



July 17, 2020

Dear Victorian Parliamentary Scrutiny of Acts and Regulations Committee,

RE: Long Service Benefits Portability Regulations 2020 consultation

EACH Social and Community Health welcomes the opportunity to provide feedback on the proposed *Long Service Benefits Portability Regulations 2020* and Regulatory Impact Statement.

EACH was established in 1974 as Maroondah Social Health Centre, an independent not-for-profit organisation and was one of the first Community Health Centres funded by the then Federal Government. It was founded on the social justice principles that all people are entitled to good health and wellbeing and to be fully included as valued members of their communities. This vision of a healthy and inclusive community is underpinned by a social model of health which holds that physical and mental health is determined by a range of social factors including access to secure and affordable housing, supportive and meaningful social relationships, positive early childhood, access to education and meaningful activity, freedom from violence and abuse, and access to the basic necessities of life, including medical services.

EACH's services include primary healthcare, a wide range of counselling services, mental health and alcohol and other drug services, child, youth and family services, support for older adults and a range of disability services, including NDIS. Services are provided through a health promoting partnership approach, empowering people to take greater control of their lives and their health.

Despite the unique challenges facing community health centres and acknowledged in the Regulatory Impact Statement, **EACH** is disappointed that the draft Regulations have sought to include the community health centres in the Portable Long Service Benefits Scheme (the Scheme). The unanticipated inclusion of community health centres - despite previous assurance of exclusion - will require community health centres, like **EACH**, to make significant financial and administrative adjustments to comply with the Scheme.

Given this, in consultation with the Victorian Healthcare Association and in collaboration with the further 27 community health centres across the state, **EACH** is seeking support for the sector to ensure an efficient and successful transition to meet the Scheme requirements.

EACH supports the following recommendations, as included in the submission made by the Victorian Healthcare Association:

- **Recommendation 1:** The VHA recommends that if community health centres are to be included, that comprehensive funding be paid to providers to cover the net cost impact and initial change management costs as they transition into the scheme. This funding would assist providers to maintain vital programs and services to serve vulnerable communities in greater need due to the effects of COVID-19.
- **Recommendation 2:** The VHA recommends that if community health centres are to be included in the scheme, after the first 12 months an audit is conducted of the administrative costs paid in compliance with the scheme, and the sector is reimbursed. This funding would assist to reimburse community health centres as they comply with the scheme and outlay

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significant administrative costs (such as software systems, staff training, personnel for processing and reporting, and auditing) associated with efficient, prompt and ongoing compliance.

- **Recommendation 3:** The VHA supports the submission made by the Victorian Hospitals' Industrial Association (VHIA) and calls for immediate clarification and fairness of implementation of overlapping LSL entitlements, changes to the employers covered, definition of 'community service work', and application of the double dipping clause in practice.
- **Recommendation 4: To address the lack of clarity provided by the Authority on how the day-to-day operation of the scheme will function,** the VHA recommends that clear directives and training for all employers be delivered to assist providers to embed the scheme as 'business as usual' within workplace practice.
- **Recommendation 5:** The VHA strongly opposes any retrospective backdating of the proposed Regulations and recommends that, in consideration of the substantial financial impact on the sector, only prospective payment of the levy is applied from the date of implementation of the permanent Regulations. This would assist providers to maintain vital programs and services to serve vulnerable communities in greater need due to the effects of COVID-19.

If you require further information, please contact **Clare Murphy, Director Human Resources at [TEXT REDACTED]**.

Sincerely,



Peter Ruzyla

CEO EACH and EACH Housing Ltd.