Submission cover sheet

Inquiry into Petition 017-25 and E-Petition 005-25: Closure of Burrangiri Aged Care Respite Centre in Rivett

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Inquiry into Petition 017-25 and E-Petition 005-25: Closure of Burrangiri Aged Care Respite Centre in Rivett

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FINAL

Summary

Burrangiri has delivered quality respite care to the Territory for some 35 years. It is, perhaps, a unique, even arcane model of respite care that does not reflect the evolved role of the Commonwealth in funding aged care. That goes to the funding model of Burrangiri, not to the model of service. Unique or not, it is a treasured service amongst our elderly citizens and the families who seek to care for them at home. It is a gem of a service because it is purpose-specific, is flexible in admitting both ACAT-assessed and non-ACAT-assessed clients, caters to both overnight clients and day clients, and delivers first class care under the management of The Salvation Army. It does all this in accommodating around half the respite demand in the Territory and as the largest single service provider.

The Minister is rightly concerned to engage the Commonwealth in its responsibility to fund aged respite care – something that would require accreditation of Burrangiri as a residential aged care facility. The Minister is also rightly concerned to consider the future of the Burrangiri facility against its age and structural limitations.

However it is not evident that in weighing these matters the Minister has commissioned a replacement for Burrangiri before deciding to close it. It would appear the Minister is disposed to purchase beds in residential aged care facilities as an interim solution and has done so:

- without credible analysis of the availability and comparative costs of such beds;
- without regard to the quality implications of what effectively would be 'warehousing' respite clients in residential aged care facilities;
- without regard to the needs of day-program clients; and
- without taking into her confidence the clients and families of respite care in considering alternatives.

Thus while the Minister's concerns may be well founded, her path forward is not. The longer-term trajectory for respite care in the Territory appears unresolved, and in the meantime the only sensible way forward is to extend the life of Burrangiri. That will require ACT Health to:

- extend the existing service contract for 24 months while tendering for a longer term service contract;
- have Burrangiri accredited as a residential aged care facility qualifying for Commonwealth funding;
- negotiate with the Commonwealth, if necessary, a blended funding model whereby the Commonwealth would fund ACAT-assessed clients and the Territory would fund non-ACAT-assessed clients; and
- negotiate with the Commonwealth to apply some of the $10m (pledged in the election context for Territory respite care) to any upgrades required for accreditation of Burrangiri and its life extension.

I understand that a blended funding model may pose challenges for administration and accounting at Burrangiri and impose different care protocols on two classes of clients (Commonwealth-funded overnight clients *vs* Territory-funded overnight clients). This would be true, however, of any alternative solution involving accredited residential aged care facilities. I would expect that software can be commissioned to simplify the accounting and reporting challenges of dual funding streams. And, given that non-ACAT-assessed overnight clients account, I understand, for around only one in five overnight clients, I would expect that the higher care protocols associated with Commonwealth-funded clients could be applied universally to all clients. Care should be blind to source of funding.

1 Introduction

My interest in this inquiry stems from my observations of a close friend who is a client of the day program at Burrangiri. I have known my friend for five years and, prior to her admission to the Burrangiri day program, my partner and I were involved on occasions with providing respite care while her family took short holidays.

I know my friend's family (her daughter, son-in-law and grandchildren) well and can attest that they will stop at nothing to keep my friend loved and cared for in their family home as age takes its course. This family is self-giving and tireless in their efforts to address my friend's needs in the face of failing health. My friend suffered debilitating anxiety and depression, dangerously high blood pressure, and progressive weight loss. Her daughter pursued every avenue of medical intervention and community engagement for my friend, to no avail.

Two years ago my friend's daughter chanced upon the day program at Burrangiri and was able to have my friend admitted to the program. My friend today has shed her anxiety and depression, gained some 10 kg in weight, and looks forward each and every day to attending the Burrangiri day program. She is transformed back to the vibrant, engaged, life-loving grandmother she once was.

For those who have lived the experience of supporting ageing relatives in the family home, the point of this narrative may be obvious. For most people, however, it may not be so. Respite care, be it day care or overnight residential, is not about 'warehousing' frail elderly people while carers restock their physical and emotional selves for the ongoing tasks of home care. Respite care most certainly needs to keep people vulnerable elderly people safe and medicated, but it needs to do much more. Respite care needs to provide a community of nurture and support around short-stay clients, both day program and overnight clients.

The point of my friend's experience at Burrangiri is that The Salvation Army provides at Burrangiri a community of nurture and support geared specifically to short-stay residential clients and recurrent day program clients. And that community delivers programs which positively grow the well-being of clients and assist in abating the progress of dementia. The efficacy of The Salvation Army's work at Burrangiri is manifest and, I have no doubt, accounts for the outpouring of support that has flowed since the decision of the Minister to close the facility.

To be clear, frail elderly clients such as my friend can be 'warehoused' in the ACT's hospitals or residential aged care facilities for safety and medication. Good administrators will find beds, purchase them, and allocate. Good service providers will do their best to apply diligence and care for the clients in their charge. What is less certain is that these providers will have the resources to create a community of support and nurture for the short-stay clients in their care. Hospitals are rightly focused on clinical care. Residential aged care providers are rightly focused on their long-stay residents.

My purpose in writing this submission is not to argue for or against bricks and mortar on any given site. My purpose rather is to argue that respite care is a critical need in our Canberra community, one that is growing with our ageing population, and one that calls for dedicated facilities of the standard seen at Burrangiri, with continuity assured during any transition.

The problem with the Minister's decision to close Burrangiri is that it focuses on the bricks and mortar and the funding model to the exclusion of what is, by any measure, a gem of a model of dedicated respite care.

2 The funding model

The Minister correctly argues that aged respite care is the responsibility of the Commonwealth. The ACT Government presently funds Burrangiri at around $1.7 million per year without Commonwealth assistance.

I understand that for a client to qualify for Commonwealth funded respite care the client needs to have been ACAT-assessed and the respite facility to have been accredited by the Commonwealth as a Residential Aged

Care Facility.[1] The Commonwealth funding model is geared to residential respite care only. I also understand the providers of Commonwealth-funded Home Care Packages may allocate Home Care funding to purchase of day-care programs.

I understand that Burrangiri accepts clients without ACAT assessments (21% in 2023-24)[2] and that it has not sought accreditation as a Residential Aged Care Facility. There is advantage to the flexibility of not requiring ACAT assessments, the time and complexity of which can defeat the urgency of need for respite care. There is advantage, too, in providing quality day programs in supporting home care for clients with specific social and therapeutic needs – such as those of my friend. In 2023-24, Burrangiri delivered a total of 4,745 overnight bed days of care, and 1,827 days of day centre occupancy.[3]

Burrangiri presents as warranting a blended funding model – part Commonwealth, part ACT Health. Accrediting Burrangiri as a residential aged care facility would qualify it to receive Commonwealth funding for ACAT-assessed overnight bed clients. Given that such clients account for the vast majority of overnight bed clients, and that overnight bed clients incur significantly higher per capita costs than do day centre clients, it could be expected that engaging Commonwealth Residential respite subsidy and supplements payments would reduce reliance on ACT Health funding very significantly. ACT Health would bear the residual costs for non-ACAT assessed overnight bed days and day centre clients.

The Salvation Army presently manages residential aged care across nineteen facilities nationally.[4] The Salvation Army is accordingly experienced in seeking residential aged care facility accreditation and could be invited to do so for Burrangiri. I do not know whether accreditation would preclude inclusion of non-ACAT assessed clients and day centre program clients in an accredited facility. Should this be an issue, I would anticipate resolution could be negotiated with the Commonwealth, or a solution devised that would accommodate two separate entities within the one building. The logic of the blended functions being housed together is compelling: it is in the interest of both the Commonwealth and ACT Health to minimise escalating costs in home, residential and hospital care. The unitary approach of the Burrangiri model in delivering purpose-specific respite care regardless of funding source assures economies of scale and efficacy of care.

3 The facility

Minister Stephen-Smith makes much of Burrangiri being a facility not fit for purpose. ACT Health reports that:

> 'A Burrangiri facility visit by ACTHD and CHS staff on 15 November
>
> 2023 confirmed that the current building is not fit for purpose and has limited value:
>
> - as a respite centre,
> - as a facility supporting older patients discharged from hospital, and
> - requiring significant government investment for building maintenance costs.
>
> Furthermore, the condition of the building does not meet the expected ACT Government standard with a site assessment rating of 2.5 out of 5. The 2022 Asset Management Plans (AMP) for Burrangiri

[1] Commonwealth Department of Health and aged Care, 'Residential respite subsidy and supplements', accessed at https://www.health.gov.au/our-work/residential-aged-care/funding/residential-respite-subsidy-and-supplements#respite-supplement on 11.05.25.

[2] ACT Government Health (2024), 'ACT Government funded Respite: Short-term options paper – Final', p 10. Accessed through FOI Reference ACTHDFOI24-25.10 on 28 April 2025.

[3] ACT Government Health (2024), p 9.

[4] Salvation Army, accessed at https://agedcare.salvos.org.au/who-we-are/ on 11 May 2025.

identified the need for several major structural and electrical upgrades with an estimated cost over $900,000. These upgrades far exceed the $90,000 annual maintenance budget for Burrangiri.

Furthermore, these structural limitations have an impact on service provision to admit bariatric patients, clients who are a high falls risk or require isolation, and clients with challenging behaviours for example related to dementia.'[5]

It may be true that Burrangiri is ill-equipped for certain high needs patients. That it is sufficiently equipped to support 4,745 bed days and 1,827 day centre days in 2023-24, and in doing so reportedly provided half the respite accommodation of the ACT in that year, is surely more relevant. There may well be benefit in expanding Burrangiri's capacity to meet the full range of potential respite clients, but that does not negate its value as the single largest provider of current respite care.

There may also be need for some $900,000 of structural and electrical upgrades at Burrangiri. ACT Health has not, to my knowledge, advised on the urgency or otherwise for such upgrades, nor the veracity of such claims.

The critical issue here is not whether Burrangiri is fit for the purpose it presently serves. It clearly is, and in delivering 4,745 overnight bed days in 2023-24, overachieved against its contracted target.

The issue is whether ACT Health is prepared to sustain Burrangiri pending commissioning of new dedicated respite care facilities that will accommodate the anticipated growth in demand and the diversity of needs. I am not aware the Minister has committed to investment in any new facilities of this kind, and in any case, none are available from 1 July 2025 or indeed for the foreseeable future. In these circumstances, there is every reason to sustain Burrangiri in its existing Rivett site until alternative facilities are commissioned.

I understand that the Commonwealth does not normally subsidise the capital costs of residential aged care. The Commonwealth does subsidise capital costs in special circumstances which include 'for people: from Aboriginal and Torres Strait Islander Communities; living in regional , rural and remote areas; who are homeless, or at risk of becoming homeless; or with other complex and diverse needs, including dementia.' [6] It seems unlikely that Burrangiri would qualify for assistance under this program.

Labor pledged in the recent Federal election context to provide $10 million for respite aged care beds in the ACT through a new or existing provider.[7] With Labor now re-elected as the Federal Government, part of this funding could be applied to meeting the upgrades required to sustain Burrangiri until, or beyond, the commissioning of new dedicated respite care facilities. Meeting the estimated $0.9 million reported by ACT Health as required for structural upgrades would consume just under 10% of the Commonwealth commitment. The opportunity cost of not applying these funds would be to abandon 50% of the ACT's current dedicated respite capacity. The folly of such forfeiture is beyond comprehension.

4 Purchased beds

ACT Health provided the Minister a 'Short-term options paper' on 22 November 2024.[8] That paper proposed either extension of life of Burrangiri or closure of Burrangiri with respite care purchased as overnight bed days

[5] ACT Government Health (2024), p 9.

[6] Australian Government Department of Health and Aged Care, 'Aged Care capital Assistance Program,' accessed at https://www.health.gov.au/our-work/aged-care-capital-assistance-program#:~:text=The%20Aged%20Care%20Capital%20Assistance,have%20limited%20or%20no%20access. On 11 May 2025.

7 ABC News (22.04.25), 'Federal Labor commits to additional $10 million for aged care respite beds in Canberra after facility closure announced', accessed at https://www.abc.net.au/news/2025-04-22/act-federal-labor-commits-additional-aged-care-respite-funding/105202176 on 12 May 2025.

[8] ACT Government Health (2024).

from providers, presumably residential aged care facilities. The paper notes the risk that the residential aged care sector may not have capacity to supply beds for the respite care load that would be shed in the closure of Burrangiri. The paper does not, however, quantify that risk through, for example, reporting the actual level of capacity utilisation in the residential aged care sector.

In similar vein, the paper purports to cost options at Appendix D.[9] The costings provided for extension of life of Burrangiri in Section 8.4.1 do not appear to reconcile with the reported current funding for Burrangiri, and they do not include capital upgrades/refurbishments which the paper reports would be necessary for extension of life. The purchased beds model is reputedly costed at Section 8.4.2, assuming implementation of 'Health Outcomes Model – Combination model of 2a and 2b – with flexible arrangements in place.' Whereas the report estimates costs of $19.2m for extending Burrangiri over the 17 years to 2040-41, no comparable 17 year costings appear to be provided for the purchased beds model.

The options paper, while rich in data on projected demand for respite beds and the historical performance of Burrangiri, lacks credibility in assessing the availability, and comparative costs, of purchased beds as an alternative to extending the life of Burrangiri.

It is also significant that the report appears not to consider the implications for clients and their families of distributed care (purchased beds) versus specialised care (purpose-specific facilities). The difference lies in the focus of the respective models: in distributed care, respite clients are transient visitors to a facility which understandably is focused on its long-term residents. Purpose-specific respite care facilities, by contrast, are typically smaller and focused solely on their short-stay overnight clients and recurrent day program clients. For some clients, the difference may not be significant, but for many – as attested in the response of Burrangiri clients and their families – the difference can be critical, increasing quality of life and reducing dependence on Commonwealth and Territory resources.

In sum, the November 2024 options paper does nothing to clarify that purchased beds are a viable and cost-effective alternative to extending the life of Burrangiri. Nor does the paper shed light on the quality outcomes for clients and their families, and the inferred flow-on costs to the Territory and Commonwealth budgets.

5 Fragility in decision-making

It is easy to view respite care as a footnote to the big picture of aged care. The reality is that respite care, though small in cumulative client numbers and costs, is key to sustaining growth in home care for the elderly. The most loving, best intentioned of families will do all in their power to care for their aged loved ones at home, but can do so only with periodic relief from their duties. In drawing on respite, such families need assurance that their loved ones will be accommodated with care and safety in a community that enriches their wellbeing and does not trigger regression. That assurance is critical to sustaining the quality of life for loved ones, and for assisting families in keeping loved ones less dependent on Territory and Commonwealth resources.

It is entirely reasonable that the Minister should view the future of Burrangiri with an eye to engaging Commonwealth funding for respite care and to addressing the growing long-term need for respite care in the Territory. It is not reasonable that the Minister determined to close Burrangiri without:

- a long term investment program funded, announced and underway;
- consultation with the Commonwealth on blended funding and capital upgrades;
- a transition plan founded on credible analysis of the comparative viability and costs of extending Burrangiri's life versus purchasing respite care from the residential aged care sector;

[9] ACT Government Health (2024), p 23.

- appraisal of the quality outcomes of the Burrangiri model and implications for clients and their families; and
- fair notice to, and consultation with, the Burrangiri clients and their families.

It is difficult to avoid the conclusion that the Minister formed a view to repurpose Burrangiri for drug and alcohol rehabilitation, and to 'warehouse' the Burrangiri clients in an assumed (but untested) over-capacity of the residential aged care sector. The secrecy of this exercise, and the inadequate advice upon which it is based, are matched only by the escalating over-reach of the Minister's defence – culminating in her claim that she would be breaching Territory procurement law to now extend the Burrangiri service contract without going to tender. This is a dilemma of the Minister's own making, having set herself upon closure of Burrangiri in a manner that would allow only five months to arrange extension of the existing service contract.

It must also be questioned whether an extension of the service contract does necessitate open tender, and whether this is indeed a matter of policy or regulation. Procurement policy is directed at maximising taxpayers' value for money. Short-term extensions of contract typically are considered better value for money than open tender where the record of the existing contractor demonstrates cost-effective service delivery and the costs, to both government and the market, of open tender cannot be justified. In the context of Burrangiri, it would, on my understanding, serve the ACT taxpayer well to extend the existing service contract by, say, 24 months, while resolving the long-term future of the facility and, if appropriate, conducting an open tender for a long-term service provider.

From what might have been embraced as a legitimate weighing of policy alternatives for interim and longer-term respite care in the Territory, the Minister's conduct in this matter smacks of fragility in decision-making. It would seem to reflect a reckless indifference to the Territory's clients of respite care, to their families, and, in all truth, to the Territory budget. The Minister at no time sought to take the respite clients and their families into her confidence. The reasons for doing so are now evident.

6 A pathway to sustainable, quality respite care

Burrangiri may be an ageing facility and it may well not be viable in the longer-term trajectory of Territory respite care. Burrangiri may also be unique as a respite facility catering for both ACAT-assessed and non-ACAT-assessed clients and funded wholly by the Territory and not the Commonwealth. But Burrangiri works, exceptionally well by most accounts, as the dominant provider of respite care in the Territory. Whatever longer term planning the Minister may hold for Territory respite care, there is nothing to gain, and too much to lose, in closing Burrangiri in the interim.

The appropriate way forward is to extend the life of Burrangiri while resolving the longer-term provision of respite care. In so doing, ACT Health would:

- extend the existing service contract for 24 months while tendering for a longer term service contract;
- have Burrangiri accredited as a residential aged care facility qualifying for Commonwealth funding;
- negotiate with the Commonwealth, if necessary, a blended funding model whereby the Commonwealth would fund ACAT-assessed clients and the Territory would fund non-ACAT-assessed clients; and
- negotiate with the Commonwealth to apply some of the $10m (pledged in the election context for Territory respite care) to any upgrades required for accreditation of Burrangiri and its life extension.

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