



NORTHERN DISTRICT COMMUNITY HEALTH

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June 26, 2020

Dear Victorian Parliamentary Scrutiny of Acts and Regulations Committee,

RE: Long Service Benefits Portability Regulations 2020 consultation

Northern District Community Health (NDCH) welcomes the opportunity to provide feedback on the proposed *Long Service Benefits Portability Regulations 2020* and Regulatory Impact Statement.

NDCH play a unique and critical role, providing an accessible setting to deliver a broad variety of primary health, human services, and community support services to the Mallee region most disadvantaged populations. NDCH has roots in our community that extend for more than 30 years. We are a company limited by guarantee and a for purpose not-for-profit.

Northern District Community Health has a footprint across the Local Government Areas of predominantly Gannawarra and Loddon Shires, and more recently with the arrival of National Disability Insurance Scheme, Campaspe, Buloke and Swan Hill Shires. Employing 65 staff in Nursing, Health Promotion, Community Support (Counselling, Alcohol and Drugs, NDIS, Housing), Allied Health and Medical Clinic teams

Despite the unique challenges facing community health centres and acknowledged in the Regulatory Impact Statement, NDCH 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 NDCH 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, NDCH is seeking support for the sector to ensure an efficient and successful transition to meet the Scheme requirements.

NDCH 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 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 **Bradley Tarr, General Manager Corporate Services on 5451 0200.**

Sincerely,

Mandy Hutchinson

CEO