

# Pre-Budget 2020 Submission

## Proposed Heathcote Dementia Village for Rural Victoria

### Key Recommendations

- That the Federal Government partner with The Heathcote Dementia Village to develop an innovative and internationally successful model of quality dementia care for Australians living in regional and rural Australia; and
- That the Federal Government allocate funding of \$200,000 in the May 2020 budget to support the next phase of works including a detailed business case and design work to support a dementia friendly community in rural Heathcote, Victoria to provide vital services to the growing number of people living with Dementia.

### Executive Summary

Heathcote is a small rural community located in country Victoria. It is located at the geographic centre of Victoria near Melbourne, Echuca, Shepparton, Bendigo and Ballarat. The development of a dementia friendly village was identified as a priority with the Heathcote community given the increasing number of people living with dementia in the community catchment area.

The ageing population and recent figures suggest around 19,513 people live with dementia in the Heathcote catchment of 1.5 hours' drive radius. This figure is expected to increase to 31,000 by 2023 and 42,000 in less than a decade<sup>1</sup>. This is equivalent to a 113 per cent increase in the number of people living with and highlights the case for a new approach.

At present there is not enough appropriate care available within the community of Heathcote and the catchment area that meets expectations of older Australians and their families.

The model of care identified by the community of Heathcote is to replicate and build upon the highly successful Hogeweyk Village in the Netherlands that embodies support, respect and integration with the broader community. This is a proven model and Hogeweyk was a world's first dementia-friendly village.

Heathcote would like to partner with the Federal Government, recognising the challenges to deliver good quality care for those living with Dementia in regional, rural and remote Australia requires a different model of care. An initiative such as this is bigger than the community of Heathcote and therefore requires the support of the Federal Government to help get to the next stage of the project.

Whilst the Heathcote community has already raised in excess of \$240,000, the size and scale of this project needs the help of the Federal Government to make it real. An allocation of \$200,000 in the May 2020 Federal Budget would support the next phase of works including a detailed business case and design work.

A partnership between the Federal Government and Heathcote Dementia Village will provide vitally necessary and innovative care for Australians suffering with dementia and their carers; address the neglected need in regional and rural Australia and help address the exploding costs of caring for people with dementia.

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<sup>1</sup> Bridge Advisory Group – Heathcote Dementia Village, Feasibility Study, Executive Summary

## **2. Background – Why it's Important**

### **1.1 Demand for Dementia Care is Increasing**

With the growing number of people living with Dementia increasing, our ageing population continues to grow, and Dementia is the second leading cause of death in Australia with no cure on the horizon. More than 413,106 Australians are living with dementia and this number is expected to rise to 1,100,890 people by 2056. Some 244 people in Australia are joining the population with dementia every day. Further, it is estimated that the costs of dementia in Australia is currently \$14.67 billion per year and may increase to \$36.85 billion a year by 2056.

Given the geographic diversity, travel distances and limited services and resources, there are even greater challenges in supporting people living with dementia in regional, rural and remote Australia. Some of the research suggests the prevalence rates of people living with dementia in the bush is greater than that of their metropolitan counterparts.

For example the age profile of rural populations is older than urban areas; the average age is increasing at a more rapid rate, led by the emigration of younger people to urban areas for education, employment and lifestyle opportunities. 36% of the Australian rural population are aged 65 years and over compared to the total NSW and VIC populations where 15% is aged over 65. These statistics highlight the fact that rural and regional area populations are much 'older' than metropolitan centres.

### **1.2 There is No Cure and Existing Residential Care Models are Not Enough**

Given there is no cure, it is expected that more than 6.4 million Australians will be diagnosed with dementia in the next 40 years, at a cost of more than \$1 trillion. This is not an issue Government can ignore and whilst there is significant impact of this disease on the people who are living with dementia, their carers and families, the Health and Aged Care systems and the Australian economy as a whole are also facing this issue head on. Existing models of residential aged care are not meeting the needs of people living with dementia nor allowing them to continue to be active members of the community.

A recent report by Access Economic<sup>2</sup> highlights there will be 75,000 baby boomers with dementia by 2020 and dementia will be the third largest source of health and residential care costs by 2030. This further highlight the need for action now in light of an already stretched hospital system that is struggling to meet the care needs for every Australian.

For most people it is their desire to remain living independently for as long as possible this is also the case for those living with dementia. It also makes good economic sense. The Federal Government is already spending in excess of \$20 billion annually on aged care with around \$13 billion going towards residential aged care to support around 220,000 older Australians with almost 52% living with dementia in residential aged care. The current funding arrangements are unsustainable to continue to support our ageing population notwithstanding the 130,000 older Australians awaiting home care support, it's clear this problem is not going away anytime soon.

The Royal Commission into Aged Care Quality and Safety announced by the Federal Government in 2019 presents an ideal opportunity to revisit the way dementia care is delivered. The Royal Commission is specifically looking at the increasing number of Australians living with dementia and having regard to the importance of dementia care for the future of aged care services. Much of the evidence heard to date from the Commission highlights the impact of dementia on the people living with the condition, on those who care for them, and on the systems designed to provide aged care.

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<sup>2</sup> Alzheimer Australia, Economic cost of Dementia in Australia 2016-2056

<sup>3</sup> Living with Dementia in Regional NSW, Discussion Paper #8, November 2013

### 1.3 The Heathcote Dementia Village Model of Care

The model of care identified by the community of Heathcote is to replicate the highly successful Hogeweyk Village in the Netherlands that embodies support, respect and integration with the broader community. This is a proven model and Hogeweyk was a world's first dementia-friendly village. It is located in Weesp in the Netherlands and its motto is "living lifestyle, just life before". It includes clusters of homes, community facilities, public spaces and shops. Residents are assisted to participate in daily life activities such as doing the shopping, gardening, going to the hairdressers, going to the library, playing bowls and the like.

In addition to this the Heathcote Community will also incorporate a Green Care Program that links healthcare to agriculture, gardening landscaping and nature conservation, caring for animals and community activities. The proposed Dementia Village will also include a Centre of Research and best practice that is a central resource point that collects, organises, disseminates information about valuable dementia research and quality of care for future policy and programme advice that is evidence based and world's best practice.

There has been a significant push from the Heathcote community to develop a Hogeweyk Village style, purpose-built dementia friendly village given the increasing number of people living with dementia in the community. The community has raised funds and established a board to achieve the vision.

## 2. Supporting Heathcote Dementia Village – Next Steps

Heathcote would like to partner with the Federal Government, recognising the challenges to deliver good quality care for those living with Dementia in regional, rural and remote Australia requires a different model of care. An initiative such as this is bigger than the community of Heathcote and therefore requires the support of the Federal Government to help "kick off" the project.

Whilst the Heathcote community has already raised in excess of \$180,000, the size and scale of this project needs the help of the Federal Government to make it real. An allocation of \$200,000 in the May 2020 Federal Budget would support the next phase of works including a detailed business case and design work. Once this next step is complete the Heathcote Dementia Village Project Steering Committee will be in a position to seek an operator and builder to join the project.

## **3. Benefits**

### **3.1 Caring for people with Dementia**

The Heathcote Dementia Village will encourage a person centre care approach from entry to care to end of life care. The proposed village will encompass a respite care and accommodation for visitors and loved ones and a specialised palliative care unit.

### **3.2 Community Investment**

Heathcote community has undertaken a market analysis which has identified there is a clear marketplace in Heathcote for the development of a purpose-built dementia friendly village. The community of Heathcote has established its own Heathcote Dementia Village Steering Committee and to date the group has secured in excess of \$240,000 from different financial sources that has paid for the feasibility study, proof of concept work and initial business case development.

The Heathcote community have identified the establishment of a dementia friendly village as a key priority for the community. The Heathcote community and surrounding region would benefit from new economic drivers as well as training and employment opportunities. Indicative costings have estimated that a dementia friendly village would inject around \$15 million into the regional economy each year.

### **3.3 Enjoys Community Support**

The community of Heathcote like many small communities wants to enable members of their community to age in place and extend this ability to regional community members. People with dementia can continue to be contributing members of their community and stay independent and socially connected as possible, with caring and supportive relationships, and meaningful activities provided in safe and pleasant environments.

Heathcote community members have been active in their involvement of this project and there is a strong momentum amongst community members, businesses and the surrounding councils to bring this project to life.

### **3.4 Need in Regional, Rural and Remote Australia**

Australia needs people living in regional and rural areas and older Australians that reside in regional, rural and remote Australia wish to remain within their communities. Country populations and communities are essential to our economy and society; Australia draws a great benefit from the primary and service industries in our rural areas. There are also many benefits to country life, such as a sense of community and connection to place. Living with dementia brings challenges for all people with a diagnosis and those who care for them. These challenges are compounded for people with dementia and carers living in regional and rural areas due to geographic isolation, travel distances, and limited services and resources.

People living with dementia should have the same benefits of people living with dementia in metropolitan setting, but we know this is not the case. Some early data from the Australian Bureau of Statistics suggests that older Australians in rural areas are not being supported to age in place due to the lack of availability of health and aged care services.

The community of Heathcote is an ideal location to support the development and operation of a Dementia friendly community. With excellent transport links to Australia's second largest capital city and surrounding catchments.

### 3.5 Positive Economic Impact

The economic impact of dementia is a major concern nationally and internationally as the number of individuals with dementia continues to rise. Access Economics (2003) estimated the total cost of dementia to be \$6.6 billion in 2002. **This Report now shows that the cost of dementia in Australia in 2016 is \$14.25 billion, which equates to an average cost of \$35,550 per person with dementia.**

The positive economic impacts for establishing a dementia friendly community in Heathcote as outlined below but are not limited to:

- It will be the home of a regional national research and training centre to support undergraduate and postgraduate student education and training across workforce disciplines. This will assist with retaining health professionals in the area and contribute to research into a cure for dementia.
- As part of the project, the City of Greater Bendigo will transform Heathcote into Victoria's first dementia friendly small rural town. Environmental, social, tourism and business initiatives will also be incorporated around the project.
- The Heathcote community will enjoy a significant economic boost from this project, with a regional significant number of jobs to be created during construction, and 260 direct care jobs plus support and administration roles ongoing jobs once operational, injecting \$15 million annually into the local and regional economy.
- Community participation — involvement in activities through volunteering, sporting organisations and community associations.
- Population — growth of regional centres, especially young people in rural areas; ageing population; gender imbalance in the population.
- Access to information technology — levels of access to internet for individuals, business, and communities; connectedness to information, people and organisations.
- Participation in the labour market — social inclusion; increasing participation of women.
- Distance and access to services — structures and services to support the commercial and social vibrancy of communities.
- Recent arrivals to Australia — influence of cultural diversity on the values and norms of communities.
- Indicative costings have estimated that a dementia friendly village would inject around \$15 million into the local economy each year.

## Key Contacts

Stephen Trompp  
M: 0408 170 318  
E: [stephen@spreadingelm.net](mailto:stephen@spreadingelm.net)

Tony Bridge  
Managing Director  
Bridge Advisory Group  
M: 0438 837 937  
E: [tony.bridge@bridgeAG.com](mailto:tony.bridge@bridgeAG.com)

