



South Australian Community Transport Association  
**Incorporating Northern Territory**

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## **ROYAL COMISSION CONSULTATION PAPER**

### **AGED CARE PROGRAM REDESIGN**

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## Background

Community transport is provided to support people who cannot travel by public transport or their own private transport. It is a service that enables people – aged, infirm and/or with disabilities – to remain living at home, in preference to becoming dependent on residential/institutional care. Community transport is one of a variety of home care services.

Within the model on page 7 of the Consultation Paper, community transport will underpin Community Engagement by providing access to or included within social support: group and individual, transport to access various forms of connections including networks, family and access to centre based therapies.

Community transport typically operates door-to-door, for older people and younger people with disabilities, to enable them to attend medical and other appointments, visit shops, attend social engagements and generally remain connected in their community. A trip could be just a few kilometres; for example, to the local GP, or to the local shop and return with groceries; or more substantial, for example to visit family or friends in another town, or attendance at a day clinic at a hospital. It also supports eligible clients to connect with providers that service other care needs.

Across Australia, community transport providers as represented by the peak body, ACTA, deliver 5.5 million “trips” to 238,000 consumers annually, over 95 million kilometres of travel. Most of these providers are community not-for-profit organisations. Collectively they have approximately 2,200 paid staff and around 8,000 volunteers – most of them drivers – who provide 2.4 million hours of service. Most of this effort is directed at eligible aged consumers, placing community transport firmly into the category of Aged Care services.

Across South Australia some 500,000 trips are provided to regional and metro people by community transport providers. These services, predominantly CHSP funded, are the backbone of Community Transport operations here in South Australia.

In delivering a transport service, providers also interact with other care providers; observing, monitoring and reporting on consumers’ well-being and possible need for other supports.

Funding for community transport providers comes from multiple sources, including gifts, bequests, donations and such. Most of the funding, however, comes from Commonwealth and, to a lesser extent, state government sources including local councils. The principal source for funding in the aged care sector is the Commonwealth Home Support Program (CHSP), which provides grant funding to a variety of organisations to deliver a range of aged care services. Until recently, this has been essentially “block” funding, meaning, the provider is given a fixed sum of money to provide a specified number of outputs/outcomes over a defined period of time. To date, community transport for older people has continued to be block-funded by CHSP; however, that is under review, and at this point only assured until June 2022.

While CHSP (that is, some contracted, grant-funded care services) continues to function alongside the HCP (Home Care Package), provides a measure of relatively low-level care to eligible consumers and can “fill the gap”, as it were, until they receive their home care package, as well as providing services to those not eligible for a full Package. However, the CHSP is only assured to continue to June 2022. CHSP functions as a safety net at present for older people awaiting Home Care Packages, and those who are not assessed as fully eligible for, nor require, a Package, providing vital care services for ageing people to remain living at home and connected with their community.

One thing that is clear, is that those who then receive a Home Care Package are no longer eligible for subsidised community transport (unless re-assessment by the Aged Care Assessment Team determines different). Even though they may not have ready access to their own private transport or to public transport, if they do use a community transport provider, they must pay “full fare”, using their HCP funding.

The Royal Commission proposed model confirms that this may change in the future with a smoother transition for clients who can still receive Entry Level Supports whilst also receiving Investment Level Services. The cost for the older person remains unclear and current models confirm that full costs attributed to transport for people with Aged Care Packages reduce access, creating further isolation.

## **Matters of concern for community transport providers**

### **1. Demand vs supply**

Grossly insufficient funding to achieve the Government’s stated desired outcome of supporting people to age in place and remain active and connected to their community.

With the intermittent release of additional growth funding for CHSP, funds are not keeping pace with the growth in demand as we observe it. Additional funding only for home care packages does not adequately address the need, especially in the case of transport, where consumers are reluctant to (or don’t know how to) use the funding allocated for the purpose - see point 3 below.

Furthermore, to remove block funding and replace it with consumer-directed funding for low-level services, eg transport, will remove the flexibility and increase the cost of the service, and present a barrier to access.

### **2. Increased cost of business**

Also of concern is the Increasing costs of operation associated with increasing client demand (ie, increasing numbers of older people needing the services), as well as compliance with Standards, increasing insistence on use of expensive information technology, increasing difficulty in recruiting and retaining suitably credentialed staff – both paid and volunteers. Additionally, the direct costs of maintaining a vehicle fleet are steadily rising. These costs exist, and continue to increase, regardless of the funding model/structure under which providers are expected to operate.

### **3. Real cost of transport under CDC**

As more and more eligible older people receive Home Care Packages (with their consumer-directed funding), then increasing numbers of them will simply not be able to afford to pay for the level of community transport service that the block-funded CHSP currently provides. A real case in point is that of “Shirley”. Shirley has been using community transport to meet various medical and social needs for many years. Upon transitioning to HCP, the client was expected to then purchase transport from the organisation that holds and manages her package. The cost for Shirley increased to

\$700 per trip where as previously she had paid \$65 for the CHSP subsidised round trip from another provider. She was told that as the provider of her package they would provide the service and she lost all access to control and choice. Living regionally in the Copper Coast area of South Australia she has no access to public transport.

#### **4. Uncertain future for providers**

Additionally, and most pressing, community transport providers in particular are concerned that there is at the moment still no clear indication that CHSP will continue beyond mid-2022, and whether it does or not, whether the Government will persist with a block-funding model for community transport or totally replace that with the more user-directed payment system.

#### **Issues**

Several issues arise from these concerns.

First, that there is a far greater need for services than is currently being funded. Even though a significant number on the wait list for home care packages are possibly accessing CHSP-funded services in the interim, it is probable that there are also many who are not (or cannot be) accommodated. This means that, with the best will in the world, service providers are struggling to meet existing demand. Already, some services, including community transport, are servicing over and above current levels of funding and needing to “triage” applicants and make assessments as to whose needs should be prioritised over others. This in turn means some eligible consumers are at risk of not receiving the full service they need or are entitled to.

Second, while that situation would be greatly improved if Government were to significantly increase funding to address the currently unmet need, that would throw a short-term strain on service providers to suddenly have to recruit significant numbers of additional staff and volunteers – who would all need to be suitably qualified for their roles, in order to meet Aged Care Quality Standards - as well as increase infrastructure and equipment resources. In the case of community transport providers, this particularly would require significant increase in vehicle fleets and premises for garaging and servicing the vehicles, as well as office space for co-ordinators, etc.

Thirdly, the ability to undertake the required up-scaling will rely on having security of funding. Operators can only commit to the cost of extra staff, including staff training etc, and extra material resources, if they are confident of having the income to pay for it.

We are most concerned that a consumer-directed payment system would not provide that security/confidence. As has been witnessed already through the roll-out of the consumer-directed system of NDIS, consumers are uncertain of what they can obtain for the money, from whom they can obtain it, and how much it costs, leading to a reluctance to fully use their allocated funds as they tend to “keep a bit back in case of future need”. One of the services that has been grossly under-utilised under this system has been transport, which in turn has meant that consumers are not maintaining connections with their communities, and in some cases, not accessing other more critical support services outside their homes.

In particular, longer trips, perceived to cost more, are less likely to be committed to. This results in a contraction of services in regional and remote areas, which adds to the disadvantage of consumers in those areas, as well as having a flow-on negative impact on employment and spending in regional areas. Additionally, where one consumer may choose not to spend on community transport, another might wish to but not have sufficient funding available for that as well as their other needs. The result of this sees a similar amount of government spend notionally for transport, but fewer consumers receiving the service – a diminishing value-for-money scenario for the government in this vital area of servicing aged care at home.

With uncertainty of income, transport providers find it more challenging to maintain quality of service, as it becomes more difficult to recruit, train and retain good staff and volunteers, or maintain continuity of staffing sufficient to keep increasingly-complex management, recording and reporting systems operating efficiently. Uncertain and unpredictable income would bring with it an inability to budget confidently to maintain resources – vehicle servicing and replacement, staff and volunteer workforces and their ongoing training and support. This in turn would bring about a watering-down of service efficiency, reduction in service range, and less flexibility to respond to individual user needs.

On the other hand, the benefits of continuing block funding include:

- ease of access for consumers: the service is there on hand, does not require complex assessments to confirm eligibility – this in turn encourages them to use the service
- flexibility and rapid response: a provider with guaranteed funding has guaranteed operating resources and can have vehicles and drivers on hand to respond to consumers' need, including geographic location and regardless of individual package funding
- provides a safety net for consumers waiting for their HCP or where HCP funding has been exhausted, and including consumers experiencing financial hardship
- efficient use of resources: providers can make sure all vehicles and operators are fully utilised, not sitting idle for periods wondering where the next trip (and hence, payment) will come from
- providers can specialise and develop expertise in their field, confident in the knowledge that their service has been, and will continue to be, supported
- a stable income means a stable workforce, which in turn provides for excellence in service quality and compliance
- scalability: a provider confident in its future can expand as needed, to support increasing demand from an ever-increasing ageing population.

## **Conclusion: preferred alternatives**

The South Australian Community Transport Association strongly supports the recommendation from the Royal Commission that significant additional funding be committed by the Commonwealth Government as a matter of urgency, to address what is clearly a rapidly-growing need for aged care services at home, and a growing wait list of consumers waiting for assessment and confirmation of their eligibility for assistance. Also we support the proposed entry level stream being available to all older people in need of those services.

However, we now more than ever before must also strongly point out that, if effective and efficient community transport is to remain available to those consumers into the future, to enable them to stay connected to their community and make the best use of other services while remaining in their own homes, then the Government must also commit to continuing to fund this particular service, transport, on a block-funded model with an ongoing grants/contract system that will provide the security of income that transport providers must have in order to plan, budget and deliver services with confidence.