



Tool 06:

Needs Assessment

06

Needs assessment summary sheet

A needs assessment is a collection of methods used for identifying the health and service needs of a population. It informs an understanding of the region being investigated, through a detailed and systematic assessment of the population's health needs. It should include analysis of internal and external data, consultation with local health services and other stakeholders, and community consultation. This process identifies health needs, service gaps and key issues to inform current and future priorities.

The needs assessment information presented in this document is based on the [Primary Health Network's \(PHN\) Program Needs Assessment Policy Guide](#)¹ developed by the DHDA.

This document is used by each of Australia's 31 PHNs to inform their comprehensive needs assessments, which are conducted every three years.

Before you undertake a needs assessment, you should review the needs assessment conducted by the PHN in the region you are investigating, to determine whether they have identified specific priorities related to aged care. They will have mapped services, and their needs assessment will provide a strong basis for any additional needs assessments you may want to conduct.

Conducting a needs assessment

If you want to undertake your own needs assessment, or build on the needs assessment of a PHN, there are key data that should be considered.

A needs assessment should include:

- Population health planning and an analysis of the health needs of the region
- Reviewing and identifying market factors and drivers of health services
- Analysing the relevant local and national health data
- Identifying service gaps or market failures
- Stakeholder and community consultation and market analysis
- Determining priorities for your organisation to address.

Several types of data (Table 1) should be collected, collated, and analysed, with particular attention to stakeholder engagement, which is an essential component.

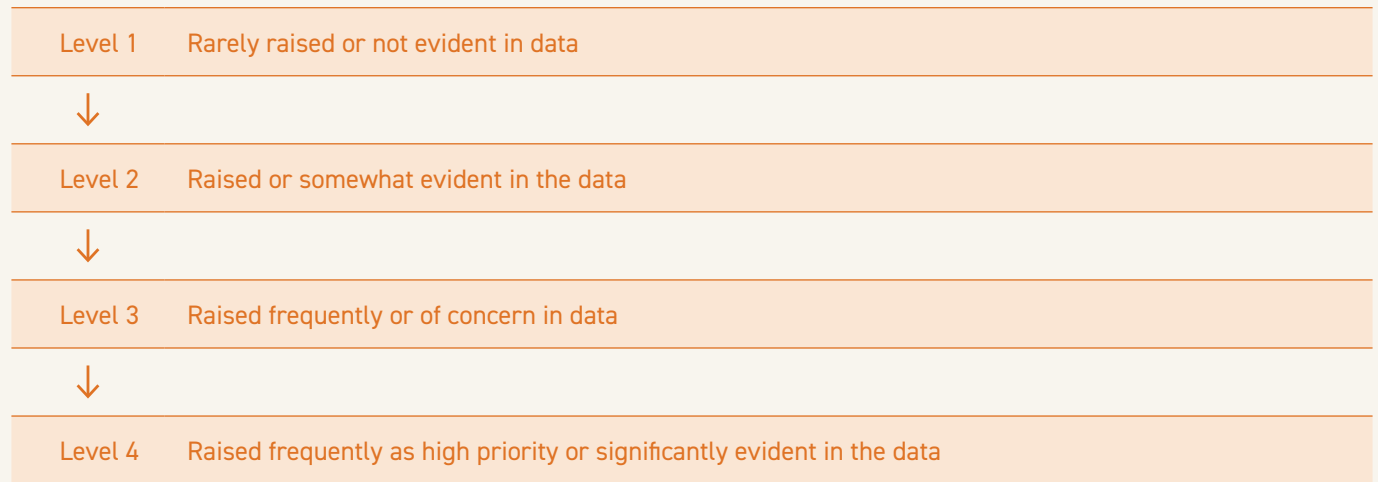
Table 1. Data underpinning a needs assessment

Health needs analysis	Service needs analysis	Market needs analysis
→ Geographic	→ Geographic	→ Efficiency and effectiveness of health services
→ Demographic	→ Workforce mapping	→ Strengths and weaknesses
→ Health determinants	→ Service mapping	
→ Health status	→ Location	
→ Populations with special needs	→ Utilisation	
	→ Accessibility	
	→ Capability	
	→ Quality	

Assessment

Once all the data has been collected, the main issues, as well as their level of priority, should be determined for the population and region being considered. For an example of priorities, see Figure 1.

Figure 1. Needs assessment priorities



Needs assessment

This section explains what a needs assessment is and why it should be conducted and provides a guide for completing one. It should be noted that, while a formal needs assessment was not conducted in any of the communities for the Project, many elements of a needs assessment were completed e.g. investigation of data and consultation with local health services and other stakeholders.

Needs assessment definition

A needs assessment is a collection of methods used for identifying the health and service needs of a population. It informs an understanding of the region being investigated, through a detailed and systematic assessment of the population's health needs. It should include analysis of internal and external data, consultation with local health services and other stakeholders, and community consultation. This process identifies health needs, service gaps and key issues to inform current and future priorities.

The needs assessment process consists of both analysis and assessment. Analysis is the examination and documentation of the community's health and service needs. Assessment is where priorities are determined.

The focus of a health needs analysis should move progressively from the overall community health status, characteristics of specific populations and narrows towards identification of service delivery priorities for the organisation.

Sourcing external data

The needs assessment information presented in this document is based on the [Primary Health Network's \(PHN\) Program Needs Assessment Policy Guide¹](#) developed by the DHDA. This document is used by each of Australia's 31 PHNs to inform their comprehensive needs assessments, which are conducted every three years.

Before you undertake a needs assessment, you should review the needs assessment conducted by the PHN in the region you are investigating, to determine whether they have identified specific priorities related to aged care. They will have mapped services, and their needs assessment will provide a strong basis for any additional needs assessments you may want to conduct.

Conducting a Needs Assessment

If you want to undertake your own needs assessment, or build on the needs assessment of a PHN, there are key data that should be considered. A needs assessment should include:

- Population health planning and an analysis of the health needs of the relevant service area.
- Reviewing and identifying market factors and drivers of health services in the relevant service area.
- Analysing the relevant local and national health data.
- Identifying service gaps or market failures.
- Stakeholder and community consultation and market analysis.
- Determining priorities for your organisation to address.

Data

Tables 1, 2 and 3 show types of analysis and the data that needs to be considered in a health and services needs analyses. Table 4 includes a list of useful data sources.

Table 1. Health needs analysis data to be reported

Health needs analysis This is conducted to understand the health needs of individuals and communities within a project's service area. It makes use of a range of demographic, epidemiological and consultative data sources.

The focus of a health needs analysis should move progressively from the overall community health status, characteristics of specific populations and narrows towards identification of service delivery priorities for the organisation.

Type of data	Data to be reported
Geography	The Australian Statistical Geography Standard SA 3 level data should be used. This level of data is designed for information on a region, with 359 SA3s covering the whole of Australia. SA3s are defined by several criteria e.g. they have populations between 30,000 and 130,000, they are often the functional areas of regional towns or cities and, in many circumstances, are defined by existing administrative boundaries such as Local Government Areas (LGAs) or State Regional Development Areas.
Demography	Needs to include a variety of demographic data – population trends can be significant indicators of current or future health needs.
Health determinants	Include all the social determinants of health including those for both Indigenous and non-Indigenous populations.
Health status	This data needs to be sourced and analysed from multiple datasets, along with stakeholder consultation.
Populations with special needs	This requires explicit consideration of populations with non-disease related special needs e.g. issues or inequities specific to the regional that were less evident in the preceding analyses, such as suicide or injury in farming communities.

Table 2. Service needs analysis data to be reported

Service needs analysis This is conducted to ensure an understanding of a community's existing services and health infrastructure. It includes the distribution of the workforce and services, as well as characteristics of specific locations and service types. It can then narrow in on specific locations, service types or relationships between services that are likely to be priorities for a project. The use of the Matrix, found in Section 5 of this Toolbox is also a valuable tool for eliciting this type of information.

Type of data	Data to be reported
Geography	Consider how boundaries impact the area's health system capacity and performance.
Workforce mapping	Analyse the health workforce data for the region e.g. the number and distribution by type of service, workforce characteristics (full time, part time, locum), formal relationships and communication channels between professional groups.
Service mapping	Identify and document the range of services available within the area and the relationships that exist between them. Consider the ability to deal with public health emergencies and issues around regional coordination and preparedness.
Location	Data regarding the physical location and opening hours of services, including outreach services. Stakeholder engagement as well as organisational websites are good sources for this data.
Utilisation	Review Medication Benefit Scheme (MBS) and Pharmaceutical Benefit Scheme data, as well as measures of occasion of service e.g. emergency department presentations and potentially preventable hospitalisation data.
Accessibility	Include financial, cultural and disability barriers, access to specialists and access to services after hours.

Capability	Skills and competence of staff. Stakeholder engagement is the best source of this level of information.
Quality	Accreditation status, practice incentive program enrolment.

Table 3. Market analysis data to be reported

Market analysis Consider how the health market operates in the region. Particularly focus on parts of the market that are not currently active but where there are potential opportunities for engagement, such as from other sectors.

Type of data	Data to be reported
Efficiency and effectiveness of health services	How well does a service's outputs achieve its objectives and at what cost? Consider access, quality, appropriateness, and cultural competency for Indigenous people or culturally and linguistically diverse communities.
Strengths and weaknesses	Combines the evidence gathered to reflect on the strengths and weaknesses of the area's services and health infrastructure. This further builds the understanding of the area and the potential next steps of assessment and prioritisation.

Table 4. Useful data sources for remote health and service data, as at June 2025

Data set	Information available
Australian Institute of Health and Welfare (AIHW)	
Home page	Describes AIHW resources.
Reports and data	Reports, data tables and other key resources that draw on national major health and welfare data collections, across multiple health topics.
Australia's Health 2024	Report on the health of Australians. It is a mix of short statistical updates and longer discussions exploring selected topical health issues.
METeOR metadata registry	Registry for Australian metadata standards for statistics and information in areas such as health, housing and homelessness, aged care, Indigenous, disability, children, families, and youth.
Rural and remote health	Profiles health of rural and remote Australians.
MBS data	Contains information on services that qualify for a benefit under the <i>Health Insurance Act 1973</i> and for which a claim has been processed.
PBS data	Data collection contains information on prescription medicines.
AIHW data by geography	Lists all data for multiple conditions by geography.
Mental health	An overview of mental health with latest data.
Mortality Over Regions and Time (MORT) books	MORT Excel workbooks present mortality data and leading causes of death by sex for specific geographical areas in 2019–2023.
Hospitals	Looks at all aspects of hospital care, can search for region specific data by hospital name.

Data set	Information available
Public Health Information Development Unit Torrens University	
Home page	Comprehensive range of data at national, jurisdictional, regional, and small area levels for Australia.
Social Health Atlases of Australia: Topics, Indicators and Notes	Socioeconomic and geographical variations in health are highlighted in interactive atlases and graphs.
Data workbooks	Where available, data are analysed by age, sex, and Indigenous status.
DHDA or Australian Government	
MBS information	Contains the MBS information.
Medicare item reports	Allows user to generate reports and produce statistics on requested items in the MBS.
Australian immunisation register	Immunisation data for health professionals.
PHNs	About PHNs and interactive maps on their location.
Australian Bureau of Statistics (ABS)	
General census information	ABS Census and Census-derived data on demographics, including the Socio Economic Indices for Areas and profiles of health including the National Health Survey, the National Nutrition and Physical Activity Survey and the National Health Measures Survey, the Patient Experience Survey, the National Aboriginal and Torres Strait Islander Health Survey, the National Aboriginal and Torres Strait Islander Nutrition and Physical Activity Survey, and the National Aboriginal and Torres Strait Islander Health Measures Survey.
Health conditions and risks	Details health conditions and risks.
Causes of death	Latest causes of death data.
Disability	Disability in Australia.
Health services	Health services in Australia.
Mental disorders	About mental disorders.
Indigenous data	
DHDA – Aboriginal and Torres Strait Islander Health Performance Framework	Includes resources on supporting Indigenous health.
Australian Indigenous Health InfoNet website - Homepage	Provides the evidence base to inform practice and policy in Indigenous health.
Profile of Indigenous Australians	AIHW data.

Data set	Information available
Health workforce data	
Workforce	Contains AIHW data and reports on health workforce.
National Health Services Directory (NHSD) and Healthdirect	
Home page	NHSD is a national directory of health services and the practitioners who provide them. Includes maps and locations of services.
Aged care	
GEN aged care data	Comprehensive data on aged care in Australia. Use my aged care region tool, to explore data about the population of your region, the provision of aged care services, and the people who receive these services.

Stakeholder engagement is an essential component of a needs assessment.

Project teams should consult with clinical council, community advisory committees, local area networks, services providers, individual local health professionals, consumers, and any other relevant stakeholders. See Section 2 of this Toolkit for further information on stakeholder engagement.

Assessment

Once the evidence has been collected, this information needs to be synthesised to identify the main issues and prioritised. Create a system for determining the priority of each of the issues raised. An example such as that provided in Table 5 could be used.

Table 5. Example of priority levels for issues raised as part of a needs assessment

Priority Level	Definition
Level 1 (lowest priority)	Rarely raised as an issue or not evident in the data.
Level 2	Raised as an issue or somewhat evident in the data.
Level 3	Raised frequently as an important issue or concern and is evident in the data.
Level 4 (highest priority)	Raised frequently as a high priority issue or there is significant concern requiring action evident from the data.

References

1. Department of Health, Disability and Ageing. Primary Health Networks (PHNs) Needs Assessment Policy Guide. <https://www.health.gov.au/resources/publications/primary-health-networks-phns-needs-assessment-policy-guide?language=en>. Published 2016
Accessed 30/05/2025.