THE PROVISION OF RESIDENTIAL AGED CARE SERVICES AND CARE PACKAGES WITHIN THE CESSNOCK LOCAL GOVERNMENT AREA

DISCUSSION PAPER
Prepared by Cessnock City Council 2013

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DEFINITIONS

Residential Aged Care Facilities
Residential aged care facilities are defined as those which operate in accordance with the Aged Care Act 1997. Such facilities are licensed and require accreditation standards to be met. An Aged Care Assessment is required to determine eligibility and admission to these services. Classification of care needs is either high level care or low level care.

High Level Care – Residential Aged Care Facility
Previously has been referred to as a Nursing Home. It is a service that provides residents with ongoing nursing care and support.

Low Level Care – Residential Aged Care Facility
Previously has been referred to as a Hostel. It is a service that provides residents with assistance to perform daily living tasks and personal care.

Community Aged Care Package
Is a planned and co-ordinated package of community care services which are delivered within the person’s home. It is often suggested as an alternative to residential low level care. The service is operated in accordance with the Aged Care Act 1997.

Extended Care at Home Program (EACH)
The program is intended to provide the equivalent of residential high level care within the home environment. The service is operated in accordance with the Aged Care Act 1997.
1. INTRODUCTION

1.1 Purpose

Cessnock City Council is aware that the aged population within Australia is forecast to increase in number within the near future. Given this expected increase, it is important for Cessnock City Council to determine at a more local level if the Local Government Area itself is likely to experience an increased aged population. It is acknowledged that as people move through varying stages of their lifecycle, certain types of health and social services may be required. With this in mind, Cessnock City Council felt it necessary to determine if the local area is adequately positioned to meet the future needs of older residents in reference to the availability of residential aged care facilities.

The catalyst for this investigation is due to the results ascertained in the development of the Cessnock City Council Social and Cultural Plan (2009-2014). The community survey, undertaken for the purpose of developing the Plan, found that of the 310 responses, 34% of people thought the availability of residential aged care services to be unsatisfactory. Given this result, it was documented in two Cessnock City Council strategic planning documents that an analysis be undertaken in respect to the availability of residential aged care services within the Cessnock Local Government Area. This Discussion Paper seeks to deliver this analysis.

1.2 Summary of Recommendation's

From the Discussion Paper findings, six recommendations are made. The recommendations are:

1. The Cessnock Local Government Area in the near future will require increased funding to enable the expanded delivery of formalised care options within the home. To enable this, it is necessary that Council and service providers advocate for the immediate increase in Federal funding for the purpose of expanding formalised care options, including community care packages and extended aged care home packages.

2. Encourage neighbouring Local Government Areas to explore service needs in respect to residential aged care. The rationale for this is that at the present time the Cessnock Local Government Area appears to have, in comparison, a higher number of high level care places per population over 70 years. As a consequence, it is likely that services within the Cessnock Local Government Area are assisting to meet residential aged care service gaps being experienced in other localities within the Lower Hunter Area. This situation in the long term is not sustainable and could disadvantage the residents of the Cessnock Local Government Area in terms of ease of service access if service expansion were not to occur in other localities across the Lower Hunter.

3. In planning for the Cessnock Local Government Areas expected population growth for people aged 70 years and over, it is encouraged that aged care service providers consider the need and capacity for service development and expansion within the Cessnock Local Government Area. The findings from this Discussion Paper suggest that between 2021 and 2031 the Cessnock Local Government Area may experience a significant gap for both low and high level residential aged care services if expansion was not to occur. (Note: this assumption is based on the application of the Federal planning benchmark formula 88 residential places per 1,000 of the population aged 70 years and over).
4. It is important to ensure that residential aged care facilities are well considered and located in appropriate areas throughout the Cessnock Local Government Area. In assisting to promote this, it is encouraged that the Cessnock City Council Social Impact Assessment Guidelines include a requirement that any proposal to construct an Aged Care Facility include as part of the Development Application process, either a Social Impact Comment or Social Impact Assessment (the type of assessment required would be based on the number of proposed residents).

5. Council encourages the development of residential aged care within 400 metres of shops and services.

6. Between 2001 and 2011 the growth in population for people aged 70 years and over was relatively minor (total growth recorded at 8%). This Discussion Paper highlights an expected increase in population for people aged 70 years and over and forecasts the growth to be a further 48% by 2021. To effectively prepare for this growth, Council must ensure that the needs of this population group are considered and strategically planned. With this in mind and given this Discussion Paper focuses only on a small part of the total aged care sector, it is recommended that Council prepare in 2014/15 an Ageing Strategy.

1.3 Relationship to Cessnock City Council’s Strategic Planning Documents

The Discussion Paper has links to two key Cessnock City Council strategic planning documents. They are,

- ‘Cessnock 2023’; Community Strategic Plan for the Cessnock Local Government Area
- ‘Social and Cultural Plan (2009-2014); Places, Spaces and Faces’.

In developing the Community Strategic Plan, Council undertook a comprehensive program of community consultation activities. Cessnock 2023 identifies the community’s five desired
outcomes, including ‘A Connected, Safe and Creative Community’. This desired outcome includes a strategic direction to work together and deliver services. In assisting to action this desired outcome, Council as part of the 2011-13 Delivery Program resolved to ‘produce a discussion paper to understand the future community need for aged care services (Objective 1.2.4).

The Cessnock Local Government Area Social and Cultural Plan (2009-2014) aims to provide both Council and external agencies with a plan to further develop cultural and social services within the Cessnock Local Government Area. In developing the Social and Cultural Plan, a series of community consultation processes occurred. The formal consultation process extended over 7 months between January 2009 and July 2009. The consultation process highlighted a perception that residential aged care facilities, in respect to availability, are at unsatisfactory levels. In responding to this community consultation finding, it was determined that the Social and Cultural Plan include a strategy which would see the development of a Discussion Paper so to understand the future community need for aged care services (Social and Cultural Plan, p76).

2. BACKGROUND

2.1 Council’s Role in Aged Care Services

There are some Councils in Australia that own and operate residential aged care facilities. Presently however, Cessnock City Council itself does not own or operate residential aged care services. Rather, the services within the Cessnock Local Government Area are predominantly operated by the not for profit sector.

2.2 Policy Context

On 20 April 2012, the then Prime Minister of Australia Hon. Julia Gillard MP, unveiled a comprehensive package of reforms to build a better, fairer, more sustainable and more nationally consistent aged care system. The ‘Living Longer, Living Better’ Aged Care Reform Package provides $3.7 billion in aged care funding over a five year period. It represents the commencement of a 10 year reform program to create a flexible and seamless system that provides older Australians with more choice, control and easier access to a full range of aged care services. In summary, the reforms aim to prioritise increased support and care in the home, provide better access to residential care, increased support for those with dementia and a strengthened aged care workforce.

2.3 Commonwealth Planning Formulas

The ‘Living Longer, Living Better,’ Aged Care Reform Package (Department of Health and Ageing, 2012) advises an Australian Government benchmark of 113 subsidised residential aged care and community care packages (including extended care packages at home) per 1,000 of the population aged 70 years and over.

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Within this benchmark, the aim is for

- 44 of the total 113 places to be residential high care places (often referred to as nursing home level care)
- 44 to be residential low care places (often referred to as hostel level care)
- 25 places to be community care packages, including extended care packages at home

Note: To be eligible for the subsidy, all of the above care services must be administered in accordance with the Aged Care Act 1997.
Community Profile and Population Projections
3. COMMUNITY PROFILE

3.1 Community Profile for the Cessnock Local Government Area

The 2011 Census recorded 50,840 people as being a resident of the Cessnock Local Government Area. However, one must be mindful that Census results record only those people who complete a Census form and hence what often results is a small undercount of population. To compensate for this, the Australian Bureau of Statistics also provides an Estimated Resident Population and as such recorded a slightly higher population at 52,493 people. However, given the level of detail required to present an analytical community profile, this Discussion Paper from this point forward will draw on the 2011 Census population data.

Planning Areas within the Cessnock Local Government Area

The Cessnock Local Government Area comprises approximately 50 townships and villages. This includes both gazetted suburbs and those that are for example informally defined given a local or historical context. In consulting the 2011 Census data, it is noted that information is not readily available for localities that are informally defined. Given this situation, combined with the limitations of presenting a community profile for small rural localities (in terms of population size), Census results within this Discussion Paper will be grouped into four geographical planning areas.

In defining these four planning areas, the 2011 Census results indicate that the highest concentration of population within the Cessnock Local Government Area was attributed to the Cessnock township and its nearby villages. The second most populated planning area was the combination of Kurri Kurri, Weston and Abermain followed by Greta, Branxton, East Branxton and North Rothbury. The rural west area comprising Millfield, Paxton, Ellalong, Wollombi, Laguna and surrounding villages was the least populated planning area.

To understand better the geography, in particular the four community planning areas that will be used throughout this Discussion Paper, the map overleaf may be of assistance.
Overview of Key Demographics for Planning Areas

Please note: That of the 50,840 population recorded as part the 2011 Census Population, 593 people did not identify a location.
3.2 The Age Profile and its Relationship to Lifecycle Stages

The age profile of residents within the Cessnock Local Government Area can provide key insights into the level of demand for services and facilities such as aged care.

Through the identification of an age profile, the population can be distributed into age categories which are somewhat reflective of typical life-stages. Age categories can provide a good indication of the level of demand for services at different lifecycle stages and can also demonstrate via the use of timeline data, how that demand is changing. In demonstrating this, the below table provides an overview of the age profile and is grouped from the perspective of key service groups and associated typical life stages. Furthermore, Census data for 2006 and 2011 is compared.

<table>
<thead>
<tr>
<th>Service Age Group (years)</th>
<th>2011</th>
<th>2006</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Babies and pre-schoolers (0 to 4)</td>
<td>3,803</td>
<td>7.5</td>
<td>6.3</td>
</tr>
<tr>
<td>Primary schoolers (5 to 11)</td>
<td>4,861</td>
<td>9.6</td>
<td>9.0</td>
</tr>
<tr>
<td>Secondary schoolers (12 to 17)</td>
<td>4,316</td>
<td>8.5</td>
<td>8.2</td>
</tr>
<tr>
<td>Tertiary education &amp; independence (18 to 24)</td>
<td>4,402</td>
<td>8.7</td>
<td>8.1</td>
</tr>
<tr>
<td>Young workforce (25 to 34)</td>
<td>6,266</td>
<td>12.3</td>
<td>10.4</td>
</tr>
<tr>
<td>Parents and homebuilders (35 to 49)</td>
<td>9,967</td>
<td>19.6</td>
<td>19.5</td>
</tr>
<tr>
<td>Older workers &amp; pre-retirees (50 to 59)</td>
<td>6,821</td>
<td>13.4</td>
<td>13.9</td>
</tr>
<tr>
<td>Empty nesters and retirees (60 to 69)</td>
<td>5,629</td>
<td>11.1</td>
<td>11.9</td>
</tr>
<tr>
<td>Seniors (70 to 84)</td>
<td>3,912</td>
<td>7.7</td>
<td>10.3</td>
</tr>
<tr>
<td>Elderly aged (85 and over)</td>
<td>863</td>
<td>1.7</td>
<td>2.3</td>
</tr>
<tr>
<td>Total Population</td>
<td>50,840</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
The age profile suggests that the Cessnock Local Government Area when compared to Regional New South Wales has a:-

- Larger percentage of 'babies and pre-schoolers' (0 to 4 years) (7.5% compared to 6.3%)
- Larger percentage of 'young workforce' (25 to 34 years) (12.3% compared to 10.4%)
- Smaller percentage of 'empty nesters and retirees' (60 to 69 years) (11.1% compared to 11.9%)
- Smaller percentage of 'seniors' (70 to 84 years) (7.7% compared to 10.3%)

When comparing 2011 Census with 2006 Census, the Cessnock Local Government Area population increased by 4,641 people or an approximate growth of 9.65%. This represents an average annual population growth of 1.93% during the five year Census period. This result suggests that the Cessnock Local Government Area is a fast growing community.

In understanding further this population growth, the largest increase in service age groups within the Cessnock Local Government Area between Census 2006 and 2011 were,

- ‘Babies and pre-schoolers’ (0 to 4 years) (+771 persons)
- ‘Tertiary education & independence’ (18 to 24 years) (+538 persons)
- ‘Young workforce’ (25 to 34 years) (+711 persons)
- ‘Empty nesters and retirees’ (60 to 69 years) (+1,410 persons)

The following chart provides an overview of change in age structure between Census Years 2006 and 2011.
3.3 People Aged Over 70 Years

The 2011 Census recorded 4,775 people aged over 70 years residing within the Cessnock Local Government Area or rather 9.4% of the population. This population percentage is lower when compared to Regional New South Wales (12.6%), New South Wales (10.3%) and Australia (9.8%).

3.4 The Next Generation: The 50 to 69 Years Population

In respect to planning future community services, it is important to consider the demographic age profile for residents who are nearing the life cycle stage, ‘seniors and elderly age’ (over 70 years).

The biggest change in age structure between the 2006 and 2011 Census years for all populations was the ‘empty nesters and retirees’ (60 to 69 years) at an additional population of 1,410 people. It is also noted that the ‘older workers and pre retirees’ (aged 50 to 59 years) grew a further 511 people. This is a significant growth in population and hence it should be assumed that over the next twenty years this population growth will transition into the over 70 year age group. Hence this expected future transitional growth in population needs to be taken into account when planning for aged care services.

3.5 Population Growth within the Planning Areas

As mentioned, the Cessnock Local Government Area population between the 2006 and 2011 Census years grew by an additional 4,641 people. Of these people, 4,175 can be attributed to residing within one of the four identified planning areas. In undertaking an analysis of population growth data, it is identified that the planning area Greta, Branxton, East Branxton and surrounds grew by a further 27% (+ 1,283 people). Millfield, Paxton, Ellalong, Wollombi, Laguna and the Rural West grew by a further 10.7% (+ 383 people) and the planning areas of Cessnock, Kurri Kurri and their surrounds equally grew by 7% (or + 1,405 and +1,104 respectively).

In terms of total population growth between the 2006 and 2011 Census years, in which there were an additional 4,641 people, only 7.9% of this growth (366 people) can be attributed to the 70 years and over age group. Once dispersed into the four geographical planning areas, the impact on the population mix is minimal. For instance, Cessnock and its surrounding townships in respect to persons aged 70 years or over grew by 239 people, or rather 1% of its total planning area population. The planning area of Kurri Kurri and its surrounding townships for the same age group grew by 83 people or rather 0.5% of its total planning area population. The Branxton, Greta and North Rothbury planning area grew at an identical percentage highlighting a further 27 people for this age group. Millfield, Paxton, Ellalong, Wollombi, Laguna and surrounds recorded 0.4% growth for this age group or rather an additional 17 people. Hence, the population growth for the 70 years and over age group between Census years 2006 and 2011 was relatively minor.
Overview of Population Growth and Population Changes within the Planning Areas

**Cessnock and Surrounds**
- Population aged over 70 years = 2,066
  (Change Between Census Years 2011 and 2006 = +239)
- Population 60 to 69 years = 2,439
  (Change Between Census Years 2011 and 2006 = +475)
- Population 50 to 59 years = 2,028
  (Change Between Census Years 2011 and 2006 = +162)

**Branxton - East Branxton - Greta - North Rothbury and Surrounds**
- Population aged over 70 years = 312
  (Change Between Census Years 2011 and 2006 = +27)
- Population 60 to 69 years = 538
  (Change Between Census Years 2011 and 2006 = +187)
- Population 50 to 59 years = 705
  (Change Between Census Years 2011 and 2006 = +58)

**Millfield - Paxton - Ellalong - Wollombi - Laguna and Surrounds**
- Population aged over 70 years = 259
  (Change Between Census Years 2011 and 2006 = +17)
- Population 60 to 69 years = 572
  (Change Between Census Years 2011 and 2006 = +147)
- Population 50 to 59 years = 817
  (Change Between Census Years 2011 and 2006 = +64)

**Kurri Kurri, Abermain, Weston and Surrounds**
- Population aged over 70 years = 1,684
  (Change Between Census Years 2011 and 2006 = +83)
- Population 60 to 69 years = 2,080
  (Change Between Census Years 2011 and 2006 = +171)
- Population 50 to 59 years = 2,453
  (Change Between Census Years 2011 and 2006 = +24)
3.6 Migration into the Cessnock Local Government Area

Between the 2006 and 2011 Census years, it was identified that the net migration into the Cessnock Local Government Area was 1,570 people. Of these 1,570 people, 49 were aged 65 years and over. This result differs considerably when undertaking an analysis of the ‘young workforce’ (25 to 34 years) and ‘parents and homebuilders’ (34 to 49 years) whereby the result was 1,056 people or rather 67% migrating into the Cessnock Local Government Area.

Of the net migration figure of 1,570 people, approximately 50% came from the neighbouring Local Government Areas namely Newcastle, Lake Macquarie, Maitland and Singleton. Interestingly, the Cessnock Local Government Area has a higher rate of unemployment when compared to all of these neighbouring Local Government Areas. For instance, the unemployment rates for December 2012 for Cessnock was 6.6% whereas Singleton recorded 2.7%, Lake Macquarie 4.3% Maitland 4.5%, Muswellbrook 4.7% and Newcastle 4.9% (source: Department of Education, Employment and Workplace Relations, Small Area Labour Markets – December Quarter 2012).

Given this, a potential factor in relocating to the Cessnock Local Government Area may not necessarily be attributed to solely securing local employment opportunities, but could also have a relationship to affordable housing options. In comparison to the neighbouring Local Government Areas, which are all geographically close in proximity, the Cessnock Local Government Area could be perceived as having a more affordable house price. For example, at the time of preparing this Discussion Paper, the average house price for the Cessnock Local Government Area was around $275,000. Hence, it may be plausible that the proximity of the Cessnock Local Government Area to high employment areas within the Hunter, combined with its house prices has attracted over the recent 5 year period increased families wishing to relocate to an affordable area.

The below chart provides an overview of net migration between Census Years 2006 and 2011.
3.7 Other Community Profile Indicators

Median Age for Planning Areas

The age profile suggests that the Cessnock Local Government Area has a relatively young population, with the average median age being 37 years. In comparison, Regional New South Wales recorded a slightly higher median age at 41 years.

When considering the median age within the four planning areas, Kurri Kurri and its surrounds recorded a median age of 38 years, which is close to the average median age of the Cessnock Local Government Area. Cessnock and its surrounds, recorded a higher median age at 41 years and Millfield, Paxton, Ellalong, Wollombi and surrounds recorded an even higher median age at 44 years. In assessing the median age within each of the four planning areas, it is determined that the Branxton, Greta and North Rothbury areas had a much younger median age at 33 years. An assumption could be made that this planning area is attractive for people who are in the lifecycle years of ‘Young Workforce’ and ‘Parents and Homebuilders’.

Average Household Size

The planning area for Cessnock and its surrounds recorded 2.6 people per dwelling which is identical to the Cessnock Local Government Area average. Kurri Kurri and surrounds recorded a slightly higher average of 2.7 people per dwelling.

In building a community profile for each of the four planning areas within the Cessnock Local Government Area, the assumption that Branxton, Greta and North Rothbury is an attractive locality for young families, is also evident when considering data for average household size. For instance, this planning area recorded an average of 2.8 people per dwelling. This is higher when compared to all four planning areas.

On the reverse side, Millfield, Paxton, Ellalong, Wollombi and surrounds recorded the least number at 2.4 people per dwelling. At first glance, this result combined with a higher median age could suggest that this community is ageing. However, it is acknowledged that Ellalong, Paxton and Millfield are unique to, for example Wollombi, Laguna and their surrounding townships. In analysing the community profile results further, it was found that the townships of Millfield, Paxton and Ellalong are attractive to ‘parents and homebuilders’ (35 to 49 years) and have a younger population when compared to Wollombi, Laguna and its surrounds whereby ‘older workers and pre-retirees’ (50 to 59 years) are more prevalent.
4. POPULATION PROJECTIONS

4.1 Projected Population Growth between Census Years 2011 and 2031

Population projections can be of some assistance in forecasting the potential service needs of future communities. However despite the best attempts to accurately forecast using sound methodology, it must be advised that there are many variables and hence may not always be a reliable indicator. Given this, please note that the below population projections are a guide only.

Using the available demographic information it is possible to implement a methodology that could assist to forecast a Cessnock Local Government Area population for people aged over 70 years at both a ten and twenty year projection. To do this, the following indicators need to be used:-

- Estimated current population for people aged over 70 years as at Census 2011.
- Estimated current population for age groups 50 to 59 years and 60 to 69 years as at Census 2011.
- Historical migration patterns between Census Years 2011 and 2006 for people aged over 70 years.
- An assumption that the current average life expectancy in Australia is approximately 82 Years.

Using these indicators, the following table reflects that by 2021, the population for people aged 70 years and over within the Cessnock Local Government Area could grow by an approximate 48%. If a twenty year period is considered, the growth between 2011 and 2031 could be 95%.

<table>
<thead>
<tr>
<th></th>
<th>2001 Population 70 Years and Over</th>
<th>2011 Population 70 Years and Over</th>
<th>2021 Projected Population 70 Years and Over</th>
<th>2031 Projected Population 70 Years and Over</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESTIMATED TOTAL POPULATION FOR 70 YEARS AND OVER</td>
<td>4,421</td>
<td>4,775</td>
<td>7,054²</td>
<td>9,300</td>
</tr>
</tbody>
</table>

|                      | Change of 8% between 2001 and 2011 | Growth of 48% (n = 2,279) between 2011 and 2021 | Growth of 31% (n = 2,246) between 2021 and 2031 |

The above table indicates that during the Census years 2001 to 2011, the population change for people aged 70 years and over has been relatively small (n = 354). However, this is likely un

to change in the future given the potential implications of the so called ‘baby boomer’ age group. The ‘baby boomer’ age group is a socially constructed definition and suggests a considerable growth in births, post Second World War between the years 1946 to 1964. Hence, at the time of the 2011 Census, this population of so called ‘baby boomers’ would have been between the ages of 47 years and 65 years, or alternatively, within the lifecycle stages of “parents and homebuilders” (later stage), ‘older workers and pre retirees’ and ‘empty nesters and retirees’.

5. SERVICE MAPPING

5.1 Residential Aged Care Facilities within the Cessnock Local Government Area

At the time of preparing the Discussion Paper, the range of residential aged care services as defined under the Aged Care Act 1997 within the Cessnock Local Government Area included both high and low level care facilities and care packages within the home.

In terms of the number of residential aged care providers, there were four delivering services across the Local Government Area. The location of these residential aged care services within the Cessnock Local Government Area are listed below.

<table>
<thead>
<tr>
<th>Aged Care Facilities</th>
<th>(Total Number = 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cessnock and Surounds Planning Area</strong></td>
<td></td>
</tr>
<tr>
<td>Calvary Retirement Community Cessnock</td>
<td></td>
</tr>
<tr>
<td>Jacaranda Grove Residential Care Facility</td>
<td></td>
</tr>
<tr>
<td>Cessnock Masonic Village</td>
<td></td>
</tr>
<tr>
<td><strong>Kurri Kurri and Surounds Planning Area</strong></td>
<td></td>
</tr>
<tr>
<td>Kurri Kurri Masonic Village</td>
<td></td>
</tr>
<tr>
<td><strong>Branxton, East Branxton, Greta, North Rothbury Planning Area</strong></td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Millfield, Paxton, Ellalong, Wollombi Planning Area</strong></td>
<td>N/A</td>
</tr>
</tbody>
</table>

5.2 Community Care Packages within the Cessnock Local Government Area

At the time of the Discussion Paper, there were four services allocated funding to deliver community care packages to residents within the Cessnock Local Government Area. Of these services, two are based within the Cessnock Local Government Area the remaining two are delivered at a sub regional (Muswellbrook based) and regional level (Hamilton).
METHODOLOGY, KEY FINDINGS AND ISSUES ARISING
6. METHODOLOGY

The methodology used to determine future population needs in regards to aged care services included both a desktop search and consultation with local stakeholders.

Consultations with local stakeholders were predominantly telephoned based and focused on ascertaining the number of high and low level care places along with the number of community care and extended care at home packages within the Cessnock Local Government Area.

The website www.agedcareguide.com.au was also consulted given that it provides a listing of local facilities and includes the level of care that is provided, for instance low or high level care. It also advises of community aged care packages and extended care at home program packages. These findings were then compared and validated using the data listed within the 2011 Social Health Atlas of Australia (2011). The Social Health Atlas of Australia provides an indication as to the number of people in both high and low level residential aged care within each Local Government Area across Australia. The Social Health Atlas was used to compare the Cessnock Local Government Area to other areas within the Lower Hunter.

Once an estimate for the number of high and low level residential care places was ascertained, it was then compared to the Department of Health and Ageing benchmark funding standards and the 2011 Census population data. The 2011 Census data was used to provide base information in respect to forecasting a projected population for people aged 70 years and over, for the years 2021 and 2031.

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7. KEY FINDINGS

7.1 Key Findings for the Cessnock Local Government Area

The ‘Living Longer, Living Better,’ Aged Care Reform Package (Department of Health and Ageing, 2012) advises an Australian Government benchmark of 113 subsidised residential aged care and community care packages (including extended care packages at home) per 1,000 of the population aged 70 years and over.

Within this benchmark, the aim is for -

- 44 of the total 113 places to be residential high care places (previously referred to as nursing home level care)
- 44 to be residential low care places (previously referred to as hostel level care)
- 25 places to be community care packages and/or extended care packages at home

To be eligible for the subsidy all of the above care services must be administered in accordance with the Aged Care Act 1997.

The application of these benchmark formulas to the Cessnock Local Government Area is represented in the below table. Please note: the application of the Department of Health and Ageing formula is based on the 2011 Census population data which suggests the Cessnock Local Government Area had 4,775 residents aged over 70 years.

<table>
<thead>
<tr>
<th>Benchmark Indicators</th>
<th>High Level Care</th>
<th>Low Level Care</th>
<th>Estimated Community Packages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Current Places within the Cessnock Local Government Area</td>
<td>290</td>
<td>301</td>
<td>119</td>
</tr>
<tr>
<td>Benchmark as per Department of Health and Ageing Formula</td>
<td>210</td>
<td>210</td>
<td>119</td>
</tr>
<tr>
<td>FINDINGS</td>
<td>Exceeds Benchmark By 80 Beds</td>
<td>Exceeds Benchmark By 91 beds</td>
<td>Meets Target</td>
</tr>
</tbody>
</table>

The above findings suggest that the Cessnock Local Government Area in respect to residential aged care services for both low level and high level care is exceeding the suggested Federal benchmarks. The findings also suggest that benchmarks for community care packages within the Cessnock Local Government Area are being achieved.

7.2 Estimating Future Needs for Residential Aged Care and Community Care Packages

Within this Discussion Paper, population projections for people aged 70 years and over have already been outlined. This forecasting is important given the expectation that the Cessnock Local Government Area will experience a considerable increase in aged persons (70 years and over) by 2021. Given this, it is necessary to consider the future capacity and need for residential aged care services within the Cessnock Local Government Area for both a ten and twenty year forecasting period. The below table reflects these findings in accordance with the Federal Government benchmark formula.

<table>
<thead>
<tr>
<th>Cessnock Local Government Area</th>
<th>High Level Care Subsided Places</th>
<th>Low Level Care Subsided Places</th>
<th>Estimated Community Packages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population Aged 70 Years and Over</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Current Places within the Cessnock LGA</td>
<td>290</td>
<td>301</td>
<td>119</td>
</tr>
<tr>
<td>Current Benchmark as per Department of Health and Ageing Formula</td>
<td>210</td>
<td>210</td>
<td>119</td>
</tr>
<tr>
<td>2021 Population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected Need for Residential Care (Estimated Population 7,054 people)</td>
<td>310 Shortfall of 20 Places</td>
<td>310 Shortfall of 9 Places</td>
<td>176 Shortfall of 57 Places</td>
</tr>
<tr>
<td>2031 Population</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected Need for Residential Care (Estimated Population 9,300 people)</td>
<td>409 Shortfall of 119 Places</td>
<td>409 Shortfall of 108 Places</td>
<td>232 Shortfall of 113 Places</td>
</tr>
<tr>
<td>FINDINGS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Considerable service expansion required between 2021 and 2031.</td>
<td>Considerable service expansion required between 2021 and 2031.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Could require an additional 119 places by the year 2031.</td>
<td>Could require an additional 108 places by the year 2031.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7.3 A Regional Perspective

It is acknowledged that residential aged care services in particular high and low level care are often planned at a sub regional level and not necessarily at a Local Government Level. Given this, it is important to apply the Department of Health and Ageing Federal Government benchmark formula to a boundary that is more closely aligned to the delivery of health services. Hence the boundary for the Lower Hunter Cluster, Hunter New England Area Health will be applied (map below) and is a combination of Cessnock, Singleton, Maitland and Dungog Local Government Areas.

The combined population for people aged 70 years and over for Cessnock, Maitland, Singleton and Dungog Local Government Areas as at Census 2011 was 13,067 people. When applying the suggested Federal Government Benchmarks, the below table reflects that there may be a current shortage of 44 high level care residential places. Whereas, for low level care the places available may exceed the benchmark formula.

<table>
<thead>
<tr>
<th>Benchmark Indicators</th>
<th>High Level Care</th>
<th>Low Level Care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Residential Places in Lower Hunter Cluster</td>
<td>530</td>
<td>639</td>
</tr>
<tr>
<td>Benchmark as per Department of Health and Ageing Formula</td>
<td>574</td>
<td>574</td>
</tr>
<tr>
<td>FINDINGS</td>
<td>Shortage of 44 Beds</td>
<td>Exceeds Target by 65 Beds</td>
</tr>
</tbody>
</table>

These findings suggest a potential shortage of high level residential care places within the Lower Hunter Cluster. However, it is noted that both the Cessnock Local Government Area and the Lower Hunter Cluster exceed the targeted benchmark for low level residential aged care places.

The below chart expresses further these comparative findings and reflects that the Cessnock Local Government Area exceeds the standards for high level residential aged care places. However, when considering the Lower Hunter Cluster geography, it is likely that there is a shortage of approximately 44 high level residential care beds.
7.4 Land Supply for Seniors Housing within the Cessnock Local Government Area

Residential aged care accommodation is defined as Seniors Housing under the Cessnock Local Environmental Plan (2011). Seniors Housing, in accordance with the State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 (SEPP HSPD) provides opportunity for such development on any land zoned primarily for urban purposes, and, in certain circumstances, on land adjoining land zoned primarily for urban purposes.

In considering future land availability within the Cessnock Local Government Area that allows urban purposes (and includes R2, R3 and RU5) the Cessnock Local Government Area City Wide Settlement Strategy 2010 identifies a supply of 20,127 residential lots. This supply is forecasted up until 2031. The table below reflects the distribution of these lots within each of the four community planning areas.

<table>
<thead>
<tr>
<th>URBAN RELEASE AREAS</th>
<th>CITY WIDE SETTLEMENT STRATEGY 2010</th>
<th>Estimated Lots</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cessnock and Surounds (West Sector)</td>
<td></td>
<td>7,550</td>
</tr>
<tr>
<td>More specifically,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Bellbird</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Nulkaba</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cessnock North</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cessnock East</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Kitchener Precinct</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kurri Kurri, Abermain, Weston and Surounds (East Sector)</td>
<td></td>
<td>3,212</td>
</tr>
<tr>
<td>More specifically,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cliftleigh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Heddon Greta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Sawyers Gully/Gingers Lane Precinct</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branxton, Greta and North Rothbury (North Sector)</td>
<td></td>
<td>8,385</td>
</tr>
<tr>
<td>More specifically,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Branxton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Greta</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Millfield, Paxton, Ellalong, Wollombi, Laguna and Surounds</td>
<td></td>
<td>980</td>
</tr>
<tr>
<td>More specifically,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Millfield</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Paxton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL ESTIMATED URBAN RELEASE LOT YIELD</td>
<td></td>
<td>20,127</td>
</tr>
<tr>
<td>POTENTIAL INFILL RESIDENTIAL DEVELOPMENT (R3 Zone)</td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>TOTAL DWELLINGS REQUIRED (2006 – 2031)</td>
<td></td>
<td>19,700</td>
</tr>
</tbody>
</table>

Under the prevailing planning instrument, all four planning areas each have a land supply that could, with permitted consent, be developed for the purpose of increasing the supply of residential aged care services.

In addition to the mentioned urban purpose land, Seniors Housing could, with permitted consent, be developed on land that is also zoned for businesses B1, B2, B3 and B4. These zones are already gazetted in localities across the Cessnock Local Government Area, utilising a commercial hierarchy established under the Cessnock Local Government Area City Wide Settlement Strategy.
7.5 Considerations for the Location of Residential Aged Care Facilities in Reference to the State Environmental Planning Policy

The State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 (SEPP HSPD) provides guidance regarding site locality considerations, in particular its proximity to key services such as shops, banks, commercial/retail services and general medical practitioners. An extract from the Planning Policy (item 26) explains this further and is outlined below.

(1) **A consent authority must not consent to a development application made pursuant to this Chapter unless the consent authority is satisfied, by written evidence, that residents of the proposed development will have access that complies with subclause (2) to:**

- a) **shops, bank service providers and other retail and commercial services that residents may reasonably require, and**
- b) **community services and recreation facilities, and**
- c) **the practice of a general medical practitioner.**

2) **Access complies with this clause if:**

a) the facilities and services referred to in subclause (1) are located at a distance of not more than 400 metres from the site of the proposed development that is a distance accessible by means of a suitable access pathway and the overall average gradient for the pathway is no more than 1:14, although the following gradients along the pathway are also acceptable:

- i. a gradient of no more than 1:12 for slopes for a maximum of 15 metres at a time,
- ii. a gradient of no more than 1:10 for a maximum length of 5 metres at a time,
- iii. a gradient of no more than 1:8 for distances of no more than 1.5 metres at a time,

or

Please note item 2 (b) has been omitted from this Discussion Paper given that it applies only to the Sydney Statistical Division.

c) **In the case of a proposed development on land in a local government area that is not within the Sydney Statistical Division—there is a transport service available to the residents who will occupy the proposed development:**

- i. that is located at a distance of not more than 400 metres from the site of the proposed development and the distance is accessible by means of a suitable access pathway, and
- ii. that will take those residents to a place that is located at a distance of not more than 400 metres from the facilities and services referred to in subclause (1), and
- iii. that is available both to and from the proposed development during daylight hours at least once each day from Monday to Friday (both days inclusive) and the gradient along the pathway from the site to the public transport services (and from the transport services to the facilities and services referred to in subclause (1)) complies with subclause (3).

With the above Planning Policy in mind, and given the proposed urban release areas at present are more than 400 metres from shops, banks, retail and commercial centres, it is recommended that applicants seeking consent for Seniors Housing (which includes residential aged care accommodation) lodge a community transport management plan as part of the Development Application process.
8. ISSUES ARISING

In researching this Discussion Paper, a number of key issues have emerged. This includes a key finding whereby the Cessnock Local Government Area seems to have a greater number of high level care places when compared to Federal planning benchmarks. In trying to understand this further, it is thought that this may be due to a historical context whereby the Local Area Health Service up until approximately 10 years ago, operated a substantial size public nursing home within the Cessnock Local Government Area. This facility originally operated to provide service to the wider Lower Hunter Cluster catchment. Although now owned and operated by another provider, it still remains in Cessnock and has undergone considerable redevelopment and a change of name. Today, it continues to be one of the larger operators within the Cessnock Local Government Area.

Although the Cessnock Local Government Area exceeds the suggested federal planning aged care services benchmark at the present time, the area is likely to see considerable population growth for people aged 70 years and over particularly in the next ten to twenty years. This differs to historical trends where the growth has been relatively stable. In preparing for this expected growth, it is paramount that aged care service providers consider service development and expansion within the Cessnock Local Government Area and be operationally ready to meet this growth.

At the present time, residential aged care facilities, as defined under the Aged Care Act 1997, are located predominantly in Cessnock township and Kurri Kurri township. It is noted that at the present time the planning areas of Branxton, East Branxton, Greta, North Rothbury along with Millfield, Paxton, Ellalong, Wollombi, Laguna and surrounds do not have an aged care facility. When considering current and expected future population growth up until 2031, it is expected that all planning areas with the exception of Millfield, Paxton, Ellalong, Wollombi, Laguna and the Rural West will require service development and/or expansion.

It is also important that the neighbouring Local Government Areas consider residential aged care service availability. The rationale for this is that it appears, at the present time, that existing services within the Cessnock Local Government Area who offer residential high level care are assisting to meet gaps in service potentially being experienced within some neighbouring local government areas. This, in the short term, is acceptable and probably required. However by the year 2021, if this situation were to remain, there could be an impact for the Cessnock Local Government Area in terms of a lack of service availability for local residents who require residential care services. Given this potential situation, it is important that key stakeholders who provide residential aged care commence and/or continue service planning within the Lower Hunter Cluster so to meet the future needs of the community.

The Discussion Paper highlights that service planning should commence immediately for community care packages including the extended care at home program (EACH). The value of these programs is that care can be provided within the home and is an alternative to residential aged care living. For some people, it is their preference to remain in their own home with the support of care services. Given that this level of service is only meeting the suggested Federal benchmarks, it is imperative that local services continually assess their ability to offer and subsequently apply for further funding to enable increased at home care packages. Furthermore, with the expected increase in population for people aged over 70 years, along with expected increases in life expectancy, it is suggested that the application of the formula of 25 packages per 1,000 residents may need revision and potentially increase in the near future.
9. RECOMMENDATIONS

In summary, this Discussion Paper has explored both residential care services and community care packages, including extended care packages at home within the Cessnock Local Government Area. Specifically, this Discussion Paper has taken into account both the current situation and future population implications in respect to service availability.

From the findings, the following recommendations are made,

1. The Cessnock Local Government Area in the near future will require increased funding to enable the expanded delivery of formalised care options within the home. To enable this, it is necessary that Council and service providers advocate for the immediate increase in Federal funding for the purpose of expanding formalised care options, including community care packages and extended aged care home packages.

2. Encourage neighboring Local Government Areas to explore service needs in respect to residential aged care. The rationale for this is at the present time the Cessnock Local Government Area appears to have in comparison, a higher number of high level care places per population over 70 years. As a consequence, it is likely that services within the Cessnock Local Government Area are assisting to meet residential aged care service gaps being experienced in other localities within the Lower Hunter Area. This situation in the long term is not sustainable and could disadvantage the residents of the Cessnock Local Government Area in terms of ease of service access if service expansion were not to occur in other localities across the Lower Hunter.

3. In planning for the Cessnock Local Government Areas expected population growth for people aged 70 years and over, it is encouraged that aged care service providers consider the need and capacity for service development and expansion within the Cessnock Local Government Area. The findings from this Discussion Paper suggest that between 2021 and 2031 the Cessnock Local Government Area may experience a significant gap for both low and high level residential aged care services if expansion was not to occur (Note: this assumption is based on the application of the Federal planning benchmark formula 88 residential places per 1,000 of the population aged 70 years and over).

4. It is important to ensure that residential aged care facilities are well considered and located in appropriate areas throughout the Cessnock Local Government Area. In assisting to promote this, it is encouraged that the Cessnock City Council Social Impact Assessment Guidelines include a requirement that any proposal to construct an Aged Care Facility include as part of the Development Application process either a Social Impact Comment or Social Impact Assessment (the type of assessment required would be based on the number of proposed residents).

5. Council encourages the development of residential aged care within 400 metres of shops and services.
6. Between 2001 and 2011 the growth in population for people aged 70 years and over was relatively minor (total growth recorded at 8%). This Discussion Paper highlights an expected increase in population for people aged 70 years and over and forecasts the growth to be a further 48% by 2021. To effectively prepare for this growth, Council must ensure that the needs of this population group are considered and strategically planned. With this in mind and given this Discussion Paper focuses only on a small part of the total aged care sector, it is recommended that Council prepare in 2014/15 an Ageing Strategy.
10. CONCLUSION

To conclude, this Discussion Paper has assessed and considered the current and future needs of the local community in respect to residential aged care services. The importance of this Discussion Paper is an acknowledgement that the Cessnock Local Government Area is a growing community and from an analysis of the community profile it is expected that in the near future, the area will see an increased growth in the population aged 70 years and over. In preparing for this growth, it is envisaged that this Discussion Paper, in particular its recommendations will be strategically used to advocate for the timely increase in residential aged care services, including the allocation of increased care packages, within the Cessnock Local Government Area.
11. REFERENCE


Hunter Regional Action Plan, NSW 2021 (NSW Government 2012), Department of Premier and Cabinet

Census of Population and Housing 2011, Australian Bureau of Statistics

The Living Longer, Living Better Aged Care Reform Package (2012), Department of Heath and Ageing

Social Health Atlas of Australia (2011), Public Health Information Development Unit

Cessnock 2020; Community Strategic Plan (2010), Cessnock City Council

Cessnock Local Government Area, City Wide Settlement Strategy 2010

Cessnock Local Government Area Social and Cultural Plan 2009-2014 (2009), Cessnock City Council

Cessnock Local Government Area – Local Environmental Plan 2011

Resource for Ageing Population Planning (RAPP) 2.0, Local Government NSW and Family & Community Services

State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004