

Commonwealth Home Support Program Reform:

Implications for Local Government

Scenario Planning Guide for Councils

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Purpose

The purpose of this document is to present the results of scenario planning activity undertaken by participants of the Local Government NSW (LGNSW) Aged and Disability Forum held in March 2018. It contains a summary of the results generated (scenario implications and options) as well as templates (output and non-output related) that local government officers may freely use to assist communities and councils to plan for the post-reform era of aged care.

Overview

The Commonwealth Government currently provides funds to many local governments across NSW through the Commonwealth Home Support Program (CHSP). Various, these funds provide for direct service delivery (output services) and/or Sector Support and Development (SSD) activities (non-output services) delivered by specialist council Aged and Disability Officers (funding generally only partly covers positions).

Aged care is undergoing seismic reform. The Aged Care Sector Committee (advisory body to government) has described the intended new aged care system as “A single, market-based aged care and support system that enables seamless movement from care at home to residential care”.¹ The process of reform will include integrating the CHSP with the Home Care Package Program to form an integrated care at home program. The timetable for this change is within the next 2 to 5 years.²

Aged care reform will have significant implications for councils currently delivering output services as multiple providers compete for the same consumers. Councils will need to position strategically to either remain as aged care providers (in a competitive market) or withdraw and position to interface with providers in the new environment.

Further, as the ‘sector’ becomes a ‘market-based aged care and support system’, it is reasonable to predict there may be no need for SSD, at least as it has historically been delivered. The removal of CHSP SSD funding would have implications for councils currently utilising CHSP funds to contribute to Aged and Disability Officer positions.

Whilst the Legislated Review of Aged Care (2017)³ included sector feedback that retaining some block funds for specific service types (output) would be beneficial to policy objectives, decisions on this issue have not been announced. Similarly, no announcements have been made in relation to CHSP SSD funding (non-output). Consideration of the range of possible scenarios in these areas are needed, as any significant change in funding or contract requirements could have significant implications for local communities and councils.

Acronyms

CEO	Chief Executive Officer	HACC	Home and Community Care
CHSP	Commonwealth Home Support Program	LGA	Local Government Area
CSP	Community Strategic Plan	LGNSW	Local Government NSW
DIAP	Disability Inclusion Action Plan	MAC	My Aged Care
DPOP	Delivery Program and Operational Plan	NACA	National Aged Care Alliance
GM	General Manager	SSD	Sector Support and Development

¹ Aged Care Road Map, (2016), https://agedcare.health.gov.au/sites/g/files/net1426/f/documents/04_2016/strategic_roadmap_for_aged_care_web.pdf accessed 27/7/18.

² Aged Care Road Map (2016). P.9.

³ Commonwealth Department of Health (2017), Legislated Review of Aged Care, 2017, accessed from <https://agedcare.health.gov.au/legislated-review-of-aged-care-2017-report> accessed 12/8/18.

Getting the best out of the template

Strategic thinking about council's position in relation to aged care reforms is essential. Councils may already be positioning to best serve the community in the post-reform world, in which case the scenario planning and the briefing note template provided may assist council team(s) to contribute vital input. If a council has not started strategic thinking around these changes some or all the materials here could be used to inform senior management of likely implications relating to CHSP funded resources allocated to deliver on Community Strategic Plans (CSPs) and Delivery Programs and Operational Plans (DPOPs). CHSP funding is not guaranteed for the whole period of those plans.

A champion may be required to generate the necessary impetus for addressing strategic questions relating to a council's role and positioning in newly emerging policy contexts where human services are delivered in a competitive, consumer-driven market place. For some councils, particularly in areas where markets are thin, there may be a clear rationale for council to be an aged care service provider (possibly commissioned by the Commonwealth Government). Other councils may decide the best way to achieve the objectives of CSPs relating to active and positive ageing and inclusive communities, is to exit the space of Commonwealth subsidised aged care service delivery, either completely or in part. The rationale for taking a direction may involve a thorough review of the internal and external operating environment, the views and needs of community, and consideration of the strategic options available. A further question to be considered is, who is the best person to take on the champion role?

The information and template briefing note is a starting point only. The main purpose of the resource is to assist Aged and Disability Workers to stimulate awareness among senior managers that changes in aged care are not minor, and that they will have significant short/medium term effects, and potentially profound longer-term effects. Alternatively, the materials may form part of a suite of information being collected in a broader review process.

The next step will depend on the role in council. An Aged and Disability Worker may brief a Manager or Director, using the information in this document or other resources provided. Or the information may be used to contribute to departmental planning sessions in a broader, organisational strategic process that will be happening over the coming months and years.

The briefing note template provides suggested attachments such as policy source documents (e.g. Aged Care Road Map) and for data that may be of use (e.g. reviews of council's services; the Evaluation Matrix for suggested new or amended models of service delivery etc.). The template may also be used to:

- highlight the implications relating to funding cessation;
- be a mechanism to suggest the need to review service delivery for post-reform contexts;
- recommend community consultations;
- seek approval to develop new service models that could meet expected gaps that may emerge as reforms are implemented.

Options given in the template do not constitute specific advice or preferred suggestions. Rather, they are offered as a suite of ideas and as a tool to generate discussion and action. Options suitable to each council will vary according to unique circumstances. Further research and data gathering will be needed, as well as the formulation of options or recommendations.

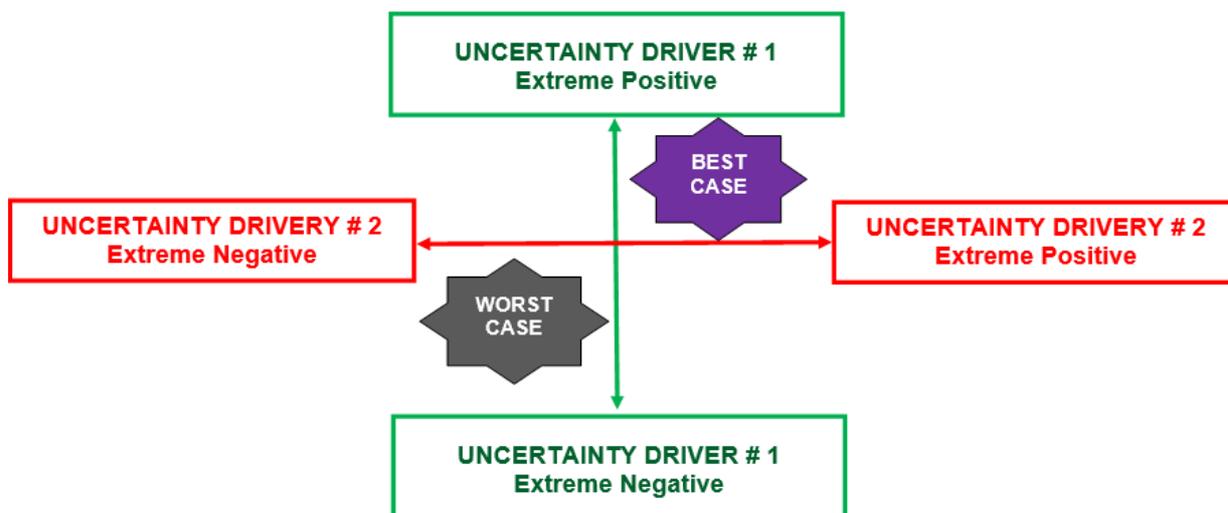
Scenario Matrix Method

Scenario planning is used when the planning context includes a range of uncertainties. Many methods for scenario planning exist. The method used in the Aged and Disability Forum is called the Scenario Matrix.

The matrix is based on two key drivers of uncertainty, which are represented on X and Y axes showing an extreme positive (best) option and an extreme negative (worst) option. The four quadrants generate the range of possibilities as four distinct scenarios – a best case; worst case and two other options in between.

In the figure below, the X/Y axes are populated by uncertainties identified in previous surveys by Aged and Disability Officers being from “abrupt cessation of block funding” through to “block funding continued at current level” at the positive end. The resulting quadrants generate distinct scenarios ranging from a best case scenario to a worst case scenario and two other options between those.

Fig.1: Scenario Matrix Overview – Two Drivers of Uncertainty



The implications of each scenario are considered, and options populated so that readers can quickly see a story of that scenario and imagine the alternative futures that each describe.

In the Forum presentation and activity, attendees only considered the likely end-states or outcomes of each scenario, essentially describing a position of status quo in the context of each uncertainty becoming a certainty (that is either positive or negative).

Workshop questions

The following questions were given to prompt participants to explore the scenario.

Output Funded (Direct Service Provider)	Non-Output Funded (SSD)
<ul style="list-style-type: none"> • Implications for current consumers? • Implications for council? • What other vital implications? • If council continues to be a provider, what needs to change? If not a provider, what needs to change? • What options does council have? 	<ul style="list-style-type: none"> • Implications for older people and/or people with disability living in your LGA? • Implications for council? • Implications for forums/networks/other? • Implications for vulnerable groups? • Other implications? • What options does council have?

Further questions to consider

This specific Forum session was time limited and therefore basic in scope. Further questions, data sources and time, may identify additional issues relevant to council and CSPs (see suggestions below). A more thorough clarification of risks and opportunities may also emerge and be useful to senior staff and ultimately to council.

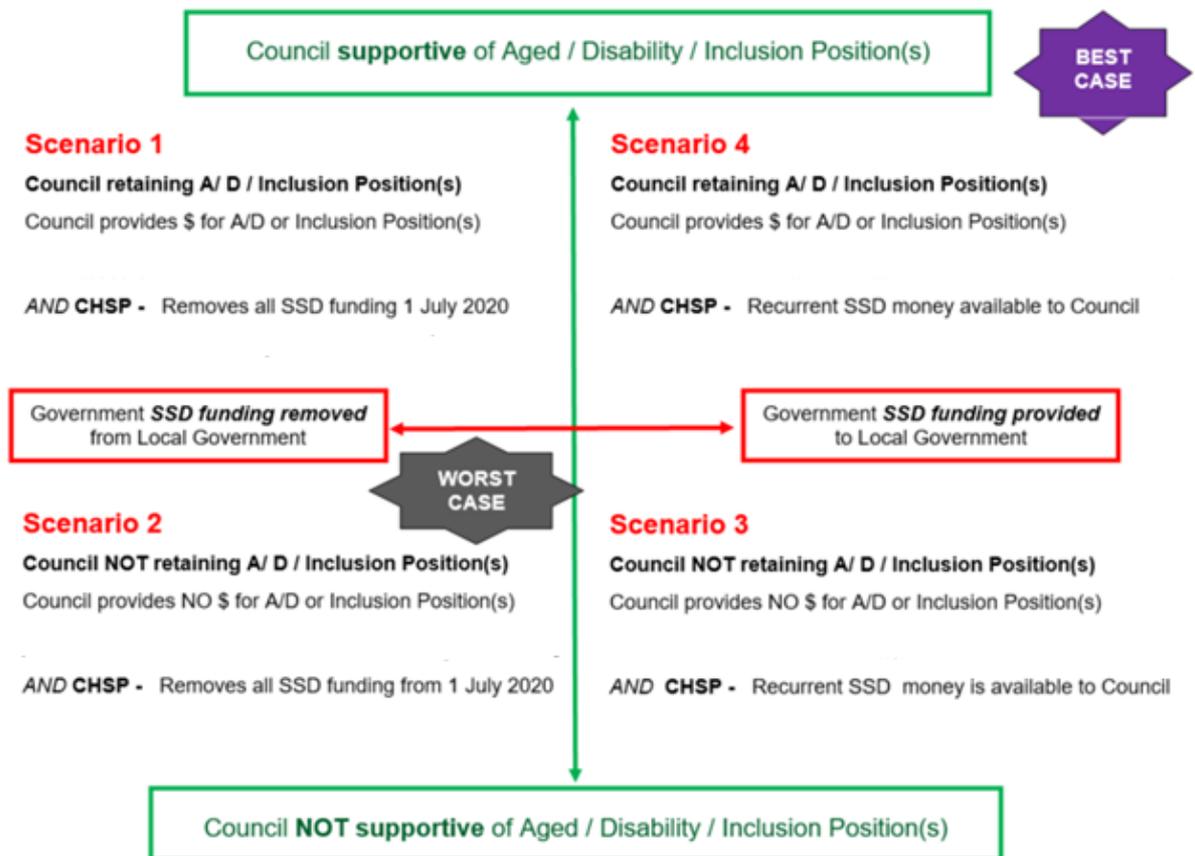
Questions to consider in each scenario (quadrant):

- Implications for:
 - older people and/or people with disability living in the LGA?
 - people with special needs?
 - functions/goals/plans of council?
 - forums/networks/other?
- What options does council have to address these?

A. Non-output funded scenarios (results from workshop)

Below is a precis of four scenarios relating to two drivers of uncertainty (internal and external sources of funding).

Fig.2: Scenario Matrix – Non-Output Funding Uncertainties



Describe the scenarios and their implications

INSTRUCTIONS: Consider each quadrant by imagining that combination of factors occurring. Identify the implications for each (perhaps using the prompting questions). The result is a snap-shot of implications and options for each scenario.

NB: Some issues and implications will be identified in more than one Scenario.

The following list of issues will be relevant in all scenarios:

- The role of aged and disability workers will change as they will need to navigate the intersection between for-profit and not-for-profit services, where there could be little difference between them regarding fees for services charged.
- Policy positions may need to be generated with regards to issues such as:
 - Competing fee for service aged care agencies seeking access to council facilities at subsidised rates.
 - Revisiting existing rental/pro-bono relationships with local service providers as they move to competitive fee for service models (council will need to justify essentially intervening in the market by providing subsidised infrastructure to parts of the market and not others).
 - Community care forums: will council host or continue to host these, and if so what is now the purpose and function of these forums?
 - Whether council will allow service providers to present aged care information sessions on behalf of council and if so, what is the process of determining which provider should make these presentations?
 - Aged Care Service Directories. Will council compile and publish these? How will they be kept up to date in a more dynamic service environment? Will council essentially duplicate the Commonwealth's Service Finder/My Aged Care (MAC) information number?
 - How will council respond to requests from for-profit providers to sponsor events or activities for Senior's Week and other relevant events and activities (marketing strategies)?
 - If council is also a service provider in a competitive market, how will it identify and manage various conflicts of interest (e.g. relating to provision of community information on aged care; access to subsidised facilities etc.)?
 - A core foundation of an effective market is that consumers:
 - are empowered and have an awareness of choices available and
 - have a choice between several diverse providers.
- It is intended that consumers will benefit from increased choice and will be motivated and able to compare providers utilising accessible and reliable information. Not all consumers have that capacity however and changing life circumstances will also affect their motivation and capability. And not all markets, such as regional and remote markets, provide a pool of providers large enough or diverse enough to offer true choice. Councils may be able to assist consumers where there are gaps in the service markets that are developed.

Staff at the LGNSW Forum generated the following examples for scenarios 1 and 2 of the matrix (Fig. 2.)

Non-output Scenario 1: Issues and Implications (top left-hand quadrant)

- Council no longer limited by government funding agreements and deliverables. Using only council's own funds, programs and activities can be better aligned to council's agenda for active and positive ageing.
- Opportunity/requirement for council to reconsider what is council's core business with regards to ageing and disability (within the context of the *Disability Inclusion Act 2014*; *Local Government Act 1993* etc.).
- Potential for council to transition ageing and disability role to generalist role. However, this would result in loss of knowledge, expertise and networks at a time when expected gaps resulting from reform will result in community members approaching council for advocacy and/or inclusive activities and/or other council run services. Generalist staff less likely to know how to assist individuals and groups.
- Community services competing for budget with other council departments.
- Likely to see more people coming to council for assistance. Community may see council as having a role in providing services to this group.
- Where council funding for these services continues, it will enable:
 - implementation of DIAP and ageing strategies
 - ageing and disability workers to provide more stakeholder engagement, enriched consultations and CSPs.
 - continued positive reputation for council as a visible presence for seniors, people with disability and carers.

Non-output Scenario 2: (WORST CASE) Issues & Implications (bottom left-hand quadrant)

- Inability to host accessible and ageing friendly events. Need to change fee structures (e.g. new event funding models).
- Significant implication for DPOPs. For example, would need a change in community statements as council could not deliver as well on the published inclusive statements. Loss of internal expertise on inclusion, sector knowledge and networks – resulting in significant implications for community engagement among seniors, people with disability and carers.
- Likely to see more people falling through the gaps and coming to council for assistance. Unlikely to have the expertise within council to respond.
- Community or other levels of Government may see council as having a role in providing services to this group, but infrastructure to respond will not be readily available.
- Resourcing Strategy would need an urgent review, as there would be significant implications for council's ability to deliver on the CSP/DPOP and increased community demand.
- Significant implications for ability to deliver on current DIAPs and ageing strategies.
- Damage to reputation as council becomes unable to deliver the community events or information sessions that it once did. Damage to reputation as DIAPs and ageing strategies are unable to be delivered.
- Next DIAP and ageing strategies will be more difficult to develop, as council loses the many links to relevant sections of the community. Community engagement and consultations will be less effective.
- Could lead to cross charging within departments to supplement department budget shortfalls.

Non-output Scenario 3: Issues & Implications (bottom right-hand quadrant)

- Funding agreement may become tied to more specific Commonwealth directed activities and have potential to diverge from the directions set by the CSP/DPOP.
- Significant implication for delivery of DPOP. For example, not able to deliver on the published inclusive statements. Loss of internal expertise on inclusion, sector knowledge and networks – resulting in significant implications for community engagement among seniors, people with disability and carers.
- Likely to see more people falling through the gaps and coming to council for assistance. Unlikely to have the expertise within council to respond.
- Community or other levels of Government may see council as having a role in providing services to this group, but infrastructure to respond will not be readily available.
- Resourcing strategy would need an urgent review, as there would be significant implications for council's ability to deliver on the CSP/DPOP and increased community demand.
- Significant implication for ability to deliver on current DIAPs and ageing strategies.
- Damage to reputation as council becomes unable to deliver the community events or information sessions that it once did. Damage to reputation as DIAPs and ageing strategies are unable to be delivered.
- Next DIAP and ageing strategies will be more difficult to develop, as council loses the many links to relevant sections of the community. Community engagement and consultations will be less effective.
- Could lead to cross charging within departments.

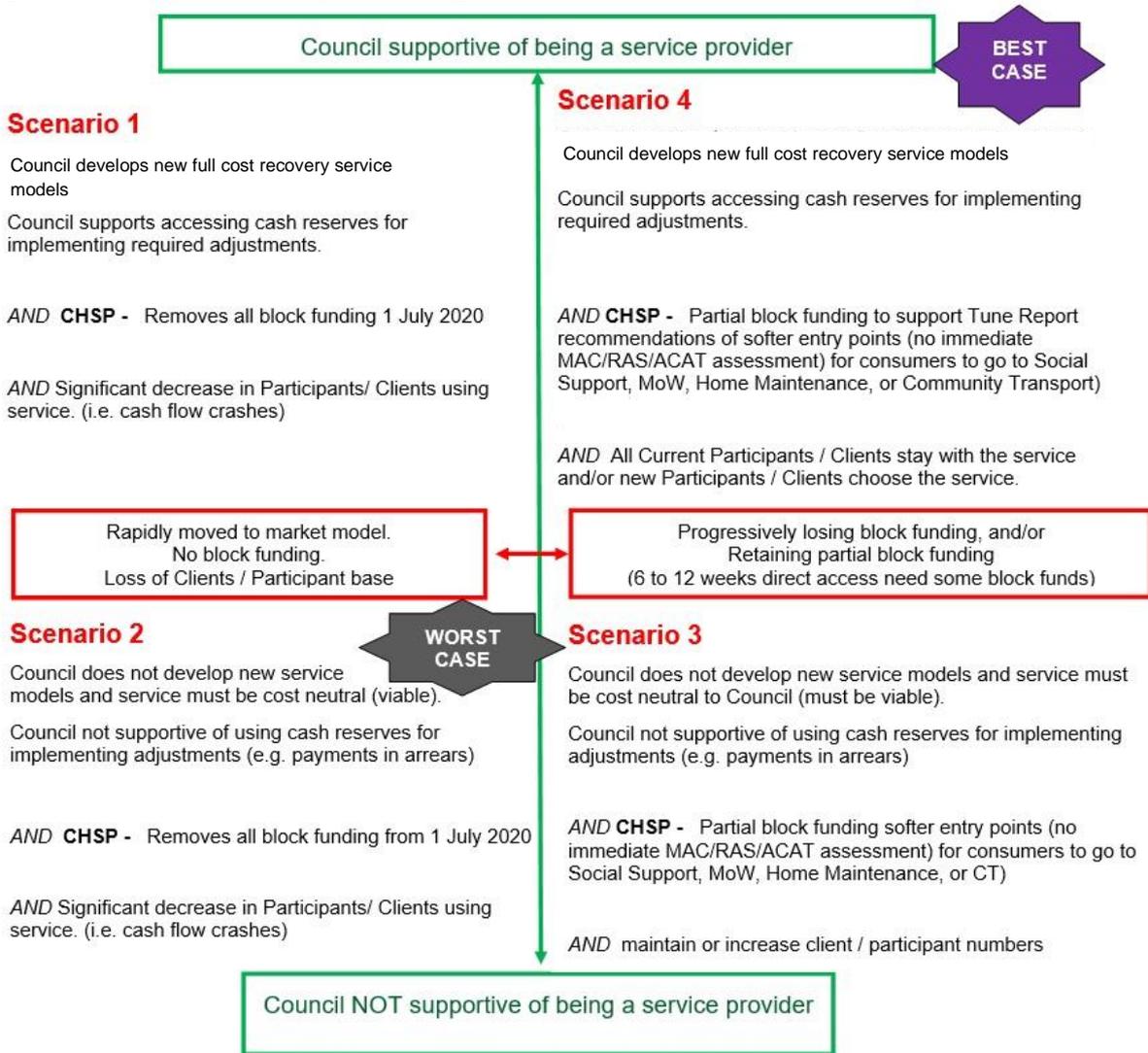
Non-Output scenario 4 (BEST CASE): Issues & Implications (top right-hand quadrant)

- Commonwealth funding agreements may become tied to more specific Commonwealth directed activities and have potential to diverge from the directions set by the CSP/DPOP.
- Delivery of DPOP can continue, budget available to deliver on the published inclusive/active ageing statements. Ability to attract expertise on inclusion, market/sector knowledge and develop and maintain networks – resulting in significant and positive implications for community engagement among seniors, people with disability and carers.
- Able to better respond to people falling through the gaps and coming to council for assistance. Able to attract and retain the expertise within council to respond.
- Council can take a lead role in creating community and reducing social isolation, whereas aged care providers in the market only focus on individual services.
- Able to deliver on the CSP/DPOP and increased community demand.
- Positive effect on reputation as council delivers on community events or information sessions at a time where there is significant uncertainty for the community relating to aged care changes.
- Next DIAP and Ageing Strategies will build effectively on the last as council creates and maintains valuable links to relevant sections of the community during a time of great change. Community engagement and consultations will be well attended and effective.
- Aged and disability staff and sector support staff are available to support other departments to be inclusive and ageing friendly as communities come to expect this more.

B. Output funded scenarios (results from workshop)

Below is a precis of four scenarios relating to two drivers of uncertainty (internal and external sources of funding).

Fig.3: Scenario Matrix –Output Funding Uncertainties



Describe the scenarios and their implications

INSTRUCTIONS: Consider each quadrant by imagining that combination of factors occurring. Identify the implications for each (perhaps using the prompting questions). The result is a snap-shot of implications and options for each scenario.

NB: Some issues and implications will be identified in more than one Scenario.

The following list of issues will be relevant in all scenarios:

- Need to review council policies on cost of venue hire and if venues will be provided at a subsidised rate, and if so, under what circumstances. There is no guarantee that a not-for-profit service will redirect rental savings into additional services in the LGA (particularly if the service provider is a state-wide or national provider rather than a locally based provider).

- If council provides community rates to a provider, it could be seen to be favouring a provider in the market over others. Could lead to complaints, legal action and/or lobbying of councillors etc.
- Policy positions may need to be generated on issues such as:
 - Competing fee for service aged care agencies seeking access to council facilities at subsidised rates.
 - Revisiting existing rental/pro-bono relationships with local service providers as they move to competitive fee for service models. Council will need to justify essentially intervening in the market by providing subsidised infrastructure to parts of the market and not others.
 - Responding to requests for partnerships from private providers.
 - Community care forums: will council continue these? What's the purpose and function of these forums in a market economy?
 - Whether council will allow service providers to present aged care information sessions for council and if so, the process of determining which provider should make these presentations.
 - Aged Care Service Directories. Will council compile and publish these? How will they be kept up to date in a more dynamic service environment? Will council essentially duplicate information and services provided by the Commonwealth's Service Finder/My Aged Care (MAC) information number?
 - Requests from for-profit providers to sponsor events or activities for Senior's Week and other relevant events and activities (marketing strategies).
 - If council is also a service provider in a competitive market, how will it manage various conflicts of interest (e.g. relating to provision of community information on aged care; access to subsidised facilities etc.)?

Staff at the LGNSW Forum generated examples for scenarios 1 & 2 of the matrix (Fig. 3.)

Output Scenario 1: Issues & Implications (top left-hand quadrant)

- Council may need to consider scaling service delivery to meet demand, requiring a flexible workforce. Partially block funded services may also be affected by fluctuating demand, and therefore require scaling. Alternatively, council will need to cover any losses relating to significant decreases in consumer demand.
- In the fee for service model, council may need to justify why it is operating in a market-driven context, competing with local aged care businesses. The principle of competitive neutrality may need to be considered in this context.
- Resourcing strategies will need to take into consideration the demand for aged care in the area, and enable provision for payment in arrears, promotion, marketing etc.
- Where markets are not thin, council may need to justify why it is operating in a market-driven context, competing with local aged care businesses.

Output Scenario 2: (WORST CASE) Issues & Implications (bottom left-hand quadrant)

- Unless council exits the aged care space completely, it will be operating as a provider in a market driven environment. If new service models are not generated, the service will not be viable or will not be competitive. If consumer numbers drop, this situation becomes more extreme.
- Where council is operating a CHSP service with high support needs consumers who have not been registered with MAC (e.g. CHSP social support groups, meals and transport), an abrupt change and withdrawal of service could put the person at risk.
- Where council does not exit the aged care space or develop new service models, there could be a decrease in service quality. Change in delivery context and service culture (or

- discrepancy between expectations and delivery) leading to increased complaints to council. This in turn leads to negative public relations and damage to reputation.
- Where council decides to exit the aged care service delivery space, there is likely to be redundancies and lost or ending contracts with clients that need to be attended to administratively.
 - Community buildings operated by council that were paid for by HACC Capital funds. If no longer a service provider, who owns these assets? (e.g. assets over a certain amount go back to the funder). Need legal advice.
 - Where council is not the provider of home modifications services, there may be an increased cost to consumers (councils are currently able to provide an efficiency in service costs through utilising in-house networks and skilled labour).
 - Decrease profile for council in the community. Council will be less relevant to people's everyday lives. This will affect the ability of council to effectively engage in community when consultations are required, particularly with seniors and people with disabilities.
 - Residual effects, generally negative, of customers wanting services that no longer exist.
 - Loss of networks. Loss of awareness of the service provider landscape (to assist locals to access local supports) and therefore community inclusion. Will have implications for CSPs that have social cohesion/social inclusion goals.
 - Increases in social isolation; increased health issues; increase in risk factors associated with elder abuse.
 - Increased demand on local health sector (hospital admissions, GPs, etc.)
 - Services to community decreasing significantly until the market can recover (if it can recover).
 - Possible industrial issues due to the need to change or cancel contracts, or restructure.
 - Volunteer workforce, student placements, politically active volunteers lobbying or complaining to council.
 - People on job placement (NewStart recipients) could lose social security payments because they no longer have a position with council.
 - Exit strategy needed that includes referring consumers to MAC. Develop plans to manage the public relations and reputation implications.
 - Identify niche service areas in wellness and reablement that maximise the social capital benefits that council can offer, and intersections between council's other areas (e.g. libraries, galleries, community buildings, pools etc).
 - The need to redesign volunteer roles to reablement/wellness will have change management implications. Not all volunteers will be happy to have the model changed (e.g. meals). Will required more coordination of volunteers to have shorter term volunteer placements for reablement. Difficult to do when councils could be losing experienced staff due to the uncertainties and the need for them to find more secure employment.
 - Look at core competencies – what are we doing well? And should we just focus on these services?
 - Identify the decision makers and engage them in the process of identifying scenarios, trends and options.
 - Align arguments to the DPOP. Identify what will be at risk in those plans and what may not be. Where exactly the implications will be seen, to enable planning to mitigate negative consequences.
 - Review the likely implications (or at least questions) around legal consequences and forward those to senior management to include in Risk Assessment processes.

Output Scenario 3: Issues & Implications (bottom right-hand quadrant)

- Unless council exits the aged care space completely, it will be operating as a provider in a market driven environment. If new service models are not generated, the service will not be viable or will not be competitive (if it has little or no block funding). If consumer numbers drop, this situation becomes more extreme.

- Where council is operating a CHSP service with high support needs consumers who have not been registered with MAC (e.g. CHSP social support groups, meals and transport), an abrupt change and withdrawal of service would put the person at risk.
- Where council does not exit the aged care space or develop new service models, there may be a decrease in service quality due to decreased funding, changes in service demand etc. Changes in delivery context and service culture (or discrepancy between expectations and delivery) can lead to increased complaints to council. This in turn leads to negative public relations and damage to reputation.
- Where council decides to exit the aged care service delivery space, there is likely to be redundancies and lost or ending contracts that need to be attended to administratively.
- Community buildings operated by council that were paid for by HACC Capital funds. If council is no longer a service provider, who owns and/or manages these assets? (e.g. assets over a certain amount go back to the funder). This issue needs more analysis including specialist legal advice.
- Where council is not the provider of home modifications, there will be an increased cost to consumers (waste management from the job), where council is currently able to assist individuals because of capacity generated by having skills/networks in-house.
- Decrease profile for council in the community. Council will be less relevant to people's everyday lives. This will affect the ability of council to effectively engage in community when consultations are required, particularly with seniors and people with disabilities.
- Residual effects of customers wanting services that no longer exist.
- Loss of community networks for councils. Loss of awareness of the service provider landscape (to assist locals to access local supports) and therefore community inclusion. Will have implications for CSPs that have social cohesion/social inclusion goals.
- Increases in social isolation; increased health issues; increase in risk factors associated with elder abuse.
- Increased demand on local health sector (hospital admissions, GPs, etc.)
- Services to community decreasing significantly until the market can recover (if it can recover).
- Possible industrial issues due to the need to change or cancel contracts, or restructure.
- Volunteer workforce, student placements, politically active volunteers lobbying or complaining to council.
- People on job placement (NewStart recipients) could lose social security payments because they no longer have a position with council.
- Exit strategy needed that includes referring consumers to MAC. Develop plans to manage the public relations and reputation implications.
- Look at core competencies – what are we doing well? And should we just focus on these services?
- Identify niche service areas in wellness & reablement that maximise the social capital benefits that council can offer; and related intersections between council's other areas (e.g. libraries, galleries, community buildings, pools etc).
- The need to redesign volunteer roles to reablement/wellness will have change management implications. Not all volunteers will be happy to have the model changed (e.g. meals). Will require more coordination of volunteers to have shorter term volunteer placements for reablement. Difficult to do when councils could be losing experienced staff due to the uncertainties and the need for them to find more secure employment.
- Identify the decision makers and engage them in the process of identifying scenarios, trends and options.
- Align arguments to the DPOP. Identify what will be at risk in those plans and what may not be. Where exactly the implications will be seen, to enable planning to mitigate negative consequences.
- Review the likely implications (or at least questions) around legal consequences and forward those to senior management to include in risk assessment processes.

- CHSP consumers will be means tested and compulsory fees charged (collected by the provider). Council has the capacity to charge and collect fees. [Tune Review Rec 16: That the government introduce mandatory consumer contributions for services under the CHSP. Consumer contributions should be standardised according to an individual's financial capacity].
- Council could consider staying in the service types more often mentioned as possibly getting some block funding, being: home modifications, equipment and assistive technology, transport, social support (volunteer), Community Visitors Scheme (CVS), meals & other food services, specialised support services.
- Council closely consider whether to stay in service types that are sometimes mentioned as possibly getting some block funding: Sector Support – providers and consumers, social activity programs, wellness programs, day therapy, respite.
- Council may need to consider scaling service delivery to meet demand, requiring a flexible workforce. Partially block funded services may also be affected by fluctuating demand, and therefore require scaling. Or, council will need to cover any losses relating to significant decrease in consumer demand.

Output Scenario 4: Issues & Implications (top right-hand quadrant)

Note: The four possible models mentioned in the Productivity Commission (2011) 'Caring for Older Australians' are relevant to this Scenario and may be included in any briefing to senior staff (see *Footnote: A Final Word on Block Funding* at the end of this document).

- Council may need to consider scaling service delivery to meet demand, requiring a flexible workforce. Partially block funded services may also be affected by fluctuating demand, and therefore require scaling. Or, council will need to cover any losses relating to significant decrease in consumer demand.
- In the fee for service model, council may need to justify why it is operating in a market-driven context, competing with local aged care businesses. The principle of competitive neutrality may need to be considered in this context.
- Resourcing strategies will need to take into consideration the demand for aged care in the area, and enable provision for payment in arrears, promotion, marketing etc.
- Where markets are not thin, council may need to justify why it is operating in a market-driven context, competing with local aged care businesses.
- Partial block funding service would require the development of new service model and new staffing arrangements to cater for the soft entry point which then converts to a fee for service model once the consumer decides to register with MAC and continue using the service.
- Fully block funded services (e.g. home modifications) could continue essentially as is, adapting only to new specifications in funding agreements. In these circumstances, additional data reporting requirements enabling benchmarking would be likely.⁴

⁴ Australian Government (2015), Competition Policy Review, accessed from <http://competitionpolicyreview.gov.au/final-report/> accessed 21/8/2018.

Footnote: A final word on block funding

The reform process may end the CHSP but some block funding in the new Care at Home system may be available. For example, the National Aged Care Alliance (NACA) recommended incorporating individual funding across all aged care programs to provide the older person with choice and control and using block funding or other mechanisms only where an individual funding model does not work. NACA is recommending the repositioning of CHSP sector to compete in a market-based environment.

- The Productivity Commission (2011) '*Caring for Older Australians*', outlined four possible funding models. In **some** of these, block funding was suggested for:
 - [Option 1] Specific purpose services (homeless person aged care; Indigenous flexible aged care; transitional care; and for individual advocacy).
 - [Option 1] Block funding **of fixed costs** for social activity programs, wellness programs, day therapy programs, community transport, meals delivery, information and general advocacy, home maintenance, low level aids.
 - [Option 2] Continue with grant funding of CHSP type services but with emphasis on wellness and reablement; and individuals getting time limited access (e.g. assessed up to a maximum of \$3,000 to \$5,000 service).
 - [Option 3] Block funding of home modifications, equipment & assistive technology (above a specified amount), transport, social support (volunteer), Community Visitors Scheme, meals & other food services, specialised support services, Sector Support – providers and consumers, thin markets in rural and remote areas, specific populations, assistance with care & housing.
 - [Option 4] Mostly individualised funding with add-ons provided by block funding e.g. case management, equipment (capped), home modifications (capped), transport, respite, meals.
 - [Option 4] Also infrastructure funds for rural and remote areas, and for specific populations.

It should be noted that only one of these four options (option 3) included block funds for sector support roles (provider and consumer). Such funds would likely be tendered for providers to cover areas larger than a single LGA or CHSP planning regions.

There may also be a strategic option for councils to provide or collaborate with an Aged Care Navigator service as referred to in the Legislated Aged Care Review (Tune Report) recommendation 23, "That the government introduce aged care system navigator and outreach services to assist consumers who have difficulty engaging through the existing channels to effectively engage with MAC. The services should be funded by the government and not be delivered by the government or aged care providers."

LGNSW will continue to advocate to the Commonwealth Government on behalf of NSW councils for suitable models of funding as policy changes, decisions and outcomes are updated and implemented under the aged care reforms.