... 21

Option development and assessment ................................................................................................. 22
  What are the key considerations for options development and assessment? .............................................................. 22
  What are the key steps required to support decision-making on council’s future role? ......................................................... 23
Introduction

Decision-makers are being challenged to set a strategic direction for council’s future role in service provision, in the face of uncertainty about future funding models and the availability, capacity and quality of new market entrants.

Aged care reforms and the introduction of the National Disability Insurance Scheme (NDIS) are fundamentally changing the operating and funding environment for the aged and disability services sector, particularly through increased market contestability and client choice. Service providers, clients, carers and funded agencies are grappling with how to best respond to this new competitive environment. Councils are also facing additional challenges such as rate-capping, demographic shifts, cost growth and increasing community expectations.

In addition to deciding to continue or transition away from direct service delivery, there is the need for councils to consider their broader role in supporting the development of empowered residents, supportive communities and sustainable community organisations.

A focus on supporting collaboration may seem counter-intuitive in a competitive environment. However, councils could explore partnership opportunities with a range of local service providers (including the community sector, health services and other councils) to build sustainable strategic alliances to effectively meet the needs of their local community.

Councils decisions on their future role in aged and disability services are fundamentally, an expression of their understanding of the role of local government, its evolving relationship to other levels of government, and how it best adds value to its communities.

The MAV (Municipal Association of Victoria) engaged INCITE information to conduct a series of workshops to assist Victorian councils to consider their role in aged and disability services beyond July 2020.

Four one-day workshops were conducted for Human Services Directors and Aged and Disability Managers in four locations during July and August 2018. In total 56 officers representing 35 councils participated.

This report summarises the key issues and ideas presented and discussed at the workshops. Specifically, this report considers:

- key changes in the operating environment for aged and disability services, including the benefits and risks of public sector markets
- potential strategic directions for councils in the aged and disability services sector
- strengths and challenges for councils as service providers in a competitive environment
- potential strategies to promote the competitiveness of council’s aged and disability services
- activities to empower clients and carers to make good choices
- activities to attract and support appropriate providers
- opportunities for local and regional collaboration
- a process for options development and assessment

‘The best way to predict the future is to create it.’
Peter Drucker
Changing operating environment

What are the key changes in the operating environment for aged and disability services?
While recent changes to the operating environment for home and community care are significant, they reflect the continuation of a number of long-term trends in the evolution of community-based care over time.

A continually evolving system
Councils in Victoria have delivered a suite of community care services for more than 70 years.

The objective of these services has been to enhance the quality of life of clients by assisting them to be more active and independent at home and in the community, and to prevent inappropriate admission to long-term residential care.

The history of community care is summarised in the table on the following pages.

Key trends over time
Notable long-term trends include:

- growth in both the number and proportion of older people in Australia
- growth in spending on older Australians increasing the pressure on government budgets
- an increasing emphasis on community care to prevent or delay entry to higher cost residential care
- consolidation of diverse programs to establish nationally consistent programs
- increasing emphasis on consumer choice and control
- increasing emphasis on contestability and competition
## Aged and Disability Community Care - Summary History

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
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<tbody>
<tr>
<td>1800’s</td>
<td>Home (or district) nursing services were established in the UK in the mid-1800’s. The first home nursing service began in Australia in 1885 with the establishment of the Melbourne District Nursing Service.</td>
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<tr>
<td>1940’s</td>
<td>Emergence of domestic assistance or home help services.</td>
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<tr>
<td>Late-1960’s</td>
<td>Governments introduced a range of legislation to encourage development of community-based services for the elderly, providing an alternative to residential care. The Commonwealth and Victorian Governments jointly funded home help and services such as physiotherapy, chiropody and occupational therapy.</td>
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<tr>
<td>1970’s</td>
<td>The Commonwealth Government made more funds available to community groups and councils for the provision of delivered meals, home care and expansion of community care services. As the range of services grows so does the number of separate funding agreements.</td>
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<td>1980’s</td>
<td>The Commonwealth Home and Community Care Act 1985 was established, consolidating four funding streams into a single Home and Community Care (HACC) program. HACC sought to expand community care and reduce access to, and expenditure on, nursing homes. Under HACC, the range and level of funding for community care programs expanded significantly, with new service types introduced such as community transport, community options, home modifications and respite care.</td>
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<td>1990’s</td>
<td>The Commonwealth Government develops a range of new programs for community care, including Community Aged Care Packages (CACPs). CACPs evolve from residential care and are designed to provide low-level care in a person’s home. The blurring of community and residential care continues as different models of care are designed to meet the different needs of eligible clients. There is significant growth in the number of not for profit and private sector organisations delivering community care. In some instances, organisations are contracted to provide services on behalf of other organisations (e.g. councils). Individual service users may choose to purchase all, or additional support services from private providers.</td>
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| 2000’s | Aged and disability reforms continue, primarily driven by Productivity Commission reports on the operation of the Disability Discrimination Act (2004); the National Disability Insurance Scheme (2011); and the Caring for Older Australians Report (2011). Key issues raised by these reports included:  
  - the significant growth (up to 350%) in the number of people requiring aged care from 2011 to 2050  
  - the risk that the cost of providing adequate care for older people in the future would be unaffordable as a nation  
  - the presence of significant system weaknesses (difficult navigation, limited services, variable quality and no consumer choice) and inefficiencies (duplication of effort, no competition and high cost structures); and  
  - that a consumer driven, market-based model would drive the most efficient use of government resources. |
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| 2011 | The Council of Australian Governments (COAG) makes a series of decisions and commitments related to the broader health system and more specifically to aged and disability care. In particular, Schedule F – Aged Care and Disability of the COAG National Health Reform Agreement identifies that:  
- the Commonwealth Government “...will take full funding, policy, management and delivery responsibility for a consistent and unified aged care system covering basic home care through to residential care.”  
- State Governments will be responsible for:  
  - regulating specialist disability services delivered under the National Disability Agreement  
  - funding and regulating basic community care services for people under the age of 65 years (except Indigenous Australians aged 50 years and over)  
  - funding packaged community and residential aged care delivered under Commonwealth aged care programs for people under the age of 65 years (except Indigenous Australians aged 50 years and over)  
The COAG National Health Reform Agreement underpins a very clear transfer of primary responsibility for the funding of both aged and disability services to the Commonwealth with clear references State Government responsibilities.  
Local government is not mentioned as a co-funder or partner under the new arrangements. |
| 2013 | The Commonwealth Government passes the Living Longer, Living Better Act, which results in significant changes to the aged care system. There are four key objectives of the aged care reforms, being:  
1. to provide accessible and affordable services which reach a larger proportion of the population who are currently not receiving support or receive a lower level of care than they require to meet their needs.  
2. to provide participants, families and carers with greater choice and control over the types of services they receive, the way in which they receive these services and who provides the services.  
3. to support the independence, social participation and inclusion of the ageing population and enable them to remain in their own homes longer.  
4. to provide a consistent level of care nationally, with private contributions, transparent financing, true of cost of care is reflected in the price and sufficient revenue to meet quality standards. |
| 2016 | The Commonwealth Home Support Program (CHSP) is launched when the Commonwealth Government assumes full funding, policy and operational responsibility for community care for people aged 65 years and over in Victoria.  
The Victorian Government continues to fund HACC services for people aged under 65 years (under 50 years for Aboriginal and Torres Strait Islander people), with eligible clients transitioning to the National Disability Insurance Scheme as it rolls out across Victoria. |
| To 2020 | Special transition provisions apply in Victoria until 1 July 2020. This includes continuity of funding levels (and output based ‘block funding’) and establishing a Victorian Regional Assessment Service (VRAS). The period from July 2019 to July 2020 will be through a separate one-year contract which is yet to be negotiated. |
Competition certain: method unknown

The specific details of funding arrangements for the full operation of the Commonwealth Home Support Program (CHSP) in Victoria (post-transition) have not been disclosed however, it is highly likely on the basis of trends, policy statements and program guidelines that there will be a shift away from block funded HACC grants to a competitive operating environment.

The 2018 CHSP Guidelines identify six potential funding mechanisms with five relying on competitive processes:

1. open competition
2. EOI process
3. targeted competition
4. unsolicited proposals
5. procurement
6. direct selection (non-competitive)

Transition of HACC to CHSP

Key difference between HACC and CHSP include changes to:

- eligibility criteria: the target group does not include people aged less than 65 years (or less than 50 years for ATSI)
- scope of services: basic home support services only. Care coordination will not be funded as a separate service type; increased focus on time limited restorative care services
- contestability: increased contestability for service providers
- changed funding arrangements: replacement of output-based funding model with a mixed funding approach of individualised funding and block funding
- consumer directed care: introduction of client choice in selecting a service provider
- assessment, referral pathway and case management: My Aged Care (a Commonwealth website and telephone line to access services and information) as a single entry point; the introduction of Regional Assessment Services independent from service provision
What are the pre-conditions required to realise the potential benefits of public sector markets?

Increased competition has the potential to drive improvements to the quality and efficiency of services, including promoting:

- flexibility and responsiveness to individual needs
- efficiencies to support system sustainability
- innovation, expanding the variety of services, providing more holistic care and improving care continuity

However, the effectiveness of any market depends on the capacity and capability of clients ('empowered consumers') and the breadth and depth of the pool of suppliers from which clients can choose ('appropriate providers').

Additionally, consumers and providers need to have a shared understanding and level of trust in the transaction mechanism.
Empowered consumers
The empowered consumer is highly likely to benefit from increased choice. The empowered consumer will be motivated and able to compare providers utilising accessible and reliable information. However, not all consumers of aged and disability services will be empowered.

Barriers to accessing information
Potential barriers for clients and carers to access and/or utilise information include:

- **limited understanding of transaction process**: consumers require an understanding of how the system works including identifying potential providers, the process for exchange, consumer rights and obligations, complaints processes etc.
- **inadequate information about providers**: appropriate choices cannot be made without appropriate decision criteria and access to information to compare providers
- **insufficient capacity**: consumers may have insufficient funds, be unable to use available information or have difficulty navigating the transaction process
- **lack of motivation**: limited perceived benefit in comparing or changing providers

Vulnerable individuals / groups
Within each community there will be individuals that are more likely to face significant barriers accessing services.

Workshop participants noted the following groups as likely to have greater difficulty accessing or using available information:

- no informal carer or advocate (i.e. no family living nearby)
- geographically isolated (i.e. no internet access, cannot get into town)
- ‘older old’ – inclined to be more stoic / less assertive to have needs met
- low digital literacy
- hearing and/or sight impaired
- urgent need - resulting in time constraints for research
- low literacy or cognitive impairment
- culturally and linguistically diverse groups
- Indigenous Australians
- individuals at socio-economic disadvantage
Workshop participants identified the following potential barriers for clients and carers when comparing service providers on quality and price:

- limited information currently on My Aged Care to enable a comparison of service providers on quality and price
- no information on My Aged Care in relation to timely availability of services (particularly noting that clients frequently need services to commence promptly and mistakenly expect that service delivery will immediately follow registration)
- disengagement from My Aged Care due to delays or extended time periods to conduct processes (e.g. hold times for telephone calls, multi-stage processes etc.)
- complexity of pricing structures or lack of transparency in pricing (i.e. hidden fees)
- reliability on ‘glossy brochures’ as a source of information about service quality
- unscrupulous tactics by predatory providers (e.g. misleading information, uninvited sales approaches)
- disengaging from considering alternatives due to information overload or complexity (i.e. not in plain English)
- reliance on familiar brand names reducing the motivation to compare providers
- ability of older people to access information via internet or telephone, including geographic variations to internet and mobile phone coverage, variations in digital literacy and hearing and sight disablement
- preference of older people and people with a disability to access information in-person

*When comparing providers you may find lots of promises in glossy brochures or websites that have little information about the costs and services. If this is the case it helps to ask lots of questions so you are really sure you are getting what was promised.*

Home Care – A Guide to Your Consumer Rights, ACCC
Appropriate providers

Even if consumers are ‘empowered’ a market will not be effective at driving efficiency and responsiveness if the pool of providers is not large and/or diverse enough to offer true choice.

Regional communities are less likely to attract the same number and diversity of service providers as metropolitan Melbourne. However, workshop participants identified the following organisation types as potential market entrants (including potentially expanding their current service range or geographic footprint):

• residential aged care facilities
• disability support providers
• aged care package providers
• private providers
• health services
• community health services
• community controlled NGO’s (e.g. ethnically specific community organisations)

Effective local markets need providers that:

• have a local presence so that they can deliver services in the client’s home or community: it is irrelevant to a consumer if the national market has hundreds of providers if there is only a single provider (or worse no provider) to their location

• provide the full range of services clients require and are eligible to receive: it is irrelevant to a consumer if there are a number of local providers but none of them provide the particular service type they need

• are appropriate to diverse needs: to be appropriate, services may have to be responsive to the variations between consumers (e.g. demographic, socio-economic, health conditions and personal preferences)

Workshop participants identified the following potential risks related to the appropriateness of service providers likely to enter the market:

• access and equity:
  – ‘cherry-picking’ service types, clients or geographic areas that are profitable
  – service diminution over time due to initially under-estimating full cost or using a ‘loss leader’ approach to enter the market

• limited local presence:
  – less local knowledge
  – no tailored local solutions
  – difficulty accessing accountability mechanisms

• limited range of services:
  – due to lack of experience, capacity or the low unit price
  – at risk services include community-based meals, social support groups, volunteer co-ordination, community transport
What are the potential strategic directions for councils?

While the primary focus of decision-making is in relation to their future role in service provision, councils also have a number of potential system support roles to consider.

Additionally, councils may continue, expand or commence a wider range of activities to support older residents including activities to support positive ageing, health promotion and prevention of elder abuse. These activities may be to a wider age cohort (for example 55+ years).

<table>
<thead>
<tr>
<th>Continue direct service delivery</th>
<th>Transition from direct service delivery</th>
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<tr>
<td>2. Expand: service range or geography</td>
<td>6. Wind-down slowly</td>
</tr>
<tr>
<td>3. Focus: specialise or differentiate</td>
<td>7. Transfer to alternative provider</td>
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<td>4. Collaborative service delivery model</td>
<td>8. Collaboration to attract providers</td>
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System support roles in aged & disability services sector

9. Attracting appropriate providers
10. Capacity building & network development
11. Support & information for clients and carers
12. Planning and advocacy

13. Investment in other activities to support older residents
Service provision in a competitive environment

What are the strengths and weaknesses of council as a service provider?

The strengths and weaknesses of council continuing as a service provider include:

**Weaknesses (-)**
- Higher cost structure
- Likely higher fees (particularly if National Competition Policy applies)
- Low flexibility: focus on equity of access rather than tailoring
- Narrow range of services (limited up and down stream)
- Limited business orientation (marketing, entrepreneurial)
- Workforce issues: age, gender, availability
- Blocks other market entrants – prevents economic development
- Perceived scope of ‘core business’ (e.g. ‘Roads, Rates and Rubbish’)

**Strengths (+)**
- Established reputation / trusted
- Staff experience and qualifications
- Workforce stability
- Local accountability mechanisms
- Knowledge of community needs
- Established networks with regional councils, health sector, NGOs
- Maintain influence in market (staff pay and conditions, client safety net, prevent monopoly)

The potential strengths and weaknesses of alternative service providers include:

**Weaknesses (-)**
- Reduced service level and/or service co-ordination
- Inequitable access
- Difficult to hold accountable
- Poor collaboration with other providers (system fragmentation)
- Risk of exploitation (legal but unscrupulous)
- No place based/geographical commitments (if not a local provider)

**Strengths (+)**
- Client choice and control
- Flexibility and tailoring (afterhours, timing to client preference)
- Lower client costs
- Wide range of service types: holistic or specialisation
- Upstream and downstream continuity: e.g. health promotion and residential care
- Innovation and responsiveness
What can councils do to increase their competitive position?

The unique strengths of councils as an experienced, trusted and locally-based service provider can be leveraged to increase the attractiveness of their service offering to increase their competitiveness in the new operating environment.

Workshop participants identified a range of possibilities to improve the competitiveness of councils aged and disability services:

**Optimise balancing cost and quality**

- review demand management policies that limit service responsiveness
  - needs-based allocation of service hours - remove current limitations on hours per client
  - more flexibility in delivery against care plan
- workforce development:
  - attraction and retention strategies
  - investment in training and development
- improve marketing and ‘brand’ awareness
- develop ‘franchise’ / local hubs options
- mobile shower and laundry (better manage / control service delivery environment)
- client ‘app’ to manage rostering
- better utilise council’s infrastructure (e.g. libraries, pools, halls, parks)
- shared services with other councils: workforce, administration, etc.
- opportunities for efficiencies:
  - renegotiate EBA
  - review staff ratios for social support groups
- greater use of volunteers
Focus
specialise and/or differentiate (e.g. concentrating on areas of distinct advantage)
• maintain services that require specialist skills
• maintain services with greatest risk of a service gap if council did not provide the service
• focus on social support activities:
  – connection with mainstream social groups (Men’s Shed, Senior Citizens)
  – offer fee for service activities: supported holidays, trips, cruises etc.
• recognise maintenance as a point of first contact / initial service need

Expand
providing additional service types or providing services in new geographic areas
• expand private /brokerage services to ‘subsidise’ grant funded services
• offer case management
• offer allied health and nursing
• ‘pop-up’ one stop shops (e.g. allied health with social support)
• build links with primary care and acute health providers
• build links with other sectors (e.g. finance, hospitality, recreation, utilities etc.)
• retirement planning (multi-dimensional planning and preparation e.g. financial, health, social)
• increase health promotion options (links to gyms, personal trainers, nutritionists etc.)
• increase community transport (medical appointments, social outings, shopping etc.)
• social activities after hours (support friendships development)
• more variety and frequency of meals
• expand community meals: partner with cafes, share client kitchen for meals prep, shared meals in client’s home
• partnerships with education organisations (workforce development)
• stronger links with residential care: continuity to age in place
• inter-generational connection: mentoring old to young and young to old (e.g. digital education)
• partnerships with schools
How can councils work collaboratively with other providers to deliver services?

There is the opportunity to partner with other councils, health services and/or NGOs to form local or regional service delivery collaborations.

Elements of a collaborative service delivery model

A collaborative service delivery model may include:

- shared workforce / resources
- joint marketing
- centralised contracting and reporting
- centralised client liaison /intake
- consistent /shared policies and guidelines / governance structures

Benefits and barriers of collaboration in service delivery

The potential benefits of collaborative service delivery include:

- scale to be a viable alternative to large, new market entrants
- opportunities for more efficient utilisation of resources
- promoting a broad suite of integrated, quality, local services that are attractive to clients and funding agencies

Collaborative service delivery activities of most interest to workshop participants included:

- shared workforce providing specialist skills or to better manage fluctuating demand
- improved service integration through shared client information or improved referral pathways
- workforce development, including partnering with training organisations
- shared marketing and communications
- networks focused on sustainability of existing local providers
- community led partnerships (particularly in the area of social support)

Workshop participants identified the following potential barriers to the development and implementation of collaborative service delivery models:

- capacity: requires significant time and resources, smaller regional councils do not have required resources, operational focus
- leadership: dependence on individuals to drive the process, risk of failure if person leaves organisation or role
- number of partners: too many partners makes decision-making difficult
- culture: different management styles, varying expectations, willingness to compromise or differing appetite for risk
- role clarity: need a shared understanding of benefits sought and resource commitment
System support and development roles

What support and information could be provided to clients and carers?

Councils could have a role in ensuring clients and carers have access to useful and timely information and the capacity to effectively use it.

Information and support services may include:

- **community education**: this may involve (i) communication activities to inform residents, clients and carers regarding changes to the aged care system, including appropriate processes to follow, their rights and obligations, complaint mechanisms etc.; or (ii) health promotion initiatives (e.g. diabetes prevention and management, improved diet etc.)

- **individual client support**: this may involve guidance to, or advocacy on behalf of, individual clients (and carers), including supporting navigation through My Aged Care, querying service eligibility decisions by the Regional Assessment Service, or contacting referral agencies / service providers

- **service provider ‘endorsement’**: through (i) setting standards for preferred providers including employment conditions, equitable client access, local presence and accountability; (ii) entering into ‘partnership’ arrangements with preferred providers; and (iii) informing clients about preferred providers

Workshop participants identified the following specific opportunities to support client and carers:

- **community information hubs**: located at council offices or community health services

- **outreach services**: targeting vulnerable individuals and/or remote locations

- **pamphlets / brochures**: profile of local services and pathways to access services

- **information sessions**: for example, presentations at Probus or Rotary clubs

- **aged care ambassadors**: trained and recognised community members / volunteers

‘People vary enormously in their ability to make informed choices about the services they need or want, as does the level of assistance and user-oriented information needed to support user choice’

Productivity Commission, 2016, Introducing Competition and Informed User Choice into Human Services
What support or incentives could be provided to attract appropriate providers?

Councils could take an active role in attracting appropriate providers to the municipality to ensure sufficient volume and diversity to create effective competition and/or to fill identifiable service gaps.

**Market development**

Local market development activities may include:

- sub-contracting or transfer to range of providers
- providing top-up funding (block or output-based) above the program price to create a financial incentive for potential providers
- providing information to attract and assist planning activities of potential service providers (i.e. local prospectus)
- offering subsidised rental for business premises or staff accommodation

Workshop participants also recognised the potential of community care as an opportunity for local economic development.

Council’s economic development department would be an important resource with relevant skills and expertise to lead activities to attract appropriate providers.

**Capacity building and network development activities**

In addition to attracting appropriate providers, councils could have an ongoing role in supporting service providers, particularly capacity building and network development, activities could include:

- promoting communication, engagement and information sharing between providers
- facilitating dialogue as a ‘fair broker’
- providing project management and administration support to conduct development activities
- facilitating strategic and operational planning for network activities

The benefits of this role include:

- supporting longer-term sustainability
- improved client services and integration
- promoting innovation, efficiency and service improvements through greater collaboration

‘...policymakers often pay too little attention to the long-term development of competitive markets of service provision. There is therefore a need to redouble efforts to ensure a sufficient range of capable suppliers and to maintain competitive tensions.’

UK Institute for Government, Making Public Sector Markets Work
What is the objective of planning and advocacy in a competitive environment?

Councils planning and advocacy roles are likely to require some re-orientation to adjust to the changed operating environment. In addition to organisational strategic planning and individual advocacy, council may consider an important role in local service system planning and advocacy. Cooperation and collaboration between the Commonwealth as program owner and the local system planners and advocates will be critical to the effective operation of the new aged care system. In fact, it is critical to nearly all public sector markets to effectively address the conflict between equity, consistency and efficiency with local variations in consumer and local service sector capacity.

Planning

Planning in a competitive environment would aim to understand the local market and determine collective action to respond to identified opportunities and issues and may include:

- population health planning: identifying current and projected municipal needs
- market assessment: identifying actual and potential future service over-supply and/or gaps (including the diversity and number of providers)
- system issue identification: identifying potential market / program failures (e.g. unmet demand, insufficient unit pricing etc.) to support consultation and negotiation with Commonwealth and Victorian government funding agencies

Advocacy

Advocacy should include engagement with external stakeholders critical to the effective functioning of the local service system. Advocacy activities may include:

- local monitoring and evaluation to direct and support feedback to the program owner for program improvement (e.g. changes to guidelines, funding structures, identifying operational IT problems etc.)
- seeking additional funding from external sources for identified local needs. For example, funding may be sought from the program owner, other government departments or other sources to conduct program pilots, conduct special projects or meet special local needs

‘Ultimately local government is the natural agency to coordinate place-based community planning. Given that all communities have their own characteristics, local government is ideally situated to identify and provide for local needs.’

Department of Planning and Community Development (Vic), 2010, Community collaboration: The changing context of local government and community sector partnerships
Transition from direct service delivery

What mechanisms can be used to transition from direct service delivery?

The benefits of council transitioning from direct service delivery include:

- an opportunity to re-invest savings into other services or activities to better address health and well-being objectives within existing limited resources
- alternative provider/s may offer a higher quality service and/or wider range of services
- ceasing a service provider role provides an opportunity to enhance the effectiveness of council as advocate, planner and/or system steward
- opportunity to shape emerging market: can undertake activities to attract a diversity of locally based businesses or not-for-profit organisations and potentially increase local employment opportunities

The following details the three main mechanisms that councils may consider to transition from direct service delivery and their respective benefits:

| Wind down slowly | Exit service over 2 to 3 year period  
Do not accept new clients and potentially assist transfer of clients to alternative providers as the market develops  
No active local market development activities | ✓ Lowest transition cost of all exit mechanisms |
|-------------------|------------------------------------------------------------------------------------------|
| Sub-contracting   | Council maintains service agreement with funding agency (or status as registered provider)  
Procurement process to select preferred supplier/s | ✓ Longer-term influence on quality and access of services provided though tender specifications and ongoing performance monitoring of sub-contractor  
✓ Easier to re-enter direct service delivery in case of market failure |
| Transfer / novate | Transfer/novate service agreement to alternative provider/s in consultation with funding agencies  
EOI process to select alternative provider | ✓ Medium term influence on quality and access of services provided through choice of alternative provider/s |
What are the opportunities to collaborate with other councils during transition?

There is an opportunity to partner with other councils during transition to more successfully attract alternative providers, including:

- expanding the potential catchment size across LGA boundaries to create economies of scale and potential for larger markets and to ensure equitable access for geographically isolated clients / communities
- pooling resources to provide support / incentives to attract providers
- shared procurement for sub-contracting
- collaborative EOI process for transfer

Other activities that could be undertaken collaboratively to support transition activities include:

- shared communications: planning and development of communications materials
- shared understanding of proposed timing to announce decisions to assist in managing community consultation
- shared information regarding key stakeholder consultation outcomes
- market sounding activities, including consultation with potential service providers regarding their future intentions
- shared information on council decisions including understanding the rationale guiding both recommendations and final decisions
- funding applications for collaborative projects
- consortium bids for contestable processes

‘Demand for … services is expected to increase at a faster rate than funding for additional capacity. The two ways to close this gap are through doing more of what we are doing now, … or doing things differently – that is, innovate.’

Travis Review, 2015, Increasing the capacity of the Victorian public hospital system for better patient outcomes
Option development and assessment

What are the key considerations for options development and assessment?

The critical issue for decision-makers will be balancing and prioritising a range of interests and concerns in relation to all options for continuing or transitioning from direct service delivery.

Key focus areas for developing and assessing strategic options are identified in the figure on the right. The focus areas collectively reflect a range of different stakeholder perspectives, including:

- clients and carers
- local communities
- council staff and volunteers
- council as an organisation

The focus areas provide a comprehensive (and holistic) means of considering desired outcomes for community care services for older people within a municipality.

Significantly, this framework can also be applied to other areas of council activity.
What are the key steps required to support decision-making on council’s future role?

The process outlined below indicates possible stages and activities for the development and assessment of strategic options, including key decision points for Councillors throughout the process.

Workshop participants indicated that they are at various stages in the journey to determine options and recommendations for council’s future role in aged and disability services. Those at the commencement stage are focussed on project planning and seeking additional resources. In contrast, other councils are moving forward with options development and assessment activities such as market sounding, communication with clients and community and Councillor briefings.
Appendix: MAV Regional Forums - Workshop Participants

Human Services Directors and Managers of Aged and Disability Services were invited to participate in four regional workshops:

- Benalla  31 July 2018
- Bendigo  6 August 2018
- Ararat  13 August 2018
- Springvale  27 August 2018

**Benalla**

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Representative</th>
<th>Position Title</th>
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<tbody>
<tr>
<td>Benalla City Council</td>
<td>Jane Archbold</td>
<td>Manager Community</td>
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<tr>
<td>Benalla City Council</td>
<td>Tracey Hooper</td>
<td>Aged &amp; Disability Services Coordinator</td>
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<td>Jackie Brennan</td>
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<td>Naomi McNamara</td>
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<td>Sue McLaurin</td>
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<td>Greater Shepparton City Council</td>
<td>Amanda Tingay</td>
<td>Manager Neighbourhoods</td>
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<td>Jason Watts</td>
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<td>Brigid Herring-Neumann</td>
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<td>Marcus Forster</td>
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## Bendigo

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<tr>
<td>City of Greater Bendigo</td>
<td>Chris Kelly</td>
<td>Manager Community Wellbeing</td>
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<tr>
<td>Campaspe Shire Council</td>
<td>Paul McKenzie</td>
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<td>Janelle Wheatley</td>
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<td>Melissa Mitchell</td>
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<td>Dept of Human Services (Vic)</td>
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## Springvale

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<td>Lisa Barham-Lomax</td>
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