



**THE HON SUSSAN LEY MP  
MINISTER FOR HEALTH  
MINISTER FOR AGED CARE  
MINISTER FOR SPORT**

Ref No: MC16-016293

The Hon Simon O'Brien MLC  
Chairman  
Standing Committee on Environment and Public Affairs  
Parliament House  
PERTH WA 6000

Dear Mr O'Brien

Thank you for your correspondence of 7 April 2016 regarding a petition submitted by the City of Swan Community Care Services Advisory Committee Inc to the Standing Committee on Environment and Public Affairs (No. 102 - Aged Care Facilities).

I acknowledge the City of Swan Community Care Services Advisory Committee Inc's desire to see development of a residential aged care facility at the Swan District Hospital site. Please note that as the Swan District Hospital site is owned by the Western Australian Government, any decision on the land's future use is at the discretion of the Western Australian Minister for Planning, the Hon Donna Faragher MLC.

While the Australian Government subsidises and regulates the provision of residential aged care, it does not itself operate aged care services. Residential aged care services are developed and operated by a range of organisations which may be community-based, affiliated with a religious organisation, a for-profit company or a state government health authority. These organisations make business decisions in relation to where they establish or purchase and operate aged care facilities. The Government's aged care planning framework encourages aged care providers to provide residential aged care services which support access to care by those who need it.

To ensure that the growth in the number of aged care places available across Australia matches the growth in the aged population, the Government seeks to maintain a national level of subsidised operational aged care places, known as the aged care provision ratio. The aged care provision ratio aims to provide 125 places, consisting of 78 residential aged care places, 45 home care places and 2 short-term restorative care places for every 1,000 people aged 70 years or over by 2021-22.

As at 30 June 2015, the aged care provision ratio in respect to residential aged care places stood at 81.1 nationally and 71.9 in Western Australia. The aged care provision ratio in Western Australia will increase as new places allocated in the state through the Aged Care Approvals Round (ACAR) process take effect.

The Assistant Minister for Health and Aged Care, the Hon Ken Wyatt AM, MP, and I announced the results of the 2015 ACAR on 18 March 2016. A total of 17,385 new aged care places (10,940 residential aged care places and 6,445 home care places) were allocated across Australia. These new places have an estimated annual recurrent funding value of over \$910 million. In addition, \$67 million in capital grants has been allocated nationwide to help aged care providers establish new services or upgrade existing facilities.

The City of Swan falls within the Eastern Metropolitan aged care planning region in Western Australia. In the 2015 ACAR, 269 additional residential aged care places and 58 additional home care places were allocated. The new aged care places have an estimated new annual recurrent funding value of over \$18 million.

Opening in June 2016, applications for the 2016 ACAR will continue to focus on the provision of further residential aged care places and capital funding.

Thank you for bringing this matter to my attention.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sussan Ley', written in a cursive style.

**The Hon Sussan Ley MP**

2 MAY 2016