Cost Recovery Implementation Statement

For provider registration, renewal of registration and provider-initiated variation of registration

1 July 2026 – 30 June 2027

Charging for regulatory activity involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government activity. If the same cost-recovered activity is provided to both government and non-government stakeholders, charges should be set on the same basis for all stakeholders. The Australian Government Cost Recovery Policy along with the Australian Government Charging Framework sets out the policy under which government entities design, implement and review charging for regulatory activities. The Cost Recovery Implementation Statement is the public document to ensure the transparency and accountability for the level of the charging and to demonstrate that the purpose for charging, as decided by Government, is being achieved.

Australian Government
Aged Care Quality and Safety Commission

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1. Introduction

1.1 Purpose

The Australian Government Cost Recovery Policy (CRP), together with the Australian Government Charging Framework (Charging Framework), sets out the framework under which government entities design, implement and review cost recovered activities. The Charging Framework requires government entities to document cost recovery arrangements, including the activities and services for which costs are being recovered, in a Cost Recovery Implementation Statement (CRIS).

This CRIS provides information on how the Aged Care Quality and Safety Commission (Commission) is implementing cost recovery charging for provider registration, renewal of registration and provider-initiated variation of registration. The CRIS reports actual financial and non-financial performance information for these activities and provides a 4-year forecast from the 2026–27 financial year.

The Commission will continue to update and maintain the CRIS annually until the activities have been discontinued or the CRIS is amended following review and further consultation.

1.2 Context for cost recovery

Cost recovery by the Commission aligns with the Government's overarching CRP that, where appropriate, non-government recipients of specific government activities should be charged some or all of the costs of those activities. The CRP also notes that if the same cost-recovered activity is provided to both government and non-government stakeholders, charges should be set on the same basis for all stakeholders.

Prior to 1 November 2025, the Commission recovered costs for some of the activities it undertook under the *Aged Care Act 1997*, as documented in the Commission's 1 July – 31 October 2025 CRIS for applications for aged care approved provider status and the 1 July – 31 October 2025 CRIS for accreditation services.

The *Aged Care Act 2024* (Aged Care Act) commenced on 1 November 2025, establishing a new framework for the regulation of Australian Government-funded aged care. A central feature of this framework is the creation of a single-entry point into the market for prospective aged care providers, making the market entry process simpler, more effective and easier to understand for new applicants.

Noting the significant change to the Commission's activities under the Aged Care Act, new cost recovery arrangements need to be implemented in accordance with the Charging Framework. These arrangements are being implemented in a 2-stage process (see section 2.1 of this CRIS). Stage 1 covers cost recovery arrangements for initial operations under the Aged Care Act and focuses on regulatory activities that are broadly equivalent to those formerly subject to cost recovery under the *Aged Care Act 1997,* and for which the sector was previously accustomed to

paying fees. This includes applications for provider registration, renewal of registration and provider-initiated variation of registration and any associated audits.

1.3 Description of the regulatory charging activities

To deliver funded aged care services, the Aged Care Act requires prospective providers to apply to the Commission to become a registered provider.

Registration
Aged care providers must be registered in one or more of the 6 registration categories that prescribe the service types they may deliver (see table below). Section 104(2)-(3) of the Aged Care Act require that the applicant pay the required registration fee and provide all necessary information with their application. Section 104-5 of the Aged Care Rules 2025 (Aged Care Rules) prescribes the registration application fees, and section 110-45 prescribes the registration audit fee.

Provider registration category	Description	Service types
Category 1	Home and community services	• Domestic assistance • Home maintenance and repairs • Meals • Transport
Category 2	Assistive technology and home modifications	• Equipment and products • Home adjustments
Category 3	Advisory and support services	• Hoarding and squalor assistance • Social support and community engagement
Category 4	Personal and care support in the home or community	• Allied health and therapy • Personal care • Nutrition • Therapeutic services for independent living • Home or community general respite • Community cottage respite • Care management • Restorative care management
Category 5	Nursing and transition care	• Nursing care • Assistance with transition care
Category 6	Residential care	• Residential accommodation • Residential everyday living • Residential clinical care • Residential non-clinical care

Entities seeking registration must apply to the Commission by submitting a registration application form. The form requires information about:

- the registration categories the entity is seeking to be registered in
- the service types they intend to deliver
- each service group through which the entity intends to deliver those service types
- any specialist aged care program the entity intends to deliver those service types under
- each residential care home (if any) that the entity is applying for the approval of
- each approved residential care home (if any) of the entity
- each responsible person of the entity
- the legal and business structure of the entity, including the nature and extent of the relationship between the entity and any associated providers of the entity
- any other information prescribed by the Aged Care Rules.

A standard registration period will be 3 years, but different periods may be set by the Aged Care Quality and Safety Commissioner (Commissioner) where appropriate.

Renewal of registration

The Commission will invite providers to renew their registration up to 18 months before their registration expiry date. Once providers have received this invitation, they may apply to the Commission to renew. This application must be accompanied by the prescribed fees and provide all necessary information (see sections 107(2) and (3) of the Aged Care Act). Section 107-5 of the Aged Care Rules prescribes the fees that apply to applications for the renewal of registration and section 110-47 prescribes the renewal of registration audit fees.

The renewal process will be risk-based and proportionate and, as such, will be different for different kinds of providers, depending on the registration categories and service types they deliver, their compliance history and other regulatory risk factors.

Variation of registration (provider-initiated)

To vary their registration, registered providers must apply to the Commissioner for a variation under section 124 of the Aged Care Act. Variations include:

- registering the provider in, or removing them from, one or more registration categories
- approving a new residential care home and adding it to the provider's registration
- adding or removing an approved residential care home to the provider's registration
- varying, revoking or imposing a condition to which the provider's registration is subject
- suspending or revoking a provider registration.

Only some types of variations to registration incur a fee. For those that do, section 124(2)–(3) of the Aged Care Act requires that the applicant pay the variation of registration fee and provide all necessary information with their application. Section 124-5 of the Aged Care Rules prescribes the fees that apply to applications for variation to add provider registration categories, and section 124-10 prescribes the fees that apply to applications for variation to remove provider

registration categories. Section 110-49 of the Aged Care Rules prescribes the variation of registration audit fee. Section 111-5 prescribes the application fee for approval of a residential care home.

Providers may also apply to vary the approval of an approved residential care home by varying the total number of beds covered by the approval.

1.4 Activities being cost recovered

In line with Stage 1 cost recovery, the regulatory activities that are in scope and subject to cost recovery are:

- applications for provider registration
- applications for renewal of registration
- provider-initiated applications for variation of registration to:
  - register in a new category
  - remove a registration category
- applications for residential home care approval
- audit activities associated with registration, renewal or provider-initiated variation of registration.

This means that entities applying to register as a provider of funded aged care services will be charged fees to recover the costs of the assessment of their application (including for residential care home approval) as well as to undertake a registration audit for those seeking registration in categories 4, 5 or 6. Additionally, costs will be recovered from registered providers at the time of renewal of registration and when a provider seeks to vary their registration. These fees are for the assessment of the application (applicable to all registration categories) and to undertake a renewal or variation audit (applicable to those seeking registration in categories 4, 5 or 6 only).

Section 3 of the CRIS describes the types of applications and processes where fees will be charged. Charging in accordance with this CRIS commenced on 1 July 2026.

1.5 Appropriateness of cost recovery

Consistent with the Charging Framework, applicants for provider registration, renewal of registration and provider-initiated variation of registration will be charged fees, as they create a need for specific regulatory activities to be undertaken in response to their intention to deliver aged care services through an aged care business. The new system of obligations, including the fees, is intended to be proportionate to the environment a provider operates in, the services they deliver, and the risks associated with these services. In practice, this means the fees charged will be different depending on the registration category, or categories, an applicant is applying to be registered in or is renewing.

Charging for regulatory activity involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government

activity. If the same cost recovered activity is provided to both government and non-government stakeholders, charges should be set on the same basis for all stakeholders. As both government and non-government providers of aged care services will need to apply for registration in one or more of the 6 registration categories, both government and non-government applicants will be required to pay the application fees described in this CRIS and, where an audit is required, the relevant audit fee or fees.

The charging arrangements described in this CRIS will not, however, be applicable to the Multi-Purpose Service Program (MPSP) and Transition Care Program (TCP). The MPSP and the TCP are specialist aged care programs that are co-funded by the Australian Government and state and territory governments and delivered by state and territory governments within a closed market. Charging for activities associated with these programs would represent an intra- or inter-government charge and, as such, these programs are exempt from charging in accordance with the Charging Framework and CRP. As a result, state and territory governments will not be charged fees for any registration, renewal, variation or audit charge point that solely relates to the provision of MPSP and TCP services.

The Commission is required to conduct an annual review of the charging model and fee levels before each new financial year begins. Based on this review, the fees are updated to make sure they accurately reflect the efficient cost to deliver the activity – for example, applying indexation to keep up with inflation. Following the commencement of the Aged Care Act, the fees and fee waiver criteria are included in the Aged Care Rules. At any given time, the fees and fee waivers that apply are as outlined in the Aged Care Rules.

As a result, every year, following our review of the charging model and fee levels, we are required to seek amendments to the Aged Care Rules to reflect the updated fees before these fees can be charged. Once this occurs and the amended Aged Care Rules come into effect, we will update this CRIS and we can then start charging the updated fees. This is expected to happen part way through the 2026–27 financial year.

We will continue to publish a new CRIS each financial year to let existing providers, and people or organisations applying to become providers, know what the fee amounts are from 1 July. We will also include what the updated fees and fee waivers are expected to be, should the Aged Care Rules be amended part way through the financial year. We will update the CRIS once the Aged Care Rules have been changed to make sure the current fees and fee waivers are clear.

2. Policy and statutory authority to charge (cost recover)

2.1 Government policy approval to charge for these regulatory activities

In the 2024–25 Budget, the Government agreed to a **2-stage approach** for cost recovery under the Aged Care Act and subsequently gave authority for consultation with the sector on this basis.

Stage 1 covers cost recovery arrangements for initial operations from the commencement of the Aged Care Act and focuses on regulatory activities that are broadly equivalent to those formerly subject to cost recovery under the *Aged Care Act 1997* and for which the sector was previously accustomed to paying fees. Translating the former cost recovery arrangements to the regulatory activities required under the Aged Care Act meant there were some changes to the fee structure.

In Budget 2025–26, the Australian Government authorised Stage 1 of the new charging and fee waiver arrangements for the Commission to commence concurrently with the start of the Aged Care Act on 1 November 2025. Authority was given for full cost recovery for applications to become a registered provider, renew or vary a provider registration and related audits, unless a fee waiver applies. Authority was also given to apply fee waivers to:

- registration applications and audits for providers entering thin markets
- registration applications and audits for Aboriginal Community Controlled Organisations (ACCOs)
- renewal applications and audits to support the financial viability of very small providers and providers operating in thin markets.

The Commission consulted with stakeholders on the proposed arrangements and the feedback provided informed the Government's final decision to approve the Stage 1 charging arrangements. Charging under these arrangements commenced on 1 November 2025.

In Budget 2026–27, after implementation of the Stage 1 arrangements, the Government announced the current charging arrangements will continue through to 30 June 2029. Maintaining these arrangements provides consistency during a period of substantial change for the sector following the introduction of the Aged Care Act, and allows time for the Commission to review the impacts of the charging arrangements on the sector. This will help us to understand what may need to be adjusted and ensure any future changes are fit for purpose.

In Budget 2026–27 the Government also decided to expand the number of aged care providers eligible for a fee waiver by including ACCOs in the waiver criteria for renewal of registration, and related audits. ACCOs play a critical role in providing culturally safe care to Aboriginal and Torres Strait Islander people, as well as delivering care across remote and very remote regions of Australia. This expansion of the fee waiver criteria supports the ongoing viability of ACCOs in the

aged care market, enabling Aboriginal and Torres Strait Islander people to have improved quality of life and access to culturally responsive care.

It is important to note that before this can come into effect and be applied, changes need to be made to the Aged Care Rules. Once this occurs and the Aged Care Rules are amended, this CRIS will be updated, and the expanded fee waiver criteria can be applied. This is expected to happen part way through the 2026–27 financial year.

Stage 2 is intended to cover cost recovery arrangements from 1 July 2029. Public consultation with the sector and impacted stakeholders on any proposed changes to the charging arrangements under Stage 2 will occur closer to this time.

2.2 Statutory authority to charge

Sections 594 and 595 of the Aged Care Act provide for the charging of fees for services provided by the Commissioner and Aged Care Complaints Commissioner. Furthermore, sections 104, 107 and 124 provide that applications for registration, renewal and variation must be accompanied by any fee prescribed by the Aged Care Rules.

Sections 104-5, 107-5, 111-5, 124-5 and 124-10 of the Aged Care Rules prescribe the fees for applications for provider registration, renewal of registration, approval of residential care homes, and variations to add provider registration categories and remove provider registration categories. Sections 110-45, 110-47 and 110-49 prescribe the fees for registration audits, renewal audits and variation audits.

3. Cost recovery model

3.1 Outputs and business processes of the activities

The new universal provider registration model under the Aged Care Act introduced a single registration for each provider across all aged care programs. This approach aims to improve the transparency of which providers are operating in the sector and how they are working. Additionally, it only requires one set of consolidated obligations specific to each registered provider, reduces administrative burden and improves regulatory oversight.

These activities also contribute to the Commission's 2026–27 Portfolio Budget Statement outcome to 'uphold rights, and protect and enhance the safety, health, wellbeing and quality of life of older people in Australia receiving Australian Government-funded aged care services, including through effective engagement with older people, regulation and education of aged care providers and workers, and independent and accessible resolution of complaints about aged care services'.[1]

The regulatory activities subject to cost recovery in this CRIS are:

- applications for provider registration
- applications for renewal of registration of registered providers
- provider-initiated applications for variation of registration to:
  - register in a new category
  - remove a registration category
  - add a new approved residential care home
- audit activities associated with registration, renewal or provider-initiated variation of registration.

The objective of these regulatory charging activities is to ensure the efficiency, productivity and responsiveness of the registration, renewal and variations processes, and the quality of applications submitted for decision.

3.1.1 Registration of a new provider

An entity seeking to deliver funded aged care services will need to apply for registration in one or more of the 6 registration categories. The registration process will include an examination of the applicant's suitability to provide funded aged care services in their intended service types, the suitability of their responsible persons, and their commitment, capability and capacity to deliver their intended service types in accordance with their obligations under the Aged Care Act. Even if an entity intends to deliver services across multiple registration categories, they will only need to undergo a single registration process.

[1] The Aged Care Quality and Safety Commission's Portfolio Budget Statement is available on the Department of Health, Disability and Ageing website (https://www.health.gov.au/sites/default/files/2026-06/budget-2026-27-health-disability-and-ageing-portfolio-budget-statements.pdf)

The registration process starts when a new entity applies to the Commission to be registered and ends when a decision is made to register an entity or to refuse registration. A component of the decision to register is the determination of the provider's registration period. The standard registration period for providers is 3 years. The Commission may set a different registration period where appropriate, for instance, by specifying a shorter registration period where deficiencies in a provider's service delivery have been identified during an audit.

The complexity of the registration process will depend largely on the range of registration categories that an entity is seeking to register in. The key business processes the Commission will undertake on receipt of an application for registration are as follows:

- **Triage assessment:** an assessment of the application that determines whether it contains sufficient information to meet the requirements stipulated in section 104(3) of the Aged Care Act
- **General assessment:** an assessment of the application that determines whether the delegate can be satisfied of the general requirements that apply for all registration applications in section 109(1) of the Aged Care Act
- **Category-specific assessment:** a more detailed assessment may be required that examines whether the delegate can be satisfied of the specific requirements that apply differently depending on the registration category stipulated in section 109(2) of the Aged Care Act. These requirements are:
  - **Categories 1 to 3**: that the entity intends to deliver the service types applied for in the 3-year period after the application is made, and that they have the commitment, capability and capacity (including through the systems they have or propose to have) to deliver those service types in accordance with their obligations
  - **Categories 4 and 5**: in addition to the above, that an audit has found that the entity will be able to conform to the strengthened Aged Care Quality Standards (Quality Standards) as they apply to the relevant registration categories
  - **Category 6**: in addition to the above, that the entity has an approved residential care home or has made an application to have a residential care home approved, and that these residential care homes meet the requirements for approval
- **Decision-making:** once the assessment(s) above have been completed, the delegate must either make a decision on the basis of the evidence in front of them or seek further information from the applicant to reach a decision. A decision may be made at the conclusion of each stage of the assessment process. The evidence the delegate will require to make their decision will vary depending on the registration categories applied for, noting that there is more risk associated with an incorrect decision in higher categories. For applicants applying to register in categories 4 to 6, the delegate will also need to consider the findings of the audit report. Following consideration of the factors listed above, if the delegate intends to refuse the application, they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or responses provided by the applicant before making a final decision

- **Administration and supporting activities:** there are a range of administrative and supporting activities required before a decision can be made in relation to an application, including, but not limited to:
  - every application must be recorded in the Commission's case management system, with all records (information, statements of reasons, other supporting documentation) being generated and stored
  - public-facing registers such as the Provider Register, Government Provider Management System and My Aged Care may require updates to ensure alignment between government records and publicly available information
  - for applicants applying for registration in Category 6 and approval of a residential care home, a decision will need to be made regarding whether the home meets the legislative requirements for approval prior to the registration decision being made, due to the operation of section 104(2)(c) of the Aged Care Act
- **Audit:** for applicants applying to register in categories 4 to 6, the delegate will also need to liaise with the applicant to organise a timeframe for the audit to take place that aligns with the Commission's audit program. The audit must be undertaken, and a report finalised (including the relevant procedural fairness steps), before the final decision on registration can be made. The audit process for the registration will focus on gathering evidence of the applicant's systems and processes to inform an assessment of whether they will enable the applicant to conform to the relevant Quality Standards. The Commission usually conducts registration audits off site but may visit a service location to view the environment where services will be delivered
- **Residential care home approval:** an assessment of the application that determines whether the delegate can be satisfied of the residential care home requirements in section 113 of the Aged Care Act that apply for each residential care home specified on the application.

3.1.2 Renewal of existing registered providers

Registration will be time limited, with providers' suitability, commitment, capability and capacity being regularly reassessed. The key business processes the Commission will undertake to facilitate a renewal application include those listed above for registration, in addition to the following:

- **Decision-making:** in addition to the considerations described for registration above, the delegate must also consider the registered provider's conduct (including complaints, non-compliance and any other regulatory intelligence) during the previous registration period. For larger providers, this is likely to be a significant amount of information for the delegate to consider and is therefore likely to require greater time and effort than might have been the case during an entity's initial registration. Following consideration of the factors listed above, if the delegate intends to refuse the application, they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or other response provided by the applicant before making a final decision
- **Administration and supporting processes:** in addition to those listed above for

registration, the Commission must invite a registered provider to renew their registration within 18 months of their registration expiry date. These invitations will advise providers of the requirements for the submission of their application, including relevant timeframes. Applicable timeframes will vary by provider based on a range of factors, including:
  - the service types being delivered by the provider
  - the size of the provider (in terms of number of residential aged care homes and geographic footprint)
  - whether an audit against the Quality Standards is required
- **Audit:** providers intending to apply for renewal are likely to be delivering funded aged care services to people, as opposed to at initial registration where a provider would not yet be delivering these services. As such, renewal audits, required for providers registered in categories 4, 5 or 6, will draw on a broader evidence base and will likely involve a greater degree of onsite assessment of the quality and safety of care being delivered. For providers registered in categories 4 and 5, the Commission will sample a selection of the care delivery locations to be audited against the relevant Quality Standards. For providers registered in Category 6, each approved residential care home through which the provider is delivering services will be audited against all of the Quality Standards to determine both their current conformance and their ability to continue to conform if their registration is renewed. The audits must be undertaken and reports finalised (including the relevant procedural fairness steps) before the final decision on renewal can be made.

3.1.3 Variation of registration

Providers may apply to vary their registration in the following ways:
- register in a new registration category
- remove a provider registration category
- vary or revoke a 'Commissioner-imposed' condition on their registration
- impose a new condition on their registration
- add a new approved residential care home to their registration
- remove an approved residential care home from their registration (including transfer of homes from one provider to another).

Providers may also apply to vary the approval of an approved residential care home in relation to varying the total number of beds covered by the approval.

The types of variations subject to cost recovery are variation of registration to:
- register in a new registration category
- remove a provider registration category
- approve a new residential care home and add it to the registration.

To vary a registration, the Commissioner must be satisfied that it is appropriate in all the circumstances to do so. In addition, where a provider is seeking to expand their registration in a new registration category, the Commissioner must be satisfied that they meet the relevant registration requirement(s) for that category. Where a provider is seeking to add or remove a

residential care home, the Commissioner must have regard to whether the provider has taken sufficient steps to ensure continuity of care for people receiving services through that home.

The key business processes the Commission will undertake when considering a variation application may include:

- **Triage assessment:** an assessment of the variation application to determine whether it contains sufficient information to meet the legislative requirements of section 124(2) of the Aged Care Act
- **Assessment:**
  - Variations to registration categories:
    - where a provider is seeking to be registered in an additional registration category, the delegate will be required to conduct a new assessment against the category-specific requirements for that category under section 109(2) of the Aged Care Act
    - for providers seeking to remove a registration category, the Commission will need to assess and decide whether the provider has put sufficient measures in place to ensure continuity of care for any people currently receiving services under the categories that the provider is seeking to have removed
    - where a provider is seeking registration in Category 6, this may also mean approving a new residential care home as is the case for registration applications
  - Variations to add a residential care home:
    - for providers seeking to add or remove a residential care home, the delegate must consider any potential impacts on continuity of care as a result of changes to the status of the home
    - in addition, the delegate must be satisfied that the variation is appropriate, in light of factors such as the provider's financial viability and sustainability, governance systems and structures, and compliance history, before making a decision
- **Audit:** where a provider is seeking registration in categories 4 to 6, this may require an audit against one or more of the Quality Standards, as for registration above
- **Residential care home approval:** an assessment of the application that determines whether the delegate can be satisfied of the residential care home requirements in section 113 of the Aged Care Act that apply for each residential care home specified on the application
- **Decision-making:** following consideration of the factors listed above, if the delegate intends to refuse the application, they are required to liaise with the applicant and provide them with an opportunity to respond. The delegate must then consider any information, documentation or other response provided by the applicant before making a final decision. If the delegate decides under section 124(1) of the Aged Care Act to vary the registration of a registered provider, the provider will be issued with a notice of the decision
- **Administration and supporting processes:** for all successful variation applications, the Commission's internal business systems and Provider Register will need to be updated. Further, public-facing registers such as the Provider Register, Government Provider Management System and My Aged Care may require updates to ensure alignment between government records and publicly available information.

3.2 Costs of these regulatory activities

An activity-based costing method, for the allocation of all direct and indirect costs for each regulatory activity subject to cost recovery, has been used to determine the efficient costs of the regulatory activities described in this CRIS.

Direct and indirect costs have been estimated based on the average time required to assess one application and complete one audit. Direct costs are costs that can be directly attributed to the regulatory activity, such as the staffing costs for the assessment of applications or completion of audits. Indirect costs are costs which are difficult to link to individual regulatory activities, such as corporate overheads.

3.2.1 Direct costs

Main cost drivers
The most significant cost driver for the cost-recovered activities is the staffing required to undertake the end-to-end process of provider registration, renewal and provider-initiated variation of registration.

For audits, travel costs such as airfares, car hire and accommodation costs for the period that staff are required to be on site conducting audits, is another significant cost driver. However, these costs are not proposed for cost recovery at this time and are not included in the fees detailed in this CRIS. The travel costs vary based on the remoteness of the location of service delivery and the size (based on the number of people accessing funded aged care services at each location). Currently, more robust data collection for audit-related travel costs is needed to determine whether charging for travel costs could be equitable in line with the Charging Framework.

Cost driver assumptions
The direct staffing costs are based on the efficient standard time taken to complete each stage of the registration, renewal or variation process (the effort), multiplied by the average direct cost of the staff who complete each activity and the number of staff required to complete each stage. Staff from Australian Public Service (APS) Level 4 to Executive Level 2 (or equivalent) are involved in the process, with majority of the work completed by APS 6 staff and decision-making activities completed by Executive Level staff.

3.2.2 Indirect costs

Main cost drivers
Indirect costs, such as corporate overheads, utilities, digital systems and capital costs have been attributed to the costings for each regulatory activity.

Cost driver assumptions
To reflect the full cost of each activity, all indirect costs have been disaggregated and allocated across each cost-recovered activity on full-time staff equivalent basis, proportional to the number of staff required to undertake the activity.

3.3 Design of the regulatory charge

The Australian Government's decision in Budget 2025–26 requires the Commission to recover the full recoverable costs of the regulatory activities required for provider registration, renewal and provider-initiated variation of registration, unless a fee waiver applies. Charging commenced on 1 November 2025, concurrent with the commencement of the Aged Care Act and the Aged Care Rules. The underlying charging model and fee levels must be reviewed and updated each financial year to reflect changes such as indexation. The fees reflect the efficient cost of the service provided by the Commission and do not incur GST.

For registration and renewal, the fees have been calculated for both provider-level activities and category-specific activities, with activities for categories 4 to 6 requiring more effort due to the higher level of risk associated with the delivery of these service types. For variation applications, the type of variation applied will be the primary point of differentiation. The difference in fees across registration categories 1 to 6 is reflective of the varying levels of effort (time taken and level of APS staff) required to complete the activity. Additionally, audits will only be undertaken for categories 4 to 6, therefore, audit fees only apply for applications to register, renew or vary (add) one or more of these categories.

3.3.1 Fees from 1 July 2026 (until the Aged Care Rules are amended)

The fees detailed in this section (3.3.1) apply **from 1 July 2026**, until amendments to the Aged Care Rules are made. These are the same fees that have been in place from 1 November 2025.

As noted in section 1.5 of this CRIS, the Commission is required to conduct an annual review of the charging model and fee levels before each new financial year begins. Under the Aged Care Act, the fees and fee waiver criteria are included in the Aged Care Rules. Each year, following our review of the fees, the Aged Care Rules will need to be amended to include the updated fees before these fees apply. Once these are included in the Aged Care Rules, we will update this CRIS to make sure the current fees and fee waivers are clear, and we can start charging the updated fees.

Fees are anticipated to be updated part way through the 2026–27 financial year.
These updates make sure the fees accurately reflect our costs – for example, by applying indexation to keep up with inflation.

The updated fees must be included in the Aged Care Rules before they can come into effect. Until this occurs, the fees in this section (3.3.1) apply.

To see the fees that are expected to come into effect later this year, pending amendments to the Aged Care Rules, see Appendix 1 – Proposed updated fees and fee waivers (pending amendments to the Aged Care Rules).

Registration

Registration applications		
Charge point	**Fee**	**Frequency**
Entity level assessment	$3,270	Once per application
Review of category-specific requirements (categories 1–3)	$1,270	Once per category applied for
Review of category-specific requirements (categories 4–5)	$3,800	Once per category applied for
Review of category-specific requirements (Category 6)	$5,070	Once per category applied for
Residential care home approval	$3,800	Once per residential care home

Registration audits		
Charge point	**Fee**	**Frequency**
Registration audit (categories 4–6)	$14,870	Once per application

Renewal of registration

Renewal applications		
Charge point	**Fee**	**Frequency**
Entity level assessment	$295	Once per application
Review of category-specific requirements (categories1–3)	$770	Once per category applied for
Review of category-specific requirements (categories 4–5)	$4,040	Once per category applied for
Review of category-specific requirements (Category 6)	$5,380	Once per category applied for
Residential care home approval	$3,800	Once per new residential care home

Renewal audits		
Charge point	**Fee**	**Frequency**
Provider-level evidence gathering (categories 4–6)	$7,890	Once per application
Audit – categories 4–5 (low complexity)	$9,800	Once per application
Audit – categories 4–5 (moderate complexity)	$15,550	Once per application
Audit – categories 4–5 (complex)	$17,950	Once per application
Audit – Category 6 residential care home (1–150 beds)	$16,340	Once per residential care home
Audit – Category 6 residential care home (151–250 beds)	$17,510	Once per residential care home
Audit – Category 6 residential care home (251+ beds)	$18,670	Once per residential care home

Provider-initiated variations

Variation applications		
Charge point	**Fee**	**Frequency**
Remove category (categories 1–3 **OR** categories 4–6 with zero people accessing funded aged care services)	$545	Once per application
Remove category (categories 4–6 with people accessing funded aged care services)	$4,800	Once per category applied for
Add category (categories 1–3)	$1,270	Once per category applied for
Add category (categories 4–5)	$3,800	Once per category applied for
Add category (Category 6)	$5,070	Once per category applied for
Residential care home approval	$3,800	Once per new residential care home

Variation audit		
Charge point	**Fee**	**Frequency**
Variation audit (add categories 4–6)	$18,530	Once per application

3.3.2 Fee waivers from 1 July 2026 (until the Aged Care Rules are amended)

The fee waiver criteria detailed in this section (3.3.2) apply **from 1 July 2026**, until amendments to the Aged Care Rules are made. These are the same fee waiver criteria that have been in place from 1 November 2025.

Provider registration

Provider registration fee waivers intend to encourage providers to enter and operate in thin markets. Fee waiver arrangements remain broadly consistent with the previous market entry fee waivers under the *Aged Care Act 1997*. To support increasing First Nations provider representation in the aged care sector, waiver arrangements have been expanded to include all ACCOs entering the market.

Applicants will be required to submit documentary evidence to substantiate their claim for the fee waiver based on the eligibility criteria below. The Commission does not hold any data related to these providers at the time of application, except for the information provided on the application for registration. As such, the provision of documentary evidence is necessary.

<table>
<tr><th colspan="3">Registration application and registration audit</th></tr>
<tr><th>Charge point</th><th>Fee waiver eligibility criteria</th><th>Fee after fee waiver has been applied</th></tr>
<tr><td>Entity level assessment</td><td rowspan="7">Full (100%) fee waiver for:
Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in Modified Monash Model (MMM) areas 6–7 (MM 6–7) OR
Aboriginal Community Controlled Organisations (ACCOs)</td><td>$0</td></tr>
<tr><td>Review of category-specific requirements (categories 1–3)</td><td>$0</td></tr>
<tr><td>Review of category-specific requirements (categories 4–5)</td><td>$0</td></tr>
<tr><td>Review of category-specific requirements (Category 6)</td><td>$0</td></tr>
<tr><td>Registration audit (categories 4–6)</td><td>$0</td></tr>
<tr><td>Residential care home approval</td><td>$0</td></tr>
</table>

Renewal of registration

Renewal of registration fee waivers intend to support providers that are at higher risk of financial viability issues remain in the market.

Under the former charging arrangements (that applied until 31 October 2025), fee waivers were available for reaccreditation site audit fees. These criteria used the size of the service based on the number of places, remoteness based on MMM regions and specialised homeless and Aboriginal and Torres Strait Islander status as proxies for identifying potential viability risk. Remoteness is also an indicator of thin markets.

Reaccreditation site audits are substantially similar activities to Category 6 renewal audits under the Aged Care Act. As such, the fee waivers for reaccreditation site audits have been grandfathered under the Stage 1 arrangements. This means any residential care home that received a fee waiver for their last reaccreditation site audit will receive the same fee waiver (full or 50%) for the Category 6 renewal audit for the same residential care home. The fee waiver criteria have also been extended to residential care homes that have not previously had a reaccreditation audit. For these services, occupied bed days will be used as a substitute for the number of residential aged care places, to allow temporary ongoing use of the existing waiver arrangements.

It is not possible to extend the previous reaccreditation fee waiver criteria to all renewal activities under the Aged Care Act, as the eligibility criteria were constructed specifically for residential aged care services. Under the Aged Care Act, renewal activities extend to providers across registration categories 1 to 6, therefore new eligibility criteria were developed for the application fees, provider-level evidence gathering fees and category 4 and 5 audit fees.

Fee waiver eligibility criteria for renewal applications and category 4 and 5 audits (provider-level evidence gathering and the audit activity) have been constructed using the same proxies for potential viability risk as the grandfathered Category 6 audit fee waiver eligibility criteria: remoteness of the location of service delivery and the size of the provider. These are the most reliable and already accepted indicators of viability currently available to the Commission.

For efficiency, the criteria have also been constructed based on Commission data, eliminating the need for providers to submit documentary evidence to substantiate their eligibility. For the remoteness criteria, this has been limited to 100% of care and services delivered in the specified MM category, as this is likely to be the most stable percentage point. For provider size, this has been constructed based on the size in comparison to the rest of the sector, rather than a specified count of people accessing funded aged care services, as it is acknowledged that the number of people accessing funded aged care services within categories 1 to 5 may fluctuate.

As noted in section 2.1, the fee waiver criteria for renewal of registration, and related audits, was further expanded to include ACCOs. However, this waiver criteria will not come into effect until this has been included in the Aged Care Rules. This is anticipated to occur part way through the 2026–27 financial year.

Renewal application and renewal audit (provider level and category 4–5 audits)		
Charge point	**Fee waiver eligibility criteria**	**Fee after fee waiver has been applied**
Entity level assessment	**Full (100%) fee waiver for:** • Applicants delivering 100% of care and services in MM 5–7, **OR** • Smallest 10% of the sector based on number of people accessing funded aged care services (at provider level)	$0
Review of category-specific requirements (categories 1–3)		$0
Review of category-specific requirements (categories 4–5)		$0
Review of category-specific requirements (Category 6)		$0
Residential care home approval		$0
Provider-level evidence gathering (categories 4–6)		$0
Categories 4–5 (low complexity)		$0
Categories 4–5 (moderate complexity)		$0
Categories 4–5 (complex)		$0

Fee waivers are anticipated to be updated part way through the 2026–27 financial year.

The fee waiver criteria for renewal of registration and related audits are expected to be updated to include ACCOs.

These proposed changes must be included in the Aged Care Rules before they can come into effect. Until this occurs, the fee waiver criteria in this section (3.3.2) apply.

To see the fee waiver criteria that are expected to come into effect later this year, pending amendments to the Aged Care Rules, see Appendix 1 – Proposed updated fees and fee waivers (pending amendments to the Aged Care Rules).

<table>
<tr><th colspan="3">Renewal audit – Category 6</th></tr>
<tr><th>Charge point</th><th>Fee waiver eligibility criteria</th><th>Fee after fee waiver has been applied</th></tr>
<tr><td rowspan="2">Audit – Category 6 (1–150 beds)</td><td rowspan="5">Grandfathering arrangement applies:

Any residential care home that received a fee waiver for their last reaccreditation site audit will receive the same fee waiver, full or 50%, for the Category 6 renewal audit for the same residential care home.

The fee waiver criteria will also be extended to residential care homes that have not previously had a reaccreditation audit, using occupied bed days as a substitute for number of places.

Full fee waiver for:
• MM categories 4–7 and fewer than 25 places OR
• Fewer than 25 places and specialised homeless or Aboriginal and Torres Strait Islander status
50% of the applicable fee waived for:
• MM categories 4 and 25–29 places OR
• MM categories 5 and 25–39 places OR
• MM categories 6–7 and more than 24 places OR
• More than 24 places and specialised homeless or Aboriginal and Torres Strait Islander status OR
• Fewer than 25 places</td><td>Full waiver: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $8,170</td></tr>
<tr><td rowspan="2">Audit – Category 6 (151–250 beds)</td><td>Full: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $8,760</td></tr>
<tr><td rowspan="2">Audit – Category 6 (251+ beds)</td><td>Full: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $9,340</td></tr>
</table>

Fee waivers are anticipated to be updated part way through the 2026–27 financial year.

The fee waiver criteria for renewal of registration and related audits are expected to be updated to include ACCOs.

These proposed changes must be included in the Aged Care Rules before they can come into effect. Until this occurs, the fee waiver criteria in this section (3.3.2) apply.

To see the fees that are expected to come into effect later this year, pending amendments to the Aged Care Rules, see Appendix 1 – Proposed updated fees and fee waivers (pending amendments to the Aged Care Rules).

Variation of registration

The market entry fee waiver criteria have been extended to provider-initiated variations, including the expansion to include any ACCOs who apply. As it is anticipated that the majority of provider-initiated variations will be seeking to register in additional registration categories, the variation fee waiver has been designed to align with the market entry fee waiver.

Variation application and Variation audit		
Charge point	**Fee waiver eligibility criteria**	**Fee after fee waiver has been applied**
Remove category (categories 1–3 **OR** categories 4–6 with zero people accessing funded aged care services)	**Full (100%) fee waiver for:** • Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in MM areas 6–7 **OR** • Aboriginal Community Controlled Organisations (ACCOs)	$0
Remove category (categories 4–6 with people accessing funded aged care services)		$0
Add category (categories 1–3)		$0
Add category (categories 4–5)		$0
Add category (Category 6)		$0
Residential care home approval		$0
Variation audit (add categories 4–6)		$0

3.4 Cost recovery revenue

Charge point	Type	Total recoverable unit cost	Charge rate	Estimated volume	Estimated total cost*	Estimated total revenue
Registration application						
Entity level assessment	Fee	$3,272	$3,270	410	$1,581,909	$1,340,700
Review of category-specific requirements (categories 1–3)	Fee	$1,266	$1,270	427	$637,742	$542,290
Review of category-specific requirements (categories 4–5)	Fee	$3,799	$3,800	520	$2,329,925	$1,976,000
Review of category-specific requirements (Category 6)	Fee	$5,066	$5,070	30	$179,225	$152,100
			Subtotal		**$4,728,801**	**$4,011,090**
Registration audit						
Registration audit (categories 4–6)	Fee	$14,870	$14,870	410	$7,328,903	$6,096,700
			Subtotal		**$7,328,903**	**$6,096,700**
Renewal application						
Entity level assessment	Fee	$296	$295	794	$276,703	$234,230
Review of category-specific requirements (categories 1–3)	Fee	$772	$770	729	$663,482	$561,330
Review of category-specific requirements (categories 4–5)	Fee	$4,040	$4,040	680	$3,239,705	$2,747,200
Review of category-specific requirements (Category 6)	Fee	$5,383	$5,380	296	$1,878,875	$1,592,480

Charge point	Type	Total recoverable unit cost	Charge rate	Estimated volume	Estimated total cost*	Estimated total revenue
			Subtotal		**$6,058,766**	**$5,135,240**
Renewal audit						
Provider-level evidence gathering (categories 4–6)	Fee	$7,887	$7,890	664	$6,288,310	$5,238,960
Categories 4–5 (low complexity)	Fee	$9,796	$9,800	54	$645,848	$529,200
Categories 4–5 (moderate complexity)	Fee	$15,551	$15,550	150	$2,788,387	$2,332,500
Categories 4–5 (complex)	Fee	$17,953	$17,950	286	$6,147,218	$5,133,700
Category 6 (1–150 beds)	Fee	$16,340	$16,340	1027	$21,191,879	$16,78,1180
Category 6 (151–250 beds)	Fee	$17,506	$17,510	36	$800,218	$630,360
Renewal audit – Category 6 (251+ beds)	Fee	$18,671	$18,670	1	$23,604	$18,670
			Subtotal		**$37,885,464**	**$30,664,570**
Variation applications						
Variation to add categories (categories 1–3)	Fee	$1,266	$1,270	11	$16,429	$13,970
Variation to add categories (categories 4–5)	Fee	$3,799	$3,800	31	$138,899	$117,800
Variation to add categories (Category 6)	Fee	$5,066	$5,070	0	$0	$0

Charge point	Type	Total recoverable unit cost	Charge rate	Estimated volume	Estimated total cost*	Estimated total revenue
Variation to remove categories – categories 1–3 or categories 4–6 with zero people accessing funded aged care services	Fee	$545	$545	351	$225,711	$191,295
Variation to remove categories – categories 4–6 with people accessing funded aged care services	Fee	$4,802	$4,800	39	$220,857	$187,200
			Subtotal		**$601,897**	**$510,625**
Variation audit						
Variation audit (add categories 4–6)	Fee	$18,527	$18,530	4	$88,642	$74,120
			Subtotal		**$88,642**	**$74,120**
Residential care home approvals						
Residential care home approval	Fee	$3,799	$3,800	30	$134,419	$114,000
			Subtotal		**$134,419**	**$114,000**
			Total		**$56,826,891**	**$46,605,985**

* The total 'Estimated total cost' detailed in this table excludes costs associated with business processes required for charging activities, but for which the Commission is not charging (such as triage assessment and the additional effort related to refusal of registration, renewal and variation). These total expenses will, therefore, not align with the total 'Total expenses' detailed in the table at section 6.1 Financial estimates, which include these costs.

Note: Figures (excluding the 'Charge rate') are rounded to the nearest dollar. As such, some totals may not sum due to rounding. Charging rounding rules apply to the 'Charge rate', where figures below $1,000 are rounded to the nearest $5, and figures equal to or greater than $1,000 are rounded to the nearest $10.

4. Risk assessment

A key element of planning, designing and managing cost-recovered activities is to identify and engage with risk at each stage of the cost recovery process. The purpose of the risk assessment is to identify areas of implementation risk and inform the risk engagement strategy adopted to manage the identified risks.

A Charging Risk Assessment – Existing Charging Activity was conducted in June 2026 in accordance with the CRP requirements. The overall risk rating is medium, based on the individual risk rating for each of the 9 implementation risks identified for the activities subject to cost recovery outlined within this CRIS. This rating is a result of careful consideration of the increase to the fees for 2026–27; the impact of these fee increases on providers; the consultation feedback received prior to charging commencing on 1 November 2025; the increase in revenue between 2025–26, during which time charging for these activities commenced; and the forecast revenue for the full 2026–27 financial year.

Higher revenue is forecast for 2026–27 than the actual revenue for 2025–26. This is primarily due to forecast volumes of registration, renewal and variation activities for 2026–27 being higher than the volumes of completed activities for the 8 months from 1 November 2025 following the commencement of these activities. A comprehensive overview of the 2025–26 registration, renewal and variation activity volumes is included in section 7 of this CRIS. Additionally, 2026–27 is the first full financial year during which these activities will be undertaken and charged for by the Commission following the commencement of the Aged Care Act.

Noting this overall increase in revenue, the highest percentage increase a payer will experience in 2026–27 (pending amendments to the Aged Care Rules) will be 4.6%. Therefore, this risk has been rated as low risk. This mitigates the risk of the higher forecast revenue for 2026–27 because the impact of the fee increases on individual providers is low. The 2026–27 fees have been calculated using comprehensive resource modelling and cost modelling, with the fees representing the minimum efficient costs. The increase is primarily driven by the application of indexation, salary increases and increased contract costs for the Commission's digital audit management tool. As costs are calculated and distributed in the cost model based on the forecast volume of activities, variation in the fees is also, in part, due to updates to forecast activity volumes for the 2026–27 financial year.

The Commission only charges cost recovery fees, not levies or other charges, and this will remain the same for 2026–27. The fee amounts are described in the Aged Care Rules, therefore the Aged Care Rules will be amended before the Commission can begin charging any updated fees. Since existing legislative mechanisms are in place for the Commission to charge fees and only a change to subordinate legislation is required to specify the updated fee amounts, these actions have been rated as low risk. The new fee waiver to waive all renewal fees for ACCOs will also be implemented, pending amendments to the Aged Care Rules.

The implementation risk related to the impact on payers has been rated medium as this CRIS carries forward an identical fee structure with changes limited to fee amounts and fee waiver criteria. Although the fees may be perceived to be a financial hurdle to entering the industry or remaining in the industry, the intent of the fees is to ensure only applicants that are invested in providing aged care enter and remain in the market. Fee waivers are available to encourage applicants to enter thin markets and alleviate financial viability issues for providers already in the market.

The final implementation risk assessed through the Charging Risk Assessment relates to consultation with payers and other stakeholders. The risk rating for this implementation risk remains medium. Public consultation was undertaken in 2025 ahead of the commencement of the new charging arrangements, with issues being raised by some respondents. These issues are being addressed through the consultation outcomes as described in section 5. The Commission will continue to monitor the sector and use this feedback to inform the approach and outcome for Stage 2 cost recovery. The consultation process, key issues raised by respondents and the consultation outcomes are described in section 5.

5. Stakeholder engagement

Following the announcement of the Aged Care Act, the Commission ran a public consultation on the proposed charging arrangements. A Public Consultation: Summary Report outlining the approach to consultation, key feedback themes, outcomes and next steps is available on the Commission's website.

Consultation was open from Wednesday 5 March 2025 to 12pm AEDT Tuesday 1 April 2025. Feedback was sought from a range of stakeholders, including current and prospective providers, peak bodies, advisory groups, aged care and healthcare workers, people receiving aged care and their families and carers.

Responses were collected via a dedicated feedback form accessible on the Commission's website or as a written response submitted to the Commission. The feedback form included demographic questions and 4 feedback questions:

- What impacts do you see from the proposed cost recovery arrangements?
- What impacts do you see from the proposed fee waiver arrangements?
- To what extent do you understand the cost recovery arrangements?
- Please share any additional feedback you have on the proposed cost recovery arrangements or how we could improve communications.

A Cost Recovery Consultation Paper and Guide were developed to support stakeholders in understanding the proposed arrangements.

There were 4 key themes in the feedback received during the consultation period:

1. **Stakeholders are concerned that the proposed fees may cause additional financial**

strain on providers.
Many respondents said that the proposed fees will add additional financial strain on providers. This concern was mainly around the extra strain on small providers. Some respondents said they were concerned that this would mean that providers may need to divert time and funds from providing care and services.

2. **The proposed fee waivers may be too limited to a small group of providers.**
Most of the respondents felt fee waivers were beneficial. However, respondents said that the proposed fee waivers may be too limited to a small group of providers. Most respondents said that fee waivers should be fair and vary by provider size, financial capacity and the MMM service locations. Stakeholders, including local councils, state and territory governments, not-for-profit, specialists and allied health services, also asked for an extension of the fee waivers. Local government and state and territory government respondents asked for an extension of fee waivers to government providers of aged care. Not-for-profit respondents also suggested fee waivers should be extended to all not-for-profit providers of aged care and services. Sector feedback in particular sought to have fee waiver criteria for renewal of registration applications and related audits extended to ACCOs, as ACCOs play a critical role in providing culturally safe care to Aboriginal and Torres Strait Islander people, as well as delivering care across remote and very remote regions of Australia.
3. **The proposed new cost recovery arrangements, including the fee waiver eligibility criteria, are difficult to understand.**
As a part of the feedback form, stakeholders were asked if they understood the proposed cost recovery arrangements. It became clear through the analysis that a large number of respondents did not fully understand the proposed cost recovery arrangements. This was confirmed by a high volume of respondents telling us that the arrangements and fee waiver structure were too complex. A key piece of feedback was a request for the Commission to use clearer, simpler language in communications and key documents.
4. **Stakeholders would like further consultation, communications and resources from the Commission.**
Respondents submitted many suggested improvements to help stakeholders better understand the cost recovery arrangements and fee waivers and suggested a number of communication tools and resources that could be developed or updated to help them understand.

Consultation outcomes
The feedback received throughout the consultation process helped shape the advice the Commission provided to the Government on the cost recovery arrangements for Stage 1 implemented on 1 November 2025.

In response to sector feedback on the viability risks for ACCOs once they have entered the aged care market, the Commission provided additional advice to the Government on extending the renewal application and audit fee waivers to include ACCOs, which was approved through Budget 2026–27. Expanding the fee waiver to ACCOs supports the ongoing viability of ACCOs in the aged

care market and would mean ACCOs are eligible for a full fee waiver for all Commission cost recovery charging, enabling Aboriginal and Torres Strait Islander people to have improved quality of life and access to culturally responsive care. It is important to note that before this expanded fee waiver criteria can come into effect and be applied, amendments need to be made to the Aged Care Rules to include the expanded criteria.

Additionally, based on the feedback received through the consultation, the Commission revised existing material and developed additional communication and guidance products. A guide and scenarios document, fact sheet and fee calculators are available on our website.

As part of Stage 2, the Commission will engage in further consultation with current aged care providers, peak bodies (including allied health), older people receiving aged care and any other interested parties. There will be a key focus on understanding the impacts of fees on providers and the availability of waivers through detailed analysis of data collected following the commencement of the Aged Care Act and the regulatory activities described in this CRIS. This will be considered alongside the significant aged care funding changes that also commenced on 1 November 2025 to understand the full impact of charging within the new funding and regulatory landscape.

6. Financial performance

6.1 Financial estimates

The figures in the table below are forward estimates for cost-recovered provider registration, renewal of registration, and provider-initiated variation of registration activities. A review of actual financial performance compared with estimates will be undertaken annually (at the end of the financial year). Forecasts will be updated at the start of each financial year.

Travel expenses related to audits, the cost of the pre-screening activity for all applications to become a registered provider or renew or vary a registration, and the cost of activities relating to the refusal of these applications have all been excluded from the fees. This is the primary reason for the difference between the total expenses and the total cost recovery revenue.

Financial item	2026–27 ($)	2027–28 ($)	2028–29 ($)	2029–30 ($)
Total expenses*	**60,725,085**	**69,820,679**	**78,631,083**	**85,319,002**
Total revenue	**48,056,481^**	**56,136,695**	**63,011,385**	**68,611,150**
Balance = revenue - expenses	-12,668,604	-13,683,984	-15,619,698	-16,707,852
Cumulative balance	-12,668,604	-26,352,588	-41,972,286	-58,680,138

* The 'Total expenses' detailed in this table include costs associated with business processes required for charging activities, but for which the Commission is not charging (such as triage assessment, registration and audit activities related to the MPSP and TCP, and the additional effort related to refusal of registration, renewal and variation). These total expenses will, therefore, not align with the total 'Estimated total cost ($)' detailed in the table at section 3.4 Cost recovery revenue, which exclude these costs.

^ The 'Total revenue' detailed for 2026–27 is calculated assuming the updated fees outlined in Appendix 1 are charged from the end of the first quarter of the 2026–27 financial year.

Note: Figures are rounded to the nearest dollar. As such, some totals may not sum due to rounding.

6.2 Financial outcomes

Financial outcomes for previous charging arrangements (under the *Aged Care Act 1997*)

Expenses and revenue associated with charging activities under the previous Aged Care Act, from 1 July to 31 October 2025, can be found at Appendix 2 – 1 July – 31 October 2025 CRIS financial and non-financial outcomes.

The actual expenses and revenue detailed in the table below are forecast actuals based on data from 1 November 2025 to 31 May 2026, which have been extrapolated to reflect the forecast actual

costs to 30 June 2026. This CRIS will be updated to include finalised actuals for the full financial year in November 2026.

Financial item	1 November 2025 – 30 June 2026
Estimates	
Total expenses (Y)	**$38,960,250**
Total revenue (X)	**$31,061,385**
Balance = Revenue - Expenses (X-Y)	-$7,898,865
Cumulative balance	-$7,898,865
Actuals	
Total expenses (Y)	**$24,858,029***
Total revenue (X)	**$241,640^**
Balance (X-Y)	-$24,616,389
Total fees waived (Z)	$37,029+
Net balance (X-Y-Z)	-$24,653,418

* Total expenses reflect the forecast operating costs from 1 November 2025 for the Registrar function and 1 February 2026 for the Audit function, as described further in this section.

^ Total revenue reflects the forecast recognised revenue for completed activities, as described further in this section.

+ Total fees waived reflects the fee waiver quantum provided for completed activities, in line with revenue recognition.

Note: the actuals outlined in this table are forecast actuals, based on data as at 31 May 2026, extrapolated to 30 June 2026. This CRIS will be updated to include finalised actuals for the full financial year in November 2026.

Actual total expenses

The forecast actual total expenses detailed above reflect the Commission's costs to operate the Registrar and Audit functions, which are responsible for delivering the Commission's cost recovered activities. The Registrar expenses reflect operational costs from the commencement of the charging arrangements, alongside the start of the Aged Care Act, on 1 November 2025. As audit activities commenced in February 2026, reflective of the earliest registration due date falling in May 2026, the total expenses reflect operational costs associated with the Audit function from February.

These actual total expenses also include costs associated with business processes required for charging activities, but for which the Commission is not charging (such as registration and audit activities related to the TCP, travel, triage/pre-screening assessment, and the additional effort related to refusal of registration, renewal and variation). These expenses will, therefore, not align with the total 'Estimated total cost ($)' detailed in the table at section 3.4 Cost recovery revenue, which exclude these costs. As this is the first year of charging under the current arrangements and the first year of operations under the Aged Care Act, the total expenses also include some establishment costs related to the implementation of registration and audit systems and processes. These establishment expenses do not flow through into the unit fees charged to providers or those seeking to become a registered provider.

Actual total revenue

The Commission has assessed during 2025–26 that, in accordance with the Australian Accounting Standards, revenue should be recognised at the completion of the activity 'when a performance obligation is satisfied.'[2] The 'total revenue' outlined in the table above therefore reflects revenue for activities that have been completed at the end of May 2026, and extrapolated to the end of the financial year.

Variance between actual total expenses and revenue

The variation between actual total expenses and revenue in 2025–26 can primarily be attributed to the timeframes for calculation of expenses and revenue. The total expenses detail the operational costs to deliver activities from the **start** of the activity (including pre-screening and started activities, as outlined in section 7. Non-financial performance), and from the **commencement** of the charging activity (November 2025 for registration and February 2026 for audit).

In contrast, the total revenue reflects only **completed** activities, as required by the accounting standards following assessment during 2025–26. Total revenue therefore reflects a much smaller volume of activities (as outlined in the activity volumes table in section 7. Non-financial performance). In practice, as at the end of May 2026, providers and applicants have paid the Commission a total of $14,918,155 in fees for activities currently underway or due to commence, $241,640 of which is expected to have been finalised, and revenue able to be recognised, before the end of the financial year. It is anticipated that the alignment of revenue and expenses will be more clearly demonstrated in future years once commencement and completion of activities fall across a full financial year.

Variance between estimated and actual total expenses and revenue

The variation between the estimated and actual total expenses and revenue can primarily be attributed to the forecast assumption that renewal audits would be distributed evenly across the 8 months operating under the Aged Care Act (commencing 1 November 2025). These assumptions were previously based on 12 months but were later changed to 8 following the deferral of the Aged Care Act. In practice, under the Aged Care Act, the earliest renewal due date for a provider was in May 2026, meaning renewal audit activities were not required to commence immediately following the start of the Aged Care Act. This reduced the actual total cost in comparison to prior estimates.

Actual revenue in 2025–26 is reflective of the commencement of charging under the Aged Care Act and is demonstrative of a partial financial year of charging activity. This is compounded by commencement of the audit program in February 2026 and the requirement for revenue to be recognised on the completion of the activity. As such, the total revenue outlined in the table below is not reflective of a typical year of charging revenue (as reflected in the annual forecast revenue described in section 6.1 Financial estimates).

[2] Department of Finance, *3. Statement of comprehensive income*, Department of Finance website, accessed 13 March 2026

7. Non-financial performance

Output description	Total output volume	1 Nov 25 – 30 Jun 26			2026–27	2027–28	2028–29
		Pre-screened*	Started	Completed			
Provider registration applications	Actuals	775^	104^	3			
	Estimated	273			410	410	1,295
Provider renewal applications	Actuals	135	38	0			
	Estimated	529			794	983	849
Provider variation applications	Actuals	279#	46+	8			
	Estimated	289			432	86	175
Registration audits	Actuals	N/A	42	7			
	Estimated	N/A	273		410	410	587
Renewal audits – Provider-level	Actuals	N/A	56	0			
	Estimated	N/A	443		664	879	786
Renewal audit – Categories 4–5	Actuals	N/A	26	3			
	Estimated	N/A	326		490	711	649
Renewal audit – Category 6 – residential care home	Actuals	N/A	49	8			
	Estimated	N/A	729		1,064	1,064	1,064
Variation audits	Actuals	N/A	0	0			
	Estimated	N/A	3		4	4	5

Note: Actuals represent forecast actuals based on data as at 31 May 2026, extrapolated to 30 June 2026.

^ Includes applications submitted and charged for under the *Aged Care Act 1997* that were formally transitioned (transitional applications) and managed under the *Aged Care Act* from 1 November 2025.

* Pre-screened applications represent the total number of applications received by the Commission. Applications are pre-screened to ensure all mandatory or required information has been filled out or supplied as part of the application form prior to being invoiced and formally assessed. Pre-screening of applications is not cost recovered, however is included here to demonstrate the volume of activity required to be undertaken prior to the starting assessment of an application (which is cost recovered). This is relevant as this is the first year of cost recovering these activities under the *Aged Care Act 2024* and commenced application assessments may appear lower due to volume of activity required before assessment.

Pre-screened volumes for provider variation applications also includes variations that currently aren't cost recovered such as adding or removing an approved Residential Care Home (RCH) to the provider's registration and varying the number of beds for an approved RCH.

+ Started variation applications in this table reflect cost recoverable variation applications only.

Provider registrations

Since the commencement of the Aged Care Act, the Commission has received over 700 applications to become a registered provider, a volume far in excess of the estimated 273. Of these applications, 3 have been finalised and 222 are being processed (including screening and then formal assessment). Assessment is expected to commence for 104 applications before the end of the financial year (noting that 49 were applications transitioned from and charged for under the former Aged Care Act). The low number of finalised applications is primarily due to new processes taking time to bed down, with efficiency improvements already observed as officers become more experienced. For applications to be finalised, the audit component (detailed below) also needs to be completed.

A considerable amount of resourcing was also required to process the approximately 500 applications that did not proceed following screening. The majority of the applications that did not proceed were for registration in categories 1 to 5 (non-residential care) where the applicant sought to deliver services under:

- the Support at Home Program, but did not apply to be registered in Category 4 (with the service type 'Care management') as required under the Aged Care Act, or
- the Commonwealth Home Support Programme or National Aboriginal and Torres Strait Islander Flexible Aged Care Program, but did not have a grant funding agreement or a provisional offer of grant funding from the Department of Health, Disability and Ageing, which is required before an application can be made.

Of the applications submitted, 129 were withdrawn by applicants (noting that 15 of these were applications transitioned from under the previous Aged Care Act) following feedback from the Commission that their application required significant enhancements in order to be approved. This is a new, currently uncharged-for, service that the Commission is operating to improve the quality of applications during early operation of the Aged Care Act, and which has received positive feedback. Applicants who withdraw are able to reapply.

Registration audit

Audits associated with new provider registrations commence after a registration application has been submitted and assessed. The Commission is currently forecasting (based on data as at 31 May 2026) that 104 provider registration applications will have commenced and 42 will have progressed to an audit prior to the end of the financial year, with 7 of these expected to be completed. As registration audits are tethered to the number of registration applications, the variances between actuals and forecasts can be attributed to the number of new registration applications started.

Provider renewal applications

The Commission has invited 530 providers to renew their registration, noting that many of these providers will have renewal due dates in the 2026–27 financial year. The invitation allows time for the audit process that is required to support renewal decisions.

The Commission has received 135 renewal applications, which continue to be processed, with a small number having not progressed or been withdrawn. Based on data at the end of May 2026, the Commission forecasts assessment to have commenced for 38 applications prior to the end of the financial year.

No renewal applications have been finalised, primarily because the first applications were not received until March 2026 and, in many cases, the required audit activity is still ongoing. It is important to note that once a renewal application is received and paid for, a provider's registration remains current until the application is finalised.

The earliest renewal due date for a provider under the Aged Care Act was 1 May 2026, with only a small number of providers having renewal dates in the 2025–26 financial year. Consequently, the actual volume of renewal applications reflects a partial year, and the original forecast volume of 529 applications received (rather than completed applications) over an 8-month period was an overestimation. We expect this to stabilise in future reporting, as the Commission undertakes operations for a full financial year under the Aged Care Act.

Renewal audit

Where an audit is required for renewal of registration, the Commission arranges an audit against the Quality Standards once a provider has confirmed their intent to renew in categories 4, 5 or 6. Renewal audits typically occur prior to the assessment of the renewal application, and the renewal audit process commences once the Commission sends an audit initiation email to the provider.

The Commission is currently forecasting (based on data as at 31 May 2026) that renewal audit activity will have commenced for 56 providers prior to the end of the financial year. For these providers, the Commission is forecasting to have completed 26 Category 4 or 5 audits and 49 Category 6 (residential care home) audits before the end of the financial year.

The variation between the forecast and actual volumes in the table below can be attributed to several factors, including the forecast assumption that renewal audits would be distributed evenly across the 8 months operating under the Aged Care Act (commencing 1 November 2025). These assumptions were previously based on 12 months but were later changed to 8 following the deferral of the Aged Care Act. In practice, under the Aged Care Act, the earliest renewal due date for a provider was in May 2026, meaning renewal audit activities were not required to commence immediately following the commencement of the Aged Care Act. The audit program therefore only commenced in February 2026 and was scaled up slowly to support implementation of new audit processes under the Aged Care Act. As a result, fewer renewals occurred in comparison to the estimated volumes for the 8-month period, anticipated prior to the commencement of the Aged Care Act.

Similar to registration applications, another contributing factor is the learning curve of embedding new processes and systems, as a new audit methodology and supporting ICT systems were introduced with the commencement of the Aged Care Act on 1 November 2025, and only commenced in use from February 2026 onwards. However, we are already observing efficiency improvements as staff become more experienced with the new processes.

Provider variation applications

The Commission has received over 250 provider-initiated variation applications. Providers can seek to vary their registration for a range of reasons; however, only certain types of variations attract a fee (as noted in section 3.1.3 Variation of registration). Of the applications submitted, it is anticipated (based on data as at 31 May 2026) that 46 cost recoverable variation applications will be received before the end of the financial year.

Variation audits

The Commission estimated 3 variation audits to be received this financial year, however, as at the end of May 2026 none had yet progressed to audit. The majority of variation applications received to date did not require an audit.

8. Key dates and events

Event	Date
Annual financial outcomes and non-financial performance update for the 2025–26 financial year	November 2026
Review of fees and application of annual indexation for the 2027–28 financial year	June 2027
Annual financial outcomes and non-financial performance update for the 2026–27 financial year	November 2027

9. Cost Recovery Implementation Statement change and approval register

Date of change	CRIS change	Approver	Basis for change
8/09/2025	Certification of the CRIS for provider registration, renewal of registration and provider-initiated variation of registration	Commissioner	New CRIS required for new charging arrangements under the Aged Care Act
24/09/2025	Agreement to the CRIS for provider registration, renewal of registration and provider-initiated variation of registration	Minister for Aged Care and Seniors	New CRIS required for new charging arrangements under the Aged Care Act
30/06/2026	Certification of the CRIS for 2026–27	Commissioner	Annual financial year update outlining reviewed and updated fees anticipated in 2026–27 and forward financial estimates of revenue and expenses

10. Appendix

Appendix 1 – Proposed updated fees and fee waivers (pending amendments to the Aged Care Rules)

A1.1 Proposed fees

Registration

Registration applications		
Charge point	**Fee**	**Frequency**
Entity level assessment	$3,380	Once per application
Review of category-specific requirements (categories 1–3)	$1,310	Once per category applied for
Review of category-specific requirements (categories 4–5)	$3,920	Once per category applied for
Review of category-specific requirements (Category 6)	$5,230	Once per category applied for
Residential care home approval	$3,920	Once per residential care home

Registration audits		
Charge point	**Fee**	**Frequency**
Registration audit (categories 4–6)	$15,460	Once per application

Renewal of registration

Renewal applications		
Charge point	**Fee**	**Frequency**
Entity level assessment	$305	Once per application
Review of category-specific requirements (categories 1–3)	$795	Once per category applied for
Review of category-specific requirements (categories 4–5)	$4,170	Once per category applied for
Review of category-specific requirements (Category 6)	$5,560	Once per category applied for
Residential care home approval	$3,920	Once per new residential care home

Renewal audits		
Charge point	**Fee**	**Frequency**
Provider-level evidence gathering (categories 4–6)	$8,200	Once per application
Audit – categories 4–5 (low complexity)	$10,190	Once per application
Audit – categories 4–5 (moderate complexity)	$16,260	Once per application
Audit – categories 4–5 (complex)	$18,780	Once per application
Audit – Category 6 residential care home (1–150 beds)	$17,090	Once per residential care home
Audit – Category 6 residential care home (151–250 beds)	$18,310	Once per residential care home
Audit – Category 6 residential care home (251+ beds)	$19,530	Once per residential care home

Provider-initiated variations

Variation applications		
Charge point	**Fee**	**Frequency**
Remove category (categories 1–3 **OR** categories 4–6 with zero people accessing funded aged care services)	$565	Once per application
Remove category (categories 4–6 with people accessing funded aged care services)	$4,960	Once per category applied for
Add category (categories 1–3)	$1,310	Once per category applied for
Add category (categories 4–5)	$3,920	Once per category applied for
Add category (Category 6)	$5,230	Once per category applied for
Residential care home approval	$3,920	Once per new residential care home

Variation audit		
Charge point	**Fee**	**Frequency**
Variation audit (add categories 4–6)	$19,320	Once per application

A1.2 Proposed fee waivers

Provider registration

Registration application and registration audit		
Charge point	**Fee waiver eligibility criteria**	**Fee after fee waiver has been applied**
Entity level assessment	**Full (100%) fee waiver for:** • Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in Modified Monash Model (MM areas 6–7 **OR** • Aboriginal Community Controlled Organisations (ACCOs)	$0
Review of category-specific requirements (categories 1–3)		$0
Review of category-specific requirements (categories 4–5)		$0
Review of category-specific requirements (Category 6)		$0
Registration audit (categories 4–6)		$0
Residential care home approval		$0

Renewal of registration

Renewal application and renewal audit (provider level and category 4-5 audits)		
Charge point	**Fee waiver eligibility criteria**	**Fee after fee waiver has been applied**
Entity level assessment	**Full (100%) fee waiver for:** • Applicants delivering 100% of care and services in MM 5–7, **OR** • Smallest 10% of the sector based on number of people accessing funded aged care services (at provider level) **OR** • Aboriginal Community Controlled Organisations (ACCOs)	$0
Review of category-specific requirements (categories 1–3)		$0
Review of category-specific requirements (categories 4–5)		$0
Review of category-specific requirements (Category 6)		$0
Residential care home approval		$0
Provider-level evidence gathering (categories 4-6)		$0
Categories 4–5 (low complexity)		$0
Categories 4–5 (moderate complexity)		$0
Categories 4–5 (complex)		$0

<table>
<tr><th colspan="3">Renewal audit – category 6</th></tr>
<tr><th>Charge point</th><th>Fee waiver eligibility criteria</th><th>Fee after fee waiver has been applied</th></tr>
<tr><td rowspan="2">Audit – Category 6 (1–150 beds)</td><td rowspan="4">Full (100%) fee waiver for:
Aboriginal Community Controlled Organisations (ACCO)
If you are not an ACCO, the grandfathering arrangement applies:
Any residential care home that received a fee waiver for their last reaccreditation site audit will receive the same fee waiver, full or 50%, for the Category 6 renewal audit for the same residential care home.
The fee waiver criteria will also be extended to residential care homes that have not previously had a reaccreditation audit, using occupied bed days as a substitute for number of places.
Full fee waiver for:
MM categories 4–7 and fewer than 25 places OR
Fewer than 25 places and specialised homeless or Aboriginal and Torres Strait Islander status
50% of the applicable fee waived for:
MM category 4 and 25-29 places OR
MM category 5 and 25-39 places OR
MM categories 6–7 and more than 24 places OR
More than 24 places and specialised homeless or Aboriginal and Torres Strait Islander status OR
Fewer than 25 places</td><td>Full waiver: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $8,540</td></tr>
<tr><td rowspan="2">Audit – Category 6 (151–250 beds)</td><td>Full: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $9,160</td></tr>
<tr><td rowspan="2">Audit – Category 6 (251+ beds)</td><td>Full: $0</td></tr>
<tr><td>Fee reduction (50% waiver): $9,770</td></tr>
</table>

Variations of registration

Variation Application AND Variation audit		
Charge point	**Fee waiver eligibility criteria**	**Fee after fee waiver has been applied**
Remove category (categories 1–3 **OR** categories 4–6 with zero people accessing funded aged care services)	**Full (100%) fee waiver for:** • Applicants intending to deliver at least 85% of care and services to people accessing funded aged care services located in MM areas 6–7 **OR** • Aboriginal Community Controlled Organisations (ACCOs)	$0
Remove category (categories 4–6 with people accessing funded aged care services)		$0
Add category (categories 1–3)		$0
Add category (categories 4–5)		$0
Add category (Category 6)		$0
Residential care home approval		$0
Variation audit (add categories 4–6)		$0

Appendix 2 – 1 July – 31 October 2025 CRIS financial and non-financial outcomes

Prior to 1 November 2025, under the *Aged Care Act 1997*, the Commission cost recovered applications for approved provider status and for accreditation services. This is documented in the Commission's 1 July – 31 October 2025 CRIS for applications for aged care approved provider status and 1 July – 31 October 2025 CRIS for accreditation services.

The financial and non-financial outcomes for these activities for the period 1 July – 31 October 2025 are documented below to outline the expenses and revenue related to Commission cost recovery activity across the full 2025–26 financial year. It is important to note that these are separate charging activities related to activities under different legislation, with different legislative responsibilities. The activities, fees, expenses and revenue for charging arrangements between 1 July to 31 October 2025 should therefore not be compared to those in place under the Aged Care Act, from 1 November 2025 to 30 June 2026.

The cost recovery arrangements for applications for aged care approved provider status and accreditation services ceased on 31 October 2025.

A2.1 1 July – 31 October 2025 CRIS for applications for aged care approved provider status

Table A2.1.1: Prior year financial outcomes for aged care approved provider status

Financial item	2021–22*	2022–23	2023–24	2024–25	1 Jul – 31 Oct 2025
Estimates					
Revenue = X	$1,177,370	$1,283,970	$1,093,715	$1,293,840	$578,165
Expenses = Y	$1,264,353	$1,373,512	$1,110,971	$1,337,080	$616,198
Balance = X - Y	-$86,983	-$89,542	-$17,256	-$43,240	-$38,033
Remissions, rebates and adjustments = Z	$0	$0	$0	$0	$0
Net balance = balance - Z	-$86,983	-$89,542	-$17,256	-$43,240	-$38,033
Actuals					
Revenue = X	$192,163	$427,771	$1,259,530	$1,892,390	$335,910**
Expenses = Y	$205,642	$552,902	$1,104,233	$2,122,726	$534,096**
Balance = X - Y	-$13,479	-$125,131	$155,297	-$230,336	-$198,196
Remissions, rebates and adjustments = Z	$0	$0	$10,880	$235	$0
Net balance = balance - Z	-$13,479	-$125,131	$144,417	-$230,571	-$198,186
Cumulative balance	-$13,479	-$138,610	$5,807	-$224,764	-$422,950

* Charging commenced November 2021 – actuals for November 2021 to June 2022.

** Excludes applications submitted and charged for under the Aged Care Act 1997 that were formally transitioned (transitional applications) and managed under the Aged Care Act from 1 November 2025.

Revenue for applications for aged care approved provider status for the period 1 July – 31 October 2025 was lower than forecast, with 65 applications submitted and charged for under the former Aged Care Act and subsequently transitioned and managed under the new Aged Care Act. Revenue associated with these applications has been excluded from this reporting period and will be recognised under the current charging arrangements from 1 November 2025.

Despite lower than forecast revenue, expenses remained high relative to revenue. This was primarily driven by the significant volume of applications that did not meet approval requirements (non-approved applications) that were managed in the period, for which payment was received in prior reporting periods. These volumes were significantly greater than previously, as shown in Table A2.1.2. Where an application does not meet the requirements for approval, the Commission is required to generate and issue a formal non-approval notice. Time spent on preparation of notices to applicants where their applications have not been approved is considered not recoverable, contributing to the higher expense position.

Table A2.1.2: Volumes of applications for aged care approved provider status

Output description	Total output volume	2021–22*	2022–23	2023–24	2024–25	1 Jul – 31 Oct 2025
New provider applications	Actuals	62	109	188	197	35**
	Estimated	122	134	130	130	58
New provider request for information pre-assessment	Actuals	9	3	25	21	2
	Estimated	79	86	26	26	12
New provider request for information – initial	Actuals	22	48	122	51	5
	Estimated	62	67	55	55	16
New provider request for information – subsequent	Actuals	0	12	69	15	0
	Estimated	15	16	16	16	5
Approved applications	Actuals	21	44	24	54	33
	Estimated	35	26	25	25	15
Non-approved applications***	Actuals	169	176	114	111	98**
	Estimated	35	23	52	105	23

* Charging commenced for approved providers on 15 November 2021.

**Excludes applications submitted and charged for under the Aged Care Act 1997 that were formally transitioned (transitional applications) and managed under the Aged Care Act from 1 November 2025. These are counted for under Provider registration applications (see section 7).

***This figure also includes withdrawn and incomplete or invalid applications that were returned to the applicant. An applicant can withdraw their application at any time or, if they fail to provide further information on request by the Commission within legislative timeframes, it is withdrawn.

Note: Approved decisions and non-approved applications cannot be reflected as a proportion of all received applications, as they may be related to applications received in a previous financial year.

A2.2 1 July – 31 October 2025 CRIS for accreditation services

Under the *Aged Care Act 1997*, the Commission typically welcomed applications for reaccreditation from residential aged care services up to 6 months prior to the accreditation expiry date, allowing the Commission time to conduct the site audit and complete a performance report. In anticipation of the commencement of the new Aged Care Act, and in acknowledgement of these timeframes, the Commission slowed the former re-accreditation site audit activities in the lead up to 1 July 2025 to support the transition to the new Aged Care Act.

In alignment with this approach, no re-accreditation site audit activities were planned between 1 July and 31 October 2025, as detailed in the forecast activity volumes for the period (Table A2.2.2). This reduction in activity (from the estimated activity volumes) resulted in a reduction in actual revenue and expenses from those estimated for the 2024–25 financial year, as shown in Table A2.2.1.

Table A2.2.1: Prior year financial outcomes for accreditation and re-accreditation activities

Financial item	2020–21	2021–22	2022–23	2023–24	2024–25	1 Jul – 31 Oct 2025
Estimates						
Expenses = X	$13,189,285	$18,762,927	$56,916,196	$12,794,756	$20,426,428	$19,840
Revenue = Y	$8,791,992	$12,304,524	$24,815,526	$8,247,360	$10,923,165	$9,760
Balance = Y - X	-$4,397,293	-$6,458,403	-$32,100,670	-$4,547,396	-$9,503,263	-$10,080
Remissions, rebates and adjustments = Z	$598,911	$736,403	$2,069,650	$145,397	$322,588	$0
Net balance = balance - Z	-$4,996,204	-$7,194,806	-$34,170,320	-$4,692,793	-$9,825,851	-$10,080
Cumulative balance	-$4,996,204	-$12,191,010	-$46,361,330	-$51,054,123	-$60,879,974	$49,410,120
Actuals						
Expenses = X	$11,018,126	$14,801,865	$47,420,178	$15,329,763	$10,146,260	$20,536
Revenue = Y	$7,344,695	$9,695,007	$20,714,011	$8,176,012	$6,613,771	$9,760
Balance = Y - X	-$3,673,431	-$5,106,858	-$26,706,167	-$7,153,751	-$3,532,489	-$10,776
Remissions, rebates and adjustments = Z	$500,321	$580,940	$1,724,345	$234,500	$187,238	$0
Net balance = balance - Z	-$4,173,752	-$5,687,798	-$28,430,512	-$7,388,251	-$3,719,727	-$10,776
Cumulative balance	-$4,173,752	-$9,861,550	-$38,292,062	-$45,680,313	-$49,400,040	-$49,410,816

Table A2.2.2: Volumes of applications and audits for accreditation and re-accreditation activities

Output description	Total output volume	2020–21	2021–22	2022–23	2023–24	2024–25	1 Jul – 31 Oct 2025
Application for re-accreditation site audits	Actuals	543	710	1,583	567	451	0
	Estimated	650	900	1,900	587	758	0
Commencing homes	Actuals	30	20	34	11	25	8
	Estimated	24	25	28	23	10	8

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