



Australian Government  
Australian Aged Care Quality Agency

# Australian Aged Care Quality Agency

Corporate Plan 2018–19

# Quality Agency's achievements in 2017-18



**3,783** assessment contacts.

**72** review audits conducted based on intelligence and risk assessment.



**6,927** referrals or items of intelligence about residential facilities analysed.

More than **50,000** interviews conducted with consumers and their representatives.



**61** findings of serious risk in residential facilities.

**547** Quality Reviews conducted on Home Care services.



Almost **4,500** participants in education and training activities.

**1,091** re-accreditation audits conducted.



# Message from the CEO

The vision of the Australian Aged Care Quality Agency (Quality Agency) is that older Australians are empowered to choose and access quality care and to live the best possible quality of life. This is what drives our approach as we fulfil our regulatory functions of assessing and monitoring aged care services and promoting innovation and continuous improvement through our information and education programs.

On 1 January 2019 the Aged Care Quality and Safety Commission will be established to continue the functions currently undertaken by the Quality Agency and the Aged Care Complaints Commissioner.

We recognise that the aged care sector is engaged in improving quality and safety and in building public confidence in the aged care industry.

We are active participants in this reform and are working across Government, our regulatory partners and key stakeholders to ensure a successful transition.

We are also actively supporting the introduction of the new Aged Care Quality Standards from July 2019. We will work with the sector to provide guidance and support to assist providers to understand what is required under new Standards.

The new Standards provide a stronger focus on consumer outcomes in our assessment of quality. We are committed to strengthening the voice of the consumer and are expanding consumer experience reporting, currently in residential services, into home care services under a single quality framework.

Our risk-based approach means we are more effective in detecting and responding to non-compliance. We can be more confident that our activity is focused on those services that are not meeting the standards. We assist them in improving their performance and hold them to account to return to full compliance.

We are also utilising our regulatory intelligence to improve our understanding of failures in the quality of care and services and sharing this with the sector to better understand sources of potential harm to safety health or wellbeing of consumers of aged care services.

We continue to build on our strong working relationships with the Aged Care Complaints Commissioner and the Department of Health as we collaborate to support the successful transition to the Aged Care Quality and Safety Commission from 1 January 2019.

We acknowledge the strong support of our Minister for Aged Care, the Hon Ken Wyatt AM, MP and the Chair of our Aged Care Quality Advisory Council, Ms Andrea Coote and other members of the council, in fulfilling our statutory functions.

As the accountable authority of the Australian Aged Care Quality Agency, I present the *Australian Aged Care Quality Agency Corporate Plan 2018-19*, to support the next four years as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013*.

**Nick Ryan**

Chief Executive Officer  
August 2018





# Contents

Introduction	1
Purpose	2
Environment	6
Performance	11
Capability	17
Risk Oversight and Management	18



# Introduction

The Australian Aged Care Quality Agency (the Quality Agency) operates independently and objectively in performing its functions and exercising its powers as set out in the *Aged Care Quality Agency Act 2013*, the *Quality Agency Principles 2013* and the *Aged Care Act 1997*.

The Aged Care Quality Advisory Council provides advice to the CEO and the Minister in relation to the operations and performance of the Australian Aged Care Quality Agency.

This 2018-19 Corporate Plan has been developed in accordance with the *Australian Aged Care Quality Agency Act, 2013*, Part 5, which requires the CEO to consult with the Minister and the Aged Care Quality Advisory Council in the preparation of the plan, and in accordance with the requirements defined in the Public Governance, Performance and Accountability (PGPA) Rule 2014.

While the 2018–19 Corporate Plan spans four reporting periods, in March 2018, the Government announced it will establish an independent Aged Care Quality and Safety Commission from 1 January 2019. The Commission will bring together the functions of the Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner, and, from 1 January 2020, the aged care regulatory functions of the Department of Health.

This 2018–19 Corporate Plan takes account of this changed operating environment and focuses on activities to support the successful transition to the Aged Care Quality and Safety Commission during 2018–19.

# Purpose

## Our purpose

- > The Australian Aged Care Quality Agency is responsible for holding aged care service providers accountable for their performance against the Accreditation Standards for residential aged care; Home Care Standards for Home Care services, including Commonwealth home support; National Aboriginal and Torres Strait Islander Flexible Aged Care Services; and also promoting high quality care and service provider performance through education, training and compliance assistance.
- > implement a risk based approach to focus on areas of greatest risk and improve confidence in our aged care system
- > are accountable as a contemporary regulator and seek feedback to improve our practices and performance
- > promote high quality care through targeted education and engagement activities
- > support an engaged and proud workforce, equipped to navigate change as we transition to the Aged Care Quality and Safety Commission

## Our vision

- > Older Australians are empowered to access quality care and live the best possible quality of life.

## Our role

- > assess aged care services against the relevant standards
- > monitor compliance based on risk and legislative requirements
- > work with regulatory partners to share information and intelligence
- > deliver information and education to aged care providers.

## Our approach

In undertaking our work we:

- > listen to and empower consumers of aged care services

## Our values

We undertake our work consistent with the values mandated in the Public Service Act 1999.

**Impartial:** We are apolitical and provide the Government with advice that is frank, honest, timely and based on the best available evidence.

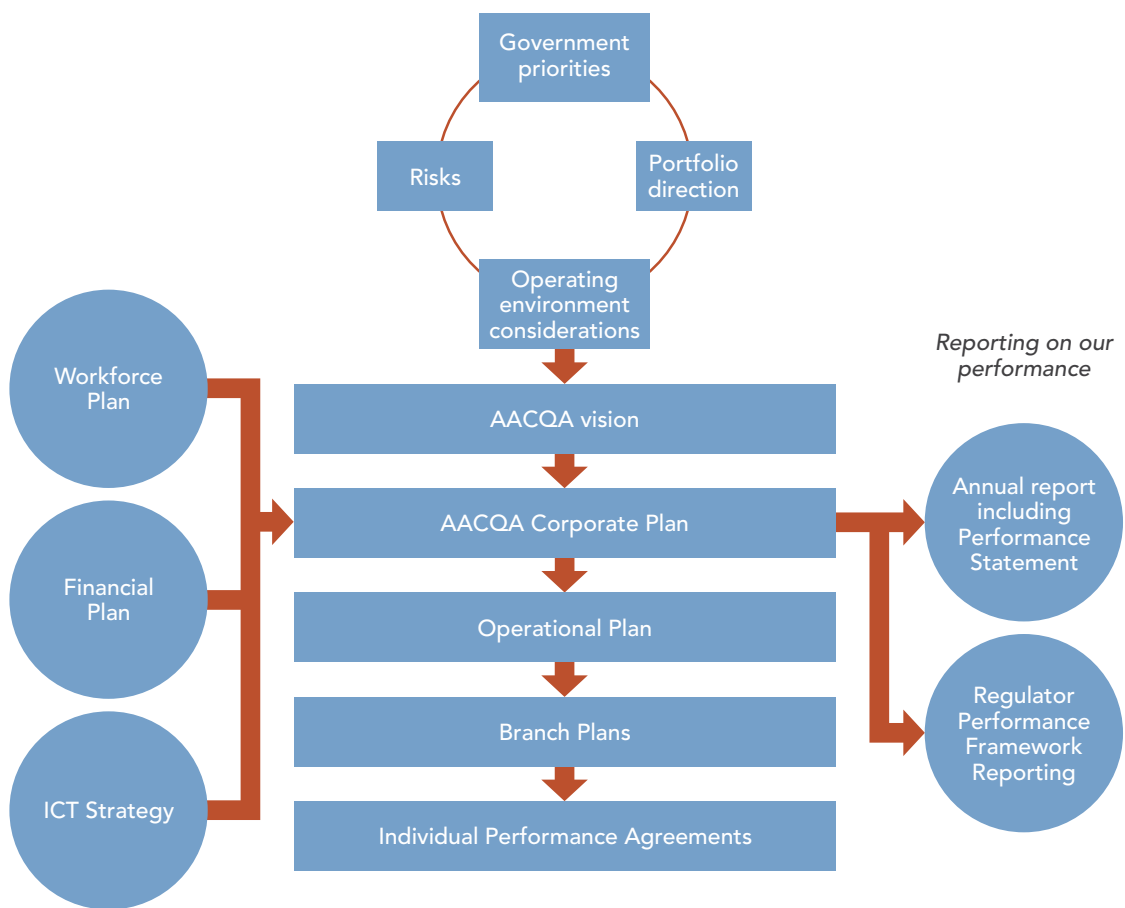
**Committed to service:** We are professional, objective, innovative and efficient, and work collaboratively to achieve the best results for the Australian community and the Government.

**Accountable:** We are open and accountable to the Australian community under the law and within the framework of Ministerial responsibility.

**Respectful:** We act with respect to all people, including their rights and their heritage.

**Ethical:** We demonstrate leadership, are trustworthy, and act with integrity in all that we do.

Our corporate governance model



## Our functions

The Quality Agency is an independent statutory authority responsible for accrediting, reviewing and monitoring providers of Commonwealth funded aged care services against the quality standards and for the provision of education and training.

We regulate aged care services through:

- > the accreditation of residential aged care services
- > quality review of aged care services in the community including home care services, commonwealth Home Support Programme services against the Home Care Standards
- > quality review of National Aboriginal and Torres Strait Islander Flexible Aged Care Program services against the Quality Program for that program
- > compliance monitoring of services against the applicable standards
- > promotion of high quality care, innovation in quality management and continuous improvement amongst approved providers of aged care
- > provision of information, education and training to approved providers of aged care
- > registration of Quality Assessors.

Accreditation and quality review processes are undertaken in accordance with the Quality Agency Principles established under the *Australian Aged Care Quality Agency Act, 2013*. Assessment contacts, in the form site visits to services, are undertaken to assess performance and monitor compliance with the relevant standards. When we find that a service is not compliant we notify the Department of Health and place the service on a timetable for improvement. We also consider whether the failure has placed or may place the safety, health or wellbeing of a care recipient at serious risk. The Department of Health is notified in these circumstances and sanctions may be applied.

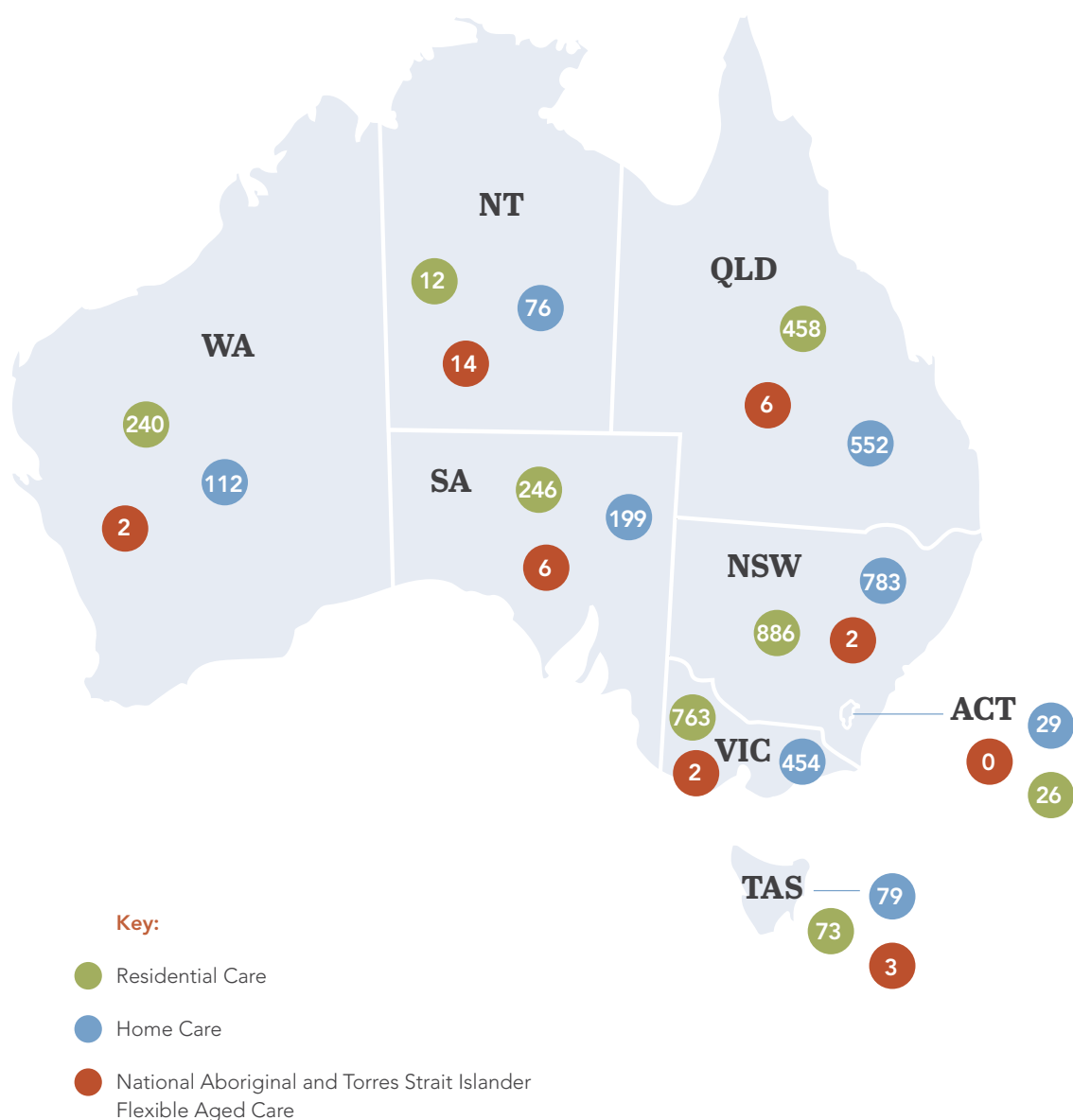
## Our commitment to quality

We are accredited by the International Society for Quality in Health Care (ISQua) under their Standards for External Evaluation Organisations, 4<sup>th</sup> Edition. ISQua assesses the standards of organisations that set the benchmarks in healthcare safety and quality.

We also participate in the ISQua International Accreditation Program as members of survey teams, surveying other accreditation organisations, standards and surveyor training programs. As active members of the ISQua Accreditation Council we promote quality improvement in external evaluation programs through sharing and discussions with accreditation bodies across Australia and internationally, and researching evidence based external evaluation practices.

## Aged care services

As at 30 June 2018, there were **2704** residential services, **2284** home care services and **35** National Aboriginal and Torres Strait Islander Flexible Aged Care services across Australia.



# Environment

More than 1.3 million older Australians receive some form of aged care service from approximately 900 residential aged care providers and approximately 700 home care providers.

The Government is undertaking significant reform of the aged care sector to ensure the health, safety and welfare of older Australians.

New Aged Care Quality Standards have been developed as part of the Single Quality Framework and will come into effect from 1 July 2019. The focus of the new Standards is on outcomes for consumers. The new Standards will give older Australians and their families a greater say in the care they receive, and increased confidence in the quality of their care and services. The new Standards will also make regulation simpler for providers and deliver continuous improvement in services.

The Quality Agency is supporting these aged care reforms through the piloting of the new Standards, development of guidance material and sector support for transition to, and full implementation of the new Standards from July 2019.

The *Review of National Aged Care Quality Regulatory Processes* (Carnell-Paterson Review) found that the current aged care regulatory system needs further reform to provide the assurance the community expects.

Following the Carnell-Paterson Review, we commenced unannounced re-accreditation audits from 1 July 2018, to help ensure safe, quality care standards are maintained at all services, at all times.

The Government has announced it will establish an independent Aged Care Quality and Safety Commission from 1 January 2019. The Commission will bring together the functions of the Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner, and, from 1 January 2020, the aged care regulatory functions of the Department of Health.

Bringing together regulatory functions into one entity will strengthen regulation through enhanced coordination, better access to information, and an improved ability to identify and respond to failures in delivering quality aged care to older Australians.

A single Aged Care Quality and Safety Commission will also ensure that consumers know who to contact when they require assistance with a complaint, a concern or when something goes wrong. Aged care providers will also know who to contact in relation to their accreditation, assessment, quality monitoring and compliance requirements.

The Quality Agency is also supporting further reforms to the aged care sector pursuant to the *More Choices for a Longer Life — healthy ageing and high quality care 2018–19* Commonwealth Budget initiative.

## Regulator performance

The Commonwealth Regulator Performance Framework sets out the Government's clear expectations of Commonwealth regulators.

The Quality Agency is accountable under this framework against six outcome based key performance indicators comprising: reduced regulatory burden, communications, risk-based and proportionate approaches, efficient and coordinated monitoring, transparency, and continuous improvement.

This framework sets a strategic framework for us to improve our systems, processes and performance in specific areas such as case management, our data on risk and performance, and reviewing our operational practices to achieve greater efficiency and targeted outcomes.

This framework applies to our performance in both residential and home care services and we embed these performance measures into planning for our capabilities and regulatory services. We regularly seek feedback from the regulated community and use this feedback to inform continuous improvements to our approach and to adapt to changes in our external environment.

In May 2018 we conducted provider roundtables in partnership with the three provider peak bodies: Aged and Community Services (ACSA); the Aged Care Guild; and Leading Age Services Australia (LASA) to better understand concerns raised by providers about our approach. We are committed to continuing this positive engagement strategy with a range of stakeholders into the future.

## Risk-based regulation

The Quality Agency continues to strengthen its risk based approach to the regulation of aged care services across Australia.

We recognise that most providers deliver quality care and are committed to improving consumer outcomes. Our risk-based approach means we focus more of our activity to where providers are not meeting the standards so we can be confident they are improving their performance.

When assessing providers, as well as checking whether policies and procedures comply with the standards, we are now focusing more on the quality of consumer experience as well as on the prevention of harm. This involves listening more closely to consumers and their representatives, giving them better information and enhancing our use of intelligence and assessment of risk.

The Quality Agency monitors risk for the sector at two levels:

### Sector-wide risk

Sector-wide risks are those that the sector faces as a whole, or that a group of providers within the sector face. We identify sector-wide risks through our research and analysis and will publish information on regulatory trends.

### Individual provider risk

We assess an individual provider's risk through its history, characteristics and compliance performance. Where we identify provider risk, we do not automatically conclude that a service is not meeting the standards or is not managing risk. Rather, it means we consider a provider's risk profile when we are making decisions on assessment and monitoring.

## Key features of our risk based approach



### Listen more intently to consumers

Our accreditation and review audits start with standardised consumer interviews. The views expressed by consumers and their representatives inform the issues we pursue during an audit. We are exploring better ways to capture the consumer experience in home care during 2018 and 2019.

### Give consumers better information

Providing better information to consumers about their care choices and the performance of aged care services is central to aged care reform. Our Consumer Experience Report (CER) is published for audits of residential services. We are also developing a broader range of consumer-focused reports and tools to inform, support and reassure consumers and families.



### Enhance collection and reporting tools

Our Computer Assisted Audit Tool (CAAT) will provide richer data on provider risk over time and helps us identify emerging performance trends in the sector. We look for risk-specific information when we contact services for compliance monitoring or audit.

### Share information

Improved information and intelligence sharing with the Department of Health and with the Aged Care Complaints Commissioner is strengthening our evidence base. This makes our compliance monitoring of services more proactive and targeted.





### **Align our actions to the risk of non-compliance and harm**

We use a strengthened case management approach to monitor service-level risk and prioritise and manage regulatory activities and resources.

Our increased use of intelligence and focus on risk has increased the number of review audits we conduct and findings of non-compliance. In all cases where we find evidence that a service is not complying with the standards, we notify the Department of Health.

### **Conduct unannounced re-accreditation audits**

The Government introduced unannounced re-accreditation audits across residential aged care services from 1 July 2018. We now require a self-assessment of a provider's performance against the standards on application for re-accreditation and conduct interviews with consumers before the site audit about their experience of a service as well as during the visit.



### **Building our own capability**

We are providing enhanced training and guidance to our quality surveyors and assessors on observing what is happening in a service. This way they can better use interviews, observations and evidence to assess performance against the standards and understand the consumer experience. We are also helping decision-makers to consider all relevant information, making the process fair for providers.

### **Work closely with others**

We are working across the sector to understand risks and promote collaboration in solving problems. We are engaging with our key stakeholders and running Better Practice events and education programs to promote leading industry practice.





# Performance

We recognise the importance of setting clear priorities and measuring our performance, and are continuing to improve the way we measure success as we enter a period of transformational change.

Over the next four years we will continue our focus on implementing reforms to the aged care sector to strengthen the quality and safety of aged care services.

Being part of the new Aged Care Quality and Safety Commission will provide greater certainty for consumers of aged care and build confidence in our regulatory system across the community. As we transition to the new Commission, we will enhance collaboration and information sharing with our co-regulators as well as more effectively capturing and publishing information directly from consumers.

We will also continue our focus on engagement with stakeholders and consumers to maximise opportunities to improve the quality and effectiveness of our services.

In May 2018 we conducted provider roundtables in partnership with the three provider peak bodies: Aged and Community Services (ACSA); the Aged Care Guild; and Leading Age Services Australia (LASA), in response to issues raised by providers. We are committed to continuing this positive engagement strategy with a range of stakeholders, including consumer groups, into the future.

We will continue to monitor regulatory trends across residential and home care services. We will improve our risk based approach to reviewing home care services.

We aim to be a model regulator and will continue to monitor and report our performance against the Regulator Performance Framework. We will also continue to build our workforce and corporate capability and to support staff through a period of significant change.

## 1. Lead a successful transition to the new Commission

*Our commitment to working collaboratively to deliver the new Aged Care Quality and Safety Commission*

We will continue to build on our strong working relationships with the Aged Care Complaints Commissioner and the Department of Health as we collaborate to support the transition to the Aged Care Quality and Safety Commission from 1 January 2019.

We will provide leadership in the design of the regulatory approach and machinery of government changes and actively engage with staff and key stakeholders to ensure a successful transition.

Focus area	Our role	Performance measures: 2018-19 reporting period
<b>1.1 Joined up regulation</b>	<ul style="list-style-type: none"> <li>• Work collaboratively with DoH and ACCC to support transition to the new Commission from 1 Jan 2019</li> <li>• Provide leadership in shaping the design of the future risk based regulatory approach</li> </ul>	<ul style="list-style-type: none"> <li>• Active engagement with the DoH and ACCC including through the Commission Establishment Committee and associated working groups</li> <li>• Active participation in policy development of new budget measures</li> </ul>
<b>1.2 Stakeholder engagement and support</b>	<ul style="list-style-type: none"> <li>• Facilitate input to legislative changes to establish the new Commission</li> <li>• Implement a strategic communication and engagement plan to support stakeholder engagement</li> <li>• Communicate provider roundtable outcomes to the Minister and sector</li> </ul>	<ul style="list-style-type: none"> <li>• Timely advice to the Minister on the establishment of the Advisory Council to the new Commission</li> <li>• &gt;85% of stakeholders are satisfied with the Quality Agency's information, education and engagement</li> <li>• Targets within strategic communications and engagement plan met</li> <li>• Engagement activities with key stakeholders planned on an annual basis</li> </ul>
<b>1.3 Machinery of Government (MOG)</b>	<ul style="list-style-type: none"> <li>• Actively participate in the MOG process to inform the new Commission and regulatory model</li> </ul>	<ul style="list-style-type: none"> <li>• Staff change and engagement strategy in place to support the transition to the new Commission</li> </ul>

## 2. Ensuring Quality and Safety in aged care

*Our risk based regulatory approach supports quality outcomes for consumers of aged care*

Our risk-based approach means we will direct more of our activity to where providers are not meeting the standards so we can be confident they are improving their performance. We utilise our regulatory intelligence to improve understanding of where risk lies and strengthen our capabilities in assessing safety and quality for consumers. We are developing a data analytics capacity that allows us to plan more targeted regulatory interventions.

We monitor risk for the sector as a whole as well as for individual providers. When assessing providers, as well as checking whether policies and procedures comply with the standards, we are now focusing more on the quality of consumer experience as well as on the prevention of harm. This involves listening more closely to consumers, giving them better information and enhancing our use of intelligence and assessment of risk.

Focus area	Our role	Performance measures: 2018–19 reporting period
<b>2.1 Regulatory performance</b>	<ul style="list-style-type: none"> <li>Timely and responsive accreditation and quality review activities based on information and intelligence</li> </ul>	<ul style="list-style-type: none"> <li>100% site and quality review audits within statutory timeframes</li> <li>98% of services providing care in the home and community receiving a quality review within legislative timeframes</li> <li>100% Regulatory Performance Framework Targets achieved</li> <li>100% of applications for re-accreditation completed within the statutory timeframes</li> <li>Unannounced site visits conducted to 100% of residential aged care services</li> <li>Unannounced re-accreditation visits implemented from 1 July 2018</li> <li>Evidence of increased use of Consumer Experience interviews</li> </ul>
<b>2.2 Risk based approach</b>	<ul style="list-style-type: none"> <li>Continue to strengthen our focus on risk</li> <li>Support implementation of 2018-19 budget measures to enhance risk profiling of providers</li> </ul>	<ul style="list-style-type: none"> <li>A new risk framework is developed and operationalised</li> <li>Development of risk profiling model by July 2019</li> </ul>
<b>2.3 Compliance monitoring and assistance</b>	<ul style="list-style-type: none"> <li>Timely and responsive compliance monitoring activities</li> <li>Compliance assistance activities support aged care services with identified need</li> </ul>	<ul style="list-style-type: none"> <li>Act on 98% of referrals from Aged Care Complaints Commissioner and the Department of Health within agreed timeframes</li> <li>90% of service providers maintain compliance with the standards for the 12 months following a timetable for improvement decision</li> </ul>

### 3. Sharpen our focus on the consumer

*Our approach informs choices for consumers*

We are supporting the implementation of the new Aged Care Quality Standards through the development of guidance material, piloting activities, development of consumer resources and a range of education and engagement activities. We publish information on our performance and performance information on aged care services to inform consumer choice.

We continue to enhance consumer experience interviews to inform quality assessments in both residential and home care. We are exploring options to expand the information we currently publish to enhance consumer choice. We are working towards publication of compliance trends to better inform the community about our work.

Focus area	Our role	Performance measures: 2018–19 reporting period
<b>3.1 Aged Care Reforms</b>	<ul style="list-style-type: none"> <li>Implement new Aged Care Quality Standards and finalise guidance material</li> <li>Implement unannounced re-accreditation audits for residential aged care</li> <li>Implement consumer experience reporting for home care</li> <li>Work with the Department to support implementation of 2018-19 budget measures to:               <ul style="list-style-type: none"> <li>&gt; introduce differentiated performance ratings and</li> <li>&gt; simplified plain English site audit reports and Consumer Experience Report on myAged care website</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Publish guidance material to support the Standards during the transition period</li> <li>100% of re-accreditation audits unannounced from 1 July 2018</li> <li>CER in home care fully implemented by 1 January 2019</li> <li>CAAT II development complete to enable differentiated performance reporting under new Aged Care Quality Standards by July 2019</li> <li>Simplified plain English audit reports and Consumer Experience Reports developed by July 2019</li> </ul>
<b>3.2 Performance information</b>	<ul style="list-style-type: none"> <li>Publish a self-assessment of our performance under the Regulatory Performance Framework</li> <li>Publish performance information on the quality of care and services</li> </ul>	<ul style="list-style-type: none"> <li>Publish 100% audit reports, serious risk and accreditation decision within statutory timeframes</li> <li>Evidence of increasing access to consumer experience reports</li> <li>Publish quarterly regulatory performance data</li> </ul>
<b>3.3 Information and Education</b>	<ul style="list-style-type: none"> <li>Provide a range of education programs, information and events to support consumer led reforms to aged care</li> </ul>	<ul style="list-style-type: none"> <li>Education programs, information and events realigned to support the implementation of the new Standards</li> <li>&gt;80% of participants satisfied with Quality Agency education programs, information and events</li> </ul>

## 4. Advance our capability and support the change

### *Build our workforce and corporate capabilities*

Government expects us to fulfil our legislative remit in the most effective and efficient way possible. We have a comprehensive program of work to systematically update our key business systems and processes to ensure that we are undertaking our work as optimally as we can, and firmly embedding a positive risk culture into business processes and support.

We are building an improved approach to project management and change processes which manages risk and resourcing in a complex and dynamic environment. This includes ensuring our ICT and business systems are aligned to changes in our regulatory model and operating environment.

We are supporting our people through improved information and engagement strategies and supporting them in transitioning to the new Aged Care Quality and Safety Commission.

Focus area	Our role	Performance measures: 2018–19 reporting period
<b>4.1 Resource management</b>	<ul style="list-style-type: none"><li>• Manage resources in accordance with the PGPA Act 2013</li><li>• Prioritise resources to support change process</li></ul>	<ul style="list-style-type: none"><li>• Financial result is within 0.5% of budget</li><li>• Change management plan fully costed and budgeted</li></ul>
<b>4.2 Agency capability</b>	<ul style="list-style-type: none"><li>• Implement a comprehensive change program to support staff in the transition to the new Commission and engaging with current and future reforms</li></ul>	<ul style="list-style-type: none"><li>• Change management plan in place to support staff in transition to the new Commission by July 2018</li><li>• Staff engagement scores in APS census improved</li><li>• Recommendations from review of State Offices fully implemented</li></ul>
<b>4.3 Quality Surveyor workforce</b>	<ul style="list-style-type: none"><li>• Manage and develop capabilities of our quality assessor workforce to support current and future reforms</li></ul>	<ul style="list-style-type: none"><li>• All registered Quality Assessors meet minimum requirements for 15 hours of Continuing Professional Development (CPD) program</li><li>• Capability framework in place to inform Quality Assessor Training</li><li>• Implement and review training for decision makers</li></ul>
<b>4.4 Business and IT systems</b>	<ul style="list-style-type: none"><li>• Invest in Information Technology solutions to deliver our services more efficiently</li><li>• Review our business systems to align with regulatory reforms</li></ul>	<ul style="list-style-type: none"><li>• Upgrades of Better Business program fully implemented within planned timeframes</li><li>• Change roadmap tool in place to support improved project management by September 2018</li></ul>



# Capability

The Quality Agency will continue to build organisational capability to support delivery of our purpose and functions as we transition to the Aged Care Quality and Safety Commission from 1 January 2019. Key areas of capability improvement include:

## **Leadership and culture:**

We continue to support our leadership capability through a distributed leadership approach and enhanced communication and engagement activities.

## **Change management:**

We are focused on ensuring a successful transition to the new Aged Care Quality and Safety Commission and implementation of aged care reforms through enhanced change management capability.

## **Information Technology:**

We continue to improve our information technology capability through the implementation of our ICT strategic plan and investment in innovative solutions supporting our regulatory performance and data analytics capability.

## **Governance:**

We continue to enhance our governance through improved support to the Aged Care Quality Advisory Council and Executive Leadership Team. A priority is improving our project management capability during a period of transformational change.

## **Workforce:**

We are investing in our workforce to attract and retain highly skilled and capable staff. A priority is ensuring our assessor workforce is equipped with the skills and capability to support the implementation of the new Aged Care Quality Standards.

## **Stakeholder engagement:**

We continue to improve our engagement with stakeholders through strengthened partnerships and innovative approaches. We are committed to listening and improving our services from the feedback and complaints we receive.

## **Risk management:**

We are working to better understand sector wide and provider risk through the development of an enhanced risk management framework. We continue to enhance our risk management policies to better understand and manage enterprise risks.

# Risk Oversight and Management

## Internal risks

We are committed to effectively identifying and managing risk as required by Section 16E of the *Public Governance Performance and Accountability Rule 2014*. We have a clear methodology that identifies potential adverse events, the likelihood of their occurrence, the impact of their occurrence and mitigation strategies in the event of their occurrence. Our risk management approach also recognises the positive opportunity of engaging with risk to ensure we maintain our value to consumers and the aged care sector.

Risk is managed across all levels of the Quality Agency through a continued focus on strengthening rigour and consistency in our auditing processes, effective governance to ensure transparent decision making, and continuous improvement in financial management to ensure efficient use of resources.

The key risks that we are responding to in the current environment include:

1. not meeting consumer expectations of our role
2. insufficient flexibility in our regulatory approach to address the diversity of aged care services
3. insufficient regulatory intelligence and data analytics to effectively monitor risk and performance of aged care services
4. lack of understanding by providers of the requirements of the new Standards, and improvements in outcomes for consumers
5. insufficient resources to support transformational change as we transition to the Aged Care Quality and Safety Commission.

## Understanding and responding to industry risk

Our primary responsibility is to assess performance against the relevant standards and to hold providers to account for the standard of care and services they provide. Where a service fails to meet the expected standards we must consider the impact on the safety, health and wellbeing of care recipients.

The implementation of the new Aged Care Quality Standards will challenge previous risk management methodologies. There will be a need for a greater understanding and focus on consumer choice and better connected data and risks assessment.

Over the next four years we will be working closely with consumers, aged care experts and service providers to ensure clear guidance and promotion of what is expected under the proposed new Standards, support for transition once introduced, and monitoring improvements in the outcomes for consumers.



**[www.aacqa.gov.au](http://www.aacqa.gov.au)**