



SENATOR THE HON RICHARD COLBECK

Minister for Senior Australians and Aged Care Services

Minister for Sport

Ref No: MS21-001729

Ms Janet Anderson PSM
Commissioner
Aged Care Quality and Safety Commission
GPO Box 9819
CANBERRA ACT 2601

01 APR 2022

Dear Ms Anderson *Janet,*

As the Minister for Senior Australians and Aged Care Services, I am writing to outline my expectations of the Aged Care Quality and Safety Commission (Commission), with a focus on the next 12 months.

These expectations are consistent with the Australian Government's commitment to ensure effective governance and performance of the Commission, in accordance with the requirements of *the Aged Care Act 1997, Aged Care Quality and Safety Commission Act 2018* (Commission Act) and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Government's five-year plan, built around five pillars and underpinned by additional investment of over \$18 billion, provides a clear roadmap for improvements in aged care to restore trust and confidence in the aged care sector. This is a once in a generation opportunity to deliver transformational change and will see a significant shift and uplift across the aged care sector, as well as within the Commission.

I recognise the additional efforts being made by the Commission at this time and required over the coming months due to the COVID-19 pandemic and outbreaks in aged care services. During this unprecedented period in our history, it is important the Commission continues working to protect and enhance the safety, health, wellbeing and quality of life of aged care consumers and continues to hold providers to account.

This statement outlines how the Commission will support this reform vision, respond to the pandemic and manage its relationships with the Government, consumers, providers, and other key stakeholders, with transparency and accountability. This statement also sets out expectations of the Commission in relation to supporting the delivery of the Government's commitment to significant reform for aged care in Australia.

Vision

Along with the Australian public, the Government expects high standards for the quality and safety of Australia's community, home and residential aged care services. The Government is committed to providing access to care and services that support the respect, care and dignity of our senior Australians and recognise the contribution that they make to society.

The Commission has an integral role in rolling out the Government's 5-year plan. As such, it has committed to additional resourcing to ensure the Commission is well equipped to protect and enhance the health, safety, wellbeing and quality of life of aged care consumers.

Role and functions

I expect the Commission to carry out its functions, as detailed in the Commission Act, in a way that focuses on outcomes for consumers (a key need identified by the Royal Commission into Aged Care Quality and Safety).

While work on the reforms is being undertaken, I expect that the Commission will continue to perform its foundational business functions in a timely way, including:

- approving providers' entry to the aged care system
- accrediting residential services and conducting quality reviews of home services
- ensuring compliance with aged care responsibilities by assessing, monitoring and investigating providers of aged care services against legislated standards and requirements, and holding providers to account for meeting their obligations
- continuing to apply regulatory compliance and enforcement responses in a proportionate, risk-based, responsive and intelligence-led manner
- dealing with complaints about aged care services
- engaging with consumers to understand their experiences and communicate best practice models which encourage providers to work with consumers in designing and delivering best practice care
- providing education and information about the Commission's functions
- using education, information and targeted communications to support regulatory objectives, including publishing outcomes of regulatory activities to promote greater transparency and accountability, and highlight best practice.

I expect the Commission to undertake regular cycles of accreditation and quality audits and pursue proportionate regulatory responses to ensure aged care providers are delivering high quality services to senior Australians. I also expect the Commission will continue to adhere to performance expectations of regulators outlined in the Commonwealth Regulator Performance Framework.

Priorities

I ask that the Commission continues working cooperatively and collaboratively with the Department of Health in its role as steward of the aged care system. This will include implementing the aged care reforms by:

- strengthening quality review, monitoring and compliance activities, particularly across in-home care services, including for the additional home care Packages being released in 2021–2022 (Pillar 1)
- planning for and strengthening the capability of the Commission to take on its new and expanded roles as an enhanced prudential regulator of aged care (Pillar 2)
- contributing to the review and enhancement of the Aged Care Quality Standards, including the development of new clinical standards (Pillar 3)

- implementing and administering the Serious Incident Response Scheme for residential aged care and work to expand the scheme to home and community care (Pillar 3)
- minimising the use of restraint by residential aged care services, and supporting the review of restraint legislation (Pillar 3)
- strengthening regulation through risk-based targeting and information sharing to improve oversight and earlier detection of high-risk services and providers (Pillar 3)
- supporting the National Aged Care Mandatory Quality Indicator Program expansion and implementation of a star rating for residential aged care (Pillar 3)
- supporting A Matter of Care: Australia's Aged Care Workforce Strategy (Pillar 4)
- enforcing a code of conduct for the sector and taking appropriate enforcement action against workers who engage in misconduct, and contributing to development of a system for worker screening (Pillar 4)
- active involvement in development of the new Aged Care Act (Pillar 5)
- supporting new legislative requirements and strengthening the governance capability of aged care providers (Pillar 5).

Relationship with the portfolio

The Commission plays an essential role in ensuring that the Government is well placed to respond promptly to issues that may arise in Commonwealth funded aged care services.

This is especially important as the Department and the Commission work together to overcome the continuing challenges of the COVID-19 pandemic while ensuring our usual functions are fulfilled. Australia's aged care sector is continuing to be impacted by COVID-19 outbreaks in 2022. Protecting the residents of aged care facilities remains a priority for the Government and the aged care portfolio.

My portfolio responsibilities include overarching policy, program and regulatory oversight of the quality and safety of aged care services funded by the Australian Government. As such, I expect to be fully informed in a timely manner about any emerging trends, issues or risks relevant to the Commission's operations, particularly those that may impact on Government operations or policies.

The Commission will be called on to contribute to the Department's ongoing policy advice and development for the Royal Commission reforms and other Departmental business to support realising the Government's vision for aged care. Given this, I expect the Commission to regularly inform the Department on operations, and relevant issues and information affecting the portfolio. I know the Department respects and values this input and uses it to inform their decision making and in developing policy for Government consideration.

The Aged Care Quality and Safety Advisory Council has been established to provide advice to you in relation to the Commission's functions and, at my request, advice to me about matters in relation to the Commission's performance.

The Commission should support the role of the advisory council in continuing to make an important contribution to both the direction and implementation of the Commission's functions.

Organisational governance and financial management

As the Commissioner, you are responsible for exercising powers and discharging duties in good faith and in the best interests of the Commission, and therefore the Commonwealth. As such, I expect you and your staff to continue to comply with all responsibilities under the PGPA Act and the Commission Act, and operate in accordance with all relevant legislation, the principles of the Commonwealth Resource Management Framework and enhanced Commonwealth Performance Framework as specified in the PGPA Act.

I request that you exercise prudence in your financial management of the Commission in the context of your legislative functions and my expectations as set out in this document. I also expect you will govern the Commission in a way that promotes the efficient, effective, economical and ethical use of the resources, for which you are responsible. As the accountable authority, you are required to do this in a way that is not inconsistent with the policies of the Government (for example, Commonwealth Procurement Rules).

As such, the Commission should provide accurate and timely assistance to the Department to ensure it can manage its responsibilities regarding the corporate operation of the portfolio. This includes the Department's management of the portfolio ASL cap, its responsibility to manage the budgetary relationship with Department of Finance and for the Commission's budget appropriation, and the Department's participation in any portfolio reviews or audits.

I also expect that you continue to have a strong focus on the Commission's governance, including organisational and corporate governance mechanisms as outlined in the Commission's Corporate Plan. I also expect that, under the *Public Service Act 1999*, the Commission will continue to uphold and promote the Australian Public Service (APS) Values, and all APS employees adhere to the APS Code of Conduct.

Finally, I request that you ensure that the Commission's ICT architecture is cost effective and seamless for providers and users. I ask the Commission to work with the Department to prioritise IT and data services and to prioritise the re-use of IT developed for the use of social policy agencies to enable both the Department and the Commission to fulfil their shared roles.

Engagement with stakeholders

Meaningful engagement with key stakeholders is important in building trust and confidence in the regulatory framework and is a key element of effective regulation.

I expect the Commission will maintain productive relationships with consumers, aged care providers and other key stakeholders to effectively deliver its functions and support the implementation of the Government's significant aged care reform agenda.

I expect the Commission will continue to play a key role in promoting public awareness and confidence in the provision of aged care services, and in promoting engagement with aged care consumers about the quality of care and services provided by aged care providers.

The Commission should undertake constructive engagement with aged care consumers and their representatives in its complaint resolution, accreditation, performance monitoring and incident management processes to ensure participation is available to all, including those from diverse backgrounds.

Transparency and accountability

The Commission is accountable to me as the Minister for Aged Care and Senior Australians, and to the Parliament of Australia. In accordance with the Commission Act and the PGPA Act, I expect the Commission to develop an annual report and corporate plan, and to provide these to me as the responsible portfolio minister, and to the Minister for Finance.

To enable greater transparency and accountability, I expect the information in this letter, along with the Commission's response, will be made publicly available on the Commission's website and on www.transparency.gov.au, with the Commission's corporate plan, when both documents are finalised.

I would appreciate your response to this letter, in the form of a statement of intent, by 25 March 2022. I request that the response outlines how the Commission will meet the expectations outlined herein and ensure Government's priorities are reflected in the Commission's strategic and operational plans.

The Commission has a role in supporting the advancement of the Government's policy agenda for quality and safety in aged care, and I am keen to understand how the Commission will contribute to delivering that outcome.

Yours sincerely



Richard Colbeck