

**LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON PLANNING AND ENVIRONMENT**

**(Reference: Long-term planning for aged care accommodation)**

**Members:**

**MS R DUNDAS (The Chair)  
MR J HARGREAVES (The Deputy Chair)  
MRS H CROSS  
MRS V DUNNE**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**MONDAY, 5 JULY 2004**

**Secretary to the committee:  
Ms R Jaffray (Ph: 6205 0199)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents relevant to this inquiry which have been authorised for publication by the committee may be obtained from the committee office of the Legislative Assembly (Ph: 6205 0127).

**The committee met at 9.14 am.**

**STEPHEN DELLAR** and

**MARGARET HORNE**

were called.

**THE DEPUTY CHAIR:** I am obliged to read this card to people appearing before the committee. You should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege. That gives you certain protections, but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading information will be treated by the Assembly as a serious matter.

Thank you very much, Mr Dellar and Ms Horne, for sparing us the time. We usually invite people to make an opening statement, if they wish to do so, and then launch into questions. For the purposes of Hansard, please state your name and the position you hold before you respond for the first time.

Thank you very much for your submission, which is great, but I wish to draw attention to a couple of things in it, one which amused me somewhat and one which concerned me somewhat. I draw your attention to the introduction on page 3. The second paragraph commences with the words, "Since coming to office in 1966." For the record, would you like to change that?

**Ms Horne:** My name is Margaret Horne. I am director of allocations management in the ageing and aged care division. I undertake to have that changed.

**MR HARGREAVES:** Thank you very much. That shows you the seriousness with which we regard this matter. The other thing I have to put on the record—my colleagues may or may not share my views on it, but I want it on the record—is that I think it is inappropriate to name the government that you represent as the Howard government. I think that it is inappropriate to have his name there. I am happy with that government being described as the federal government, the Commonwealth government or just the government. I see pained expressions across the table, but you will recognise that that is something that I have been consistent about over the six years that I have been here, regardless of the colour of the government. I would be grateful if you would take that sentiment back with you.

Would you like to make an opening statement and then we can trundle down the track from there? I welcome the chair, Ms Dundas.

**Mr Dellar:** My name is Stephen Dellar. I am Assistant Secretary of the Residential Program Management branch of the Australian government Department of Health and Ageing. I do not think that I want to make an opening statement, but we are here to answer any questions you have about planning from the Commonwealth government side of the equation.

**MR HARGREAVES:** Thank you very much, Mr Dellar.

**MRS DUNNE:** The aim of our being here for this inquiry is principally to look at the question of land allocation, which is one of the things that I think that we need to remind all of the people who come before us. We are not looking at the overall quantum of policy in relation to aged care and allocation. Principally, because we are the planning and environment committee, we are looking at the suitability of land and whether there is enough land available. So I am going to start off with a very broad question. The Commonwealth has allocated around 250 beds. They have been allocated but not taken up. There is a technical term for that.

**Ms Horne:** Provisional allocation.

**MRS DUNNE:** Thank you. It seems from the experience of lots of people in the ACT that these provisional allocations are all very fine, but we do not see them being turned into actual aged care beds because of a range of things which relate to the land not being there or not being provided in a timely enough fashion, which is basically why we are here. What is the perception of the Commonwealth of this issue in the ACT? Do you see it as a problem? Are you concerned about the fact that you have a provisional allocation for which, for instance, in the case of Calvary the timeframes are being extended? Do you see that as a problem and is it a problem that exists elsewhere to a similar extent? Could you comment on those things?

**Mr Dellar:** The whole process of turning provisional allocations into allocations is an issue across the country. Our act, the Aged Care Act, actually provides that a provider has two years in which to operationalise a place. I am sorry about the word, but it is the word we use. Across the country, there are many places that have exceeded the two years. In the case of the ACT, the last time we formally measured it, which was December 2003, there was, in fact, none, but subsequently the places for Calvary that you have mentioned have tipped over, so that they are now more than two years overdue.

I would say that, comparative to the rest of the country, the ACT is pretty much in the pack. It is not particularly ahead or behind. There are some states that are much further behind than the ACT, but, of course, we are concerned because when the Australian government allocates the places it does so with the clear intention that they become operational. As a result of that, in the last couple of years we have had a priority that is what we have described as bed readiness. That means that the extent to which a provider can satisfy us that places can come on line quickly will improve and influence very much whom we would allocate the places to.

Probably the other thing to say is that the Australian government's May budget increased the ratio from 100 to 108 and, alongside that, the government announced the number of places that would be available over the next three years. Given this is a discussion about residential places, those places which will come to the ACT over the next three years are 210 in this financial year and then in the following two financial years 85 and 75, though I would have to caution that they are indicative numbers based on population projections and may change.

That means that over the next three years there are on offer to the ACT about—I am just trying to add it up in my mind while I am looking at you—370 additional places. That

means that there will be an attendant need for land that comes alongside that. That is a reasonable level of growth for the ACT.

**MRS DUNNE:** Is that in addition to the 250-odd provisionally allocated beds that are already in the ACT system?

**Mr Dellar:** That is correct. I need to put a caveat on that. Those numbers are predicated on bringing the operational ratio—that is, the number of beds that are actually open for business—up to 88 by June 2007.

**MRS DUNNE:** Sorry, can you say that again?

**Mr Dellar:** The ratio is 108, of which residential is 88. We allocate places rather more quickly than you might think we would need to in order to reach 88, that is, we build into our planning a lag which attempts to take account of that two years or two years plus.

**MRS DUNNE:** That is why there is such a large allocation this year, 210, and then it drops back.

**Mr Dellar:** That is correct.

**MRS DUNNE:** You are actually front loading.

**Mr Dellar:** It has a front loading, and that is because we know that if we do not allocate places until late in that three-year period they won't be operational in time, except if someone wants to build a facility, speculating that we will provide the licences for the places when they become necessary.

**MR HARGREAVES:** I seek clarification, Mr Dellar, along the same sort of trail. When you allocate places, to whom do you allocate them? Do you allocate them to the state government or do you allocate them to specific people who have applied?

**Mr Dellar:** No, it's an annual round. It runs just like a tender. We advertise the availability of places. People who think they would like to operate places apply and it is competitive. We assess people against a range of criteria. There are, in fact, 10 criteria actually laid down in both the act and the principles, of which one is bed readiness. But other important criteria, of course, are the capacity and the knowledge of the provider to deliver the service and, very important to us, the record of the provider. So, in order for a provider to get new places, they must have operated existing places in a very good way.

**Ms Horne:** I would also add to that that we are only allowed to allocate places to approved providers, that is, people who have been approved.

**MR HARGREAVES:** So, if I can get this right in my head, the relationship between the state governments or territory governments, the Commonwealth and the providers is that the conversations are between the approved providers seeking to get more of the same or more of whatever and the Commonwealth government, and then the conversations between the person wanting to provide places and the jurisdiction that is going to provide the land, and then all the building rules go around that. It is actually a set of two

conversations, not a three way.

**Mr Dellar:** Broadly, that is correct, except that over the last eight or nine months we have had regular meetings with the Planning and Land Authority in the ACT, particularly around the block that I think you described as section 87, which is in Belconnen.

**MR HARGREAVES:** On the shores of Lake Ginninderra.

**Mr Dellar:** That's it, basically attempting to align our planning processes with your planning processes.

**MR HARGREAVES:** When you talk about the allocation of them, do you have regard to the location of them—for example, in a jurisdiction like the ACT, about whether or not it is appropriate to have them pop up in Tuggeranong, Belconnen or Gungahlin? Do you have regard to that when you allocate them?

**Mr Dellar:** Broadly, yes. We certainly believe that residential care places should be where people want to live. Therefore, in places geographically reasonably large, like Canberra, yes, we would like to see a spread that covers the whole of the territory and takes into account territory growth; so that where new suburbs are emerging, we would like, in due course, to see aged care services there as well.

**THE CHAIR:** In terms of the planning arrangements, you note in your submission that, with regard to turning provisional allocations into actual operational allocations, 70 per cent of the problem across Australia is planning under each jurisdiction, and you have noted that you are trying to work collaboratively with the ACT government to allow the allocation of places to coincide with the release of land to get that streamlined. How are you doing that? What is your relationship with the ACT government?

**Mr Dellar:** The principal issue has been this discussion around the block of land at Belconnen and, as I said, we have had meetings with the Planning and Land Authority and ACT Health—I think it is called health; the department in the ACT—and it has been about how we can assist the ACT government's wish to ensure that that land is, in a sense, ready for the construction of beds. One hundred places, which is the number being looked at, is actually quite a lot in ACT terms and, if that could be progressed quickly, that would be a good thing.

It is true, more broadly in terms of planning, that it tends to be a long, circuitous route to operationalise a bed. A provider needs to find a block of land that is suitable and then needs to go through a community consultative process. While I have no objection to a community consultative process, I can tell you they do tend to be protracted, often appealed. It takes a long time.

**THE CHAIR:** Have your main discussions with the ACT government been in relation to specific sites that have been ticked over the two-year timeframe? You said that mainly the conversations have been about the Calvary site.

**Mr Dellar:** No, it has principally been about the Belconnen site, but Calvary as well. From the Commonwealth perspective, I think all we can do is encourage the provider to

resolve their issues and encourage the ACT to help them to resolve their issues. It is not something we can directly influence.

We do monitor progress, incidentally, and regularly ask our providers to report on what they are doing and we do, at the end of two years, need to make a decision about whether we allow those places to continue or whether we take them back. It is never our wish to take places back and, if the provider has been working hard and has made progress, we would not do so. I could probably also say that, of every 100 places we issue, about 97 actually become operational. This is across the country. That is, most times, most places are turned into operational beds. Occasionally, providers have to find new sites, adjust their plans or those sorts of things.

**MRS DUNNE:** What would be the average time it would take to get a bed operational? Can you tell us that?

**Mr Dellar:** We do not think of it in those terms. We think of it in a sequence and what we would say is that, in the first 12 months, 25 per cent of beds are operational and in the second 12 months, another 15 per cent, which takes it up to 40. In year three it is another 20 and in year four it is another 20. After that there is, in fact, a long tail. Right now in Australia, the oldest non-operational bed is about 1999, so it can take up to five years in some cases, but there is a very small number of outstanding beds at that time.

**MRS DUNNE:** From those figures, Mr Dellar, although the act requires them to be operational within two years, you do not actually expect that that will happen.

**Mr Dellar:** We expect providers to make every effort to get the places operational. By and large, in the ACT they have done quite well. But yes, if people go over the two years because of some difficulty that they have been unable to resolve, we accept that and we give them extra time.

**THE CHAIR:** Sorry, just to go back and clarify, I guess I did not get enough detail out of the answer that I wanted. On your ongoing dialogue with the ACT government and what you are trying to achieve, are you actually talking about sites that are currently vacant that the ACT government think could be utilised for aged care and they are working with you to try to get beds allocated to those sites?

**Mr Dellar:** We would not in the normal course get down to the level of specificity that you are talking about. The exception has been this block of land in Belconnen. More broadly, we would talk to the relevant ACT departments about planning, about being efficient, about ways of moving approvals along. We would generally regard the business of buying a block of land and getting approval as business decisions of the provider and we would generally not intervene in those things, except to the extent that we can assist or except to the extent that we can assist the relevant state government in making their processes more efficient.

**MRS DUNNE:** Why have you been involved this time with block 87 in Belconnen?

**Mr Dellar:** It's a unique issue. It is not something we have ever done before in any state or territory, but we were approached by the department and asked whether we could join with them in lining up our approval processes with the release of the land. We are very

interested to see whether that can be done and how that can be done. We will be advertising the availability of places specifically for that block of land. That is not something we have ever done before in the Commonwealth, but the idea is to see whether, if we can bring that together with the ACT government's planning, we can as a result provide a quicker route to the operationalisation.

**MRS CROSS:** What was the reason you were approached on this, unlike others? What were the criteria for that?

**Mr Dellar:** It was an experiment. It is the ACT government saying, "We've got an idea." I have to give credit to the ACT government; it certainly wasn't the Commonwealth's idea, to see whether we could help with the process, which is in a sense about releasing land which is pre-approved for aged care and over which all the consultation with the community has been done, over which any objections have been considered and resolved, so there is a block of land now that someone can put some places on if they wish. It would be a great pity if, having gone through all that process, the Commonwealth did not align with that process and thus a provider could not get beds.

**MRS DUNNE:** But you do not particularly care where the beds are; you are more concerned about the provider.

**Mr Dellar:** Broadly, we have a concern that the beds are spread in a way that is accessible to the population. So, if you have lived in Tuggeranong, as I do, and you are approaching the need to move into residential care, we would hope that a bed in that area would be available for you. We don't need to have them spread thinly like butter on bread, but we do need to have them in a way that reflects the life expectations of people who live here.

**THE CHAIR:** But you do not put any conditions on that; your conditions all relate to the ability of the provider to deliver top class aged care.

**Mr Dellar:** No.

**Ms Horne:** No, the places are actually allocated to a specific geographic location.

**THE CHAIR:** But the geographic location of the ACT is the ACT.

**Ms Horne:** No, it will be a specific site.

**Mr Dellar:** No, if our priority, for example, was Tuggeranong, and it will be in due course, then we will advertise and when we advertise we will say our priority is for Tuggeranong and, other things being equal, the provider that owns a block of land in Tuggeranong, has options on a block of land in Tuggeranong or has planning approval or something like that would get a priority.

**MRS CROSS:** Ms Horne, when you say a specific site, do you mean a specific address? You said "site" and I am just clarifying that. What do you mean?

**Ms Horne:** When we are talking about advertising, we will talk about a general region, like Tuggeranong or whatever.

**MRS CROSS:** So it is not a specific site; it is a specific area.

**Ms Horne:** When we do the actual allocation, we may do a specific street address.

**MRS DUNNE:** For instance, and this is just by way of example and nothing else, Calvary has an allocation for 100 beds in Bruce, so that it is allocated to what used to be the Bruce hostel site; is that right as an example?

**Ms Horne:** I haven't seen that.

**Mr Dellar:** I can't say whether we have specified that, but we could have, yes.

**MRS DUNNE:** Okay. So, with block 87 in Belconnen, you haven't actually finalised the process, but you envisage that you will provisionally allocate 100 beds to that site. If developer X came along and bought the block of land but could not come up with a deal with an appropriate provider, what would you do then?

**Mr Dellar:** That is exactly the issue. Our allocation is to a provider; it is not to a site. This is speculation, but what might well happen in relation to the section 87 block is that four or five people might say, "Yes, I'd like to build places there. Can I have them, please?" We would allocate on the basis of, as I said, the record of the provider, competence to run the service and the nature of the business case that they put to us, and we would hope very much that they would be successful. Aligning the ACT government's decision-making process and ours is going to be the complicating thing for us there. Certainly, a provider who has places in one suburb could well come to us through a process and say, "Can I please put them in the next suburb?" Provided broadly the objectives of the planning were still being met, we could agree to that.

**MRS CROSS:** So the specific site issue is not really one area; it is just a district.

**Ms Horne:** Yes. Even if a place was allocated to a specific street address, after allocation a provider can apply to change that address.

**MRS DUNNE:** Earlier in the piece you said that you were changing the ratio from 100 to 108. That is what I wrote down.

**Mr Dellar:** That's correct.

**MRS DUNNE:** What does that mean?

**Mr Dellar:** I'm sorry, that was shorthand. Our planning model is of people 70-plus and the ratio until now has been 100 places per 1,000 people who are 70-plus years of age. The May budget increased that to 108 places per 1,000 of the population 70-plus. The reason for that is that, with the ageing of the population, there tend to be more older people who require care than there would have been in 1985 when that ratio was originally set. The 108 breaks down into 20 community packages which comprise community aged care packages and EACH packages, which is—

**Ms Horne:** Extended aged care at home.



**Mr Dellar:** I can never remember. Community packages and EACH packages are essentially the same sort of thing. Community packages are the metaphorical equivalent of low care. The EACH package is the metaphorical equivalent of high care.

**Ms Horne:** But provided in the person's own home.

**Mr Dellar:** And provided at home. And then 88 places for residential care, comprising 40 of high care and 48 of low care. Perhaps I should just draw a small point between high care and low care, and it is that you can enter a place as a low care resident and then as your needs increase you can be reclassified to high care, which means that the number of people who are receiving a subsidy at high care is, in fact, a lot higher than the 40:48 might suggest; in fact, 62 per cent of all people in aged care are being subsidised as high care residents.

**MRS DUNNE:** Low care is what we would probably call hostel accommodation.

**Mr Dellar:** It was called hostel until 1997, yes.

**THE CHAIR:** In terms of the 108 per 1,000 and the shift in population over the next 20 years, which is where the projections go out to, do you think that that is adequate, that we are meeting demand? We have other submissions here that say that we have waiting lists going back years and there is amazing anecdotal evidence about the number of people who are waiting for an aged care place or some support and, despite all the new ones that are coming on line through the processes, there are just not enough out there.

**Mr Dellar:** I think it would be very dangerous for me to comment on government policy.

**THE CHAIR:** I know. I guess I am trying to find a way around that.

**Ms Horne:** Perhaps I could say that waiting lists are not generally regarded as a very good indicator of the demand for aged care. Fundamentally, most people would put their name on a number of waiting lists and may take up one of those places when it eventually comes up, or indeed may make a decision not to take up one of those places. You could have, for example, someone who had put their name down on six waiting lists and then did not take up a single place when they were available or who said, "Just put me back on the bottom of the list because at the moment my health is sufficiently good that I don't need care." Because of the public perception you have been speaking about that aged care may be difficult to get into, they want to have their name on the list just in case.

**THE CHAIR:** Has there been any consideration of how the mix is actually made up of the 88 residential and the 40 non-residential? It is, I think, a specific issue in Canberra that a majority of the people want to stay at home.

**Mr Dellar:** That's right. In fact, the ratio has actually changed. When it was 100, there were 10 community places. It is now 108 and 20 community places. That has also meant a reduction by two of the number of residential places. That does reflect community expectation.

**Ms Horne:** I think we should also say that those figures do not include the home and community care program, which, as you know, is funded jointly by the Commonwealth and the ACT government and which provides services which may enable people to stay at home longer as well.

**MRS DUNNE:** Can I just go back, because I made the same error as you did, Ros; I actually ended up with 40 community places. You said that you had 20 EACH places.

**Mr Dellar:** In residential it is 40 and 48. In community it is 20 of which some are EACH packages.

**MRS DUNNE:** Of which some are EACH. Sorry, I had written down 20 community and 20 EACH.

**Mr Dellar:** No. Perhaps I ought to say something about EACH. EACH is a relatively new product. As I speak, there are 900 EACH places across the country, so it's not a big program. In the year coming we are going to release another 900 places and then the year after that another 900 places. We are rolling it out relatively slowly, and that is because we do need to prove it. An EACH place is a subsidy of an average of \$30,000 a person and it provides high care services at home.

It is not a service delivery model that will suit everyone. In order for it to work, you need to have the right kind of home and you need to have the right kind of family supports to support you at home. Plus it requires nursing care and it is not a delivery modality that nurses are used to providing. We are rolling it out slowly. We are learning as we go. We are very optimistic that it will work, but we don't want to run ahead of the providers' capacity to deliver it.

**MRS DUNNE:** Who would be providing those services? Would it be an outreach of an already existing provider or would it be run through the health system?

**Mr Dellar:** It very often is. It tends not to be government provision. It tends to be provider provision, which is in most cases not government. It can be an aged care provider of residential places and it can be an aged care provider of community places, or a bit of both. There is no single rule about that.

**MRS DUNNE:** Is it possible that it could be used as a stopgap if there are no aged care beds in a facility as a means of ameliorating the waiting list?

**Mr Dellar:** One thing I should probably mention is a new product, also announced in May, called transition care. The federal government will be funding on a cost shared basis, subject to agreement with the states and territories, a new product which will enable people who have been in hospital for some sort of acute episode to receive transition care for a limited period of time whilst either organising their affairs or waiting for a place or basically deciding what to do next.

We have found with some trials around it that about a third of the people who are initially assessed as requiring residential care do not go on to require the residential care; they manage to find ways of going home. Almost without exception, everybody prefers to go home than to go into a residential care setting. Over the next three years, the federal

government will be releasing 2,000 transitional care places, subject to agreements with state and territory governments including this one.

**MRS DUNNE:** Where would you house the transitional care people?

**Mr Dellar:** Right at the moment, I know that the ACT government is thinking about finding some space in the Canberra Hospital or adjacent to the Canberra Hospital. I don't know exactly where that is at the moment, but we would see those places as being either attached or an existing nursing home. We would see those places as, in part, being community once again. Some people might go home and have extra support for a period of time while their circumstances are settled and they work out what to do next.

**MRS DUNNE:** So the Commonwealth does not particularly mind where they are located.

**Ms Horne:** The pilots that were run for this program under the innovative pool of places trialled a variety of different methods. Some were attached to nursing homes. Some were in the community. Some, I believe, may have been attached to hospitals or on the same block of land. I am not 100 per cent certain about that.

**MRS CROSS:** You said that the federal government is going to be announcing this transitional care program—

**Mr Dellar:** No, it did in the budget.

**MRS CROSS:** For how long will that transitional care be? If I wanted to go into it, how long could I stay?

**Mr Dellar:** We are still resolving the details of that and it is not only for the Commonwealth to decide, because it is a joint program, which means that it needs to be negotiated.

**MRS CROSS:** Sure, but an estimate—days or weeks.

**Mr Dellar:** Our feeling is that the average stay would be around eight weeks. But it would be an average, which would mean, of course, some people would stay longer and some not as long.

**MRS DUNNE:** To continue with that train of thought, are these transitional beds for people who have had some sort of medical event?

**Mr Dellar:** It is transition from hospital to new permanent arrangements.

**MRS DUNNE:** Would it include people that we call bed blockers at the moment?

**Mr Dellar:** It certainly would.

**MRS DUNNE:** But other people who might have had a stroke or something like that and they are trying to work out where they should go.

**Mr Dellar:** Yes.

**MRS DUNNE:** So you are actually giving them some leeway.

**Mr Dellar:** That's right. The last thing we would want people to think of in terms of transition care is a holding bay. These are places to enable people to sort out their lives and to provide rehabilitation—slow stream rehabilitation, but rehabilitation nonetheless. A fair bit of counselling, because moving into a residential facility is a big step for people, not something which should ever be taken lightly. Whatever the physical location of these places, we don't want them to look like or feel like a hospital bed because they are not. It's a place you go to after you have been in hospital and you probably still have quite a lot of needs but your immediate acute needs have been resolved and it's now time for you to work out what you are going to do next and get some help to do that.

**MRS CROSS:** With minimal care.

**Mr Dellar:** With sufficient care. If you are in a high care place in a nursing home, you may well be having nursing services. You will probably be having assistance with dressing, personal care needs and those sorts of things—getting out of bed. So, quite a lot of help but not help oriented to making you better but help oriented to helping you with your life.

**MRS CROSS:** I understand

**THE CHAIR:** With the implementation of transitional care, what happens if there is no residential space, if somebody has had an episode, been placed in hospital, moved through to transitional care and it becomes obvious that the best place for them then is to go into a residential aged care facility and there are no beds available for them or they would need to jump the waiting list? Do you have a policy for dealing with those conditions?

**Mr Dellar:** Only to say that there is some context around this, that is, that this is the largest number of places ever released that we are talking about over the next three years. There are lots of residential places in the pipeline for the ACT and for other states and territories and this new product comes in on top of all that as well, so that there are more places. As I said earlier, people don't want mostly to move into residential care and one of the outcomes of transition care, I think, is the potential for a rather larger number of people not to move into residential care at that time. Perhaps at a later time, but you should never do it before you are ready.

**MRS DUNNE:** I want to go back to one of the pivotal things that we opened with, which is, I suppose, why we are here, that is, the apparent lack of speed in actually approving aged care places in the ACT. My understanding was that some time last year the then minister wrote to planning ministers.

**Mr Dellar:** That's correct.

**MRS DUNNE:** Presumably, to tell them to get a wriggle on.

**Ms Horne:** It was 2002.

**Mr Dellar:** Yes, it was 2002.

**MRS DUNNE:** What was the outcome of that? What happened as a result of that?

**Ms Horne:** There was a variety of different approaches. Each state and territory seems to have taken a different approach. As Stephen has already mentioned, in the ACT there was a focus on the release of a particular block of land. In other states and territories committees have been set up. Tasmania, for example, has set up a type of memorandum of understanding. Different approaches have been taken to suit a particular block.

**Mr Dellar:** The Victorian government is, in fact, making legislative change to try to make the planning process a bit more efficient. Not wishing to be pejorative, it is true that every place allocated in Victoria has been subject to planning processes and then planning appeals. There has not been a place operationalised in recent memory that has not involved an appeal and hearings and the like. The Victorian government is moving to try to make that all a bit more streamlined. That is not to say that there should not be an appeal process, of course, but to try to make it a bit quicker and more efficient.

**THE CHAIR:** What is your understanding of what the ACT is doing?

**Mr Dellar:** Principally, it has been this approach to pre-approving land and having a go at seeing if, by front-end loading the processes, we can make it faster at the back end.

**MRS DUNNE:** That is for beds that may be allocated out of 2004-05 or beyond, but what have they done to address the backlog?

**Mr Dellar:** I actually don't have an answer to that. I don't know.

**MRS DUNNE:** As a result of Minister Andrews's letter in 2002, the response was to let us front-end load in the future, but you do not know what they have done?

**Mr Dellar:** I believe that the ACT government has been working on that, but I don't have the details. I am sure other witnesses will be able to give you more information.

**THE CHAIR:** We will be having other witnesses knocking at the door and I think we are going to spend a significant amount of time with them, so thank you very much for your time this morning, Mr Dellar and Ms Horne, and thank you for your submission.

**ANDREW RICE,**

**PETER JOHNS,**

**IAN THOMPSON** and

**JACQUI LAVIS**

were called.

**THE CHAIR:** I know that many of you have heard this before, but I am obliged to read it to you once again. You should understand that these hearings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

This inquiry is specifically into planning in relation to aged care facilities across the territory and our long-term planning—how we are going to deal with our ongoing needs for aged care facilities across the territory. We are particularly focused, as the planning and environment committee, on the planning aspects. It is not necessarily our discussion about whether or not the statistical projections are accurate—all those kinds of issues—we are just focused on how the planning processes are going forward.

We thank you for the submission that has been provided on behalf of the ACT government. Mr Rice, do you have an opening statement that you would like to make?

**Mr Rice:** I am the acting senior director, policy group. No, we don't. We have brought along today a range of people from our interdepartmental committee that is dealing with the age accommodation process. We know that you have got a lot on your plate. Perhaps we can answer questions rather than go through the submission again.

**THE CHAIR:** As a start, could you tell us about the interdepartmental committee and how it is helping to streamline the planning processes for aged care facilities.

**Mr Rice:** Sure. The interdepartmental committee was set up late last year when the government released its strategy for building for our ageing community. It includes representatives from the Chief Minister's Department, which is the chair. From within the Chief Minister's Department there are a couple of areas chaired by the policy group. There is also representation of the Office for Ageing. It includes Treasury, the ACT Planning and Land Authority, the land development agency, ACT Health and the Department of Urban Services. The focus of the IDC to date has been

on the process of case management. You would no doubt know from our submission and from the public announcements that a case manager has been appointed. The focus has been on ensuring that the case manager is across all the different aspects of bringing these projects through. That has been a significant part of the work, which is ongoing. I think reports that we have provided to the Assembly in the past show that there are quite a lot of projects on the case manager's plate at the moment. The IDC is also involved in forward policy development. That is something that it is spending a bit more time on at present.

**THE CHAIR:** Is that case manager on the interdepartmental committee?

**Mr Rice:** He is.

**THE CHAIR:** I just wanted to clarify that. You indicate that the committee is looking at forward planning. What do you see as being the major impediments that need to be planned around so that we can get more aged care beds operational?

**Mr Rice:** I think the issue is that there is not one party in all of this that is responsible for bringing it all forward. Within the ACT government we have our responsibilities, which relate to planning and land in the main. The Commonwealth obviously has a responsibility, as do the proponents who are seeking to bring these proposals forward. There are challenges in all of those areas. We see the forward work that we are doing as looking at addressing impediments that might exist in each of those areas. There is no one that raises its head over all of them. It is a question of staying on top of a number of impediments across the board.

**MRS DUNNE:** There are a variety of places I would like to start.

**THE CHAIR:** Start at one and we will go through all the rest.

**MRS DUNNE:** Sorry, this might chop around a bit. On page 7 of your submission under the heading "Land for Aged Persons Accommodation Facilities" it says that you have made lease offers to the Little Company of Mary, Southern Cross Homes and Mirinjani. At the end of the last financial year—last week—how many provisional allocations are there outstanding in the ACT?

**Mr Rice:** My advice is that as at the end of last week there are 209 provisional allocations outstanding.

**MRS DUNNE:** That is 100 at Calvary, 70 at Southern Cross Homes and 30 at Mirinjani. Where are the others?

**Mr Johns:** I am from the Chief Minister's Department. There are 32 at Mirinjani and 74 at Southern Cross Care in Garran.

**MRS DUNNE:** Seventy-four at Southern Cross Homes plus the 100 at Calvary equal 174, and the 32 at Mirinjani. There must be another two or three somewhere?

**Mr Rice:** There could be.

**MRS DUNNE:** The three for which the leases have been issued cover the existing outstanding provisional allocations for the ACT?

**Mr Rice:** I would have to check the absolute numbers on that.

**Mr Johns:** It sounds about right.

**Mr Rice:** It sounds about right, yes.

**MRS DUNNE:** No-one else who has a provisional allocation is looking for land or something at the moment?

**Mr Johns:** No, not that I am aware of, Mrs Dunne.

**MRS DUNNE:** The next in the list of dot points is the Fadden/Gowrie multiunit adaptable housing. Is that strictly aged care accommodation? I thought it was sold for adaptable housing?

**Mr Johns:** I use the term “residential care accommodation”—in other words, if it is going to be used for high or low care, then it is not sold as that; it was sold as adaptable housing.

**MRS DUNNE:** It was sold as adaptable housing?

**Mr Johns:** Correct.

**MRS DUNNE:** So is this, strictly speaking, land that should be counted as land for aged care accommodation of some sort?

**Mr Johns:** I think you could call it land that has been identified and has been released for purposes that could be for aged care accommodation at some stage in the future. It might be possible to have provided into those houses some of the packages that Mr Dellar was talking about, where you have community care delivered into the home. If the houses are built in such a way that enables that care to be provided easily and properly, then I think you could reasonably argue that they should be considered as part of accommodation that is better suited for aged persons’ purposes.

**MRS DUNNE:** What were the lease conditions or the auction conditions for that?

**Mr Johns:** They would have been just for adaptable housing.

**MRS DUNNE:** So they would have had to meet the Australian standard for adaptable housing?

**Mr Johns:** Correct.



**MRS DUNNE:** And that would be part of the auction conditions?

**Mr Johns:** Yes.

**MRS DUNNE:** That means that it is not necessarily set aside as aged care accommodation. Someone who was young and disabled might equally buy in because it is adaptable housing?

**Mr Johns:** That is correct.

**MRS DUNNE:** It is not targeted?

**Mr Johns:** No. You might equally find that some people who have disabilities, who are affected by accidents, et cetera, might also avail themselves of care accommodation at hostels or nursing homes, if I can use the old terminology.

**MRS DUNNE:** Or alternatively people might buy in on the basis that it is a place where they can grow old in place. They might be quite young and active now.

**Mr Johns:** Yes.

**MRS DUNNE:** It was not targeted to provide independent living units necessarily, as an example?

**Mr Johns:** I suppose I look at independent living units and adaptable housing as being very close to one another in that sense. I would expect that, where you see an independent living unit provided as part of a retirement complex, it would be built to adaptable standards as well.

**MRS DUNNE:** Yes, but this is adaptable housing in the general community?

**Mr Johns:** On a residential block, yes.

**THE CHAIR:** Also on page 7 you talk about the pre-planning process and working with the Commonwealth to streamline allocations, so that allocations of beds are happening when the land becomes available. This is one of the identified problems that we have had before. Can you tell us how you see this process working and how it is moving forward?

**Mr Johns:** I will talk about section 87 in Belconnen, where we are trying to bring together the allocation of the land—that is, the sale of the land—plus the actual allocation of beds at the same time. When the lease is issued, an allocation occurs at the same time—unless the lessee has owned the land, in which case the allocation process has its own time frame that it works within. The allocation of the places, the funding for the places, has its own time frame; therefore, the allocation of the land has its own time frame. Sometimes the two just do not work together. We are trying to bring them together so that at the same time the places are allocated, the lease is granted to them. They then have in place all the approvals, apart from the

development application, so that they can proceed quickly.

**THE CHAIR:** Site 87 is specifically mentioned, but mention is also made of Greenway, Nicholls and Gordon. Is section 87 the test run? If that works will the pre-planning coordinator process run onto those sites?

**Mr Johns:** It could possibly work like that. As Mr Dellar said previously, this is the first time the Commonwealth has embarked on this process with a state level government. I think they are also looking at this as a possible way of getting the processes working together correctly so that it can be applied elsewhere across Australia. If we work it well, then I think we would look at releasing the sites in Greenway, Gordon and Nicholls as a possible way of doing it.

**THE CHAIR:** Do you think there could be potential problems? If the planning process specifically gets tied up in appeals or further issues, would the allocation of beds also be delayed? If there were other sites or other opportunities to get the aged care beds moving, could that be delayed because they are almost tied to a specific site that may or may not go ahead, depending on how AAT goes and all sorts of other issues?

**Mr Johns:** I think the point is valid. If you look at it from the perspective that there are other providers in the ACT as well, they might also have a concern if there was one large allocation of beds set aside for one particular site. We are trying to make sure that we get all of the issues around the release of a block of land addressed as much as we possibly can before we release the land. That is why we have gone through a planning study with the sites in Gordon, Nicholls, Greenway and Belconnen. We are going to be doing preliminary assessments so that we know as much as we possibly can about the issues the community might have around the use of the land.

With Gordon and Nicholls, community consultation to date has been very good, in that there have been very few issues that have arisen out of the consultation that we have done. With section 87, as you might be aware, there have been more issues raised around the release of the land. With Greenway, further issues need to be addressed. Greenway requires a territory plan variation; Gordon and Nicholls and section 87 in Belconnen do not. Trying to make sure we get all those issues addressed up front would hopefully mean that we have minimal objections when they go to submit a development application.

**Mr Rice:** It is probably worth also adding that I think the point you are getting at is of approaching the Commonwealth to take a more flexible approach to all this. That is on our agenda as some forward work. We think that there are ways that they can assist in the process, and that might be a longer lead time in allocations. This is obviously a point for negotiation with the Commonwealth.

**Mr Thompson:** I am from ACT Health. There are a couple of things that I want to mention. One of the issues that I think we should be aware of with section 87 is that the proposal is for about 100 high and low care places to be allocated to that site—

that is of an allocation of about 265 that is available next year. That provides a balance. We can use the coordinated approach with the Commonwealth to get more streamlined land development and allocation processes coordinated as well as meeting the needs of other providers and giving us flexibility to provide allocations to other nursing home providers.

On the subject of looking at more flexibility from the Commonwealth, this has been an issue that we, as the ACT government, as well as other state and territory governments, have been working on with the Commonwealth for some time. The Commonwealth is showing considerable goodwill in that process, but we need to be aware of it. The allocation process is currently strictly governed by the Aged Care Act that the Commonwealth works under. The capacity to work within and vary that act is not straightforward. There are a number of hurdles before the Commonwealth can be more flexible in that regard.

**THE CHAIR:** On a slightly off-track point, but you have just opened it up there: there are 265 places that are looking to be allocated. You have already said that we would like to see 100 on section 87. Where do you think the other 165 could possibly go?

**Mr Thompson:** We are not talking about individual plots of land. We are talking to the Commonwealth about a process where 100 will be specifically allocated to section 87 and the remainder will be allocated through the standard allocation processes that the Commonwealth uses.

**THE CHAIR:** The question I am trying to ask is about the broader planning. Are the 165 targeted for Nicholls or are you looking at other sites that might become available over the next two years that could be used for aged care? What is the planning behind where those 165 beds might go? Do you have your own profiles where you think they might be picked up?

**Mr Johns:** The Commonwealth obviously works to a formula that it uses to determine how many places will be provided to each state. I don't know how it came up with the figure of 265. The government certainly does have before it applications for the direct sale of land from Goodwin Aged Care Inc. for a block of land in Monash. It also has before it an application from St Andrews Village for some land in Hughes. Both of those require territory plan variations. It might be that they choose to put an application in as part of the funding round that the government will have to announce.

**MRS DUNNE:** I just want to go back. Your submission says that 265 places have been allocated in the federal budget. The Commonwealth said about 10 minutes ago that 210 would be allocated this year, 85 next year and 75 the year after. I want some clarification of that. The Commonwealth said that over this and the next two out years, 370 aged care beds were to be provisionally allocated into the ACT. To reinforce Ms Dundas's question, you have a fair idea that 100 will go to Belconnen. Where are the other 270 beds over the next three years going to go? Do you have any idea?

**Mr Rice:** As Mr Johns said, a number of proponents are putting their hand up.

**MRS DUNNE:** How many do St Andrews want?

**Mr Johns:** About 70-odd.

**MRS DUNNE:** And Goodwin?

**Mr Johns:** Between 80 to 100.

**MRS DUNNE:** So that tops 170.

**Mr Johns:** In Gordon and Nicholls we are looking at a model that suggests a 100-bed facility with 150 independent living units on each of those sites.

**MRS DUNNE:** Both Gordon and Nicholls?

**Mr Johns:** Yes. A similar model is being proposed for Greenway.

**MRS CROSS:** Is that 150 each or in total?

**Mr Johns:** No—a 100 high care, low care facility for each of those three sites.

**THE CHAIR:** How many independent living units?

**Mr Johns:** And 150 independent living units for each of the three sites.

**THE CHAIR:** Which are not part of the Commonwealth allocation?

**Mr Johns:** No.

**THE CHAIR:** The proposal from the Commonwealth is for 500 beds roughly over the next three years. There would be land available for those beds in Gordon, Nicholls, Monash, Hughes, Greenway and Belconnen and that would take up those 500?

**Mr Johns:** You also have to be aware that there are existing providers out there who may also need and want to take up some of the allocations. Goodwin has a number of sites. It has sites in Farrar and Ainslie. It might choose to redevelop its sites, come to the government and seek further land or increase the density of the residential care facilities on each of those sites. It could also take up some of that allocation as well. I don't think that it can be just solely attributed to unleased territory land at this stage.

**MRS DUNNE:** When Ms Dundas first asked the question, you seemed to be unclear where you thought the beds might go. If we can get our act together, do you think that there are sufficient providers who would take up those places?

**Mr Johns:** We believe so. Certainly with respect to section 87 in Belconnen, there has been quite a deal of interest shown in representations that we received when I was at the land development agency from providers who were very interested in that site.

**MRS CROSS:** Can I just confirm this for accuracy: you said that St Andrews had asked for about 70 and Goodwin 80 to 100?

**Mr Johns:** Yes. That is what the planning—

**MRS CROSS:** In Gordon you were looking at 100 approximately?

**Mr Johns:** Yes.

**MRS CROSS:** In Nicholls, 100?

**Mr Johns:** Correct.

**MRS CROSS:** Where else?

**Mr Johns:** At Greenway.

**MRS CROSS:** How many?

**Mr Johns:** 100.

**MRS DUNNE:** Greenway is a bit further down the track, because it needs a TPV?

**Mr Johns:** It is because it needs a territory plan variation. That is correct, Mrs Dunne.

**MRS CROSS:** And Belconnen?

**Mr Johns:** 100.

**THE CHAIR:** In terms of those particular locations, we have submissions from a range of people who have put forward a number of different ideas for different blocks of land around the territory that they see currently as being under-utilised, or vacant to a certain extent, that could be used for aged care places, but they require a shift in thinking in relation to planning. With the planning regime, on what basis are you saying, “This block is better than that block” or “We don’t want to see that block developed for aged care; we would rather do it here?” What is underpinning that?

**Ms Lavis:** I am the Director of Strategic Planning and Policy with the ACT Planning and Land Authority. I think it is fair to say that we are now spending quite a lot of time looking at those locational issues that you are describing. The underpinning provisions of the territory plan are making it difficult, if you like, for some people to plan ahead with certainty about blocks of land which may have essential locational

characteristics that are suitable for aged care accommodation. There is a particular component in the territory plan, which is the entertainment, accommodation and leisure designation, which seems to be, if you like, in its locational distribution, uniquely suited to proximity to services, particularly shopping and community facilities, yet it is not having a take-up in the market for other uses. We are finding that a number of proponents are looking at those areas.

We are also obviously finding that one of the classic areas of land which has been identified has been the community facility land use policy area. That obviously gives a slightly better run through the planning system. We are looking at a strategic level, as part of the work on the IDC, and trying to match proponent demand and proponent interest with a global picture of the territory plan. It serves none of us if we are trying to do territory plan variation after variation for particular proponents. We are trying to look at a more strategic approach. That will be coming forward in some work in the next few months.

**THE CHAIR:** It is quite possible that we will see a definitional change to the territory plan, broadening the definitions you have just spoken about, to include aged care?

**Ms Lavis:** I think that is right. There are probably two major pieces of work. There is the work on definitions. The terminology that is used in the territory plan at the moment is not quite consistent with the definitions and terminologies that are used by aged care providers in their negotiations with the Commonwealth. We are undertaking a fixing-up exercise for that. We are also looking at the broader picture of land use distribution. Another piece of work will look at the locational characteristics that make land suitable for aged care accommodation to see if we can get some matching.

What we have just been talking about are a number of sites or proponent-driven requests that are in a fairly advanced stage. That will probably take up, from Peter's commentary, some 200 to 300 beds perhaps over the next two to three years. We are trying to look ahead beyond the three years and say, "What are the structural things about the planning framework that we have that we may be able to do some work on now?" so that in two years time the way in which these sites are delivered onto the market is easier for people to find their way through.

**MRS CROSS:** Ms Lavis, I need to clarify something that I did not understand. Can you just simply explain to me the criteria on which you are basing the decisions that you are going to take. You used the words "proponent demand and interest". When I hear that I assume that you are going to go and take a survey of people who are interested in moving into aged care facilities and ask them what they want, but that is obviously not what you are going to do.

**Ms Lavis:** No. There should be a clarification of terminology. Sorry, did you have another question or do you want me to deal with this first?

**MRS CROSS:** I do. Can you simply tell me or the committee: how are you making a

decision on whether something can go in location A versus B versus C? Very simply, we know that there is a demand out there for aged care facilities. How do you determine that A's submission is better than B's and C's?

**Ms Lavis:** There isn't a choice made in the planning system. It is not a question of one site or one locality being favoured over another. By "proponent" I mean the providers. "Providers" would probably be a clearer term in the context of this debate. The providers of aged care accommodation—Mr Johns has given quite a good description; I know that you have material which gives you a description of the main providers of aged care in the territory—are looking for sites that suit their locational needs often for their core facilities, their basic service facilities, and also their understanding of the dynamics of their waiting lists and the type of accommodation that people are seeking. They have an understanding of the type of market needs that they have to meet for aged care.

**MRS CROSS:** Can I just interrupt? You said the "dynamics of their lists". I am trying to understand whether you have a sense from a provider on what needs to be provided by you. You are basing your decision on what criteria? I suppose I am confused because I have not yet heard of a provider conducting a survey on potential clients—they are clients—on what has to be done. In the planning process we need to understand what you are basing your decision on. Is it just the provider and what they are telling you they would like from you or is it the government that is saying, "We want this. Let us find a way to get to that outcome?"

**Ms Lavis:** I do not know if Mr Thompson wants to give any commentary about his understanding of waiting list dynamics. There are two processes in train. On the one hand, there are policies that look at community facilities and community facility location. They are set in guidelines which link with the territory plan. They provide some parameters for aged care accommodation and aged care location. That is one body of information. The other body of material is the simple location of where providers are at the moment. If they are looking for economies of scale in delivery of support services or the management of hostel-type accommodation or residential care accommodation, they will very often be looking to maximise economies of scale—looking, if you like, for co-location.

In some instances the two things fortuitously align. Suitable land in the vicinity, perhaps under the community facility's designation, may be available. In other cases there are parcels of land that locationally may be suitable but the planning guidelines or planning framework need to be adjusted via a territory plan variation. So at any one time you might have a range of parallel situations—negotiations, further investigations, planning studies and preliminary assessments are assessing the suitability of land for that purpose.

**Mr Johns:** Could I just add a couple of comments to what Ms Lavis has said? With respect to section 87, we undertook what we called market testing for the block of land. After we did our planning study, we released the study to a variety of stakeholders—the community, as well as providers of aged care accommodation in the ACT and New South Wales—to see what their views were about how the land

should be developed. We have also been working with the Commonwealth. We recently held a seminar last week to talk about ageing in the future—in other words, what providers, government agencies and peak bodies thought was suitable for a block of land that might be developed for a retirement complex. We are trying to understand where the market is heading.

**MRS CROSS:** You mean what to put on a block of land versus where that block of land should be?

**Mr Johns:** Both issues.

**MRS CROSS:** Right.

**Mr Johns:** I think Ian can expand on that.

**Mr Thompson:** I will add something. Jacqui mentioned waiting lists. Waiting lists are not a particularly good measure of need. To date the waiting lists have been individually managed by providers and have not been rigorously kept up to date and so forth. The ACT government is working with providers to try to improve the waiting lists so that we get a better handle on what the actual demand is. The other thing is that undertaking a development is a major undertaking for aged care providers. The allocation from the Commonwealth of places does not guarantee, for example, the capital funding that is required. Providers put a lot of work into assessing the demand and marketability of what they are putting forward in advance of undertaking the development. It is something that providers routinely do.

**MRS DUNNE:** I wanted to go back to some of the things Ms Lavis was talking about. You were saying that you are looking at the definitional constraints in the territory plan. Are you also taking a bit of a tabula rasa approach: here is a cross-section of vacant land in the ACT; which section of that is suitable for aged care irrespective of its land use policy? Are you doing that at the moment?

**Ms Lavis:** We are not doing that at this point, no.

**MRS DUNNE:** You are not doing that at the moment. You are in a situation where you are saying, “We are doing planning studies at Greenway, Nicholls and—

**Ms Lavis:** Gordon.

**MRS DUNNE:** Gordon and that will provide us with land for the next three or four years; but are you looking beyond that?

**Ms Lavis:** We are commencing a process of starting to think about how that would pan out in the future, but that is linked with the broader process of planning system reform, which is also under way at the moment. The question of whether or not you review or target specific development types across the territory is not something that has been investigated as yet.



**MRS DUNNE:** I think I understand that. I think that means that we are not really looking much beyond the next three or four years.

**Ms Lavis:** I think that is right. We are not looking to target particular localities for aged care accommodation beyond the next three to four years, simply because the process of understanding the way the territory plan influences particular land uses is a piece of work that has not commenced.

**MRS DUNNE:** If other members want to pursue that, I am quite happy. I want to ask questions about affordability and then I have specific questions about specific sites.

**MRS CROSS:** Good.

**MRS DUNNE:** I wanted to sort of get a feeling for the territory and also its work through the IDC. We have a fairly limited style of providing independent living units in the ACT—the way that they are financed and the way that people buy in. It is called lease and—

**Mr Rice:** Loan and licence.

**MRS DUNNE:** Thank you. That is basically about the only model that operates in the ACT. Is that right?

**Mr Johns:** Correct. That is in the majority of cases. There are a couple of unit title arrangements that exist, but the majority of them are loan and licence.

**MRS DUNNE:** One of the things that have been reported to me is that there are a lot of people who are just finding it too expensive to enter the private market. The entry price for a two-bedroom independent living unit in one of these complexes is, relatively speaking, expensive and, from my own personal family experience, much more expensive than it would be in other places in Australia. What are the factors driving the price in the ACT? For instance, from personal experience, my parents entered a loan and licence arrangement in New South Wales for about \$120,000. To do that in the ACT you are approaching \$300,000 for a similar piece of accommodation. What drives the price of that in the ACT? Is it land or building style? What is it?

**Mr Rice:** I guess it is a question that will also be relevant to any of the providers that come before the committee. Land values, given that there is a concession, are probably—

**Mr Johns:** I really don't know how to answer the question, Mrs Dunne, in the sense that most of the providers have been in existence in the ACT for some time. I really think the question is better directed to them at this point.

**MRS DUNNE:** But in the territory's planning and looking at the future need of aged care, you are not looking at different models of funding; you are just leaving that entirely in the hands of the provider?

**Mr Rice:** Not entirely. I think our submission details what is occurring in the ACT Housing context with the bringing on of some properties that will be suitable for aged accommodation. You will recall the work that was done last year on affordable housing in a very broad sense. The government's initial response looked at, amongst other things, the question of public housing. We would certainly see a lot of our effort going into the public housing side of things to address some of those issues of affordability.

I think the issue of land values and the approach that we have taken to concessions would also be examples of what we are doing to address it. But you do get into those models of: how do you finance a project; how many ILUs versus the nursing home? I am not telling the committee anything about building costs and so forth. So there are things that we can address, and there are things that we are addressing. But, as Mr Johns is saying, I think it will be a question that you will need to put to the providers as well.

**Mr Johns:** Just to make a further point, they have their own operational models too. Depending upon who the agency is as well, they will come at it from a different perspective.

**MRS DUNNE:** I have just a couple of specific things that relate to affordability. One of them goes back to Calvary. I notice that there is no-one here from ACTPLA so somebody may have to take this on notice.

**Mr Rice:** Ms Lavis is our ACTPLA rep.

**MRS DUNNE:** Sorry, Ms Lavis. I thought you were from the LDA.

**Ms Lavis:** No. I am from the Planning and Land Authority.

**Mr Johns:** So you can ask anything you like.

**THE CHAIR:** Just ask the question.

**MRS DUNNE:** Okay, I will ask the question.

**MR HARGREAVES:** So there is nobody here from the LDA.

**Ms Lavis:** That is right.

**MRS DUNNE:** I think this is an ACTPLA question. Calvary was saying to us during the estimates hearing that it was going to have to go back to the drawing board to see whether, with the changed planning constraints on the block, the mix was right so that it could afford to put in 100 high care beds and so many independent living units. What role does ACTPLA play in this? If the worst came to the worst and the Calvary project went belly up because they said, "The planning constraints are such that we cannot make the numbers stack up", what would happen then? Would you just put

that down to experience or would there be a revisiting of the proposal?

**Ms Lavis:** I think all the Planning and Land Authority can do is manage the question of impacts of a particular development proposal in relation to the land. If you have a development made up of two or three different components and, to use an analogy in line with what we are talking about, you had perhaps a hostel and a number of independent living units and, overall, the impacts of the development were such that it was unacceptable at some level, it would probably be on the basis of two or three main components. One might be traffic and parking—so simply the sort of physical movement around the site; and I am talking hypothetically—it might be that the design of particular buildings was incompatible with the locality or it might be that there was some component impacting off site, perhaps on open space or on adjoining properties in terms of the management of impacts at the interface. The Planning and Land Authority could look at the components of the development that were causing the unacceptable impacts and negotiate with the provider or the person putting forward the scheme as to a different mix.

What that might do is change those issues that you have just described—the underlying balance or the components of the scheme in terms of allocations or possibly the marketability of the project. But that is no different than the sort of dialogue that the Planning and Land Authority might have with any developer of land. In probably 98 per cent of cases there is usually a negotiated point that you can arrive at which is acceptable to both parties. I think that that process or that service is offered to all potential developers of land. It is very unlikely that a project would fail, that there would be a fatal flaw in planning where a project would fail completely, unless an area of land that was being sought was of a type or designation under the territory plan where that kind of development was completely unacceptable.

**MRS CROSS:** What you are saying is that you would make every effort to make sure that Calvary did not fail?

**Ms Lavis:** Absolutely, and I think that would be the case with many development proposals. Certainly there is an understanding that the aged care development proposals require particular attention to detail.

**Mr Rice:** Since I have been involved in all of this and since the case manager has been on staff, Calvary is a very good example of pretty solid communication between the government and the Little Company of Mary in order to get to the various stages. There was a lot of negotiation before the lease offer was done, getting to some of the points that you were raising, Mrs Dunne, about whether we could fit desire with possibility. The lease offer has been made and the process of fitting functionality to possibility will continue.

**MRS DUNNE:** Have we learnt anything from this process that we might apply in the future?

**Ms Lavis:** I think one of the things that has come up from the debates, particularly generated by the intensive case management—obviously Mr Johns has raised some

of the issues—is really a need to look very much at the outset of proposals for aged care accommodation at the stages of land allocation and development application—the development approval and appraisal stages. What are the specifics for each site? There is now a very strong commitment at the intergovernmental level to making sure that not only is communication good with the providers who may be proponents or developers of the scheme but also interagency communication is very solid so that we understand the workflow. There are certainly things in the planning system that will come up through the process of planning system reform whereby we will streamline some of the stages of the planning process which will be of benefit to all developers of land and probably not just aged care providers.

**THE CHAIR:** Mrs Dunne, I am very conscious of the time.

**MRS DUNNE:** I am very conscious of the time. I have one more question.

**THE CHAIR:** Okay.

**MRS DUNNE:** It is a moderate change of subject.

**Ms Lavis:** It will be a quick answer, though.

**MRS DUNNE:** With St Vincent’s Parish in Aranda—I think Mr Johns has probably graven in your memory some of the process around St Vincent’s Parish in Aranda—

**Ms Lavis:** He looks like he is in pain.

**MRS DUNNE:** after the territory agreed to change the community land use policy which would allow supported housing, how did the territory then come up with a proposal that in the case of St Vincent’s they would have to pay betterment on land which they could not ever possibly hope to sell?

**Mr Rice:** Do you know that one?

**Ms Lavis:** I don’t know that one. I am sorry.

**MRS DUNNE:** Could you take that on notice?

**Ms Lavis:** Yes.

**THE CHAIR:** I think what will happen is that there will be further questions that we have in relation to the submission, so we might draft a letter to the minister to try and clarify a few more points that have been raised because we are out of time this morning.

**Ms Lavis:** Andrew looked like he was ready to answer that one.

**Mr Rice:** I can make something up.

**THE CHAIR:** I think it would be preferable to get an accurate answer. There are further issues that we would like to explore out of your submission. It is just unfortunate that we have run out of time. The committee will probably send a letter through to the minister and hopefully we can get a speedy response on the other issues.

**Mr Rice:** Yes, certainly. We have got a couple people missing this week, but we can expect to be able to turn it around relatively quickly.

**THE CHAIR:** Thank you very much for your time this morning.

**Meeting adjourned from 10.42 to 10.58 am.**

**PAUL SADLER,**

**MIKE SIERS and**

**SUE IRVINE**

were called.

**THE CHAIR:** Thank you for joining us this morning for our inquiry into planning for aged care facilities. I am obliged to read this statement to you before we begin. You should understand that these hearings are legal proceedings of the Legislative Assembly, protected by parliamentary privilege. That gives you certain protections, but also certain responsibilities. It means that you are protected from certain legal action, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

I would ask that you introduce yourself the first time you speak. Just say your name and the capacity in which you are appearing today so that we have that on the record. The committee is looking at long-term planning for aged care accommodation. We have received your submission and I thank you for that. Do you have an opening statement that you would like to make in relation to this inquiry?

**Mr Sadler:** Yes. My name is Paul Sadler. I am the chief executive officer of the Aged and Community Services Association of New South Wales and the ACT. We call ourselves ACS for short. I will just make a couple of brief remarks and my colleagues Mike Siers and Sue Irvine will be able to expand on them in terms of responding to any question you have. The comments that I make refer to our submission to the standing committee.

Not-for-profit aged care providers provide the majority of residential aged care and community aged care in the ACT at the moment. We acknowledge the ACT government's directions as set out in its building for our ageing community strategy, but our view is that there have been and will continue to be major impediments to the development of aged care services in the ACT.

In our view, few procedures have been put in place externally to ensure that the strategy is actually being translated into practice and is ensuring the provision of care and housing for an ageing population. That includes covering residential aged care, but also supporting the delivery of community care services and self-care or retirement village accommodation and adaptable housing.

There should be a plan in place for the release of sufficient and appropriate land close to amenities and specifically designated for residential aged care. In our view, that has not been occurring consistently. The land grant and allocation process is unclear and in practice there has often been no acknowledgment that land use for residential aged care is a social benefit.

We believe that the community consultation processes that are required under the current planning arrangements are, to put it mildly, time intensive and sometimes cost

prohibitive for developers, be they not-for-profit or for-profit organisations. We believe that the evidence shows that there is a significant demand for aged care services now and there will be one into the future. Our submission contains some information about that likely demand.

There is a substantial number of provisionally allocated beds for residential aged care. Some of those are in the process of development and we are anticipating that shortly the federal government will be releasing through its aged care approvals for round 2004 further residential care and community care places for the ACT. All of this makes the resolution of some of these issues very important for the ageing population of Canberra.

If I could comment briefly on our recommendations to the committee. The first is that the ACT government recognise the immediate unmet need and undertake an immediate and substantial increase in land allocations for residential aged care and fast track those. The second is that, in consultation with stakeholders, the government should develop a longer term workable land allocation plan. The third is that that plan and the procedures to operationalise it should be clearly articulated and published for both aged care providers and the broader community. The last one is that the government recognise the need for the allocation of land in self-care or retirement village accommodation and act to increase allocations in that area as well, which we believe would facilitate ageing in place.

**THE CHAIR:** The major focus of this submission and the major focus of this inquiry is the planning regime and the allocation of land, and your recommendations target that. To put it in a different sense, if these recommendations were not picked up, what would you see as being the impact on the provision of aged care services in the territory?

**Mr Siers:** My name is Mike Siers. I am the CEO of UnitingCare Mirinjani Village and I am also the elected chair of the ACT regional group, which covers the ACT and the southern tablelands area. As not-for-profit providers, we meet on a quarterly basis and share the local gossip and go through an agenda. Usually on that agenda is the issue of the allocation of places and land. I suppose that, if these things do not get up, we will continue to be in the situation we are in at the moment.

We very much feel as providers that we are in a chicken and egg situation. To give you an example, what usually happens is that, when the allocation round comes around, we decide whether we want some extra beds because we want to build something. If so, we apply. The Commonwealth then contacts the ACT government and asks them whether they have the land. Of course, when we apply to the ACT government for the land, they contact the Commonwealth department and ask them whether they have the beds. So we find ourselves in this circular situation where we are caught between two things.

In order to get the land, we have to go through a design work process. I remember how, in the Uniting Church's situation, we wanted to get a small parcel of land adjacent to our existing nursing home. It was zoned correctly by the territory plan. It was community use land and part of that use was that it be used for aged care. In applying for that land, we had to show what we were going to build on it. We had to do a fair amount of design work to come up with what we were going to put on it, because we were told that when it went to community consultation people would want to know what sort of building we

were going to build. So a certain amount of design work had to go on at a certain amount of cost to get to that stage.

**MRS DUNNE:** With no guarantee of success.

**Mr Siers:** With no guarantee of success.

**THE CHAIR:** In either beds or land in that situation.

**Mr Siers:** It involves both because you are designing for the number of beds you want and the land you need. We had to go through that process. You have to go to a certain level for the ACT government to say that we are serious about it and tell the Commonwealth government that we are going down the path of obtaining the land. It then goes to community consultation. In our situation, there were no problems with community consultation, but it is a whole process that has to be gone through.

If you are lucky enough to get the land, you then have to do the hard yards and do the hard design. Most of us see our facilities as simply a tool to deliver our care. We were looking at a 32-bed dementia facility and, in doing the design, there are a number of things you have to take into account as to how you deliver the care using the building as a tool to do that.

You have to be very careful that you do not create a way of finding problems for people with dementia. You have to have the situation that they can follow the right activities, that it will work, that people won't get stuck in corridors, et cetera. We have to go through that. It is another design process to get to that stage. Then, of course, the development application is again a matter for community consultation.

Whenever we have our meetings, there is certainly a lot of concern over the process. People are talking in our group about how it takes something like three to four years to get something built once you have the land in order to make sure that you can actually produce something and develop it. We would like to see more certainty in how we go about acquiring the land. At the moment, the process is very vague and depends on a whole lot of criteria and, of course, you do not know what the community is going to come up with.

I should say as an organisation for all our organisations that a good aged care facility works well with the community. If we build a residential place with aged care, it is very important that those people are not isolated or drawn out of the community, so we are trying to work in with the community. Community consultation is very important but, with the process in the ACT, we seem to be going back to the community so many times for no reason.

**MRS DUNNE:** Mr Siers, you said that the general experience of people in your organisation is that it takes three to four years to build a facility after you have the land. How long does it take you to get the land? How long did it take Mirinjani to get the land?

**Mr Siers:** From the time we put the application in to when we got the offer of a lease was eight months.



**MRS DUNNE:** That is pretty good, actually.

**Mr Siers:** Yes, but I will tell you the process for that. Prior to the actual application, a fair amount of design work had to go on in order to get that. We had to do some negotiating with the Commonwealth department to see if they would give us the land, to get it to a stage where we could put in an application.

**MRS DUNNE:** So you had to align all the ducks before you put in your application. How long did the aligning of the ducks take?

**Mr Siers:** The Commonwealth department, when you are given an allocation of land, have a bed readiness criterion. They want you, once they give you the beds, to build within the two-year timeframe, so the clock starts running. The reality is, I think, that they have not taken beds off people yet, but it is a thing that you have to sign up to that you will try to build it within a two-year timeframe.

**Mr Sadler:** They have not got it in the ACT. They have in other jurisdictions.

**THE CHAIR:** Mr Siers, in that entire process from beginning to end—working with the design process, working with ACTPLA and working with the federal government—at what point did you actually get the beds? Did you have the beds to start the process or did the beds actually manifest themselves somewhere along the way?

**Mr Siers:** We actually had half the beds prior to the process and we got another half the beds during the process.

**THE CHAIR:** Were you always designing to have the total number of beds?

**Mr Siers:** If I can just explain the history of it, maybe you will get an idea of the process that goes on. My board was always interested in the land next to the nursing home and when I started four years ago they asked me to approach the ACT government about getting agreement in principle on whether we could use it. Despite a number of meetings, we were told that we could not get agreement in principle because it would have to go to the community to make sure that we could use it; that there is a process involved and it could only give it to us as an offer of a lease.

My board was not happy about going that way because they had other things to look at at the time. We looked at Eabrai Lodge, which was at that stage a 20-bed facility that was dementia-specific. It has been around for 13 years. For the first, I think, nine years it never made an operating surplus. We benchmarked with other places and found the best thing to do was to expand that service. We looked at how we could expand it. We did a lot of design work to see how we could expand Eabrai Lodge. We worked out that we could probably expand it by 13 beds, so we applied in that funding round for 13 beds.

I was contacted by the Commonwealth and asked, “How many beds can you put on straightaway?” I said, “We have one room which we can convert straightaway.” They said, “You’ve got one bed.” But that year, all the beds went to Calvary Hospital, which was a new player coming in. I went to the Commonwealth department at that time and had a bit of a hissy fit with them. I said, “We are the providers that have been around all the time. We are trying to make this place work and I might have to close Eabrai Lodge

if you do not give me some beds.” Anyway, next year we applied again and this time I got the 13 beds. In fact, they phoned me and said, “Do you want any more?” I said, “I’ll have as many as you can give me.” I got 16.

Once we got the 16 beds, we went to the next design phase, because we were then trying to make it work. We went through the design first. We got the Alzheimer’s Association in to comment on our plans, we got our residents’ families in and we got our staff in and we came to the conclusion that what we were designing wasn’t going to work; it was actually going to create problems in the dementia facility. So the board met and said, “Look, this isn’t working. We really need a greenfields site. Let’s chase the land next door.”

Those 16 beds weren’t being built, so I went back to the Commonwealth department and said, “To build on this next block of land, we have benchmarked with other places and found that in dementia care 15 to 16 places is a good group.” So we built two groups together. We reckoned we could fit that on the block. We did some more design work to see if that would fit on the block, then we went back to the ACT government and asked them for the land, because the Commonwealth wasn’t prepared to give us the next 16 beds unless we had some indication from the ACT government that we were going to get the land. So we made that application. Because we had made the application, we got the extra 16 beds.

**THE CHAIR:** But there could have been a situation where you had an extra 16 beds pending from the federal government and the ACT government said, “No, we think that is too ambitious,” or it could have said, “Let’s sit down and talk about it.” While you were negotiating with the ACT government, was there a situation where the federal government said that it was taking too long and it was going to give those extra beds to somebody else?

**Mr Siers:** I have to report on a quarterly basis to the Commonwealth government to explain the process that I am going through because when they provide you with the beds you sign up that you have to build something within a two-year timeframe; so, really, I was going back to them, cap in hand, and saying, “Don’t panic, we’re working on it and we’re working on getting the beds.”

When we went through the process of obtaining the land we put in our application and our architects and property committee people met up with the authority on about five different occasions just to make sure that we had covered everything, to make sure that we were not delaying anything, because we said that we really needed a quick decision. We were told that there should be a quick decision, because everything was in our favour. In the community consultation, no one complained at all. It got to the point where we were finally told that it was going to be in July that we were going to get the allocation. I made an appointment to see the minister and I wrote him a bit of a dirty letter at the time—I actually met him when we put in the application—and said, “If the ACT government is truly wanting to help aged care, let’s see how quickly you can do this. Eight months is still a long time.” The only thing that was holding it up—the community consultation was done early in the piece—was the whole process of getting it through the bureaucracy of government.

When I did meet up with him, he said, “Don’t worry, you’ve got the land.” I said, “Great,

what are the conditions?" He said, "They're coming." It took another two months to get the conditions for what we had to build. Of course, that affected us putting in a development application because we didn't know what we had to design for. One of the big issues we had was car parking. If it was said that it was a special purpose hostel, car parking was 0.25 places per room. If they classify it as a hotel, it works out that it is 0.5, so the car parking space is doubled. In fact, on that piece of land we just could not fit them in, so that was another negotiation thing that happened before we actually got it up and running.

The other problem we have as providers is that we have our own bureaucracy to deal with. If I have the offer of a lease, I have to go to the Uniting Church and get the church property trust to approve the lease conditions. Let me tell you that the churches have bureaucracies themselves, which can be a bit of a hard problem. You can see the processes involved and there is no certainty anywhere along the way that you can put your hand on.

When I came to the ACT and wanted a house, I looked at the market and bought a piece of residential land. I did not have to go through community consultation for people to know that I was going to build a house on it. People realised that. It wasn't until I put in a development application for what I was going to build that that was then perused by my neighbours, et cetera. But when it comes to aged care, there is community consultation when we show them what we think we are going to build at the time we apply. When I have designed what I want to build, I have to go again through a community consultation process.

**MRS DUNNE:** If that is changed, you run the risk of the community saying that it is different, for whatever reason, and that may hold up the process again.

**Mr Siers:** That's right. I understand that one of our members, Villaggio, had a situation where they had to go back because the design took so long.

**Mrs Irvine:** Yes, I think that was the case. My name is Sue Irvine. I am the chief executive officer of Anglican Retirement Community Services. We have facilities in Belconnen and Curtin and in New South Wales as well. I am also on the board of ACS. I think the Uniting Church is slightly different, but some of our other members who have their head office in New South Wales and have significant provision of aged care in New South Wales are saying, "It is actually easier to get land in New South Wales, so why would we come to the ACT?" They could have been providing services in the ACT but, because of the process, they are actually saying that they are not going to do so. I think that that is something else that the territory needs to be aware of.

**THE CHAIR:** With the government's response to those ongoing issues, they have appointed an individual to case manage applications for aged care accommodation to try to streamline that process. It is still very early days, but do you see that as a working solution?

**Mr Siers:** We were very pleased to see that happen, but I must admit that my feeling, one that I think I share with some of the other members, is that I do not think that he has enough teeth. He is a great guy and it is good to have someone hold your hand through the process, but we had a situation when he was first appointed where our residents were

having problems with vandals and we decided that the best option would be to put a fence along our back boundary.

We had the police in. They said that the fence would not stop them, but certainly would be a hindrance to them and the police recommended that we do the fencing. We went to our residents and they said that they wanted a fence, so we went to the planning department and they said that it needed to be a brick fence to fit in with the rest of the area and had to be broken up. It was going to cost a bomb. We said that we just wanted something like a high pool fence that you could see through. The residents wanted to see through it because we back onto a school and part of the nice thing about the facility is that the old people can look out and see the children walking up and down.

We got onto Ross, who is the project officer, and he had a look at it and said, “I don’t see why it can’t happen.” He spoke to them, but it took ages for sense to come through. He can hold our hands through the process and explain it and help us, but it doesn’t at times speed up the process. He is still dealing with the same bureaucrats who unfortunately—there is nothing wrong with them—have to conform to the legislation and have to make sure that all the boxes are ticked. But sometimes the legislation that is there isn’t practical for what we are trying to do.

**Mrs Irvine:** One of the other comments that have come from other providers has been that there is some confusion. We are getting information stating one thing from, say, the minister or others and then we are finding that it can’t be done when we actually go through the process with the actual people who work in the department. There is no consistency or there is an appearance of inconsistency.

**THE CHAIR:** The initial answer that you get might be that it is fine to go ahead, but when you get down into the detail stage you have somebody saying that it cannot happen.

**Mrs Irvine:** Absolutely, yes.

**Mr Siers:** Yes. That certainly happened with car parking on our block of land. We spoke to the people and explained it. We asked them for a draft of the conditions, spoke to them and got agreement, and yet when the conditions came out they had been changed. I understand they used a contractor or consultant to write up the conditions.

**MRS DUNNE:** Are these the lease and development conditions?

**Mr Siers:** Yes.

**Mrs Irvine:** From the industry’s point of view, it appears that the right hand does not know what the left hand is doing and vice versa.

**THE CHAIR:** Is that just within planning?

**Mrs Irvine:** Across the departments.

**THE CHAIR:** Planning, health and CMD.

**Mrs Irvine:** Yes.

**MRS DUNNE:** I want to go back almost to the beginning of what you said, Mr Sadler. You said something along the lines that there is no acknowledgment that the provision of aged care can have a community benefit. I want you to expand on that, if you can. What prompted you to say something like that?

**Mr Sadler:** The feedback from our members to us as a representative body has been that the nature of the community consultation process—almost like the triple checking that goes through, as Mike and Sue have just been outlining—makes it feel as though you are jumping a number of hurdles when, in fact, what we are providing, particularly from the not-for-profit sector, is something of significant social benefit. It appears as though the process, and therefore what the process says to the community as well, is that this is big building, it is big developers, but it isn't necessarily; it is actually something that is seeking to provide a much needed human service for an ageing population. While there are genuine development issues about the size of buildings and their relationship to the local community around them, equally this is something that from a public policy perspective we should be encouraging rather than appearing to make it quite a difficult process to bring online.

**Mr Siers:** Certainly, the issue comes into valuation. When I first approached the ACT government about the land next to Mirinjani, I asked them what sort of cost would be involved and they said that if you are building residential aged care it would be a grant. A little while later, Brendan Smyth came to our facility and announced a new strategic plan and with great enthusiasm told us that our social effort would be acknowledged and we would only have to pay 50 per cent of the valuation. He did not get any applause. We told him that the reason was that we did not have to pay anything before and now we had to pay 50 per cent of the valuation.

The situation then arose, of course, that when they wanted to give land out—I think Calvary was an issue—they got it valued and then there was a discussion as to how to value community land, and there was an argument about that. We are very pleased that, in the Mirinjani case, the land was granted to us. It is purely for dementia specific; it is residential. Of course, with the independent living units, or the self-care, there is quite a concern as to how to incorporate that. Some organisations want to use some of the land for independent living units in order to help them raise the cost of the capital to pay for the nursing home/hostel type of accommodation, and there is concern, I think, from the government as to what is a social benefit and what is not.

**Mrs Irvine:** One of the concerns in that area now is that, if you are not already an aged care provider and if you are building self-care style units, you have to have an ongoing relationship with a provider to demonstrate that you can provide ongoing aged care anyway. You have to be able to support those people who are ageing in a retirement village, yet it is not seen as beneficial, if you like. It is treated separately from residential aged care, which is also of concern.

**THE CHAIR:** In your submission, you welcome the building our ageing community strategy of the ACT government, but there appears to be ongoing concern in your submission about how it would be put into place and that there is little to ensure the provision of care and housing for the ageing population in the territory into the future.

You have already indicated that you think it takes three or four years from having the idea to actually getting a bed with a wall around it and a ceiling on top of it. Would it help you if the government had a five-year plan for land release? They are telling us that at the moment they are only developing a short-term plan, one of two or three years. Do you think that there needs to be a five-year or 10-year plan with targeted sites that can be held for aged care facilities or at least the potential for the work has already been done in relation to that? Do you think that we need a longer term plan?

**Mr Sadler:** Yes, I think that would make things a lot clearer for providers. It would provide an incentive to plan ahead. The relationship with the federal government's aged care planning approval rounds would be clearer, because it would be clearer where land was becoming available. Providers could gear up and look at their capital raising capacity in order to be able to bring an aged care bed on line in a more coherent fashion. The short answer is yes, that would be a big step forward.

**Mrs Irvine:** Especially now with the aged care approval rounds where they are indicating three years in advance from this year the number of bed licences that will be available.

**THE CHAIR:** The government spent a long time talking about their new way of doing things, where they are trying to bring the land release program and the Commonwealth bed release program into one. They talked specifically about section 87 in Belconnen as the first trial run of that. Do you see that as a good idea or one that is capable of working? At the same time as you are getting the land, you are getting the beds, but you are in an open market in that sense.

**Mrs Irvine:** I think the proof of the pudding will be in the eating. I can say that we are actually investigating that side. But, as Mike said, an amount of planning needs to go into that for whomever is going to do it, because you have to come up with design concepts and I know that everybody is looking for innovative ideas for that particular block of land. If we are putting a retirement village on it as well, how is that land going to be valued? Is it going to be in lots where, if you have a residential-type facility, you are going to get a direct grant for that land? I don't think so. I think that the idea is that it is going to go up for tender and some money will have to be handed over. I think that, in itself, possibly is going to hinder some people and maybe hinder the process because, again, how do you value land that is community use land? So the proof will be in the pudding, I think.

**Mr Siers:** But a few issues fall out of that. We really think it is innovative and we want to be supportive of anything that is innovative. It certainly is an interesting solution. We have all been involved in talking about it. In fact, we even objected at one stage because the planning people got us in a number of times and wanted to pick our brains and finally we said, "We're spending all this time telling you what we should be building, but we might not get the job. You might give it to some private developer."

I suppose one of the things we are concerned about with any new person coming in—we welcome new providers coming in, because the growth is so large within the ACT—is that we do not want all these new places just to go to the for-profit sector. Being a not-for-profit organisation, we think there should be a balance between that, because there is still a need for people to be catered for in the financially disadvantaged area, and

we want to make sure that, profit or not-for-profit, there is some requirement for them still to meet that criterion.

There are two issues with land. There are the incremental increases and there are the greenfields sites and there are lots of existing providers who are needing to increase their facility incrementally because the push is to maintain those economies of scale and maintain viability. You have to add some extra beds to your facility. Although it is not as simple as that—it is a bit more complicated—my concern is that the government will just focus on the greenfields sites. They should be looking at how they can help the existing facilities acquire the land they need to maintain their viability. I think it was mentioned in the previous session that places like St Andrews are looking to obtain some land next to them. They have troubles, because of the planning issues that are around, with trying to get that viability.

**MRS DUNNE:** St Andrews has been going on, according to your submission, since 1999, which is longer than I thought that it had been.

**Mr Sadler:** I think it is similar to Mike's earlier point. Often the planning at the facility level starts a bit before the engagement with the ACT government.

**MRS DUNNE:** I want to touch again on the issue of affordability. This is something that we did not raise with the territory, but it is probably worth raising across-the-board. It has been said to me that our current model of building aged care accommodation involves a profligate use of land as the accommodation tends to be single level, for the most part. If land is at a premium, perhaps we should be looking at better ways of capitalising on it. Does your organisation have a view about how to get the best value for your money out of the land?

**Mr Sadler:** It is true that if you look beyond the ACT to aged care developments in metropolitan areas around Australia—of course, I am most familiar with those in Sydney through our New South Wales membership—you will find many very successful aged care buildings, residential care and self-care developments, that were done as high rise or, if not high rise, certainly multistorey buildings in areas where there was not a great availability of land. Inevitably, the challenge that those buildings bring is that, once you have built them, they are much more difficult to adjust as new developments or requirements come on line. A number of aged care providers in Sydney are finding that the federal government's new building certification requirements by 2008 are making it very difficult for them on their confined land blocks to adjust the size of their building, the size of rooms and so on to meet the new government guidelines. But the short answer is that you can build, not just flat, long buildings; you can build quite successfully two, three or four-storey buildings.

**MRS DUNNE:** We tend not to do that in the ACT, though.

**Mr Sadler:** No, I do not know of any that were built like that. I am not sure that there are any that are really multistorey.

**Mr Siers:** We are two-storey.

**Mrs Irvine:** We have two storeys at Curtin.

**Mr Sadler:** That's about it, I think. I do not think there are any with more than two.

**Mr Siers:** I think part of it is the planning requirements, too. I do not think we would be allowed to go up any higher. But it can be done. There are lifts and all sorts of things like that.

**MRS DUNNE:** Where you have a two-storey facility, Mrs Irvine, do you have lifts?

**Mrs Irvine:** Yes.

**MRS DUNNE:** So that, in a sense, you have had to put in a fair amount of investment but you do not get much of a trade-off if you are only going to two storeys.

**Mrs Irvine:** Absolutely. I think that, especially looking at how our low care facility at Curtin operates, it works quite successfully with the double-storey. You could go one more quite easily, I think.

**Mr Siers:** It has great benefits because it keeps them very healthy going up those ramps.

**MRS DUNNE:** Do you have lifts at Mirinjani?

**Mr Siers:** Yes, we have lifts. It is an old facility and it was originally built without a lift. We put that in later as the frailty increased. The other thing is that the ramps which were built are too steep for the present building ratio, too. You can understand that if you see them going down sometimes. They can skid along on their walking frames.

**Mrs Irvine:** If you look at architecture and multistorey apartment buildings now, you will find that great use is made of roof space for outdoor areas, gardens and that sort of thing. There is no reason that you could not do the same in aged care. If you look at some of the international models and what is happening in both the United States and in UK, you will find that they are looking at the hotel-type accommodation model for aged care provision.

**THE CHAIR:** We will have to wrap it up there because of time constraints. I thank you for your attendance today and for your submission. You have been very helpful.



**JIM PURCELL** and

**PAUL FLINT**

were called.

**THE CHAIR:** Mr Purcell and Mr Flint, were you in the room when I read from the card?

**Mr Purcell:** Yes, we were.

**THE CHAIR:** So you understand that. Thank you. As you know, we are inquiring into the provision of planning for aged care facilities into the future. Our main focus is on the planning regime. We don't necessarily have the capacity to question the statistics or the need in the broader sense, but we are trying to understand the planning underpinning all of that. Thank you for your submission, which we have received. Would you like to make an opening statement?

**Mr Purcell:** Yes. Thank you, Ms Dundas. I will make a brief statement and then Mr Flint will also add to that just briefly.

**THE CHAIR:** Mr Purcell, you will need to state the capacity in which you appear.

**Mr Purcell:** I am the Executive Director of the Council on the Ageing, ACT. COTA is a national advocacy in policy analysis and development organisation representing older people. We have not only individual members but also organisational members and a number of residential care providers in the ACT are members of the Council on the Ageing. I note that you mention that you did not necessarily want to talk about the need but I think it is important that we note the changing demographic profile in the ACT over the next few years and recognise that, with that changing demographic profile, the need for residential aged care places in the ACT is going to increase dramatically over that period. It is our estimation, based on the demographic figures available, that about 1,000 residential aged care beds will be needed in the ACT over the next 10 years. As far as we are concerned, that equates to about a new 100-bed facility each and every year from now on ad infinitum.

The need over the next decade will be compounded to some extent by the approval rate that the Commonwealth government have agreed to over the next three years. They have indicated that over the next three years they will be releasing 505 aged care places in the ACT—in 2004-05, 265 new places; in 2005-06, 145; and, in the following year, 95. That equates to 505 residential aged care places, which includes community aged care packages and EACH packages. Over 400 new beds will probably be needed in the next three years. We also have a current backlog of the order of—

**MRS DUNNE:** Sorry, the penny has just dropped as to why we see two lots of figures—210 and 265 for this financial year. The figure of 265 is for all the places; 210 is for high care beds. Is that right?

**MRS CROSS:** No, 505—

**MRS DUNNE:** You just said that there will be 265 places this financial year. That includes community places.

**Mr Purcell:** That includes community places, yes.

**MRS DUNNE:** The Commonwealth said 210 beds previously in their submission.

**Mr Purcell:** Yes.

**MRS DUNNE:** Sorry, these two numbers have been running around in my head. The penny has just dropped.

**THE CHAIR:** As you note in your submission there is some confusion over actual terms that are being used.

**MRS DUNNE:** That was the sound of the penny dropping.

**THE CHAIR:** Please continue, Mr Purcell.

**Mr Purcell:** Thank you. In addition to these places, we have a current backlog of around 200 beds. As you know, there are two major facilities yet to be built—the Calvary facility at Bruce and the Southern Cross Homes facility at Garran. There are a number of other smaller developments occurring now with already established places. I think it is important to clearly understand what we are talking about and that is why we put the definitions in our submission. I will not go through those, but one of the problems that we have noted over a number of years, in talking to the community, the bureaucracy and the government about aged care, is the confusion about the various forms of aged care and what constitutes aged care, independent living units and retirement village units. There is a great deal of confusion, particularly in the community, that a retirement village, for instance, is an aged care facility. That is not the case; it is an independent living unit and no aged care is provided whatsoever.

The issue of land availability is a major concern to the Council on the Ageing. We have proposed now for a number of years that the government establish a land bank responsible for identifying and providing land that is development ready as soon as bed allocations would be made by the Commonwealth. That would mean that a certain level of community consultation would have to take place well before any bed allocations were made. The previous submission we just heard from ACS is that the planners will not look at it without some sort of indicative plan about what might go on the site. What we are saying is that they need to scrap that process and identify the land for a residential care facility so that it is development ready.

The other issue that we are most concerned about is community attitudes to the building of residential care facilities. Unfortunately the community tends to want to

see a little bit more detail about these things and one objection can cause significant delays in the building of facilities. If we can educate the community about the benefits of residential care places and the fact that building a residential care facility in the community will enhance rather than decrease from your residential amenity that would be a good thing. A whole range of other options need to be considered as well in relation to the ageing of the population, with better housing and better services for older people. There are certainly emerging technologies that are going to assist us to keep people out of residential aged care.

We certainly welcome the government's initiatives in relation to building for an ageing community and welcome the appointment of a case manager in the Chief Minister's Department to facilitate the building of residential care facilities and other older persons' housing. We have proposed to the Commonwealth on a number of occasions that they change the way they allocate residential care places. We have suggested that they have a pre-approval process whereby a provider is guaranteed the allocation of beds so that they can go to the ACT government and say, "We have pre-approval of beds. We now need the land" so that when the facility is built the beds will be allocated immediately. The Commonwealth government have indicated that they will provide indicative allocations. That has happened for the first time this year: they have given indications for three years of exactly what they will be providing. That is all I have to say but Mr Flint has some things to add.

**Mr Flint:** I am the Deputy Executive Director of COTA. In compiling the submission within COTA there are a few things that stand out that are not necessarily written as such. I distilled this down to four points. The first point is that residential aged care places are urgently required. If you look at the acute care sector, the community care sector and this sector itself, they show that, under any measure, we need a significant number of places. You can debate what the number is, but that is not really important; the fact is that we need a significant number.

The second point is that the situation will only deteriorate unless we have a greatly accelerated and more effective mechanism to implement the planning processes and the construction of aged care facilities. Significant change is required. Doing more of what we have done for the last decade is doomed to fail. So that, again, is a blatantly obvious point. The third point is that Commonwealth funding for aged care is not overgenerous. The implications of that are quite widespread because it means that, in effect, you are not going to have investors rushing into the market or banks willing to support facilities from scratch and total funding. You have to have some sort of funding mechanisms in there. Unfortunately the Hogan report is not going to change the situation greatly.

The last point—I really stood back and looked at it—is that an immediate effective planning response is needed. There is no doubt about that in my view. If you take the most recent greenfields site in the ACT, you are looking at roughly a decade for the whole process to go through of building, from stage 1 to stage 2—however many stages there are—until you have a completed site at the end. If we add to that what seems to be happening at the moment, we have another decade of the whole planning process before it, from the stage where we get somebody initially wanting to consider

a residential aged care facility. We could be looking at doing something tomorrow and not seeing the full fruits of it for another two decades. That is totally unacceptable.

**MRS CROSS:** Could I seek clarification? Mr Flint, I have just made a note of the four points that you have said are very important. The first point is that residential aged care places are urgently required; the second is that you would like to see the planning process accelerated; the third is that federal funding was not overly generous; and the fourth is that immediate planning responses were needed.

**Mr Flint:** Yes.

**MRS CROSS:** Can you just distinguish the difference between the immediate planning responses needed and accelerated planning process?

**Mr Flint:** Basically we are saying that we cannot just do more of what we have done; therefore, the option is that we have to make substantive changes to the process.

**MRS CROSS:** I did make a note of that. You said that if we do that for 10 years it is doomed to fail.

**Mr Flint:** Yes.

**MRS CROSS:** By “accelerated planning process” you mean reviewing the planning processes that exist now, getting immediate planning responses to issues, rather than waiting for a long time. It is the same thing really, isn’t it?

**Mr Flint:** One is looking back at the analysis of the processes that people have been through in recent years or the last decade or two decades. The other is saying, “Given that we have come to that conclusion, we have to look forward.” To go forward, we need some very substantial changes. It is not an incremental change that is needed.

**MRS CROSS:** Thank you.

**THE CHAIR:** In the submission you have put forward, you noted that there are people who have approached you to seek advice on the provision of aged care facilities and who end up saying that it is too hard and walking away. How often does that happen, where there are people who are willing to meet the demand that is there but become so disenchanted in a sense that they wash their hands of it?

**Mr Purcell:** We see a potential developer probably once a month or a bit less often than once a month. Some of them, though, are just doing a little bit of fishing rather than having a capacity or an understanding of what is happening. Others are genuinely looking at the possibilities of investing in the ACT or building something in the ACT and have a capacity to do so. Probably once every six months or so we would see somebody who has a real and genuine interest in doing something but deciding not to progress because of the problems they perceive in the ACT. A number of reasonably innovative care models exist in other states and territories

that do not exist in the ACT because people do perceive the planning difficulties in the ACT to be a problem. Although, having said that, there are people who have told us that planning in some other places is even more difficult than the ACT.

**THE CHAIR:** But you are saying that the planning processes are stopping us moving forward with innovative ideas for the aged care community.

**Mr Purcell:** There is a perception that that is the problem, yes.

**MRS DUNNE:** Mr Purcell, what sorts of innovative approaches are we not seeing here?

**Mr Purcell:** I will give you an example. A model exists in Queensland and is now being implemented in New South Wales, and there have been some thoughts of something similar in the ACT: a hostel type model has been developed and people who are on the pension but cannot afford to buy into a facility are provided with basically an assisted living unit. They pay a proportion of their pension and rent allowance to the provider who provides them with a room, laundry and meals—and that is on a large scale. Those units are then sold to investors who get a return on their money. I don't know how the dollars all stack up, but it is an investment model which—

**MRS DUNNE:** So it is hostel type accommodation.

**Mr Purcell:** It is hostel type accommodation; it is not care type accommodation.

**MRS DUNNE:** It's like Abbyfield?

**Mr Purcell:** Yes, very similar to Abbyfield, but on a much larger scale than Abbyfield. That is one model that we don't see a lot of. We don't see a lot of assisted living units in the ACT. We have had a number of people approach us about the prospect of assisted living units in the ACT. Again, they are not subsidised care facilities. There are a number of them provided, I think, by Ridgecrest and by the Grange at Deakin.

**MRS DUNNE:** I am sorry, could you just expand on what you mean by assisted living?

**Mr Purcell:** Assisted living, again, is the provision of an independent living unit whereby additional services are provided such as heavy linen, cleaning and all meals. That basically takes the burden off the individual to do those particularly heavy tasks. By doing that, it keeps them out of residential care. If a person is unable in their own domestic situation to do the laundry, cleaning or prepare meals, obviously they need assistance. A lot of those people go into residential care but they don't need a great deal of care; they just need those services provided. If they are provided in a facility where they pay for those extra services, they do not need additional care, so the cost to us as a community is reduced tremendously because people are self-providing.

**THE CHAIR:** On that point, you note in your submission that there is a high level of demand among people who could use that kind of support in their homes; they don't need to move into a new facility. Do you think that greater support for Meals on Wheels, home visits of carers and the "non-beds" that the federal government puts forward as part of their aged care allocation for people living in their own homes will reduce demand for aged care or at least stabilise it?

**Mr Purcell:** That is a difficult question.

**Mr Flint:** There are offsetting effects. But the reality of it is that there will still be an increase in demand for residential aged care. That is why I made the first point. You can debate the level of increase, the actual number, but it will still be a substantial number. If we doubled the number of people that got that support in their home, it would not cause the demand for residential aged care to go down.

**MRS DUNNE:** I just wanted to talk about some of the other models that we may or may not see. One of the things that we almost saw in the ACT was the model developed by St Vincent's of Aranda of helping people age in place. They provided supported accommodation with the aim of providing HACC packages to assist people, but that fell over because of planning costs and betterment. Do you think there is prospect of that sort of model succeeding if we can get over the hurdle of betterment?

**Mr Purcell:** Yes, I do. I think some of that already exists in the ACT whereby people are provided with some care at home, but the concept of ageing in place and having an independent living unit that is adaptable to your needs as they change is incredibly important. We believe that just about 100 per cent of housing in the ACT ought to be adaptable and accessible housing. If you build to that standard, it does not disadvantage anybody at all; in fact, everybody is advantaged by that sort of capacity.

Where you are able to keep people at home and provide them with a relevant level of services which meet their need, I think that is a much better option than taking those people out of their home and putting them into residential care. The cost of providing residential care is very high, there is no doubt about that. The community generally would rather stay at home than be kept in residential care. But, having said that, as Mr Flint said there will always be a demand for residential aged care. We would like to see a much greater emphasis on building adaptable and accessible housing and the provision of services in the home that allow those people to maintain their independence, albeit with a reasonably high level of services, so that they can remain effective members of the community.

**MRS DUNNE:** Are you saying, Mr Purcell, that if we got into the habit of building adaptable and accessible housing, you would bring down the building cost? Rather than it being something special that you have to go off and think about, if the building code approached the standard for adaptable and accessible housing, eventually the economies scale would be such that you would bring down the cost, because there is a premium at the moment?

**Mr Purcell:** Yes, we believe so. We believe that if you built to that standard, then the cost would be absorbed within the overall costs. The premium might still be there, but it would be a much reduced premium. I cannot give any indication of what it might be.

**MRS CROSS:** Mr Purcell, it seems to me that we are playing catch up. When I look at the figures that were quoted by you before—it might have been by Mr Flint—the numbers go from 505 down to 265, 145 and 95. We already know that we have an ageing population. What is the solution to this problem? Instead of playing catch up, what is the solution?

**Mr Purcell:** As I indicated before, I think one of the major solutions relates to the effective development of a land bank in the ACT—that is, that the ACT government identify land and go through the preliminary planning processes and the community consultation very early on—years in advance of when it might be needed—so that that land is development ready. As soon as the allocations are made, the provider can go to the ACT government and say, “I wish to have that land allocated or buy that land”—whatever the process is—so that they don’t need to go through the preliminary process of saying to the community, “This is going to be a residential care facility” and then having that initial consultation. So you cut out that whole process. I think you could expect to reasonably build a facility within the two-year time frame. Although we all know that the two-year time frame is very difficult to meet.

**MRS CROSS:** Were you here earlier when the ACTPLA representative spoke about the work that they are doing, which is three years in advance?

**Mr Purcell:** No.

**MRS CROSS:** Would you suggest that long-term planning, five to 10 years, would be more appropriate?

**Mr Purcell:** Twenty years might be more appropriate. Certainly three years is inappropriate. We know that we are going to need 500 new places over the next three years. I understand that there are sites identified in Canberra at present which will account for 300 or 400 beds over the next few years, but that is just the beginning of it. That basically has to be sustained forevermore.

**MRS CROSS:** That is right.

**Mr Purcell:** Unless we have an ongoing plan, and understand that we are going to need these places over a considerable length of time, then we are going to fail.

**MRS CROSS:** You will continue to play catch up.

**Mr Purcell:** That is right. The other thing we need to recognise, though, is that models of care will change and we need to keep up with those models of care.

**MRS CROSS:** But if you have a land bank, you can adjust the models, as long as you have the place to put it.

**Mr Purcell:** Yes, you can.

**Mr Flint:** In the planning process, they seem to be quite good at planning for schools within areas. Yet we know that peak demand for schools within a suburb is within the first decade. We also know that the peak demand for aged care facilities within a suburb is three or four decades down the track. So it does not seem to be too difficult to have at least the same level of competence in planning for aged care facilities. We seem to be very good at doing it for schools, but we are not good at looking further.

**MRS CROSS:** Which is probably a reflection of the neglect of the ageing.

**Mr Flint:** Yes. It is because you don't need the immediate response when a suburb is built or within a few years of it, and so we have not done it very well. We have sizeable parts of Canberra with either only a single facility or no facility at all. Any other place in Australia with 25,000 people would not have no aged care facility.

**MR HARGREAVES:** Do you think that is because we seem to be Canberra-centric when it comes to aged care facilities but suburb specific when it comes to things like schools and shopping centres?

**Mr Flint:** That is part of it. Even so, we know we are designing something much bigger than a single suburb every time we design a new area of Canberra, so it should be there somewhere.

**MRS CROSS:** It should be part of the infrastructure.

**MRS DUNNE:** I just wondered if I could—

**MR HARGREAVES:** Sorry, I would like to ask this question as this is starting to pique my interest. When we open up new suburbs, we put in shopping centres and schools. That seems to be the history of this town since the first suburb was created. Am I correct in thinking that we don't plan for older suburbs?

**Mr Flint:** Yes.

**MR HARGREAVES:** Our planning concentration is on new stuff. We plan for urban infill and that sort of thing which is residentially concentrated, but we don't have a strategic plan for the older suburbs; we just let them roll and strike the Narrabundah/Griffith experience and then say, "Oh, bugger, look what happened there." That seems to be the extent of our planning expertise with older suburbs.

**Mr Purcell:** Mr Hargreaves, I think that that is true, but if you look at the nature of Canberra back in the 50s, 60s and 70s, it was a very young town and very little was thought about an ageing population. For quite a few years, we did not have much of



an ageing population, because when people retired they went home to Melbourne or Sydney.

**MRS CROSS:** Or Queensland.

**Mr Purcell:** Or Queensland. That does not happen anymore, but we still have not got out of the mould of not planning for an ageing population. I think we are getting better at it. There is recognition now that, when you build a school, it might have an economic or a productive life of 30 or 40 years and then at least part of that school will need to be used for something else. So I think there is recognition of those sorts of things happening now, but I don't think we have taken that extra step and recognised that we have got to build for an ageing community.

It has been a long concern of mine that we don't recognise that—not just in the provision of aged care but in the whole provision of facilities and services for older people. As the demographics change, there is going to be a radical change in the way the town looks and operates. The way we provide retail services, the way we provide housing services, the way we provide entertainment and the way we provide recreation are all going to change dramatically over the next 20 or 30 years. I don't think that we collectively as a community understand that and understand what the implications are. Certainly from a planning point of view I don't think we have understood that or are even starting to understand what that means to us.

**MR HARGREAVES:** We have realised now that the nature of the town has changed such that we need to plan for when the demographics of a group of suburbs will change. For example, we seem to be looking at the non-educational use of schools where enrolments have dropped to such an extent that they become unviable. We need to look to the future and ask, "What do we do now?" I have not heard anybody say, "Oh, there is a school there. We can regionalise education, knock that school down and release it for aged persons' accommodation because it is sitting smack in the middle of the suburb, next to the shops, transport and all the rest of it."

**Mr Purcell:** That should happen.

**MR HARGREAVES:** That should happen, yes. Thanks for that. You thought I was asleep, didn't you?

**THE CHAIR:** Last question, Mrs Dunne.

**MRS DUNNE:** I just wanted to touch on this issue briefly. I think it is an important one. Mr Purcell, you spoke earlier on about community education on the need for aged care. In a former life, I saw the beginning of the development of the Southern Cross proposal at Garran. You tend to get a whole lot of people who say, "Gee, I always walk my dog there" or "I throw my frisbee there and I don't want a building there." We are also seeing elements of the community at Belconnen saying, "This is the lake shore and we don't want buildings on the lake shore." As a peak body, how would you like to see the issues of community consultation education addressed?

**Mr Purcell:** I think the concerns that the community raise are based on an unrealistic idea of what might be being developed—the fact that there might be some loss of amenity as a result of the development of these facilities. However, the boot is clearly on the other foot when families come to us and say, “We can’t get our parents into residential care” or “We can’t find a residential care place.” They are then concerned that the community has not reacted appropriately and had these facilities built.

Educating the community about the changes that are going to occur as a result of an ageing of the population is simply getting out and educating the community, talking to the community about the different needs of the community, getting them to understand the development of a facility which caters for older people is not going to be something which causes their properties to decline in value or their residential amenity to be compromised in any way, shape or form. Generally you will find that, where facilities already exist within communities, the communities welcome those facilities. It is in the greenfields sites and the suburbs where there are not these sorts of things that people do get concerned. I think it is a much broader social issue—it is not just related to residential care—about understanding the nature of our community and the changes that are going to occur over the next few decades. A lot of people don’t want to know about it and don’t want to talk about it because it will mean a radical change to the way we do things now. It will mean that people will demand different things than they demand now. People will not want to continue to live on the quarter acre block; they will want something a little different.

Educating the community is incredibly difficult, as we found out over time. With the ageing of the population we say to people, “You need to understand it and be prepared to do it”, but people generally don’t. What happens is they wait for some sort of crisis to occur and then they seek advice and assistance. But certainly it is up to the community, it is up to government, it is up to business, it is up to everybody to educate the community in the best way they possibly can about the changes that are occurring. Certainly governments have a major role to play in all of this, but getting the message across is incredibly difficult.

**THE CHAIR:** I think we are going to have to end it there because of our time constraints. Thank you very much Mr Purcell and Mr Flint from COTA. Your submission has been very useful.

**BRUCE McKENZIE** and

**GAYE D'ARCY**

were called.

**THE CHAIR:** I welcome Mr McKenzie and Mrs D'Arcy from Goodwin Aged Care Services. Were you in the room when I read out what was printed on this card?

**Mr McKenzie:** We were not.

**THE CHAIR:** Okay. I will start by doing so. You should understand that these hearings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal actions such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

As you are aware, we are conducting an inquiry into planning for aged care services. We have received your submission and we thank you very much for that. We would ask that, for the benefit of Hansard, when you first speak you introduce yourself and state the capacity in which you are appearing today. Do you have an opening statement that you wish to make to add to your submission or would you prefer to go straight into questions?

**Mr McKenzie:** Bruce McKenzie. I am the chief executive officer of Goodwin Aged Care Services. In opening our submission, it was interesting to pick up on the position taken by COTA with regard to the future land bank. I am sure it is fully understood by the community that, whilst there is land needed for the future, a massive demand already exists for aged care beds.

When the Commonwealth allocates beds to providers it is on the basis of the need now. So there are 250-odd beds in the system that should be built. Well, we are 250 behind where we should be. There is a need for future planning of where the aged care facilities will be—the future requirements. So we need to be able to find a method to catch up on the existing beds needed in the system.

The consequential effect is on the waiting lists that each of the aged care providers in the ACT has. At Goodwin we have got 643 people on our waiting list waiting to be put into aged care, into beds. There is duplication and we advise people to put their name on every waiting list around Canberra. But it's not all duplication for the 643. By way of background, we are the largest aged care provider in the ACT; we have 200 beds. That puts it into perspective.

Another issue I would like to bring to the attention of the committee is that the ACT government tends to concentrate on beds because that is the only thing for which

there is any government funding from the Commonwealth. There is no recognition of the independent living units that exist in the ACT and how, through the different community aged care packages that exist from the Commonwealth funding or through the HACC program, people are able to live successfully in their own homes which require low care. Goodwin has 133 people it currently provides those services to in their own homes.

There is a pilot program of four or five providers administering 20 beds in retirement villages. By providing care to people in the retirement villages, it is proving you can keep them out of an aged care bed. That doesn't require the capital contribution of an average of \$100,000 a bed to build a facility to run those types of models. It also doesn't provide the panacea that you don't need residential aged care facilities.

**MRS CROSS:** What is the cost? If it's \$100,000 to get them in—

**Mr McKenzie:** We work on \$100,000 per bed.

**MRS CROSS:** How much is it in their home?

**Mr McKenzie:** Well, it's their own home so all you are up for is the care. We get about \$31 per day subsidy to do that. By comparison, you get a minimum of around about \$27 in a residential facility, plus some allowances, so it actually costs the federal government less to provide community aged care packages.

One of the proposals that we have been pushing to the ACT government and to the Commonwealth government is to get some flexibility with regard to what can happen with the 250-odd beds that have already been approved, that there are finances for sitting in the Commonwealth system, and trying to say, "Look, it might be an option to convert that money to be able to be used for community care purposes." There will always be this lead time.

We are about to go into a funding application process within the next couple of months. Traditionally it happens around August. The Commonwealth government announces in the new year who has got the beds. It is still going to take two years to build those beds. So there are another 265 beds ready to be approved next year which are funded, but they won't come out into occupied beds for a couple of years. So we need to be smarter in asking how we use those monies in other ways on an interim basis. Do you set up a bank of community care packages that could be used for the same funding purpose?

I was interested in COTA's position on different models. I have got some models I would like to discuss with the committee about what Goodwin's future delivery methods will be, which are different to the current methodology.

**MRS CROSS:** Can I just clarify something before you move on to the models?

**Mr McKenzie:** Yes.

**MRS CROSS:** You said earlier that it costs \$100,000 to build a bed in a facility versus \$30 a day to look after a person in their home. Is that correct?

**Mr McKenzie:** That's correct.

**MRS CROSS:** I have worked out that that is probably \$100,000 for a bed versus \$10,000. That is per annum you are referring to—\$100,000, for one-off cost?

**MRS DUNNE:** No, capital cost.

**Mr McKenzie:** It costs the provider \$100,000 to build the bed and then they get a subsidy—

**MRS CROSS:** Whereas it costs \$10,000 a year to look after somebody in their own home?

**Mr McKenzie:** They will get a subsidy of the same sort of minimum amount to look after them in that \$100,000 bed.

**MRS CROSS:** Right. Okay.

**Mr McKenzie:** So you have still got a recurrent funding in both but it's a higher level. It depends on the level of the need as to how much that can receive.

**THE CHAIR:** I have a question on this topic as well. We are talking about the cost comparison between on-site care and home care. What are the actual social implications of that? Do you have a preferred model. Do you think that people cope better when they are allowed to stay in their own home and get support there?

**Mr McKenzie:** I have a personal view that the quality of life is much better if you remain in your home and have the care provided to you. But it is not just a Utopian position where it will be at all cost. It will get to the stage where ultimately we cannot deliver sufficient care to someone in their own home. There is a lack of actual resources in terms of staffing with the capacity to do this. As we well know, there are nursing shortages. As a person's care becomes high, you need to introduce greater levels of skilled people. There is a shortage in the wider community of those people and we have to face that fact.

But, certainly, people with low care, some people with high care, can be given that care in their own home and hopefully will never have to go into a residential aged care facility. But we still need them. I believe the model of the future will be more people staying in their home, people living in assisted living with the care being delivered to them. That could almost replace what we currently see as a low care or a hostel. So the people entering into a residential aged care facility would be entering at much higher levels of care than we currently see them enter. It could be that 100 per cent of people are actually high care in a residential facility. That is a vast

improvement, a better use of people's capital, and a far better quality of life for the people who don't have to leave home.

**THE CHAIR:** So you envisage in the future that we could actually not have a need for hostel type accommodation, that we could deliver that to the—

**Mr McKenzie:** The majority of hostel accommodation would probably be used for nursing home standard high care.

**THE CHAIR:** So you take that facility and you readapt it, and in the meantime you are dealing with people with low-care needs in their homes. Do you have an idea of the proportion of people whom you currently look after in Goodwin who could have been cared for in their homes but, for whatever reason, have elected to move somewhat early?

**Mr McKenzie:** We don't have those sorts of statistics. But it is interesting to talk to some of the long-term residents. We have got residents who have been there 20 years and for whom we get no subsidy because they shouldn't be there. But they are there. And when you talk to them about the future model of assisted living and how assisted living can help, they say, "Look, I would have gone into that if that had been an option, but it wasn't an option." It just exists in the ACT barely but it's another delivery mechanism interstate that is used quite effectively and one that we would want to bring to the ACT.

If you can provide security, comfort, oversight of the people's medication, some companionship. None of that is care in terms of the way the Commonwealth looks at things. But that is what the people needed—some security around their lifestyle, physical security and emotional security, and that's why they came in. Their husband had passed away, he had provided all of those things to the person and they didn't have another option—it looked the way to go at that time.

We need to start saying that is not the way the system will be able to cater for the need and the growth of what is coming through. We need to be more selective about who gets into a facility that is going to cost \$100,000 per bed, remembering that there is no government capital involvement in that at all. Using the resources most efficiently by providing community care to someone in their own home or someone in a retirement village who doesn't need to be put into a facility, is a better use of all of those resources.

**MRS DUNNE:** There are a couple of issues there, Mr McKenzie. In the Commonwealth's evidence this morning they talked about their 108 beds per thousand in the population and they talked about 20 per cent of the community and then 40 high-care beds and 48 low-care beds as essentially the formula. But what you are actually saying is that those 48 low-care beds in a sense could be, in a lot of cases, better provided by way of community packages.

**Mr McKenzie:** Some of them could be, not all of them. I don't want to make

a blanket statement. It might be 20 per cent of those. I need to recognise and congratulate the Commonwealth. They have doubled the number of community age care packages in that formula. It previously was 10. It becomes 20 in that formula, so there is a recognition of it. We are satisfied with that as an outcome, expecting that there will be evolution over time where it might become 30 or it might become 40 per 100 as the model proves itself.

**MRS DUNNE:** Okay. The other thing I want to go back to—this is something you touched on—is that currently we have got funding for 265 beds this financial year of which 210 are—I don't whether they are high-care or high and low-care beds actually.

**Mr McKenzie:** They would be both. There would be a combination of both.

**MRS DUNNE:** But they are in facilities and, roughly, the 55 are in the community. But what you are actually saying is that those 210 in particular are going to take a certain time to build. Are you saying that they are actually funded from the beginning of this financial year?

**Mr McKenzie:** The funds are available for them.

**MRS DUNNE:** So the \$27 per bed per day is already there?

**Mr McKenzie:** It's my understanding.

**MRS DUNNE:** This is probably something we can follow up with the Commonwealth. So it is already there; it is sloshing around in a hollow log in the Commonwealth Department of Health and Ageing waiting for Goodwin or someone to build the beds and put someone in them?

**Mr McKenzie:** I have been informed that it is available from the end of that calendar year.

**MRS DUNNE:** So they come on line now. But by 1 January next year there is money for 200 residential aged care packages at, say, \$20-\$30 per person per day and we could be actually using that money in anticipation of them coming on line.

**Mrs D'Arcy:** Gaye D'Arcy. I am the finance manager from Goodwin. What happens is the funding round closes in November. The places are generally allocated by January/February of the following calendar year and from that time the money is available. So if you actually had your beds already built, sitting there, vacant—

**MRS DUNNE:** On spec.

**Mrs D'Arcy:** Yes, you would be then able to start collecting the money straight away. But what generally happens is that there is quite a time lag because it takes, at a minimum, 18 months to two years to build them, even if you have the land

available straight away. So that money has been allocated from the time that you have had approval for the beds. So they have got a slush fund, in a sense, for that period while the beds are not built.

**MRS DUNNE:** Okay. It is probably not quite in the terms of reference of this committee but it is interesting.

**THE CHAIR:** You wanted to talk about different models of providing aged care. It might be useful just to have a quick discussion about that now.

**Mr McKenzie:** Okay.

**Mrs D’Arcy:** I suppose we have been talking about people having care in their own homes and people entering into aged care homes, and how people would prefer to be looked after in their own homes. What we are finding is that, while that is the case, there is a great sense of security for people to enter a retirement village in the sense of the retirement village having both self-care units and some form of assisted living and residential aged care. You often find that when people become a widow or widower, what they then want to do is enter a retirement village. Because we don’t have a wonderful sense of community here, and I don’t think we do anywhere much in Australia anymore, they find that they get that back when they enter.

So I think the concept of a retirement village is still critical because it gives elderly people a sense of security and companionship. What often happens is they have a sense of isolation in the community. We deliver 120 community aged care packages and we often have people who are managing very well but they have terrible social isolation. We are trying to put some programs into our community program to address that. But if they move into a village of some sort, even if they are getting a community aged care package in the village, they are supported socially. And there is a great lot to be said about that concept of a retirement village.

**Mr McKenzie:** In preparing this morning I thought, “What am I going to say?” I have given three submissions to the committee—and one on section 87 as well, which I hope has found its way through to the committee. I thought probably it would be useful in the context of the terms of reference of the committee to talk about some of the planning implications of what I am trying to do at Goodwin.

Goodwin has got three residential aged care facilities. One is at Ainslie, which is ageing—it is 43 years old and needs to be replaced. It is built on a grid pattern that has got a corridor that is 90 metres long. Our average age of people is 89, and that is—

**MR HARGREAVES:** Looks like the old dragway site to me.

**Mr McKenzie:** They are really older than 89. There are a couple of young 70-year-olds who bring it down, but I estimate that probably closer to 91-92 is the average age of people. They are all on walking frames. So you say to someone, “Well



come down for breakfast at 8 o'clock," so down they come 90 metres for breakfast and then back 90 metres. At morning tea time they come down 90 metres for morning tea and back again. They come down for lunch. Then they have to have a nap, go back, come down at afternoon tea and go back. I have calculated that they are being asked to travel up to 900 metres a day on a walking frame.

At Farrer the corridor is a total of 170 metres long from one end of the building to the other, with the dining rooms into the centre. You can't pass one another going down the corridor with a walking frame because these places were designed in an era when we didn't have the level of frailty that we have now.

At our Monash facility, which is the newest of them, it is a cottage style where there are 16 beds. It is like a big Abbeyfield House—it is very similar to that—and each person has got everything provided in that cottage and they don't have the long corridors.

So we have been looking at how do we design for the future. You can imagine the staffing implications of someone travelling those corridors. Pedometers have been put on them and they are travelling 10 kilometres per day. When you have got a lack of skilled resources available you don't want to say, "Well, walk 10 kilometres a day during working hours as well." So we need to be more efficient in that, but we also need to improve the quality of life for someone.

The implication for someone who can't travel that distance is that they stay in their room, you haven't realised they haven't come down for morning tea or something, they start getting off colour because they haven't had their meals and you have immediately impacted on the quality of that person's health. So we have been looking at how to eliminate corridors as best we can; how to create an ambience where people can come and be part of a community within that retirement village rather than "I'm only going to go down to the first one and you'll put a little morning tea room in for me or something," because if that happens they don't see the rest of the community in which they are living.

So we have come up with a model that is based on multiple levels where the ground floor is all the communal areas and it is all serviced by lifts. We have to have fire escapes for fire purposes but, to be honest, we are not intending to use them for stairs. There are multiple lifts in the facility where all of the community facilities are on the ground floor where you can take people down to dining rooms if they want to go down there. But, equally, you can have them on each of the floors above so that it replicates that cottage environment.

But essentially you must get them together for communal activities like lounge rooms, watch TV, theatre, those types of things, rather than, "Well we'll put a room up the end because you can't make it." They become very isolated within the facility. To do that, we have wings that come off it. I have brought some plans we are working on. You can get a picture of what I am talking about. Everything in the centre wings off that where you can get 10 beds per wing. You only have to get past

five rooms in the corridor and you are straight to a lift.

**MRS CROSS:** And you have an eating area in each wing.

**Mr McKenzie:** You would have one there for those who can't make it downstairs. But the idea is we would really like you to come downstairs and be part of the community. We are still looking at whether that sort of has an institutional effect as well. But there is enough room to be able to have a lounge room on each floor, and the dining facilities and some activities. But we really want them to come downstairs and be together. To do that it gets 10 beds per wing, 40 per floor. You need three or four floors to be able to achieve a 100-bed facility plus all the activities areas and common areas on the ground floor.

That is the model that has come up this year in each of the planning studies of the Land Development Agency for the four sites that they are looking at for the land bank. Each one of those that they have looked at is a multiple level outcome.

**MRS CROSS:** That was 10 beds per wing, 14 wings per floor?

**Mr McKenzie:** Four wings per floor.

**MRS CROSS:** Four wings.

**Mr McKenzie:** But you could have equally three. One or the other. One we are looking at is three wings per floor. It depends on what land you have got to work with. But the main thing is to try to eliminate the corridors as much as we possibly can. You are going into a different building cost because you are going multiple level rather than single level. It costs you more but you are getting more efficient use of the land.

One of the things I have been saying to the minister is that we need to use our land more efficiently than we are now, apart from asking the government to keep finding more and more land. And that is the proposal I have got for our Ainslie. Now, Ainslie is a single level suburb where people will say, "Where is this high rise coming out of?" But if that is what is needed in terms of delivery of aged care, people need to accept that it's not residential; it's an aged care built outcome that is required to achieve that.

Part of our mandate is to use our resources the most efficiently we can, and from a community's perspective they can never ever do anything else in Ainslie for the future. All the government can come up with is greenfield sites going further and further out. But for anyone who wants to live in the existing suburbs, the community is going to have to weigh up "I want to go in there" or "I want mum to go in there" as against "I don't think you should be allowed to build that". And that is going to be the thing of the future for Goodwin. We are looking at greenfield sites but we are also looking at our existing facilities and trying to have some impact on the level of demand that exists for people that want to age in an aged care environment.

**MRS DUNNE:** Mr McKenzie, how many people are currently in Ainslie?

**Mr McKenzie:** 70.

**MRS DUNNE:** And with a model like the one you have just shown us, how many—

**Mr McKenzie:** That would be 100.

**MRS DUNNE:** It would be 100. You might find that the community sort of says, “Well, Ainslie is a single level suburb and I don’t want to pay the premium for another 30 aged care beds. How do you get around that?”

**Mr McKenzie:** What it does is it uses a lot less of the land than is currently used now. What we were looking at is master planning the entire site so that we would have a larger number of independent living units but a significant number of assisted living units in the site so that people would have a graduation from independent living, through to assisted living, through to residential care.

If the world works out the way I would like it to, in the future they would only be coming into that residential facility as high care because we had managed to keep people in the assisted living units. Assisted living units are smaller than what we are normally used to for residential because you are talking about people who are quite old, are frail and who don’t have a need for three bedrooms. Interstate they are about 30-35 square metres—a small one-bedroom unit.

We are looking at something bigger than that but it is not the residential scale. And you deliver care to them. Initially, it’s the laundry, cleaning, meals. As they become more and more frail you then start introducing personal care, hygiene assistance, even medication management if necessary. And it should be possible to put some of the people currently entering into residential care into those. The benefit for the government is it costs them not one cent to have that model. That is paid on a user-pays basis. That wouldn’t count as beds.

**MRS CROSS:** Can I ask a question on that? If you were looking at doing 10 beds per wing, four per floor, and you were offering separate eating areas, wouldn’t that cost more than having just one central eating area?

**Mr McKenzie:** It would cost Goodwin more to build. What we need to do is to work out how big is this facility in terms of square metres and can we afford it? We are not there yet. But that’s what we need to do. Just on construction cost, it is going to be 50 per cent dearer than for single level because it is multiple level.

**MRS CROSS:** Which is passed on to the client.

**Mr McKenzie:** And the way we fund it is through what we do with the independent living units on a loan and licence basis. That provides the capital to be able to build

it. But equally, we don't want to build another facility that has got a 100-metre corridor, and that's what is being pushed in most of the models interstate—just massive single level environments.

**THE CHAIR:** Can I just ask a slightly off-topic question, and we are running out of time. Are the models that you are putting forward and the current facilities that you operate all single person accommodation?

**Mr McKenzie:** Some are couples in there.

**THE CHAIR:** Where they are able to share a room and share a bed?

**Mr McKenzie:** In the residential we have got some double rooms, so it's one bathroom, two bedroom, with an adjoining door but it's only used by married couples.

**THE CHAIR:** Okay. I'm thinking also now of provision for the future. We should be aware that possibly couples are going to live longer or couples are going to come together later in life and require more support as they age. So it's not just about demand on frailty and walking access; it's demand on, I guess, the different type of accommodation that people are looking for.

**Mr McKenzie:** The brief we have got for Ainslie is for 10 double rooms as well as 90 single rooms, and they are a larger room. The complexity with that is where one partner needs to be admitted for residential care and the other one is not at that level. In the past we have said, "Well, look, on compassionate grounds we'll take them both in," and you get no government subsidy. We can't afford to do that any more. We have some people who go into the independent living units on a rental option or something like so that they can be at least close to their partner. But if they don't have an ACAT assessment that brings with it a subsidy, we can't afford to bring them in any longer on compassionate grounds with no subsidy. You might introduce a user-pays basis to those sorts of things. That is just the complexity of trying to administer but I totally endorse that we need to keep the family together.

**THE CHAIR:** Okay. I think we are going to have to wrap it up there. Thank you very much Mr McKenzie and Mrs D'Arcy for your very useful submissions.

**JON BURROWS** was called.

**THE CHAIR:** Mr Burrows, before we start I am obliged to read this statement to you. You should understand that these hearings are legal proceedings of the Legislative Assembly protected by parliamentary privilege. That gives you certain protections but also certain responsibilities. It means that you are protected from certain legal actions, such as being sued for defamation for what you say at this public hearing. It also means that you have a responsibility to tell the committee the truth. Giving false or misleading evidence will be treated by the Assembly as a serious matter.

Obviously, this is an inquiry into the future planning for aged care facilities in the ACT. We have received your submission, which is specific to the Belconnen golf course. Would you state your name and the capacity in which you are appearing today.

**Mr Burrows:** My name is Jon Burrows. I am the general manager of the Belconnen Magpies Sports Club and we manage the Belconnen Golf Club.

**THE CHAIR:** Would you like to make an opening statement?

**Mr Burrows:** Yes. The reason we put in a submission is we have had a number of consultation processes with our members about an aged care residential development on, I suppose, spare land. It used to be a 27-hole golf course; now it is an 18-hole golf course. We have had extremely good support. The residents in the area and our members support it and our board support it. At the end of the day it is probably going to be essential if the golf club is to stay afloat that more residents come to the area. The development will help us negotiate a better rent and things like that as well.

**MR HARGREAVES:** Could you please explain that last little bit, Mr Burrows? The development will help you negotiate a better rent—what do you mean by that?

**Mr Burrows:** The problem at the moment is we have had a three-year lease. The sports club subsidises that to about a quarter of a million a year. We can keep doing that for a while but we can't keep doing it forever, so we have to negotiate a better lease and any development in there is going to bring in more people.

**MRS CROSS:** The sports club is—

**Mr Burrows:** The sports club is subsidising the golf club.

**MRS CROSS:** Subsidises. To how much?

**Mr Burrows:** To about a quarter of a million a year.

**MR HARGREAVES:** So you are expecting this to have some sort of offset by having people living more closely around there and using the amenities of the golf club as a sort of an entertainment venue?

**Mr Burrows:** Yes, that's right.

**MR HARGREAVES:** Just by having more people going through it.

**Mr Burrows:** There are around about 220 houses in there at the moment. So—I don't know what there is—350 people live there, and they use it as an entertainment place and generally on the fringe times, because there's a lot of older people, they drop in in the evening to watch big screen TVs or—

**MR HARGREAVES:** Play the pokies and all that stuff.

**Mr Burrows:** They don't actually play much pokies down there. But that is not the real issue. They buy meals. And it's cream. We are open, the golfers come in quite quickly, play their golf and go because they have to drive to play golf—you can't walk to the golf course. We have got about 45 golf members who actually live on the current estate. That probably equates to about \$30,000 worth of direct greens income. We would expect that to at least be the same or better with the proposed development that is going to go there.

**THE CHAIR:** If the proposed development doesn't go ahead, if there is a rejection of the idea that the nine holes be turned into aged care accommodation, what do you see as the future of the golf course and the club?

**Mr Burrows:** A decision our board will have to consider quite soon is whether we renew the lease. The lease expires in March of next year. We can keep subsidising it now but obviously clubs are going through a change at the moment, with no smoking coming in in a couple of years time. We would really have to consider whether we can support it there. At the moment the sports club can support it. In two or three years time we may not be able to support it.

**THE CHAIR:** And that the difference between supporting it for a 27-hole golf course and an 18-hole golf course could be the difference between the survival of the golf course?

**Mr Burrows:** That's right. We closed down nine holes in April 2003. There were a number of reasons—one, we couldn't get sufficient water to keep 27 holes green and to a reasonable standard. The cost savings we worked out would be about \$50,000 directly and a little bit more over a period of time because of things like depreciation, amortisation, replacement of machinery, which is a bit hard to measure. We have found—it is more than a year ago now—we have saved \$50,000 worth of mainly water, chemicals, soil. We didn't save anything in wages but we purposely didn't save anything in wages because we wanted to provide a better golf course—18 holes but better. And the other thing is that we didn't need 27 holes.

**THE CHAIR:** So I guess my question is about the difference between having an 18-hole golf course and a nine-hole golf course.

**Mr Burrows:** No, no—

**THE CHAIR:** No. So you have already closed the land?

**Mr Burrows:** We have gone from 27 to 18.

**THE CHAIR:** And so you have got, I guess, empty land sitting there?

**Mr Burrows:** Yes.

**THE CHAIR:** That you have not maintained to the same level, but you still have to maintain?

**Mr Burrows:** We maintain it to a small level just for a bit of a practice area, but most of it has just gone to bush, to seed, to long grass.

**THE CHAIR:** And if nothing happens on that land, what do you see as the future of the entire golf course?

**Mr Burrows:** Well, it would be fairly bleak.

**MR HARGREAVES:** Can I ask on that level: you have basically closed down that land and let it go back to bush?

**Mr Burrows:** Yes.

**MR HARGREAVES:** What is it costing you now?

**Mr Burrows:** To maintain that land?

**MR HARGREAVES:** Yes. Are you playing land rents, rates and all that sort of stuff on it?

**Mr Burrows:** No. We lease the land through a company called Woodhaven Investment. Woodhaven Investment owns all the land. We just lease 18 holes.

**MRS DUNNE:** So you don't lease the remaining nine holes anymore?

**Mr Burrows:** No. We use a small portion of it. The land is one big block of land. It is not split into 18 plus nine.

**MRS CROSS:** And the owner can't do anything with it because it has sort of just gone to bush or whatever.

**Mr Burrows:** That's right.

**MR HARGREAVES:** Has there been any chat with the owners about just leasing the 18 holes?

**Mr Burrows:** When we originally took the lease, it was for 18 and we had the additional nine. Whether we could close it: there is a clause in the lease where the owner could have closed it. We chose to close it after about a year of operation.

**MR HARGREAVES:** Right. In your negotiations to continue it, given that people are around and all that sort of stuff—I know that you are probably trying to answer a question that the owners would have to answer—what would be the chance of the Magpies, anyway, only having a deal with the owners for just the clubhouse and the 18?

**Mr Burrows:** That is what we would like, but it's a substantially reduced rent.

**MR HARGREAVES:** Well, it's a case of either that or leave, isn't it?

**Mr Burrows:** Yes. It's almost getting to that stage, yes.

**MR HARGREAVES:** Perhaps we should have heard from owners of the land about how they—

**THE CHAIR:** They are on the list.

**MR HARGREAVES:** Are they? Well, we might ask them have they considered giving the land back, given that it's costing them money.

**THE CHAIR:** Mr Burrows, you mentioned in your opening statement that you would like to see more people living in that area around the Woodhaven Estate support the club. You said that you have spoken to residents in the area—you said that about 300 people currently live in the Woodhaven area. Can you explain to me the conversation that you went through with residents?

**Mr Burrows:** I think we have had three meetings. The people who live on the Woodhaven Estate side of Holt showed a very big interest in the first meeting. And we posted our general golfing membership, most of whom live in Belconnen. A few live in Weston Creek but most live in Belconnen. The first meeting was quite a big meeting because a lot of people attended it. It was just showing them what the proposed development was. There were a few little things they were not happy about. They liked the concept. There were a few minor things that had to be changed—just the positioning of holes and things like that.

Then we had another consultation meeting, fewer people attended, and then we had the third one and virtually nobody attended. But we have still got the proposed plans up on display. We have a suggestion box and generally people have said they support it.

**THE CHAIR:** So in terms of actually contacting the 300 residents, did you letter box that area? How did you ensure that the people who currently live at Woodhaven were being informed about future ideas?



**Mr Burrows:** To their letterbox. Plus with a lot of people it was word of mouth. A big core of residents comes up on Thursday evenings, for example, and has dinner at the club. Word of mouth spreads very quickly.

**MRS CROSS:** I noticed from the submission you gave to the committee that “The future of the golf club will be secure”, “Much needed aged care facilities will be provided” and—the most important thing—“Our Board, our members and the local residents support it.” Can you tell me how many are local residents you are referring to just so we have some idea on the groundswell in the area, and how you determined that?

**Mr Burrows:** There was a letterbox drop done, as I said, to parts of Holt and Macgregor, and the local residents. The exact number—about a 1,000, I would say.

**MRS CROSS:** Okay. How many of the residents that you letterbox dropped have come back to you and said, “That’s a great idea”?

**Mr Burrows:** Well, I would say that over 100 people turned up for the first meeting, and then the meetings did get smaller and smaller. I find people turn up for a meeting when they have got a concern, not when they are happy, and the last meeting was just very small and virtually everyone said, “Yes, it’s a good idea.”

**MRS CROSS:** Okay. So you sense that there is a general community support for this idea?

**Mr Burrows:** Yes.

**MRS CROSS:** Have you had people come and say to you, “We think this is an awful idea”?

**Mr Burrows:** No.

**MRS CROSS:** That’s good. Thanks.

**THE CHAIR:** Mrs Dunne, do you have some questions?

**MRS DUNNE:** No. I am fairly familiar with what is proposed and the meeting process.

**THE CHAIR:** Mr Hargreaves, do you have any more questions?

**MR HARGREAVES:** Not at all. I think I know exactly where the golf club is coming from, and I wish them every success, too.

**THE CHAIR:** Mr Burrows, thank you very much for your submission and for appearing today. I think we will continue this dialogue into the future. That concludes the hearing for today.

**The committee adjourned at 12.50 pm.**