



***Response to the ACT Budget
Community Consultation
2010-2011***

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Carers ACT acknowledges that modern day Canberra has been built on the traditional lands of the Ngunnawal people. We recognize the displacement and disadvantage they have suffered since European settlement. We offer our respects to their Elders, and celebrate the continuation of the Ngunnawal people's living culture.

Carers ACT sincerely thanks all Carers who have contributed to the research and consultation activities which inform its policy and representation activities.

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Who is Carers ACT?

Carers ACT is a non-profit, community-based, incorporated association and registered charity dedicated to improving the lives of the estimated 43,000 caring families living in the Australian Capital Territory. These families provide ongoing care for people with disabilities, mental illness, chronic conditions, who have palliative care needs, or who are aged and frail. Carers ACT currently provides direct support to over 5,000 families through our counseling, information, respite support, education, social support and case co-ordination services. Our services were assessed in 2009 to meet HACC and NCCP accreditation standards at a level of excellence.

Carers ACT has a constitutional mandate to represent the voices of Carers to government and the wider community. We actively consult with a wide diversity of caring families on an ongoing basis to enable improved understanding of their needs, and enable better inclusion for them and the people they care for. Policy work in consultation, research and representation is kept separate from service delivery to ensure that the privacy of individual service recipients is respected. All Carer participation in policy work is voluntary.

Carers ACT is a member of the National Network of Carers Associations, and works actively with other States and Territories to share knowledge and facilitate improved health and wellbeing outcomes for caring families.

Carers ACT Response to the ACT Budget Community Consultation 2010-2011

The Global Financial Crisis has had an impact on government, business and the community in the ACT. In response to the GFC, delivery of the 2009-2010 ACT Budget has seen increased spending in a number of key areas to stimulate the local economy, but it also imposed restrictions and delays in spending in other areas. Carers ACT recognizes that the creation of a deficit has imposed a need for the Government to seek strategies to enable a return to surplus in future years. Interim financial data released by the ACT government¹ since the Budget indicates that the Territory has in fact experienced a \$60 million bonus due to better than anticipated economic conditions and the positive impact of Federal financial stimulus measures.

It is clear that both Federal and Territory Governments must embrace a fiscally responsible approach, in the short and long term, to provide the optimum benefit to the community. The ACT 2010-11 Budget Consultation paper notes that the planned imposition of a departmental efficiency dividend and wage restraint measures will not generate sufficient savings to enable a return to surplus. Carers ACT recognizes that additional measures may be essential, but argues that these measures cannot be at the expense of the more vulnerable groups within the ACT population.

The ACT does have a highly affluent population in the majority, yet Carers ACT notes that while the ACT 2010-11 Budget Consultation paper quotes reduced levels of poverty (6.7% of 15-39 year olds) the same report² also states that 15.95% of the overall ACT population has been identified as belonging to low income groups. This means that over 55,500 ACT residents remain significantly more vulnerable to negative impact from the economic downturn.

Careful consideration must be given to the priorities for expenditure to address the current and future needs of the population. What the population wants (in order to meet their needs) can be a matter that is open to interpretation and often misunderstood. People currently experiencing poverty will also feel the effects of this financial downturn longer than the rest of the population.

It is the view of Carers ACT that the general population of Canberra expect the Budget to provide appropriately and fairly for the needs of those people most in need of assistance to enable their survival and return them to a level socio-economic wellbeing which has parity with the rest of the ACT population. Carers ACT welcomes the Treasurer's invitation to contribute to the formulation of the 2010-2011 ACT Budget and offers the following input for consideration.

¹ ACT Government media release *ACT ends the year in positive territory* 14 August 2009. John Stanhope, MLA.

² Source: Commonwealth Grants Commission (2008) *State Finances Inquiries 2008 Update Report, Volume 3, Homeless and General Welfare*.

1. Budget Priorities

Cost of Care

In the interests of responsible government, priorities for expenditure must align to the evidenced needs of the population. Investment in health services (both responsive and preventative), education/training, and strategies to improve the socio-economic wellbeing of the most vulnerable sections of the community, must remain as the highest priorities for the ACT.

The contribution made by family Carers to the ACT economy has been conservatively estimated in 2005 to be in excess of \$524.6 million per annum; if formal care services were used to replace contributions made by families in providing the care to people who are unable to live independently³. Yet, the delivery of this highly valuable service to the ACT community does not come without a cost to families.

ACT residents who are providing care often incur significant financial and wellbeing costs due to the impact of the caring role (regardless of whether for a person with a disability, a chronic illness or condition, a person with mental illness, a person with palliative care needs or a family member who is frail and aged). National research projects⁴ have consistently identified that Carers are an 'at risk' group for negative wellbeing, as they have higher than average rates of depression, chronic illness, injury and poverty due to the physical, emotional and financial demands of the caring role.

The ACT Government needs to identify Carers as a priority group in their own right. It needs to deliver targeted health promotion and early intervention strategies to reduce the demand on health and community services from preventable conditions at a time when unsustainable demand is a critical issue due to the ageing of the ACT population.

A dual approach is essential in creating sustainable care:

- a) Appropriate investment in preventative and early intervention strategies to reduce demand for services; and,
- b) Development of sufficient capacity within both the health and community service sectors to meet demand for provision of care in the community.

³ Figure for ACT calculated by Carers ACT based on data from Access Economics (2005). *The economic value of informal care*. Canberra: Carers Australia

⁴ Cummins, R., et al (2007) *The wellbeing of Australians – Carer health and wellbeing*. Melbourne: Australian Centre on Quality of Life, Deakin University. Taskforce on Care Costs (2007) *The hidden face of care: Combining work and caring responsibilities for the aged and people with a disability*. Online version: www.tocc.org.au.

Election Promises

The ACT 2010-11 Budget Consultation paper states that the ACT Government remains committed to funding its 2008 election promises. Carers ACT strongly welcomed the delivery of the *Companion Card* for Carers of eligible people with a disability, and the substantial rollout of emergency support for Carers through the *Carer Support Fund*. Both initiatives have generated substantial benefit for many Carers throughout the ACT.

However, the core election commitment of \$800,000 over 4 years to fund a *Carer Advocacy Service* still remains unfulfilled. This service will provide significant improvement in outcomes for families caring for an aged person or a person with a disability/chronic condition in the ACT. The service will provide benefit through the delivery of the following elements:

- a) **Path-finding assistance** - helping families navigate the maze of services, establishing more integrated systems of support, improving efficiency of service delivery, preventing more complex problems developing, improving 'gap' management and reducing potential for duplication;
- b) **Expert problem-solving assistance** - providing access to brokered funding to obtain help such as legal assistance in writing wills and professional financial planning assistance to better enable Carers to prepare for retirement;
- c) **Access to specialist carer supports** - including provision of counselling services and brokered dispute resolution services (where needed) to maintain and strengthen family relationships and prevent the social and economic costs associated with family breakdown.

Carers ACT is also awaiting further information from the ACT Government on actions being undertaken to meet the following election promises:

- Establishing a *Charter of Rights for Carers* which would ensure inclusion in decision-making and establish a core set of service delivery standards for agencies dealing with Carers.
- Implementing the *Making Life Easier Initiative* to review administrative requirements and consider new technologies to cut red tape and improve access for Carers.

In future budget rounds, Carers ACT would recommend that Carers be considered a high priority in the health care system where they experience health issues of their own, relating to their caring role. Such support would enable them to have their health assessed and addressed to enable them to have timely assistance to return to their caring role.

2. Suggestions for Improved Efficiencies

In order to assist in identifying areas of potential savings and alternative sources of revenue, Carers ACT suggests that the ACT Government consider halving projected expenditure in schemes which have no demonstrable benefit in helping vulnerable populations.

Carers ACT generally supports the principle of a departmental efficiency dividend to assist in reducing the Budget deficit over the next three financial years. However, Carers ACT also proposes that the following funding areas be exempted from the efficiency dividend:

- Funding to direct service areas for families caring for people with disabilities, such as Therapy ACT in the Department of Disability Housing and Community Services;
- Funding to direct service areas in primary and tertiary health care and to health promotion services funded through ACT Health; and,
- Funding grants to not-for-profit community services supporting people with disabilities and/or their Carers, palliative care services, mental health services, and services to people in poverty.
- Funding of programs that support family Carers.

Carers ACT is not in a position to determine efficiencies and cost cutting to other industry sectors or specific community services. However, the following offers alternative strategies in supporting the ACT population with community care needs that will generate greater cost efficiencies, reduce duplication and deliver more effective and streamlined services.

Cross Government Collaboration

Carers ACT is concerned about the apparent lack of active collaboration between relevant ACT Government health and community agencies and the relevant Commonwealth Government agencies. The Commonwealth makes a significant funding contribution towards community services and programs that support the ACT community. Greater collaboration between the two governments has the potential to reduce duplication of effort and services, provide a more holistic, streamlined and consumer-centred approach to development, design and implementation of community services in the ACT.

The ACT Government promotes only the services it funds but fails to include Commonwealth funded services. This is a missed opportunity for Canberra consumers who need access to the **full** range of available services in the Territory. They are not interested in which government funds which service. However, no doubt Canberrans would be concerned if their tax dollars were invested in Commonwealth services in the Territory while their rate dollars were invested in duplicate services funded by the ACT Government.

A recent example highlighted this issue. In responding to community consultations regarding aged care information services, the draft response from the ACT Government was to build capacity in an existing ACT Government general information service as well as continue to fund an ACT community information service. However, ACT taxpayers are already supporting a Commonwealth aged care information and referral service. The extent of consumer choice in a small jurisdiction is questionable, particularly in light of the current economic climate.

Addressing Need in the ACT

Carers ACT also recommends that the ACT Government give consideration to ensure improved collaboration between the disability, community care, and mental health agencies. Improved collaboration will reduce costs, reduce duplication of effort and provide a more holistic and strategic approach to meeting need more effectively.

The current criteria for determining need in the ACT community seem only tangentially related to evidence and data. Carers ACT recommends improved, formal consultation with sector and assist the sector to collect better evidence of need so that limited budgets are directed to highest need.

The ACT faces unique challenges in meeting its population needs; needs that will change as a result of the ageing Australian population. In a community of 350,000 and a limited budget, the ACT Government should consider reviewing the current procurement model which risks duplication of services, whether provided by a range of large and small organizations, with variable quality of service delivery. Carers ACT can provide specific examples of such duplication on request.

Consumers and Community Sector organizations are frequently confused and/or unaware of where to access the services they need. The sector does not have sufficient resources to ensure tracking of vacancies across individual programs, which can lead to consumers being turned away in one area when other services may have excess funds due to lack of cross referral. Different interpretations of eligibility criteria may also lead to inequity of service delivery. With improved collaboration between government agencies and leading collaboration across the community sector, will achieve efficiencies and a better service response.

Consumer Choice

Carers ACT supports consumers having choice in the provision of services. However, there needs to be a balance achieved so that quality of service is not sacrificed to provide a surface illusion of consumer choice. We recommend the ACT Government make decisions about the level of choice users may be able to access, given the Territory's small population base and limited budget.

The ACT Government needs to communicate the limitations on choice in a small jurisdiction to consumers and also to reflect this limitation in procurement requirements.

Sustainability

Another issue to be considered is the quality of service provision. Currently there are many small community organisations, some without organizational infrastructure, endeavouring to provide services which larger organizations are already funded to provide, either by the Commonwealth or ACT Governments.

There is genuine value in having organisations of differential size within the ACT. Larger organisations may be better placed to continuously improve quality service delivery and smaller organizations may be better placed to support their particular clients to access those services, rather than duplicating them. However the critical issue relates to the sustainability of failing to achieve whole of service cost recovery, which places a substantial burden on the entire sector; this can include the undercutting of contract pricing to compete for limited funds by organisations using volunteers rather than employees. Reliance on the fast diminishing voluntary workforce for quality service delivery is problematic and unsustainable.

The long term sustainability of the sector would be greatly enhanced by a strategic approach that builds capacity and strengthens links between community sector organisations on a cooperative rather than competitive basis. Some suggestions to assist with building sustainable quality service provision which might be considered are listed below:

- Buddying smaller with larger organisations to capitalise on Commonwealth and ACT Government funding already provided for infrastructure and quality service delivery improvement.
- Establishing a 'community sector organisation incubator' which would provide infrastructure, training and organisation development to support smaller and newer organisations in providing quality services to their client groups.

Home and Community Care Budget Efficiencies

Community care provision is more cost-effective for government. Analysis of data presented in the Productivity Commission 2009 Report into Government Services conducted by Carers ACT, indicated that HACC funding enables care in the community to be provided to almost five times the number of people than are accommodated in residential care facilities, and that every \$1 spent on HACC funding would cost the government \$17.64 for residential placement.

Carers ACT recommends that the ACT Government address the lack of cohesion across disability, ageing and mental health sectors with a view to achieving a more holistic approach to in home community service planning and delivery to support current and future needs of Canberrans. While a new executive level advisory group from the HACC sector has been established to provide independent advice to the Minister and ACT Health, the ACT

government needs to lead from within in improving cross-government and cross-agency collaboration. Better collaboration can only deliver greater efficiencies and more effective services.

There is strong evidence that individuals who are ageing or who have chronic illness or disability, prefer to remain at home for as long as possible before entering residential facilities. We have seen a significant shift in recent times of reduced time for post operative recovery from the hospital setting to the home. This has resulted in a significant increase in provision of community and palliative care nursing and administering of medication to patients at home. Carers ACT is concerned that while these are all primary health functions that should be funded from the health budget but are now being funded from HACC budgets. This has impacted on the available HACC budget and has resulted in putting undue pressure on the community care system.

Carers ACT shares the view of other community agencies, that there needs to be a better evidence based approach to determining priority of community care needs for the purpose of HACC growth funding. We recommend that the ACT Government consult more formally with the community sector in collecting and analyzing evidence of unmet need and ensuring that new programs or initiatives are not duplicating existing Commonwealth funded programs or initiatives.