

VERIFIED TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2008–09

Melbourne — 22 May 2008

Members

Mr G. Barber	Mr G. Rich-Phillips
Mr R. Dalla-Riva	Mr R. Scott
Ms J. Munt	Mr B. Stensholt
Mr W. Noonan	Dr W. Sykes
Mr M. Pakula	Mr K. Wells

Chair: Mr B. Stensholt
Deputy Chair: Mr K. Wells

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Witnesses

Ms L. Neville, Minister for Senior Victorians,
Ms F. Thorn, Secretary,
Mr A. Hall, Executive Director, Financial and Corporate Services, and
Dr C. Brook, Executive Director, Rural and Regional Health and Aged Care Services, Department of Human Services; and
Mr Y. Blacher, Secretary, Department of Planning and Community Development.

The CHAIR — I ask the minister to give a presentation of no more than 5 minutes on the senior Victorians portfolio.

Overheads shown.

Ms NEVILLE — I will just again make some brief comments in relation to achievements in the areas as well as the challenges that we face as a community in relation to an ageing population and the way in which the budget addresses some of these challenges.

Firstly, about 250 000 Victorians currently benefit from HACC services. Total client numbers have increased from about 216 000 people in 03–04 to about 248 000 people in 07–08. We are delivering an additional 400 000 hours of service as a result of growth funds in 07–08. To deliver this we committed \$222 million in state funding in 07–08, which I can advise was \$57 million above the matching requirement. This year the amount will increase to about \$59 million above the matching requirement. In community support services there was nearly a 50 per cent funding increase to Victorian Eyecare Services over the last six years, with 74 000 people assisted over the past year. We provided \$13.5 million for the aged care support for carers initiative program, providing respite services and support to over 21 000 carers, and we have seen more aged-care places, with 212 new public places operational since 2002, and 220 existing public places reactivated.

Over the life of the government we have allocated over 445 million for public sector aged-care facility upgrades, with a particular focus in regional Victoria. Also this year has seen the establishment of Senior Rights Victoria to provide information, advocacy and legal services to Victorian seniors. We have also provided a million dollars to establish the first round of the men's sheds program, to establish 25 new men's sheds. It is the first time in Australia, as I am aware, that any government has specifically funded a men's sheds program, and 19 of these sheds are in rural and regional towns. U3As are a centrepiece for lifelong learning for older Victorians. In 2006 we committed \$1.2 million over four years to grow the capacity of the U3A network, and we have seen eight new U3As, over 1800 new U3A members in the first 12 months, and 127 new U3A programs and activities have been created. Last year we celebrated the 25th anniversary of the Seniors Festival, with more than 360 000 seniors participating in hundreds of events right across the state. We are continuing our MAV code of Victoria age-friendly communities project, funding 17 projects which will build the capacity of local government to plan for an ageing population.

As the next slide shows, we have delivered an additional thousand personal alert units in 07–08; and as you can see, since 99 this has increased the number of personal alert units from 8200 to 21 255; and in 08–09 there will be 22 255 units available. Just very quickly, this graph on the next slide illustrates the growth that has occurred in HACC services over that period of time. One of the big challenges we are aware of is that our population continues to age, and this will have significant impacts on many facets of services provided by government. The analysis from the Australian Institute of Health and Welfare shows that while people are living increasingly longer, they are spending the last 10 to 15 years of their life with significant levels of disability or incapacity, increasing demands on government. In order to try to assist in this, we are taking a whole-of-life approach, with a particular focus on things like Go for Your Life to encourage seniors to be active and reduce their risk of serious chronic illness and improve their quality of life; also positive ageing, which is aimed at combating some of the negative images of senior Victorians.

We are developing the community care area by implementing access points, which aim to help people find comprehensive and targeted information about aged-care services that are available to them and their family; implementing the HACC assessment service to allow seniors to have their home assessed to examine what measures may assist them to live safely and comfortably at home; and implementing an active service model, which is designed to refocus community care services to adopt a wellness and restorative approach. We continue our commitment to a land bank designed to encourage not-for-profit providers to locate services in inner-city locations. In last year's budget 28 million was allocated for two aged-care centres for seniors, and the allocation in 08–09 complements the governments pre-election commitment to rebuilding of public sector residential aged-care facilities.

The total seniors budget is \$1.1 billion for 08–09, which is an increase of 6.7 per cent from 07–08, representing a 75 per cent increase since 1999–00. This next graph reflects our record in supporting seniors across a continuum of services ranging from early intervention through to specialist residential care services. Budget initiatives in 08–09 include: growth in funding for HACC of \$11 million, and as I mentioned before we will increase our additional

unmatched contribution by \$1.5 million, making an additional \$59 million more than we are required to pay under the commonwealth agreement. We have provided \$6 million for the innovative regional kitchen project, and this project will improve the management, efficiency, cost-effectiveness and most importantly the quality of Meals on Wheels.

We have continued our commitment, as I said, to the development of aged-care facilities, with \$13.6 million to Bendigo residential aged care, providing for the replacement of current outdated facilities, with a new 60-bed residential aged-care facility; and \$8 million for the Hepburn Health Service redevelopment, which will provide amongst other things 15 new high-care beds. We are also continuing our commitment to men's sheds and U3A networks, and we will continue to roll out our positive ageing initiatives. Over the coming year we are also preparing an ageing policy that will guide the Victorian government's response to the ageing population. Broad-ranging consultation will be occurring, being led by the Ministerial Advisory Council of Senior Victorians, which will look at the diversity of older people, health and wellbeing, inclusive and livable communities and economic opportunities presented by an ageing population.

Ms MUNT — I am the member for an electorate where there is an increasing aged population and also one of the biggest community health services in Victoria, the Central Bayside Community Health Services. When I have visited there I have noted one of the programs that has been very successful is its wound management program. Particularly in older Victorians and other members of my electorate, chronic wounds can be very difficult to treat. I am wondering if there is anything in the budget under your portfolio that can assist with that wound management treatment program?

Ms NEVILLE — Thank you for that. It is a very important area. In fact today I announced an additional \$5 million to help older Victorians with chronic wounds who are in need of care to further enhance our activity in this area. It is targeted at older people who are living at home and in residential aged care to improve their comfort, care and safety. Skin integrity is actually a very crucial issue for older people. As we age our wounds get harder to heal. It is estimated that about 15 per cent of older people who have reduced mobility get pressure wounds, and these can of course easily worsen the older a person is. Complication from chronic wounds significantly reduce the quality of life as well as lead to increases in hospital admissions. District nursing services spend considerable time providing care to people in the community with chronic wounds, and many residents living in aged-care homes are at high risk of developing pressure ulcers. The \$5 million package will benefit older people and staff caring for them by reducing the rate at which people get pressure ulcers in the first place, as well as helping to better manage the pain that is often experienced by people who have pressure wounds.

There is \$3 million of that money that has been allocated to a range of projects that are being undertaken in partnership with providers of community care and residential care. There is over \$2 million to establish clinical nurse consultants in wound care management in each rural region to support district nurses and nurses in residential aged-care facilities with expert advice on wound diagnosis and management. There is \$300 000 to provide training on wound management to rural district nurses and staff in public sector residential aged care to improve the quality of life of people with chronic wounds, and \$275 000 is being allocated to RDNS to improve clinical pathways for clients with chronic wounds, including funds to subsidise the wound care dressings for those who cannot afford it.

More than \$2 million is also being provided to all public sector residential aged-care homes in Victoria for special equipment, including nearly 300 new electronic beds with pressure-relieving mattresses to improve the comfort and care of higher dependency residents, and nearly 200 specialised pressure care mattress overlays to improve the care of residents with pressure ulcers. This is all part of the Victorian wound care project, which is looking at new technology, for example, that now exists in moist wound dressings, which we know provide better results and require less intervention. These are very important programs that support many older Victorians, either at home or in residential aged care, whose quality of life would otherwise be impacted on by often very painful chronic wounds.

Ms MUNT — That is great news. Thank you.

Mr BARBER — Your government styled this as the baby-boom budget, but you have just told us with this chart here that there is a seniors boom going on. So I suppose I am interested in finding out what the real benefit of this budget is to seniors. In relation to concessions, I was wondering if on notice, like this chart that you have provided for our outcomes report where your department indicates the number of concessions and the dollar

value of those concessions, you would be able to provide a chart on notice that tells us for seniors concessions within each of these categories how much that is expected to increase in this year's budget.

Ms NEVILLE — I will take it on notice, but we provide concessions to people who have a pension card, a healthcare card and a DVA card. Whether we have data that says that person is over 60 — —

Mr BARBER — The age pension.

Ms NEVILLE — It is about whether people are eligible regardless of age for concessions. We will take it on notice and will have a look at what is there.

Mr BARBER — My question overall, though, is: your federal colleagues squibbed it on the pension and income support, rents are up 12 per cent, petrol is up 35 per cent, electricity is up 15 per cent, water is similar, food is up 10 per cent — it is great that you keep your concessions in those categories equal with the rate of growth of those commodities, but overall what is your program to ensure that the incomes as well as the concessions support and the total household budgets of seniors are adequate? In particular, 8 per cent of those aged over 65 are renters — that is about 35 000 people. Are you in this coming year going to examine increasing the amount of any of those concessions, expanding concessions — for example, into public transport or bringing back some support through the car registration support — to make allowances for those people who have been forced out of inner city rental markets and are now out in the burbs dependent on expensive public transport or expensive petrol?

Ms NEVILLE — Firstly, I think it is important that we are clear that income support is the responsibility of the commonwealth government, and state governments in my areas do not — —

Mr BARBER — Cooperative federalism, yes! That was actually the third question I was meant to ask: what was your department able to do by way of making representations to the federal government on income support?

Ms NEVILLE — Firstly, income support is not the responsibility of us. However, what we do play a role in doing is in providing supports to assist people, regardless of age but including seniors, who because of their income obviously struggle, and our concessions program does that. Things like the transport concessions sit within the responsibility of the minister for transport, but some of the concessions that I spoke about under my responsibility as the Minister for Community Services include the improvements particularly in relation to water and sewerage charges, where we have seen an increase in the cap by 14.8 per cent to try to assist all low-income households, including those of seniors, to actually make people more able to afford the price rises that will be a result of climate change and the water infrastructure that is being developed.

We have also, in that category, extended our energy concession for those who have a particular medical issue, which means they have an inability to regulate their body temperature. We have extended that energy concession from three months to six months. We have also improved our capital replacement grant program. Previously you could only ever get a grant for a washing machine or fridge that had broken down once in your lifetime; it now enables you to have the opportunity about every five years to apply to that grant program as well as have access to things like ceiling installation, if you are in a large household, which is also a new initiative. At the moment we spend, in concessions, over \$1 billion in Victoria, and this budget has increased that concession program.

In addition to that, the commonwealth government, you may have seen in the budget, has also put on the table over \$50 million to enable us to have the national reciprocal transport initiative rolled out, which will enable Seniors Card holders to access concessions on public transport right across the country. That is a great initiative which will assist seniors right across Australia. In addition to that, we continue to work with the commonwealth around HACC, which is a very important program, especially for low-income older Victorians. It provides opportunities for them to remain living at home or living in the communities that they have relationships with. We continue to put growth funding in, as does the commonwealth. As I indicated, we put in more growth funding than we are required to under the HACC agreement. We are currently awaiting the announcement by the commonwealth about their contribution for 08–09, but we are expecting that to be around \$16.4 million.

The other positive initiative that I think will assist us in being able to address some of these issues that you have raised in a cooperative way is the establishment for the first time of a ministerial council for senior Australians. I am not sure if that is exactly what it is going to be called, but funding was provided in the commonwealth budget to get that ministerial council going. They are very important forums in which commonwealth and state governments

can work together to look at each of our own areas of responsibility, how they can be better streamlined and how they can be further enhanced to improve the quality of life, in this case for senior Victorians. I am certainly looking forward to that opportunity to really have a direct forum to be able to raise a number of these issues.

Finally, in relation to how we address these issues with an ageing population, I said very briefly at the end of my presentation that we are in the process of doing a whole-of-government ageing strategy. That is about, as you say, all those issues, looking at what are the sorts of interventions that the state government can and should be making across somebody's life to improve health and wellbeing outcomes for the individual but also to enable us to take advantage of an ageing population rather than just have challenges. That will also be about decisions around how we better support the more vulnerable members within that group. Older Victorians are diverse in their ages but also diverse in their capacities, financial and otherwise. That will be an important opportunity for everyone in this room and right across Victoria to work with us on where those interventions are and what they should be. That is being led by senior Victorians, and consultations will occur very locally, in local communities, right across Victoria.

Mr SCOTT — Minister, I would like to ask you about men's sheds, which I was lucky enough to see firsthand when I was on the Darebin Community Health board. They are referred to on page 202 of budget paper 3 and also in your handout. There are details within the budget papers of a number of grants to men's sheds in the forward estimates. Could you update the committee on how this program is being rolled out?

Ms NEVILLE — Men's sheds are fantastic and also provide extremely important support services for, often, low-income and disenfranchised older men in our community. They are very much part of our commitment to try and build stronger and more resilient communities right across Victoria. I was pleased, as was written in my slide, that we have been able to allocate to the first part of that program \$1 million that has enables funding for the establishment of 25 new men's sheds in areas of high need across the state, and as I said 19 of those will be in rural and regional Victoria.

Some of the funding — for example, \$50 000 will go to Bright towards the construction of a new shed, which is being auspiced by Alpine Health with land provided by the Alpine Shire Council. The men's sheds developments are really successful because they are very strong partnerships between different levels of government and different community organisations. There is \$50 000 for Benalla to redevelop an existing community facility and increase its accessibility that is auspiced by Central Access Ltd; at Hobsons Bay, \$50 000 to refit a building for a working shed to act as a hub for local community groups; and in Whittlesea, \$50 000 to build a new shed on the site of the agricultural showgrounds, to be auspiced by Plenty Valley Community Health.

There was a tremendous response to the first round of funding, and I am sure the second round, which will be offered in the next financial year, will continue to receive very strong support right across Victoria. Research shows that the majority of men who participate in the sheds have recently retired or involuntarily withdrawn from the paid work force; about 20 per cent are war veterans and about 75 per cent are on some form of pension or benefit. Many men, particularly older men who have experienced major life-changing events like divorce or death of a spouse or loss of a job or retirement experience barriers to fully participating in the community. Men in some groups in places in Victoria experience greater needs compared to those in other communities, and by improving access to local community-based programs and services that are provided by men's sheds, we provide more opportunities for these Victorians to increase their pathways to further education, to increase their opportunities to contribute back to the community and also to improve their health and wellbeing. Research has also shown that men's sheds strengthen communities through improving health and wellbeing and increase access to new education and employment pathways. Men's sheds make an important contribution to local communities as places where very isolated men can meet and get to know other in their community.

I will just briefly give an example of some of the great contributions that men's sheds are already making. In Mansfield, for example, auspiced by the Mansfield adult Community Education Centre, which is a neighbourhood house and ACE provider, the shed has about 80 to 90 participants. Men act as volunteer leaders and supervisors. The shed has also received support from Rotary, Lions and Apex and gets donations from the community in tools and machinery — so it has been really well embraced by the local community. Young men from Central Access, which is a disability service provider, work on projects while also learning woodworking skills at the shed — so again, transference of information and knowledge and skills is going on between people with a disability and men in the local community. It is a great example of cutting across a number of issues in that local community around

participation. They are often very small grants that go a very long way in changing the way that men can engage in their local communities.

Mr RICH-PHILLIPS — Minister, just a quick question on residential aged care facilities. You mentioned funding for Trentham and the Stella Anderson replacement. The Auditor-General's report last year noted there were 21, I think, facilities that were category-2 assessed, so at risk of failing, that had yet to be upgraded by the government. Are those two, Trentham and Stella Anderson, two of the 21 that the Auditor-General referred to, and if so, when is the government going to provide funding for the remaining 19 on that list?

Ms NEVILLE — Of that, there were 11 facilities that were identified as category 1 facilities; of these, 9 have been rebuilt or redeveloped, 1 is closed and 1 is under construction. All the facilities have met the commonwealth accreditation requirements. There are 33 facilities identified as category 2 facilities. To date 14 have been or are being rebuilt or redeveloped, 2 have closed, 10 have had service and/or capital planning undertaken, and 7 have not had any further detailed planning. All the category 2 facilities, whether they have been rebuilt or not, have achieved certification and have demonstrated that they meet the requirements of the commonwealth accreditation system in terms of fire and safety standards, as well as all the other standards as well. As I said earlier, we have committed \$445 million to rebuild, I think it is now, 47 public sector aged care facilities, and we continue to put in significant money, particularly in rural and regional communities, where those facilities are often absolutely crucial to the wellbeing and the cohesion of those local communities, and we will continue to do that.

Mr RICH-PHILLIPS — Were those Trentham and Bendigo allocations off that list of category 2 facilities that have not been upgraded?

Ms NEVILLE — Sorry, can you just ask that one again?

Mr RICH-PHILLIPS — Are the Bendigo and Trentham allocations two projects on that list that had not been completed, the category 2?

Ms NEVILLE — They are not category 1s, either of them; one of them is category 2. We will get back to you on the other one. We are not sure whether that also became a category 2.

Mr RICH-PHILLIPS — Did you say there are now only seven category 2 facilities that have not been upgraded? Is that correct?

Ms NEVILLE — Have no further detailed planning at this stage — so 14 have been or are being rebuilt or redeveloped, 2 have closed — so that is out of the 33 — and 10 have had service and/or capital planning undertaken.

Mr RICH-PHILLIPS — Right, but not actually works undertaken?

Ms NEVILLE — No.

Mr RICH-PHILLIPS — So how many have not had works undertaken in total then?

Ms NEVILLE — Out of the 33?

Mr RICH-PHILLIPS — Out of the 33.

Ms NEVILLE — So 14 have been or are being rebuilt or redeveloped and then there are 2 that have closed. That makes 16.

Mr RICH-PHILLIPS — Seventeen, right. Thank you.

The CHAIR — Thanks very much. That concludes consideration of the budget estimates in the portfolios of community services, mental health and senior Victorians. I thank the minister and departmental officers for their attendance today. The committee has a couple of issues it wishes to follow up with you and one to put notice on well, and requests that you provide written responses to those matters within 30 days.

Witnesses withdrew.