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MUNICIPAL ASSOCIATION OF VICTORIA

Committee Secretary
Senate Standing Committees on Community Affairs
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To the Committee Secretary,

Submission on the Aged Care Bill 2024

The Municipal Association of Victoria (MAV) welcomes the opportunity to provide our response to the Senate Standing Committee on Community Affairs inquiry on the Aged Care Bill 2024 (the Bill).

The MAV is the peak representative and advocacy body for Victoria's 79 councils and the official voice of local government in Victoria. Victorian councils are invested in the successful implementation of a reformed aged care system. The legislation must facilitate the ongoing participation of local government in the provision of aged care services, as more than 150 councils across the country currently offer such services, particularly in areas where alternative providers do not operate.

This letter follows MAV's <u>submission</u> to the Australian Department of Health and Aged Care on the Aged Care Bill 2023 Exposure Draft in February 2024.

Timeliness to prepare with access to detailed guidance

As a level of government, councils will require sufficient time and detail, including targeted advice, to transition their organisations to meet the requirements of the Bill. The current commencement date outlined in the Bill is insufficient for councils to meet the requirements. Inadequate timelines may force councils to exit service delivery should they determine they cannot meet the new Aged Care Quality Standards and other requirements in the Bill by 1 July 2025.

We request that the legislation adopt a phased implementation for local government authorities to meet the requirements established through the Strengthened Aged Care Quality Standards (the Strengthened Standards). The Strengthened Standards, referenced in section 146, should apply to local government authorities no earlier than 1 July 2026. This should be established within the new Act by outlining a specific provision for local government authorities under section 2. Additionally, a structured implementation plan with specific advice for local government providers should support the transition.



This recommendation is supported by a resolution passed at the 2024 National General Assembly of the Australian Local Government Association calling on the Australian Government to:

- a. Acknowledge the complexity involved for councils and other providers in adapting services to meet requirements under the new Aged Care Act.
- b. Work with aged care providers to develop a 24-month transition plan that provides a staged and structured implementation of the new Aged Care Act.

A phased approach to implementation would ensure providers, particularly smaller providers, are not unintentionally forced to exit the system.

Subdivision G - Conditions relating to governance

The MAV welcomes the clarification in sections 157 *Membership of governing bodies*, and 158 *Advisory body requirements* that a government entity or a local government authority is exempt from these requirements. This responds directly to feedback in our previous submission.

These exemptions and possible alternative arrangements must be incorporated into the Strengthened Standards to ensure clarity for the local government sector.

Other considerations for the local government sector

It should be acknowledged that while the Bill offers valuable detail, several other critical policy pieces must be confirmed to allow local government providers to assess their viability as providers under future arrangements. These include confirming fair future unit pricing and transition arrangements for Commonwealth Home Support Program (CHSP) providers to integrate with the Support at Home program in 2027. The government must act urgently to ensure the sustainability of all CHSP providers in the lead-up to 2027.

The MAV is committed to working with the government to ensure local government providers can continue to deliver high-quality that meet the needs of older Australians. It is essential the new legislation enables this outcome.

Should you require any further information, please contact Kim Howland, Manager of Community Wellbeing, at khowland@mav.asn.au

Yours sincerely

Kelly Grigsby

Chief Executive Officer

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