

## 2022-2023 Pre-Budget Submission - Investment Proposal to establish a new Age Well Community Centre Pilot to support older Australians living in regional, rural and remote settings to live better lives.

28 January 2022

### Introduction

Southern Cross Care Queensland (SCCQ) is a large not-for-profit Catholic organisation established by the Knights of the Southern Cross. SCCQ has been helping older Australians for more than 40 years, with a strong focus on supporting and serving regional, rural and remote communities. Today, SCCQ operates 12 aged care facilities and 5 retirement villages and has a large and growing home care services. We employ more than 1000 people state-wide supporting more than 2,000 older Australians.

Through this pre-budget submission, SCCQ is seeking an investment of **\$10.04m** from the Australian Government for the development of the Age Well Community Centre to support the regional community of Chinchilla, Queensland and its satellite regional communities.

The Age Well Community Centre will capture best practice principles to inform design and operations established by the University of Queensland Healthy Living Centre and Burnie Brae.

To enable older Australians living in these rural and remote regions to remain in their own homes for longer and enjoy a high standard of living with access to a range of services, programs and activities equivalent to those available in major cities must be provided.

The Age Well Community Centre will address a number of the significant social, mental and physical challenges that many of these communities face including isolation, inactivity, purpose, connection and loneliness. Research shows seven out of ten older people are overweight, 20% have a disability that limits their lived experience, nine out of ten have a chronic disease and only 17.2% of older Australian's meet the physical activity guidelines. The Age Well Community Centre is proposed to form part of the SCCQ Chinchilla Health Campus, located within the existing footprint of SCCQ Residential Aged Care Illoura Village in Chinchilla.<sup>1</sup>

The Aged Care Royal Commission recognised the challenges of delivering services to regional, rural and remote locations. This proposal provides a unique opportunity for the Australian Government to demonstrate an innovative human-centered design and thought leadership with a trusted community partner in SCCQ. This first pilot aims to grow communities and our economy and to inspire other community groups across Australia to rethink how they support their communities. The Australian Government has a unique opportunity to scale this model across other regional, rural and remote communities where there is a necessity.

This is one solution that the local community themselves have identified, which will not only benefit older Australians immediately but provides a long-term asset that will be used for multiple initiatives in supporting older Australian and the greater community. This is an opportunity to shift the paradigm of aging and community wellbeing by considering approaches that improve the interactions, engagement and social cohesion of older Australians without the need to intern them in aged care facilities prematurely.

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<sup>1</sup> [https://ddwmpn-website.s3.amazonaws.com/images/190722-Health-Needs-Assessment\\_Website\\_Final.pdf](https://ddwmpn-website.s3.amazonaws.com/images/190722-Health-Needs-Assessment_Website_Final.pdf)

## The Problem

Chinchilla is a pastoral and mining town centrally located within the Western Downs region 300km west of Brisbane.

- As of 2020, Chinchilla has an estimated resident population of 8,924;
- The immediate surrounding catchment has an estimated resident population of 8,390;
- Whilst the total Chinchilla catchment has an estimated resident population of 34,579, with a density of 0.9 persons per km<sup>2</sup> – 6.7% of total population identify as Aboriginal & Torres Strait Islanders.
- The over 65 age cohort account for 17.2% of the population;
- The catchment represents approximately a 100 plus kilometre radius from Chinchilla. <sup>2</sup>

The projections for this region show that in the next decade, this rural community will have a growing aging population, a shrinking working age population, limited health and aging services to maintain the communities in the region, continued housing availability and affordability challenges, and there is a mixed socio-economic demographic with a high proportion of people relying on subsidised support.

It is evident that the health and aged care services in rural and regional environment are not sustainable and, in most cases, not viable from both workforce and financial sustainability perspectives. With occupancy levels dropping, operating costs increasing, labour costs rising and additional compliance and regulation proceeding – projects such as building an Age Well Community Centre are unable to be absorbed by SCCQ. As a result, there are insufficient funds to reinvest to support capital works and the necessary required upgrades when occupancy levels continue to drop.

In August 2021, the 33 bed Tarcoola Residential Aged Care Home announced it would close its doors to the community. This Home is located in the township of Tara, 70km from Chinchilla. The announcement of the home's closure caused significant pressure and unrest in the community and on Local, State and the Federal Government.

SCCQ was approached to support the continuation of these services in the region due to its longstanding 40-year commitment to serving people in these communities. SCCQ also understands the nuances of region and rural setting in general, and in particular the services that we provide in townships of Chinchilla and Taroom within the Darling Downs and Maranoa region.

Tarcoola Home is part of Western Downs Regional Council Health services comprising:

- 2 Residential Aged Care facilities located in townships of Tara and Miles - 33 and 17 beds respectively.
- Over 250 Home Care Packages and Commonwealth Home Support Program (CHSP) services provided in the townships and their surrounding catchment of:
  - Tara (70km from Chinchilla).
  - Miles (50km from Chinchilla).
  - Jandowae (50km from Chinchilla).
  - Meandarra (100km from Chinchilla).

The sustainability of all these services has been a significant challenge for the Western Downs Regional Council (WDRC) which were exploring options to exit aged care services due to the financial challenges and maintaining staff and critical services in accordance with their obligations as an Approved Providers.

The latest Stewart Brown Aged Care Sector Report for September 2021 continues to highlight the declining financial viability and sustainability of the sector, with residential aged care becoming a major focal point of consternation. Further, the report says that “homes in all locations, including metropolitan, regional and remote locations are making operating losses, which is unsustainable in the longer term.” <sup>3</sup>

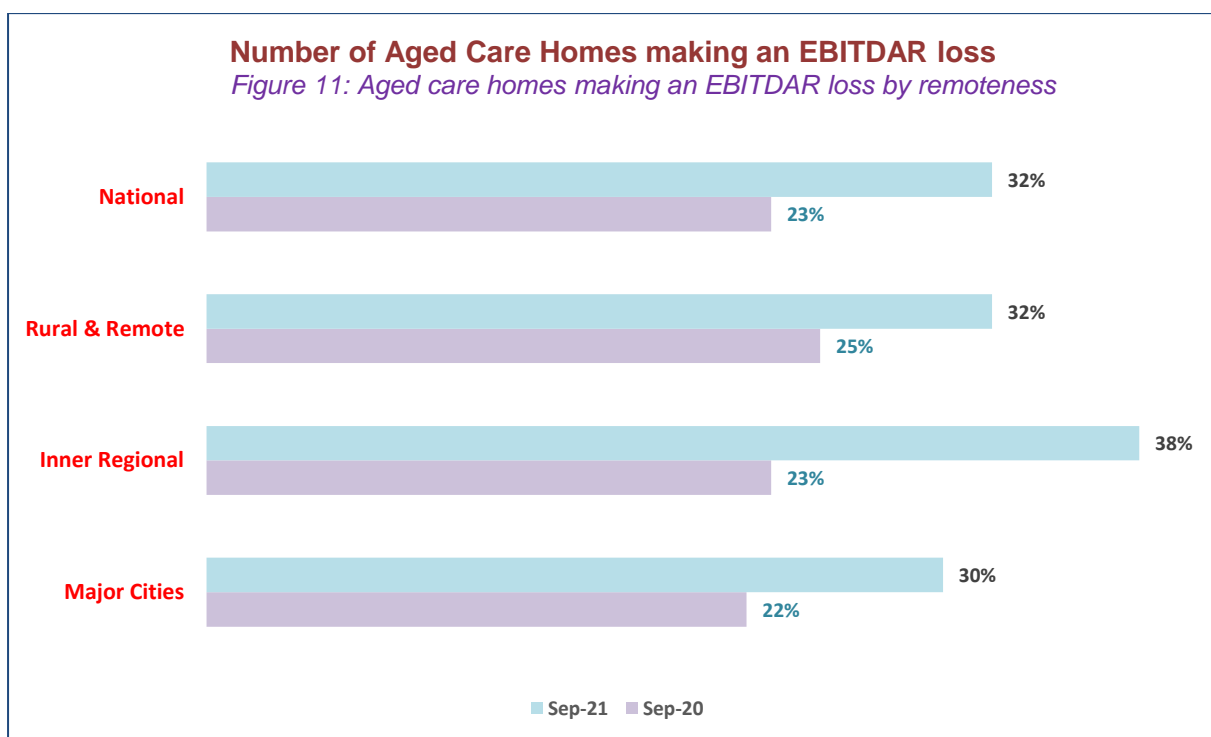
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<sup>2</sup> Southern Cross Care Chinchilla, Queensland Demographics, prepared by O’Hara Wells. January 2022.

<sup>3</sup> <https://www.stewartbrown.com.au/news-articles/26-aged-care/254-2022-01-stewartbrown-aged-care-financial-performance-survey-sector-report-september-2021>

The number of homes making EBITDAR (cash) loss (*Figure 11*) remains concerning as it is financially unsustainable over any extended period.

The resultant effect is that those homes with a continual EBITDAR losses will need to be cross subsidised by other business activities, which might be difficult, or in the case of small providers, unlikely to be feasible.



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Through the Royal Commission, our society acknowledged the need for quality and holistic aging services regardless of where people live or in what setting. People in regional rural and remote Australia should have access to the same levels of services as their counterparts in capital cities. The reality is that our rural communities cannot support this need on their own, they can hardly manage to keep the few Age Care Homes that are viable and relevant in a changing market with strong demands on quality, access, and affordability.

To help people stay in their homes longer, this Centre would allow for them to perform a range of activities whilst remaining independent. This is similar to what is provided to those living in residential aged care.

The most cost-effective way to deliver these services to multiple people in one location is through a centralised solution. The community of Chinchilla has no equivalent Age Well Community Centre in place that brings together older Australians, people with a disability and their families and members of all ages within a genuine connection to the community.

<sup>4</sup> <https://www.stewartbrown.com.au/news-articles/26-aged-care/254-2022-01-stewartbrown-aged-care-financial-performance-survey-sector-report-september-2021>

The purpose of the Age Well Community Centre is to attract multi-disciplinary services needed in the region, and to serve the region two fold:

- Provide health & wellness services and community connection services in the physical locality for the immediate catchment, and for all aging ages;
- Provide services and support to surrounding Aged Care Homes that are within the 100 plus km, in the form of remote expertise, including shared back of house support similar to that of a co-opt model where costs can be shared.

## The Solution

SCCQ - Illoura Village Age Well Community Centre aims to provide a Health and Wellness services and connection for the Chinchilla community and the surrounding catchment of 100km+ radius. SCCQ has been operating in Chinchilla since 2007 and is acutely aware of the challenges facing this community.

SCCQ seeks to address the existing health and aging services gaps and challenges in Chinchilla and the surrounding townships and its catchments by creating an Age Well Community Centre that will support the best lives for all members of the community and those satellite communities living in unique regional and rural settings.

The purpose of the Age Well Community Centre is to reimagine access to health, wellness and aging services in regional and rural setting by linking the existing gaps:

- Primary & Allied Health Services;
- Social & Community Connections through volunteering and new jobs;
- Workforce Innovation; and
- Transport Services.

This proposal aims to target the issue at the core of these social determinants, by:

- Providing intergenerational community connection, learning and development to sustain its existence;
- Create access to wellness and aging services for the catchment with both physical and virtual;;
- Create a secure environment for attracting multidisciplinary skilled workforce to the catchment; with the aim of staying in the region;
- Create job opportunities for younger generations within the community;  
Build a shared economy model to capture and utilise our local population as independent contractors and sole traders;  
Create a multidisciplinary community hub based in Chinchilla to service the Chinchilla township and its catchment area;
- Create a new innovative model to create long term sustainability for aged care services in rural environments;
- Proactively meet future increases in demand for aged care services in the region; and
- Address and work in partnership to remedy the shortfalls of the existing and future workforce.

To address such challenge, we must have a holistic societal approach, after all, health outcomes derive from the social environment. We are seeking Government support to fund the construction of a Age Well Community Centre at Chinchilla, within the SCCQ Residential Aged Care Health Campus, to provide:

- Intergenerational Social and community services and connection;
- Health & Wellness services;
- Education Services;
- Health Concierge (Care Finder);
- Multidisciplinary clinical and allied health services; and
- Support to fellow remote communities within the 100 kilometre catchment.

The Age Well Community Centre will be a coordinated one-stop-shop that will provide a range of services including allied health, exercise physiology, massage therapy, home visits, mobile transport service, day respite, education, virtual services and social connection.

The Centre will be strategically located within Chinchilla location to take advantage of:

- The small rural towns located in the 100 km radius for staff travel and virtual response and services;
- Research shows that Chinchilla township itself has higher potential to retain and marginally grow its population in comparison to the surrounding catchment. This provides an opportunity for this type of initiative to grow and attract the workforce in Chinchilla and the greater catchment;
- Partnering with the local Health Services to share resources and training to grow the future workforce.

Figure 1 and Figure 2 below outline the location and the radius of this proposal.

The geographic areas of Chinchilla and greater catchments

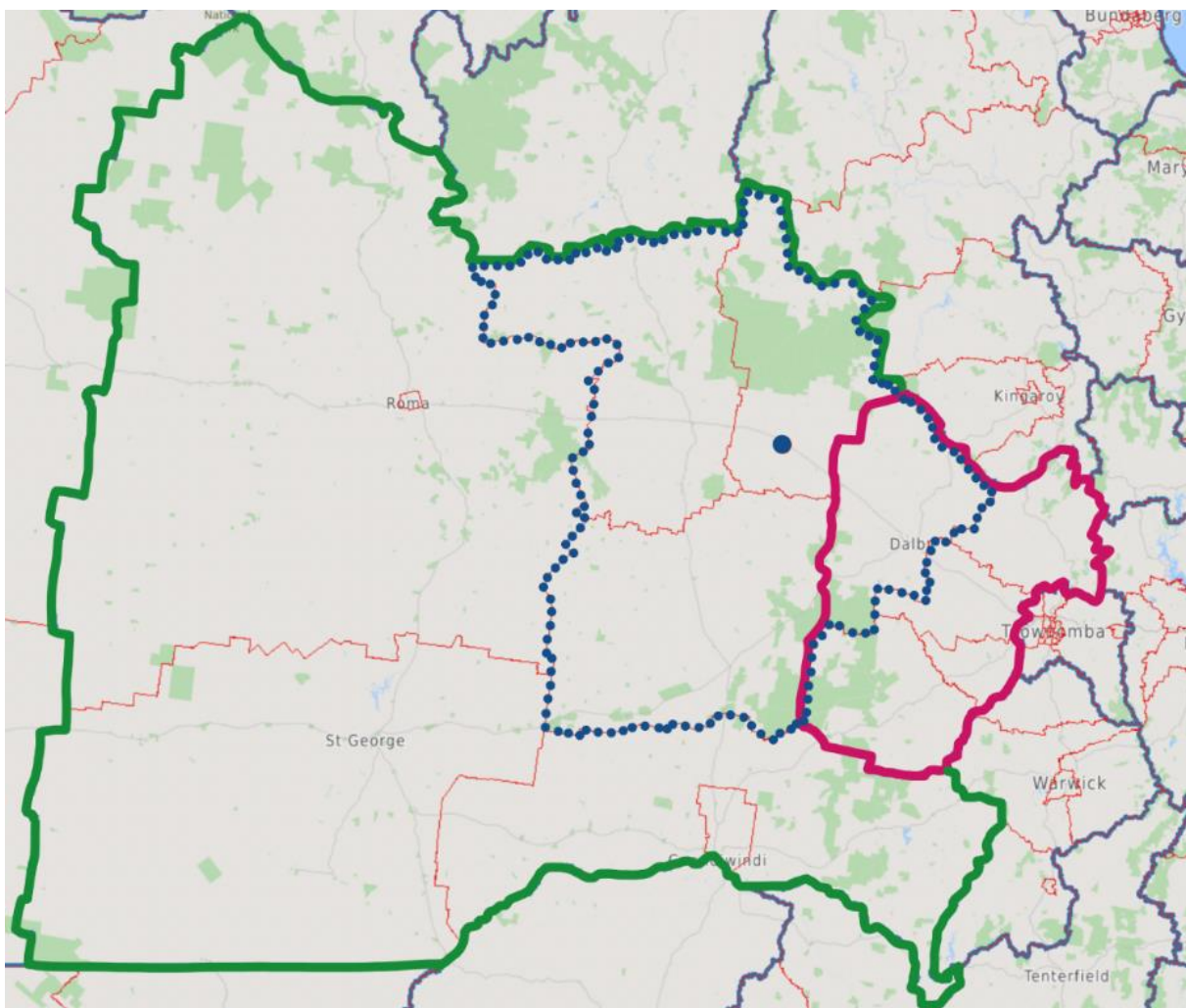


Figure 1

- Location of SCC Chinchilla
- Chinchilla catchment area
- Darling Downs (West) Maranoa SA3
- Darling Downs East SA3.

Chinchilla Hub and 100km+ radius

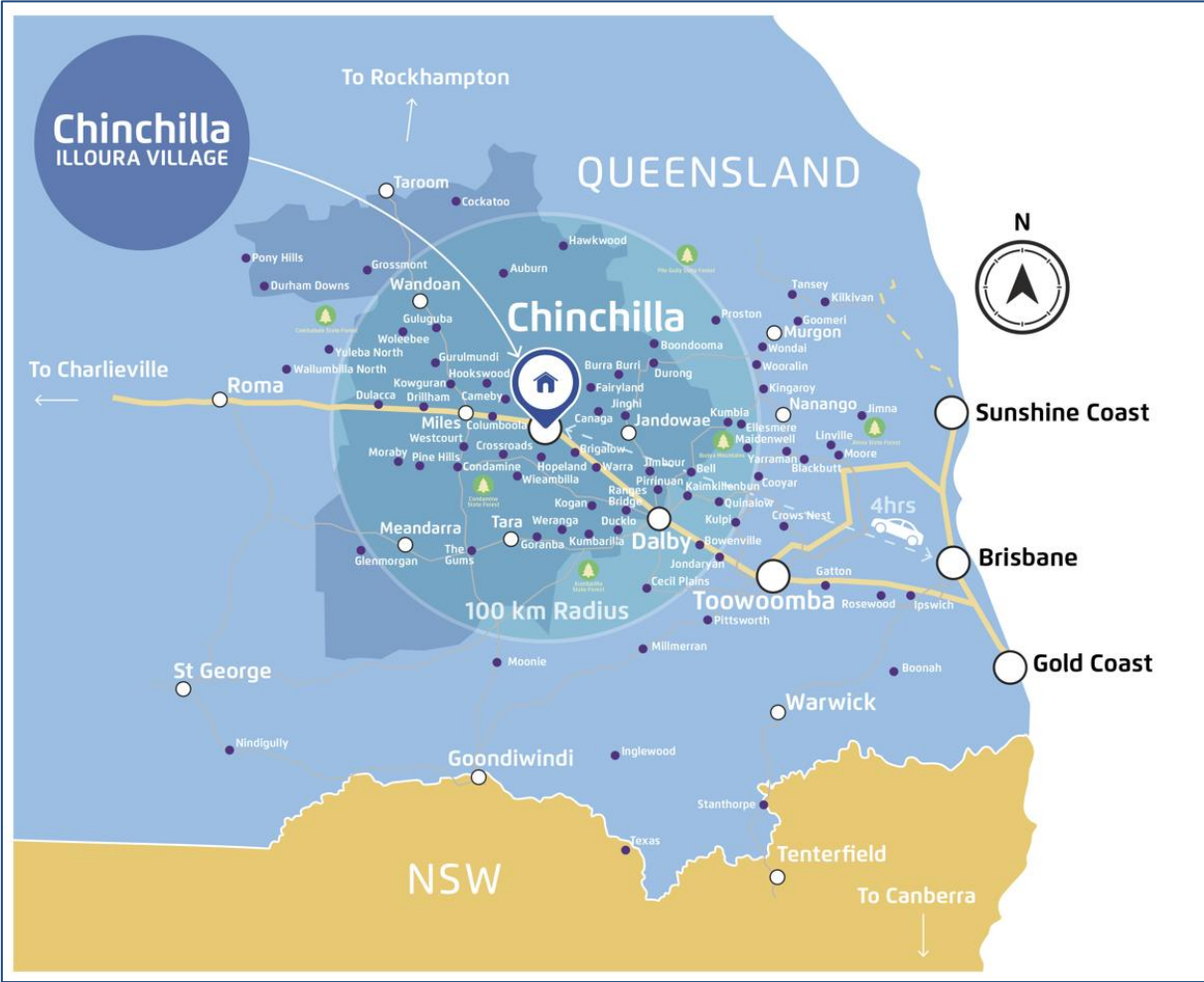


Figure 2

The Age Well Community Centre will form part of Southern Cross Care Queensland Chinchilla Health Campus with the Age Well Community Centre located in the schematic designs as shown below. Figure 3 below.



Figure 3

This innovation Health Campus aims to include:

- Age Well Community Centre (Funding Required).
- New Residential Aged Care Service (Funded).
- New Regional Health Workforce Education Centre (Funded).
- Low Cost Housing (Application in BBRF round 2).

### Implementation and Costings

SCCQ is seeking one-off capital funding of **\$10.04 million** to support the construction of the Age Well Community Centre to complete the Health Campus Master Plan.

The ongoing operational expenses to support the Age Well Community Centre will be mixed revenue which will include some user-pay arrangements and internal funding. We are confident we can sustain this by taking existing services through innovative solutions to deliver more efficient and user centric services.

SCCQ will support the maintenance, running and ongoing capital expenditure for the Age Well Community Centre and Health Campus. This will be a significant contribution throughout the years, in

the pursuit of establishing a holistic community solution to meet the current rural and remote challenges.

SCCQ has completed the master plan for the Health Campus and works would commence by 1 July 2022 with an expected completion to occur by 1 July 2024.

### Budget breakdown

<b>Age Well Community Centre</b>	<b>One of capital funding</b>
Internal construction works	\$6,260,000
External works and carparks	\$1,020,000
Local approvals, infrastructure and connection	\$888,000
Furniture, fixtures, equipment and IT infrastructure	\$965,000
Contingency	10%
<b>Total Capital</b>	<b>\$10,043,000</b>

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