

**Submission
No 95**

**THE IMPLEMENTATION OF PORTFOLIO COMMITTEE No. 2
RECOMMENDATIONS RELATING TO CROSS-JURISDICTIONAL HEALTH
REFORM AND GOVERNMENT CONSULTATION WITH REMOTE, RURAL AND
REGIONAL COMMUNITIES**

Organisation: Local Government NSW

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DRAFT SUBMISSION

**The implementation of PC2
recommendations relating to
cross-jurisdictional
health reform and
government consultation
with remote, rural and
regional communities**

November 2024



Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Local government in NSW employs **55,000 people**



Local government in NSW is responsible for about **90% of the state's roads and bridges**



Local government in NSW looks after more than **\$177 billion** of community assets



NSW councils manage an estimated **4 million tonnes of waste** each year



Local government in NSW spends more than **\$2.2 billion** each year on caring for the environment



NSW councils own and manage more than **600 museums, galleries, theatres and art centres**



NSW has more than **350 council-run libraries** that attract tens of millions of visits each year



NSW has more than **400 public swimming and ocean pools**

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INTRODUCTION

Thank you for the opportunity to provide input to the Select Committee's inquiry on the implementation of Portfolio Committee No. 2 (PC2) recommendations relating to cross-jurisdictional health reform and government consultation with remote, rural and regional communities.

Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

Councils across regional and rural NSW share widespread concerns regarding the effective provision of health care services. As the only sphere of government embedded in rural and small communities, local government often has no choice other than to take on additional responsibilities where the needs of their communities are unmet by other levels of government.

This submission is made in draft form, pending approval of the LGNSW Board. The Committee is asked to consider this current version. If there are any changes following Board endorsement, these will be separately provided to the Committee.

PC2 Terms of Reference

The Select Committee on Remote, Rural and Regional Health will inquire into and report on the progress of and issues relating to the implementation of PC2 recommendations relating to health outcomes and access to health and hospital services, including:

1. Cross-jurisdictional cooperation between the New South Wales and Australian governments, in particular:
 - a. Long-term strategic planning to improve health services and health outcomes in remote, rural and regional areas, including in relation to primary health (including Recommendations 1, 7, 8 and 11)
2. Collaboration between NSW Health and Australian Government bodies on particular initiatives, services or training programs (including Recommendations 9, 10, 14, 21, 22 and 39)\
3. NSW Government consultation with health stakeholders and communities in remote, rural and regional New South Wales, in particular:
 - a. Improving communication between communities and health services (including Recommendations 5, 42), and
 - b. Developing place-based health plans (including Recommendation 43)

4. NSW Government action to prioritise the health of regional communities in government decision making (including Recommendations 36, 37 and 44).
5. Any updates or final observations relating to the progress of implementing any Portfolio Committee No. 2 recommendations that the Select Committee has considered in its previous inquiries.

BACKGROUND

LGNSW encourages the Committee to review positions set out in previous LGNSW submissions since 2020:

- [Parliamentary Inquiry - health outcomes and access to health and hospital services in rural, regional and remote NSW – December 2020](#)
- [Supplementary submission: Parliamentary Inquiry - health outcomes and access to health and hospital services in rural, regional and remote NSW - October 2021](#)
- [Parliamentary Inquiry Mental Health Care in NSW – September 2023](#)
- [Parliamentary Inquiry Healthcare Workforce – October 2023](#)
- [Parliamentary Inquiry Specialist Healthcare – April 2024](#)

A number of local governments across NSW have also provided feedback to the various submissions on behalf of their communities.

LGNSW Policy Positions

[LGNSW's Policy Platform](#) consolidates the voices of councils across NSW, reflecting the collective positions of local government. LGNSW advocates for:

- 4.4 New models for rural and regional infrastructure, service delivery, health, mental health care and aged care, including consideration of council coordination and/ or implementation that avoids cost shifting and is built on close collaboration between local, state and federal governments and NGOs.

A full list of the LGNSW Annual Conference resolutions regarding the lack of access to health services in rural and regional NSW raised by NSW local government members can be found in *Appendix 1*.

PROGRESS OF PC2 RECOMMENDATIONS

LGNSW welcomes all 44 recommendations of the parliamentary inquiry into health outcomes and access to health and hospital services in rural, regional and remote New South Wales and calls for greater cooperation between all spheres of government in understanding and delivering local health services and enhancing health outcomes for regional, rural and remote NSW.

LGNSW recommendation 1: That the NSW Government recognise local government as a key stakeholder in the delivery of vital healthcare services in areas with thin health markets and as a valued partner in the general health and wellbeing of communities.

LGNSW recommendation 2: That the complete list of 44 recommendations from the 'Health outcomes and access to health and hospital services in rural, regional and remote New South Wales' (Report No 57) be implemented in full.

LGNSW recommendation 3: That a joint task force representing local, NSW and Australian Governments be established to formulate a model for improving the provision of medical services in rural and regional areas.

The full list of LGNSW's recommendations for the Committee's consideration is summarised at the end of this document.

Single employer model

Recommendation 9: That NSW Health work with the Australian Government and the Primary Health Networks to expedite the implementation of a single employer model for (general practice) GP trainees across rural, regional and remote New South Wales.

The single employer model provides a tailored, coordinated pathway for doctors wanting to become rural generalists during their training in public health facilities and private GP practices. This specific training will ensure GPs have the right skills to practice in rural settings and can address the individual needs of regional, rural and remote communities.

The Murrumbidgee Local Health District (LHD) collaborated with local stakeholders, including councils, resulting in the successful roll out of a GP single employer model.

LGNSW was pleased to see the expansion of the single employer model from the original Murrumbidgee pilot program to other jurisdictions, announced by Federal Health Minister Mark Butler and State Health Minister Ryan Park in [August 2023](#).

LGNSW recommendation 4: That the single employer model continues to be expanded to other Local Health Districts.

Services and resources provided by community groups are understood, service gaps filled by government

Recommendation 5: That NSW Health and the rural and regional Local Health Districts actively engage with local community groups and charities to understand the services and resources they provide, and to ensure that where possible and appropriate, service gaps are filled by government.

For many years, councils have been reporting significant health cost shifts from state and federal government, whereby councils are providing or subsidising much needed facilities and services to maintain the health and wellbeing of their communities. LGNSW submitted data to the 2020 -2022 inquiry, identifying nearly \$2 million of direct costs borne by 21 of NSW's smallest councils or joint organisations in the 2020/2021 financial year - money that could and should be spent elsewhere.

LGNSW continues to advocate for the implementation of PC2 recommendation 1, that the funding models for all regional and regional LHD's be reviewed to identify any service delivery gaps and provide recommendations for funding increases.

Feedback from councils indicates mixed outcomes as a result of advocating to their LHD on local issues. Accessible transport options remain an issue for many, and councils' continued advocacy to their LHD to fill this service gap is unsuccessful. An MOU with NSW Health and Primary Health Networks would assist in all spheres of government aligning, to meet community need.

Long wait times are still being experienced, despite the closer collaboration from LHDs, and without sustained investment this is likely to deteriorate with growing communities and demand for healthcare services.

Council feedback also notes that LHDs engage well with their local communities, attending regular interagency meetings and meetings with councils, this is valuable in strengthening referral knowledge and responding to local issues. One council

referenced a forum run by the LHD in their region, to support families to discuss complex mental health issues and link up local services. The LHD worked with local stakeholders to facilitate access to vital healthcare support.

LGNSW recommendation 5: That the NSW and Australian Government work with councils to prevent shifting costs onto local government by adequately funding health workforce incentives and health services in regional, rural and remote communities.

LGNSW recommendation 6: That LHDs and Primary Health Networks consult closely with councils and community organisations to inform:

- improved capacity and quality of health services infrastructure in rural, regional and remote NSW; and
- increased infrastructure funding to meet community demand for health services.

Role of Local Health Advisory Committees

Recommendation 42:

- *Review, reinvigorate and promote the role of Local Health Advisory Committees to ensure genuine community consultation on local health and hospital service outcomes, and health service planning.*
- *Investigate methods of better informing communities about the services that are available to them, and publish additional data such as wait times and minimum service standards for the facilities within their remit.*

Councils want to work collaboratively with their Local Health Districts and their Local Health Advisory Committees (LHAC) to deliver improved health outcomes for their community.

Revising the LHAC model to give local leaders and affected residents a far greater say in the scope and delivery of health services in their local communities would result in greater health outcomes for those in regional areas.

In terms of improved communication, feedback has been mixed. Some member councils have noted ongoing increased consultation and engagement, with the LHAC taking suggestions and concerns on board.

Other councils, however, have noted that the role of LHACs in local health planning has diminished, with the sense that the role is to “sell” policies to the local community, rather than genuine consultation in the development of these policies, leading to a wider gap between the planning and the delivery of health services.

Further, council feedback has also noted at least one LHAC has ceased due to some committee members not being able to serve on the committee due to protocols regarding maximum number of terms.

If community members do not have genuine input to the scope and delivery of health services to the community, members can become disenfranchised, resulting in a failure to retain and attract community representatives.

This is a loss for the committee, due to the difficulty in attracting volunteers. While LHACs can apply for an exemption to this protocol, this is cumbersome for an already resource constrained committee.

Member feedback has suggested a review of the LHAC model, or replacement with a responsive Hospital Board model, to ensure:

- increased levels of community consultation;
- full disclosure to local communities; and
- open, two-way communication between the health service and the communities it serves.

The local government sector welcomes measures suggested by this committee to provide improved consistency, transparency, and collaboration between LHDs and councils or between Local Health Advisory Committees and councils.

LGNSW recommendation 7: That the NSW Government revise the Local Health Advisory Committee (LHAC) model to give communities a far greater say in the scope and delivery of health services in their local communities.

LGNSW recommendation 8: That the NSW Government review LHAC policy to attract and retain members including how many terms members can serve on committees when attracting volunteers has proven difficult.

Place-Based Needs Assessments and Local Health Plans

Recommendation 43: That the rural and regional Local Health Districts work with rural and remote communities to develop Place-Based Health Needs Assessments and Local Health Plans in collaboration with the Department of Regional NSW, local government, education, human services, community services, community and First Nations organisations and local health providers that are responsive to the variations in determinants, lifestyle and disease burden for each community and its population.

Councils undertake strategic planning for their communities through the Integrated Planning and Reporting (IP&R) framework. The Community Strategic Plan (under the IP&R framework) sets the roadmap for delivering community priorities and aspirations over a 10 year period. Councils may develop partnerships to deliver on community priorities that go beyond local government responsibilities.

Councils will also, in partnership with key local stakeholders including the LHD, will undertake the following:

- Embed health and wellbeing statements in the Community Strategic Plan
- Introduce health objectives in the Local Strategic Planning Statement and Local Environmental Plan
- Introduce social and health impact assessment framework; and
- Develop and implement a health and wellbeing strategy.

Councils assess public transport, open space, employment and other factors that impact the social determinants of health. This is particularly important for new or growing communities.

In other jurisdictions, such as Victoria and Western Australia, councils are mandated to develop Municipal Public Health Plans. Adopting a similar model in NSW would require appropriate funding.

Place-Based Needs Assessments are a useful source of data for councils and foster valuable awareness and collaboration between councils and their LHD.

Community Strategic Plans have synergies with local health plans and further partnership between councils and LHDs could leverage this. Councils can support the development of Local Health Plans through advice on population needs, identification of key issues for the community and possible interventions. As the sphere of government closest to the community, councils have existing relationships with their local community and have regular opportunities to engage with community members.

Any actions identified through this planning process should consider boundaries to align with other government agencies and allied health providers, to ensure coordinated and efficient service delivery.

Some feedback from councils indicates a loss of trust in health planning processes after actions identified in Local Health Plans have been de-funded. Further work to fund implementation of Local Health Plan activities, particularly any actions that align with State Health Planning measures, would assist in rebuilding confidence.

LGNSW recommendation 9: That the NSW Government prioritise the development of Place-Based Health Needs Assessment and Local Health Plans in areas expecting significant population growth.

LGNSW recommendation 10: That the NSW Government coordinate Place-Based Health Needs Assessments and Local Health Plans across agency boundaries to ensure efficient service delivery.

CONCLUSION

Thank you for the opportunity to provide feedback.

The Inquiry is addressing issues of great importance to rural, regional and remote councils, and access to healthcare remains a critical issue for many.

The local government sector welcomes any measures that improves health service governance and greater transparency at the local level.

To discuss this submission further, please contact Policy Officer, Elle Brunsdon via email elle.brunsdon@lgnsw.org.au.

Summary of LGNSW recommendations

- 1: That the NSW Government recognise local government as a key stakeholder in the delivery of vital healthcare services in areas with thin health markets and as a valued partner in the general health and wellbeing of communities.
- 2: That the complete list of 44 recommendations from the 'Health outcomes and access to health and hospital services in rural, regional and remote New South Wales' (Report No 57) be implemented in full.
- 3: That a joint task force representing local, NSW and Australian Governments be established to formulate a model for improving the provision of medical services in rural and regional areas.
- 4: That the single employer model continues to be expanded to other Local Health Districts.
- 5: That the NSW and Australian Government work with councils to prevent shifting costs onto local government by adequately funding health workforce incentives and health services in regional, rural and remote communities.
- 6: That LHDs and Primary Health Networks consult closely with councils and community organisations to inform:
 - improved capacity and quality of health services infrastructure in rural, regional and remote NSW; and
 - increased infrastructure funding to meet community demand for health services.
- 7: That the NSW Government revise the Local Health Advisory Committee (LHAC) model to give communities a far greater say in the scope and delivery of health services in their local communities.
- 8: That the NSW Government review LHAC policy to attract and retain members including how many terms members can serve on committees when attracting volunteers has proven difficult.
- 9: That the NSW Government prioritise the development of Place-Based Health Needs Assessment and Local Health Plans in areas expecting significant population growth.
- 10: That the NSW Government coordinate Place-Based Health Needs Assessments and Local Health Plans across agency boundaries to ensure efficient service delivery.

Appendix 1: List of LGNSW Annual Conference resolutions

2023 – Resolution 55	Gunnedah Shire Council
<p>Amendment to more doctors for rural Australia program</p> <p>That Local Government NSW calls on the Federal Government requesting:</p> <ol style="list-style-type: none"> 1. Amendment to MDRAP (More Doctors for Rural Australia Program) by removing Monash Modified Model 2 zone from the program, thereby incentivising more doctors to locate to rural and remote regions within Australia, and 2. That college training programs be modified to reflect any changes to the MDRAP. 3. That state and federal governments create university medical positions for rural NSW students who would return to rural areas for two years in lieu of HECS debts. 	
2023 – Resolution 56	Liverpool Shire Council
<p>Medicare psychology services</p> <p>That Local Government NSW writes to the NSW Minister for Health, seeking an increase in the number of psychologists employed by NSW Health, with priority given to:</p> <ol style="list-style-type: none"> a. Community based positions b. Improving the capacity of community based psychologists to assist patients with complex needs c. Growing the Aboriginal psychology workforce. 	
2022 – Resolution 48	Albury City Council
<p>Mental health crisis</p> <p>That Local Government NSW advocates that the NSW and Australian Governments address the mental health crisis for all people and ensure adequate access to emergency and specialist treatment, intervention, acute and inpatient services, including consistency of access across rural, regional and metropolitan NSW.</p>	
2022 – Resolution 122	Leeton Shire Council
<p>Addressing poorer health outcomes in rural, regional and remote NSW</p> <p>That Local Government NSW urges the NSW Government to partner with the Federal Government to:</p> <ol style="list-style-type: none"> 1. immediately commence implementation of the health reforms recommended in the Upper House Inquiry – Report 57 – “Health Outcomes and Access to Health and Hospital Services in Rural, Regional, and remote NSW” 2. focus first on the recommendations aimed at recruiting and retaining doctors and clinicians in rural and remote areas of NSW 3. increase the intake of overseas-trained doctors and other medical staff to give immediate relief to rural and remote locations experiencing shortages of trained medical personnel 4. ensure there is improved health service governance and greater transparency at the local level 	

5. improve the capacity and quality of health services infrastructure in rural, regional and remote NSW to meet growing community demand.

This issue was also raised by Kyogle, Bland Shire, Albury City, Warrumbungle Shire, Armidale Regional, Bega Valley Shire, Muswellbrook Shire councils.

2022 – Resolution 123

Warrumbungle Shire Council

Doctor Distribution Priority Areas

That Local Government NSW advocates for the Federal Government to review the distribution of doctors to ensure that rural and regional communities and hospitals have reasonable and adequate access to doctors and medical care.

This issue was also raised by Gunnedah Shire Council.

2020 – Resolution 83

Leeton Shire Council

Health services in rural, regional and remote NSW

That Local Government NSW:

1. Advocates for the Local Health Advisory Committee (LHAC) model to be revised to give local residents a far greater say in the scope and delivery of health services in their local communities.
2. Pursues a formal MOU with NSW Health and Primary Health Networks which provides the basis for collaboration between councils and NSW Health and Primary Health Networks.
3. Makes a submission to the Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW.

2020 – Resolution 96

Lake Macquarie Council

Partnership with Headspace

That Local Government NSW calls on the State and Federal Governments to investigate and explore a partnership between local government and Headspace National Youth Mental Health Foundation to ensure young people in rural, remote, isolated and public transport-deprived areas gain access to appropriate and relevant youth mental health services.

2020 – Resolution 97

Tamworth Regional Council

Medicare provider numbers

That Local Government NSW makes appropriate representations to the State and Federal Government Health Ministers to ensure the current review of the National Medical Workforce Strategy, and in particular how a “District of Workforce Shortage” is determined when allocating Medicare provider numbers, provides flexibility and opportunities for medical practitioners and specialists to relocate to regional and rural communities so that they are not disadvantaged in the delivery of adequate and essential medical services.

Rural doctor incentives

The establishment of a joint task force representing local, state and federal governments to formulate a model for improving the provision of medical services in rural and regional areas and developing strategies and funding financial relocation packages for the engagement of an essential health workforce.

Forensic pathology (post-mortem examination) services

That Local Government NSW lobbies the NSW Government to:

- a) Undertake a full investigation into the delays currently experienced by communities in regional, rural and remote areas of NSW in accessing forensic pathology (post-mortem examination) services.
- b) Expand access to forensic pathology (post-mortem examination) services to regional centres outside Newcastle, Sydney and Wollongong.
- c) Review 2016 changes to the provision of forensic pathology (post-mortem examination) services which have contributed to delays in releasing bodies to grieving families.
- d) Improve exposure to the specialty of forensic pathology and death investigation in medical training facilities to help address the shortage of practitioners within the NSW Health system.