


CONFIDENTIAL REPORT

 Port Augusta CITY COUNCIL	REPORT FOR	Strategic Management Committee
	MEETING DATE	21 March 2011

REPORT FROM	Director, Community Services		
REPORT TITLE	Presentation of findings in relation to Aged Accommodation		
FILE NAME	F10/2812	RECORD NO	AR11/4225

STRATEGIC PLAN SUB GOAL/S
1.3 Best practice in community programs & facilities managed by Council.
4.2 Plans for the provision of additional infrastructure to meet the needs of our growing community.
6.1 A professional effective, efficient & customer focused organisation, responsive to the needs of the community.
6.2 Optimise the use & management of the council's financial & physical resources.

PURPOSE

To advise Members that a presentation will be conducted by Angela Hazebroek, Urban & Regional Planning Solutions regarding progress of the exploration of potential Partnership arrangements. Representatives of Little Company of Mary Health Care (Calvary Services) will also be in attendance.

RECOMMENDATION

Strategic Management Committee recommends Council:

1. Receives and notes the report (AR10/4225) dated 7th March 2011, submitted by the Director, Community Services concerning "Investigation of Future Aged Accommodation Options".

BACKGROUND

1. At a meeting held 23rd August 2004 Council considered a report from the Director, Corporate Services regarding the operation of Council's Aged Care Facilities and at that time resolved not to take any action to investigate the sale or to sell either the Nerrilda Nursing Home or AM Ramsay Village.
2. On 22nd May 2006 following the review of Council's programs and services, and an in depth review undertaken of a number of key services including aged care services, Council resolved to maintain its existing Aged Care facilities and services and proceed with the building extensions to Nerrilda Nursing Home and AM Ramsay Village.

3. On 27th August 2007, Council formally received the Ageing Strategy 2007-2012 developed by Angela Hazebroek of Urban & Regional Planning Solutions. A key goal of this Ageing Strategy is to “plan now to meet the projected future demand for residential aged care places, so that all older people have access to high quality affordable facilities within their community”. The strategy is to “initiate discussions with not-for-profit aged care providers to explore the potential for a partnership approach to developing and managing additional aged care places to meet demand for services after 2015. This may involve Council ceasing to be a direct funder of services after that time. Community support for this approach would be contingent on Council establishing and publicising criteria to ensure that the level of concessional access meets community needs and that the quality of care is maintained to a very high standard”.
4. On 20th July 2009, Council resolved to engage Angela Hazebroek of Urban & Regional Planning Solutions to develop a prospectus for engaging potential partners and to hold discussions with parties identified by that process. Council to be provided with a further presentation of findings at the conclusion of the investigation.
5. On 23rd August 2010, Council resolved to endorse the process recommended by Angela Hazebroek of Urban & Regional Planning Solutions to further explore potential partnership arrangements for aged accommodation in the City (see Report AR10/3031 attached as Appendix 1).

DISCUSSION

1. Following the Council resolution on 23rd August 2010, representatives from Little Company of Mary Health Care (Calvary Services) along with Council representatives with the assistance of Angela Hazebroek have had regular meetings to explore potential partnership arrangements to ensure the future aged accommodation demands of our community can be met.
2. The presentation by Angela Hazebroek will outline why the investigation is being undertaken and what opportunities are available.
3. The following representatives of Little Company of Mary Health Care (Calvary Services) will also be in attendance:
Mr Stephen Teulan, National Director Aged Care and Retirement Services
Ms Libby Saunders, National Director Community Care

CONFIDENTIALITY PROVISIONS

It is considered that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business, or proposing to conduct business, or would prejudice the commercial position of the Council.

It is recommended that Council maintain the confidential provisions as outlined above until **31 July 2014**. (Note timeframe changed to 2014 – refer to Council Resolution AR11/15375)

RISK MANAGEMENT

1: Financial/Budget

An allowance of \$5,000 has been made within the 2010/11 budget to engage Ms Hazebroek to continue with the next step of this process.

The financial implications of the future options of Council's Aged Care Facilities will be demonstrated as part of a final presentation to Council once full investigations have been completed.

2: Legal

The implications of the Department of Health and Ageing's Capital Grant Funding Agreement for Nerrilda Nursing Home and AM Ramsay Village have to be considered as this impacts on options available.

Any proposed agreements as a result of this investigation will require a legal opinion prior to consideration by Council.

3: Environment

n/a

4: Community

4.1 General

Port Augusta, as with the rest of the nation is an ageing community. The key reason to consider future options is to ensure that the needs of the community of Port Augusta are met and that our residents receive the best quality aged care outcomes into the future.

4.2 OPAL Program


n/a

ANNE O'REILLY

07/03/2011

ATTACHMENT 1

CONFIDENTIAL REPORT

 PortAugusta CITY COUNCIL	REPORT FOR	Council Meeting
	MEETING DATE	23 August 2010

REPORT FROM	Director, Community Services		
REPORT TITLE	Investigation of Future Aged Accommodation Options		
FILE NAME	F10/2812	RECORD NO	AR10/3031

STRATEGIC PLAN SUB GOAL/S
1.3 Best practice in community programs & facilities managed by Council.
4.2 Plans for the provision of additional infrastructure to meet the needs of our growing community.
6.1 A professional effective, efficient & customer focused organisation, responsive to the needs of the community.
6.2 Optimise the use & management of the council's financial & physical resources.

PURPOSE

To provide Elected Members with an update on investigations undertaken by Ms Angela Hazebroek of Urban & Regional Planning Solutions in relation to a potential partnership approach to meeting the needs of our older residents.

RECOMMENDATION

Council:

1. Receives and notes the report (AR10/3031) dated 9th August 2010, submitted by the Director, Community Services concerning "Investigation of Future Aged Accommodation Options".
2. Endorses the process recommended by Angela Hazebroek of Urban & Regional Planning Solutions in the report contained in Attachment 1 to this report (AR10/3031) involving formal discussions with Little Company of Mary Health Care (Calvary); to further explore potential partnership arrangements for aged accommodation in the City.

BACKGROUND

1. At the meeting held 23rd August 2004 Council considered a report from the Director, Corporate Services regarding the operation of Council's Aged Care Facilities and at that time resolved not to take any action to investigate the sale or to sell either the Nerrilda Nursing Home or AM Ramsay Village.

2. On 22nd May 2006 following the review of Council's programs and services, and an in depth review undertaken of a number of key services including aged care services, Council resolved to maintain its existing Aged Care facilities and services and proceed with the building extensions to Nerrilda Nursing Home and AM Ramsay Village.
3. On 27th August 2007, Council formally received the Ageing Strategy 2007-2012 developed by Angela Hazebroek of Urban & Regional Planning Solutions. A key goal of this Ageing Strategy is to "plan now to meet the projected future demand for residential aged care places, so that all older people have access to high quality affordable facilities within their community". The strategy is to "initiate discussions with not-for-profit aged care providers to explore the potential for a partnership approach to developing and managing additional aged care places to meet demand for services after 2015. This may involve Council ceasing to be a direct funder of services after that time. Community support for this approach would be contingent on Council establishing and publicising criteria to ensure that the level of concessional access meets community needs and that the quality of care is maintained to a very high standard".
6. On 20th July 2009, Council resolved to engage Angela Hazebroek of Urban & Regional Planning Solutions to develop a prospectus for engaging potential partners and to hold discussions with parties identified by that process. Council to be provided with a further presentation of findings at the conclusion of the investigation.

DISCUSSION

2. Following the Council resolution on 20th July 2009, Angela Hazebroek developed a prospectus in liaison with Council staff, which provided an overview of the Port Augusta Ageing Strategy 2007-2012 and clearly established the criteria against which private or community sector involvement in the Council owned aged care facilities should be evaluated.
3. Letters were written to a number of organisations seeking their interest in exploring a potential partnership with the Port Augusta City Council in the provision of aged care, housing and support services for older people.
4. Contact was also made with representatives of Housing SA to canvas the potential for Jubilee Court to be considered as part of an integrated retirement living, supported accommodation and aged care complex.
5. The attached report, documents the consultations undertaken with selected organisations and an evaluation of the responses against Council's assessment criteria.
6. Angela Hazebroek will be presenting the attached report at the full meeting of Council on 23rd August 2010.
7. The Little Company of Mary (Calvary) Health Care Ltd proposal provided the most comprehensive response to the Prospectus provided by the Port Augusta City Council. The Little Company of Mary (Calvary) also has an excellent reputation in the health care sector and is well placed to increase the opportunities for differing levels of service in our community. The Little Company of Mary is the current provider of Community Aged Care Packages and Extended Aged Care at Home packages in our region. In many areas these packages are provided by the same company operating residential aged care due to the synergies available.

CONFIDENTIALITY PROVISIONS

It is considered that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business, or proposing to conduct business, or would prejudice the commercial position of the Council.

It is recommended that Council maintain the confidential provisions as outlined above until 31 July 2014.

RISK MANAGEMENT

1: Financial/Budget

An allowance of \$5,000 has been made within the 2010/11 budget to engage Ms Hazebroek to continue with the next step of this process.

The financial implications of the future options of Council's Aged Care Facilities will be demonstrated as part of a final presentation to Council once full investigations have been completed.

2: Legal

The implications of the Department of Health and Ageing's Capital Grant Funding Agreement for Nerrilda Nursing Home and AM Ramsay Village have to be considered as this impacts on options available.

Any proposed agreements as a result of this investigation will require a legal opinion prior to consideration by Council.

3: Environment

n/a

4: Community

4.1 General

Port Augusta, as with the rest of the nation is an ageing community. The key reason to consider future options is to ensure that the needs of the community of Port Augusta are met and that our residents receive the best quality aged care outcomes into the future.

4.2 OPAL Program

n/a

ANNE O'REILLY

09/08/2010



Confidential Progress Report – July 2010

Taking a partnership approach to meeting the needs of our older residents

Lead Consultant URPS

Prepared for Port Augusta City Council

Consultant Project Manager Angela Hazebroek, Director
Suite 12/154 Fullarton
(cnr Alexandra Ave)
Rose Park, SA 5067
Tel: (08) 8333 7999 Fax: (08) 8332
0017
Email: angela@urps.com.au
Website: www.urps.com.au

© URPS

All rights reserved; these materials are copyright. No part may be reproduced or copied in any way, form or by any means without prior permission.

The ideas, concepts and methodology set out and described in this document are and remain the property of URPS and are provided to the client in confidence. They may not be used or applied by the recipient or disclosed to any other person without the prior written consent of URPS.

Contents

1.0	Introduction	1
2.0	The Prospectus	2
3.0	Consulation with Aged Care Service Providers	3
4.0	Evaluation Against Assessment Criteria	5
	4.1 Presence in Regional South Australia	6
5.0	The Way Forward	7
	5.1 Recommendation	8

CONFIDENTIAL

1.0 Introduction

This Progress Report documents the consultation undertaken with selected organisations that provide aged care and retirement living units.

It provides details of;

- The prospectus that was provided in confidence
- The organisations that were approached and how they responded
- An evaluation of the responses received against Council's assessment criteria

This Progress Report also provides a recommended approach that Council can adopt to further explore a potential partnership to provide increased housing choice, support for those seeking to remain in their own homes and secure long term residential care opportunities for older residents of Port Augusta and the surrounding districts.

CONFIDENTIAL

2.0 The Prospectus

A Prospectus was prepared by Angela Hazebroek from URPS in liaison with Council staff.

This Prospectus provided an overview of the Port Augusta Ageing Strategy 2007-2012 which sets the context for Council's future directions with respect to residential aged care and appropriate and affordable housing.

Details were provided about the Nerrilda Nursing Home, AM Ramsay Village and rental accommodation at Julia Lodge and Poinsettia Village.

The Prospectus set out the conditions of grant funding established with the City of Port Augusta by the Commonwealth Department of Health and Ageing. It also summarised the outcomes of the Aged Care Review (March 2006) and highlighted key considerations including the proportions of concessional residents and the need to provide access to low income residents.

The Prospectus clearly established the criteria against which private or community sector involvement in the aged care facilities, currently owned and operated by Council, should be evaluated.

Table Two in Section 4 highlights the way in which the responses received from aged care service providers address these assessment criteria.

3.0 Consultation with Aged Care Service Providers

Letters were written to the following organisations seeking to establish their interest in exploring a potential partnership with the City of Port Augusta in the provision of aged care, housing and support services for older people.

Table One below shows the details of the aged care service providers who were contacted and their response.

The prospectus was provided in confidence only to those who met face to face with Angela Hazebroek and who agreed to sign a confidentiality agreement.

Table One: Organisations Offered Prospectus

Organisations Contacted	Response
Southern Cross Care - Letter, meeting and follow up telephone call	Prospectus taken at meeting No response provided
Masonic Homes - Letter and meeting	Prospectus not taken Masonic Homes no longer doing Residential Care. Moving into 'for-profit' retirement living – large scale projects of 120 – 200 units.
Helping Hand Aged Care - Letter, meeting, follow up telephone calls	Prospectus taken at face to face meeting. Telephone calls, visit of staff from Helping Hand to Port Augusta. Letter provided by Helping Hand registering their interest in further exploration with Council, on a "without prejudice" basis, the options which may be available from them to assist Council.
ECH Inc - Letter and meeting	Prospectus taken at meeting. Letter received from ECH indicating their interest and capacity in providing independent living units in small to medium sized groups and in home support services to enable older people to remain at home. ECH is not however, seeking to expand their involvement in Residential Care.
Little Company of Mary Health Care Ltd (Calvary) - Letter, meeting and several follow up telephone calls by LCM	Prospectus provided Visit to Port Augusta by senior staff Comprehensive proposal provided detailing LCM's understanding of

to Consultant	Council's requirements, their capabilities to respond to the opportunities for partnership with Council and a detailed approach to developing these partnership opportunities.
Eldercare - Letter and telephone conversation	Eldercare did not meet with the consultant as they are not doing any new projects in rural/regional areas.

A meeting was also held with representatives of Housing SA to canvas the potential for Jubilee Court to be considered as part of an integrated retirement living, supported accommodation and aged care complex. A willingness to pursue suitable opportunities to meet affordable housing objectives and provide better outcomes for older people was expressed by Housing SA staff.

CONFIDENTIAL

4.0 Evaluation Against Assessment Criteria

Table Two below provides an overview of the way that the three responses received addressed the Assessment Criteria.

Table Two: Evaluation of Responses

Assessment Criteria	LCM Calvary	ECH	Helping Hand
1. Retain existing service quality in aged care facilities	Demonstrated	Not applicable	Has achieved this in Mid North Region
2. Maintain access for low income residents to aged care facilities	Demonstrated	Not applicable	Not addressed
3. Ensure a foundation that supports growth in bed numbers in the long term i.e.: beyond 2016	Sets out a staged approach. Has done this in Cessnock in NSW	Not applicable	Has done this in Port Pirie, Jamestown and Clare
4. Cover existing financial obligations including Council loans and grant repayments	Has expressed willingness to negotiate fair price	Not applicable	Not provided but willing to explore options on a 'without prejudice' basis
5. Leverage additional accommodation such as: <ul style="list-style-type: none"> - Independent living units - Low and high care beds - In-home support services 	Yes Yes Yes	Yes No Yes	Yes Yes Yes

4.1 Presence in Regional South Australia

The Little Company of Mary Health Care operates Calvary Silver Circle which provides 81 Commonwealth – funded Community Aged Care. Extended Aged Care in the Home (EACH) and for people with Dementia (EACHD) packages in the Flinders Far North Region which includes Port Augusta. They also provide brokered direct care services in local palliative care and mental health services. LCM Health Care (Calvary) is a registered training organisation running Certificate 3 training in HACCC and Aged Care in a number of locations, including Port Augusta.

Calvary Silver Circle has an existing work force in Port Augusta of 68 local staff members, 10 of whom work between Nerrilda, AM Ramsay Village and Calvary Silver Circle.

The proposal provided by LCM Health Care indicated a particular interest in addressing service gaps in the areas of palliative care, emergency respite care, supported accommodation for clients with mental health issues, in home dialysis and services for older Aboriginal residents.

Helping Hand Aged Care has a significant presence in Port Pirie, Jamestown and Clare with both residential facilities and independent living units. In the past 15 years Helping Hand has invested \$20 million to replace and develop aged care infrastructure in the region.

Helping Hand also provides about 150 in-home packages in the Mid North Region.

5.0 The Way Forward

The Little Company of Mary (Calvary) Health Care proposal provided the most comprehensive response to the Prospectus provided by the City of Port Augusta. It demonstrated a sound understanding of the approach required to develop a productive partnership in the best interests of all older people in Port Augusta. The proposal sets out the following six steps approach to partnering with Council:

- Step 1: in the partnership is to acknowledge the existing services, skills and capacity of Council, other service providers and Calvary Services in Port Augusta.
- Step 2: is to progressively prepare feasibility studies for the enhancement of existing retirement accommodation and to ensure that the level of support available to people living in that accommodation facilitates the ability for them to stay in their home for as long as possible.
- Step 3: is to determine the demand and feasibility for additional retirement accommodation in Port Augusta.
- Step 4: is to consider with Council and other providers how community based services can be enhanced for older people in Port Augusta to improve well-being and reduce demand for residential care services.
- Step 5: is to review management options for residential aged care at AM Ramsay Village and Nerrilda Nursing Home.
- Step 6: is to determine the demand and feasibility for additional residential aged care beds.

The LCM proposal suggests that these steps would be likely to be progressed over a 5 to 7 year time frame giving Council and the Community time to build a strong and trusting relationship with Calvary Health Care based on performance and quality.

5.1 Recommendation

It is recommended that Council commence formal discussions with Little Company of Mary Health Care (Calvary) to explore partnership opportunities for the provision of and/or redevelopment of housing for older people including affordable housing for purchase and rent in association with community based services to assist people to remain in their own homes.

These discussions should also identify the issues to be addressed in any review of management options for the residential aged care facilities owned and operated by Port Augusta City Council.

CONFIDENTIAL