# Aged Care Quality and Safety Commission Sector Performance Report

**Quarter 4** | April – June 2025

Includes 3-year review: 2023-2025

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Artwork by Dreamtime Creative

In the spirit of reconciliation, the Aged Care Quality and Safety Commission acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, water and community. We pay our respect to their Elders, past, present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples.



# Message from the Commissioner

# Welcome to the Commission's Sector Performance Report for Quarter 4 (Q4) 2024–25, 1 April to 30 June 2025.

It is my pleasure to provide you with this report. It gives an overview of the data we use to assess the performance of the sector and to monitor risk to older people receiving aged care. We use this information to work out where to focus our attention to improve provider and sector performance.

This report has our regular update for Q4. It also includes a special review of the last 3 years of:

- provider performance against the current Aged Care Quality Standards (Quality Standards).
- results from our other key regulatory activities such as complaints resolution and the Serious Incident Response Scheme (SIRS).

We can see from the 3-year review that provider performance against the Quality Standards improved significantly towards the end of the 2023 financial year. This was true for both residential aged care and home services providers. These improvements continued over the last 2 years in both sectors. However, rates of compliance against the Quality Standards have been lower in home services, by around 20 percentage points, throughout the 3 years.

Our regulation of home services has continued to mature. Ongoing concerns about governance capability has led us to shift our focus to provider level rather than service level. This included changing our audit processes ahead of the new *Aged Care Act* to focus on providers and their governance and management processes, which are a key contributor to poor quality.

Ongoing concerns about governance capability has led us to shift our focus to provider level rather than service level.





The deferral of the new Aged Care Act to 1 November (from 1 July) means that we have more time to focus on the sector's readiness as well as our own. It also allows us more time to support providers to transition to the new registration arrangements. You will see in this report that there are no re-accreditation audit compliance results for Q4. We finished up the site audit program in April 2025 for residential care and in May 2025 for home services.

While the Commission is focusing on the upcoming move to the new Aged Care Act and all that comes with this, it is important that we also continue to make sure that:

- older people receive quality aged care and are protected from harm
- · we are reporting on what we see.

Mebl

This report provides a benchmark on sector performance as we and the sector prepare for 1 November. I hope you find it useful.

Liz Hefren-Webb Commissioner

## We want to hear from you!

What data would you like to see included in the Sector Performance Report? And what would make this report a more useful resource for you?

Let us know by completing this short survey.



# Key findings at a glance



#### Compliance with the Quality Standards: reaccreditation audits

Provider performance against the Quality Standards has improved significantly compared with 3 years ago. Residential services' compliance with the Quality Standards averaged 83% in 2024–25, varying between 81% and 87%. These results were consistent with compliance rates in 2023–24. The lower rate of compliance among home services providers seen over the past few years remained, with an average compliance rate of 59% in the 2024–25 financial year.

Over the last 3 years we have seen improvements in rates of compliance with Quality Standard 8 (Organisational governance), which is a key driver of quality care. However, even with these yearly improvements, this Quality Standard has had the lowest rates of compliance throughout 2024–25 in both residential care and home services.



### **Risk-based monitoring**

In Q4, we monitored 555 providers (479 in residential care and 76 in home services) to assess risk. This doubles the number of home services providers we monitored in Q3 2024–25 (36).

The key areas of risk we focused on in Q4 included:

- Residential services that had low COVID-19 vaccination rates, with 126 services increasing their overall rate. Nine of these services increased their rate to 80% or higher of residents.
- Providers understanding of choice in food, nutrition and dining and meeting each older person's needs and preferences. We also continue to engage and monitor providers who find it difficult to meet the needs of people who need texture-modified food and thickened fluids.
- Home care package providers who have ongoing non-compliance. We continue to monitor and address the issues with these providers.

# Key findings at a glance (continued)



### Workforce responsibilities: care minutes

In monitoring how providers and services complied with their care minutes targets, we focused on those with the largest gaps. We have seen the number of providers and services in this group go down. This quarters' care minutes data shows the number of services with the largest gaps reduced by almost 82% between Q2 2023–24 and Q3 2024–25. This is encouraging, but we continue to remain interested in how the improvements were made – for example, whether they are sustainable and replicable. We found that 13 providers met what they agreed to in their enforceable undertakings and improved their care minutes.



## Workforce responsibilities: 24/7 registered nurse coverage

We are also focusing on services and providers with the largest gaps against their 24/7 registered nurse (RN) requirements. The number of providers and services in this group has gone down. We targeted 55 providers (65 services) for supervision because they had gaps of more than 4 hours in January 2025. By June 2025, 24 of these providers (37%) reported lower or no gaps in RN cover.



#### Worker regulation

We issued 34 banning orders – 13 for a specific time and 21 permanently – meaning that these workers can no longer deliver aged care or certain types of care. We sent 30 reminders of responsibilities to providers and 16 caution letters to workers.

We investigated 130 providers and workers for possible breaches of the Code of Conduct for Aged Care – an almost 75% increase compared with Q3 (75). This was because of an increase in our investigations based on external information.

## Key findings at a glance (continued)



### **Provider supervision**

While we monitor all providers through risk surveillance, we supervise a select group of providers more closely to get them to address risks and improve their performance. At the end of Q4, 83 providers were in active supervision and 9 providers in heightened supervision. This is based on our risk assessment that these providers have severe risk or unresolved issues.



### Financial and prudential compliance

In 2024–25, we audited 54 Home Care Package providers to assess how they complied with their pricing obligations. We completed this program in Q4. Most providers were compliant. However, we did find some non-compliance, particularly around consent and expired agreements.

We also completed our prudential audit program. The program assessed 97 providers on how they complied with the Financial and Prudential Standards and other prudential obligations. Most of these were medium-sized providers. We found a high level of compliance in this group.



### **Serious Incident Response Scheme**

The rate of serious incident notifications in residential care went down in Q4. It is likely that not all notifiable incidents are being reported. We encourage providers to review their processes and make sure they are reporting everything they need to.

In home services, the overall number of serious incident notifications also went down. This is the third consecutive quarter where the total number of home service notifications is between 1,500 and 1,600. Neglect is the most reported incident type in home services.

# Key findings at a glance (continued)



#### **Complaints**

Across both residential care and home services, the rate of complaints was stable. The number of complaints about preventing falls and management after falls has increased since Q2. There has been a slight drop in the number of complaints about medication management. These 2 issues are now the most complained about issues in residential aged care.

In home services, lack of communication and consultation is still the top complaint issue. Complaints about case management are rising and have increased since Q2.



## **Quality Indicator Program**

Data from the National Aged Care Mandatory Quality Indicator Program shows important trends. Pressure injuries dropped below 5% for the first time since the program began. However, use of physical restraint continued to rise and has now grown 2.1% in the last 2 quarters to 19.8%. This is the highest it has been since Q4 2022–23.

# Our regulatory journey 2022–23 to 2024–25

In this section we look at trends over the last 3 years, including:

- the growing number of people receiving aged care
- provider performance against the Quality Standards
- risk-based assessment activities and campaigns
- non-compliance notices and directions
- serious incident notifications
- complaints.

## Older people using aged care 2022-23 to 2024-25

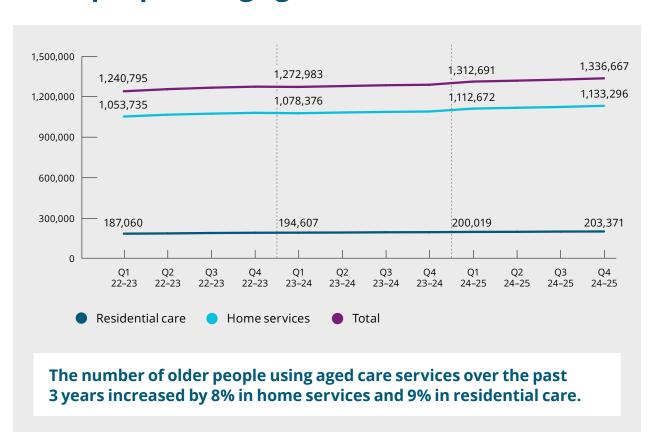


Figure 1: Older people receiving aged care services over the past 12 quarters

Home services include Home Care Packages (HCP) and the Commonwealth Home Support Programme (CHSP).

Source: Q4 2024–25 data from the Department of Health, Disability and Ageing data portal portal extracted on 7 July 2025.

Past figures were from published Sector Performance Reports over 3 years.

 Over the last 3 years the number of older people using aged care services increased by 95,872 (8%) in home services and 16,331 (9%) in residential care. More than a quarter of all Australians 65 years and older are using aged care services.

# Sector compliance rates with the Quality Standards 2022–23 to 2024–25: reaccreditation audits

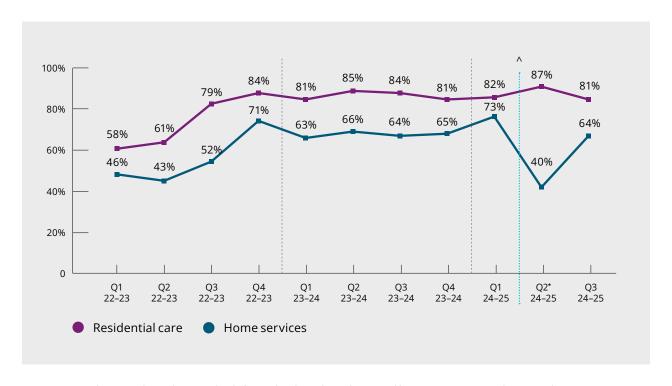
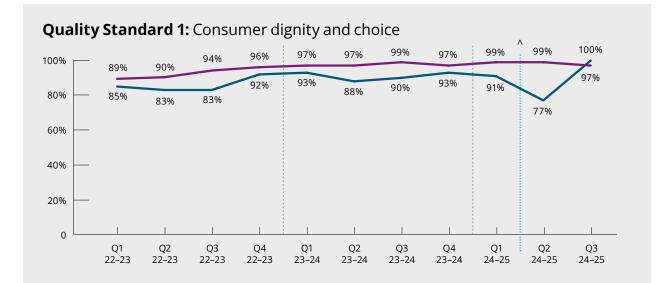


Figure 2: Compliance with Quality Standards for audited residential care and home services providers over the past 12 quarters

- ^ We introduced multi-service audits from February 2024, where we include all home services of a provider in a one quality review.
- \* In Q2 2024–25, the low compliance rate for home services (40%) was because we audited a number of high-risk providers. Due to the expected start (1 July 2025) and then deferment of the new Aged Care Act ( to 1 November 2025), the Commission did not conduct any site audits (residential care) or quality audits (home services) in Q4 2024–25.
- Residential care has had consistently higher rates of compliance than home services over the past 3 years. Residential care compliance rates improved from 58% in Q1 2022–23 to 81% in Q3 2024–25. Home services compliance rates improved from 46% to 64% over this same period.



## **Compliance with each Quality Standard**

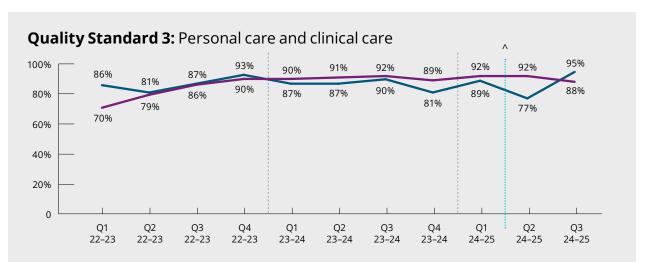


## **Quality Standard 2:** Ongoing assessment and planning with consumers

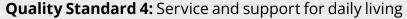


- Providers have had difficulties meeting the requirements for assessment and planning that safe and effective services should be based on. Many home services that did not meet this standard have not been doing regular reviews of their care and services.
- In residential care, compliance with this standard improved by 13 percentage points in Q3 2024–25 to 93%, compared with 80% in Q1 2022–23.



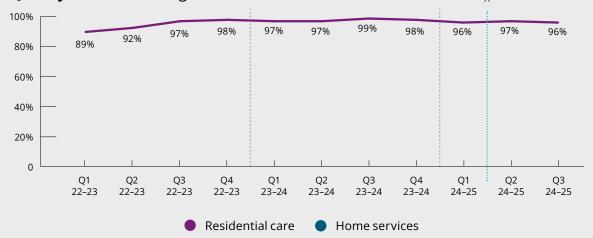


- Compliance with Quality Standard 3 in residential care improved from 70% in Q1 2022–23 to 88% in Q3 2024–25. In home services, it improved from 86% in Q1 2022–23 to 95% in Q3 2024–25.
- Providers have a responsibility to employ skilled staff and deliver safe and effective care and services. However, it was in these requirements where providers often fell short. We also identified lower performance in managing high-impact or high-prevalence risks.

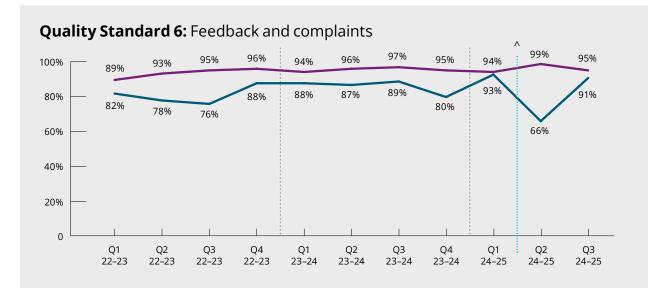




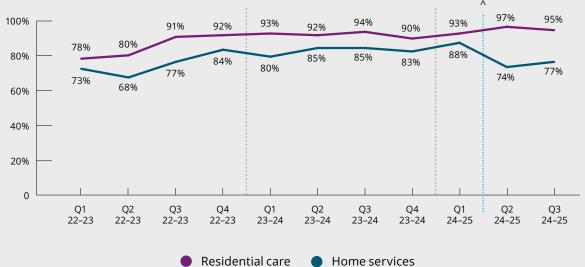






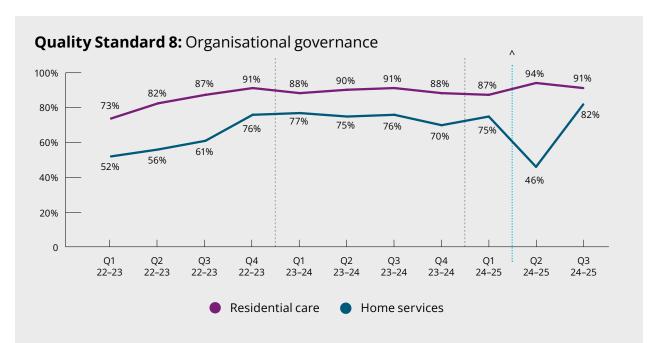






- Quality Standard 7 is still a challenge for home services providers, particularly in making sure they regularly assess, monitor and review their workforce.
- In residential care, providers also show that they find it difficult to meet the requirements to assess, monitor and review their workforce.
- On 1 December 2022, the Code of Conduct for Aged Care (page 30) was introduced to improve protections for older people and make sure workers and providers were treating them appropriately.





- In residential care and home services, governance is an ongoing issue and in the past the compliance rates have been low. In home services, compliance was 52% in Q1 2022–23. We have seen a regular increase from then through to 82% in Q3 2024–25. Despite these improvements, this Quality Standard has had the lowest rates of compliance in 2024–25 in both residential care and home services.
- We have found that there is a connection between poor governance and not meeting other responsibilities, such as financial and workforce obligations. We use provider audits to give us a better idea of whether a problem is with a particular service or if it is about how the provider runs all their services.

Figure 3: Quality Standard compliance over the past 12 quarters

- \* We have not included rates for Quality Standard 5 for home services. We assess very few home services against this standard as most services are delivered in a person's home. Quality Standard 5 does not apply in these situations. However, it does apply to day care and respite services and we do include it when our audits assess these services.
- ^ We introduced multi-service audits from February 2024, where we include all home services of a provider in one quality review (multi-service quality reviews).

You can find the compliance rates for all 42 Quality Standard requirements for each quarter in our online data tables.

# Risk-based assessment activities for residential care and home services 2022–23 to 2024–25

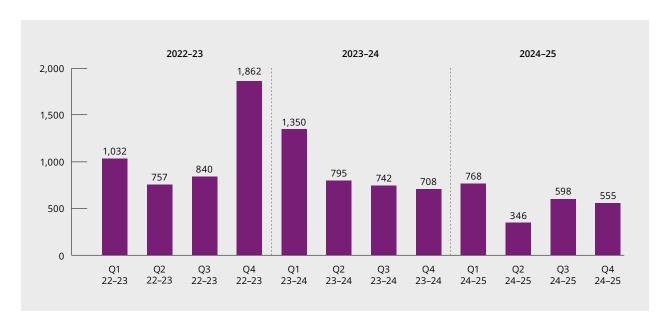


Figure 4: Total risk-based assessment activities for residential care and home services over the past 12 quarters

• The high numbers in Q4 2022–23 and Q1 2023–24 were due to funding from the Australian Government to increase infection control monitoring spot checks in residential care.

## Residential care: Campaigns 2023-24 to 2024-25

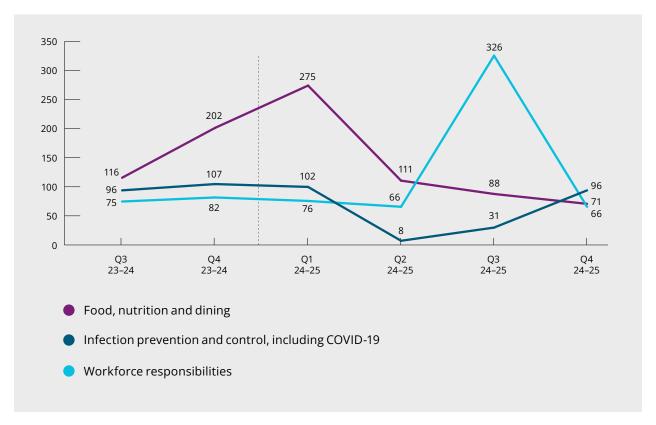


Figure 5: Campaign activities in residential care over the past 6 quarters
We started reporting campaign numbers in Q2 with combined Q1 and Q2 totals:
Food, nutrition and dining - 289
Infection prevention and control, including COVID-19 - 570
Workforce responsibilities - 126

- The campaign numbers vary from quarter to quarter, as these are targeted monitoring activities of provider cohorts and sector cohorts to address specific issues and areas of underperformance.
- High numbers in Q3 2024–25 for workforce responsibilities correspond to monitoring compliance of 306 services with large gaps against their care minutes targets.



# Financial and prudential reviews 2022–23 to 2024–25

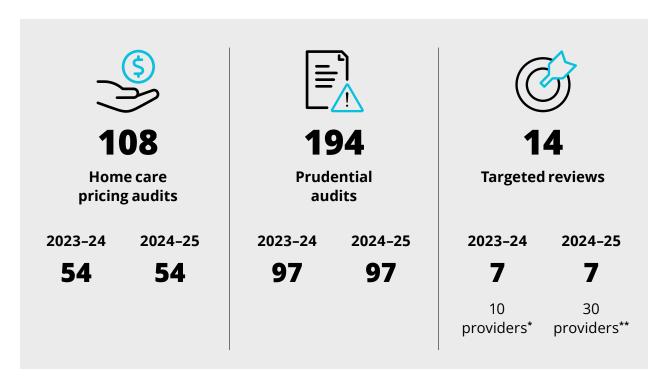


Figure 6: Financial and prudential reviews

Targeted reviews focus on educating providers on their responsibilities for a specific requirement or topic.

The current work program of targeted reviews and prudential audits commenced in the 2024 financial year. No audits or reviews have commenced in this financial year due to the deferment of the new Act.

- \* Total targeted reviews 70
- \*\* Total targeted reviews 210
- The annual prudential audit program assesses how providers comply with the Financial and Prudential Standards and other prudential obligations. The audits focus on educating and supporting providers to meet their responsibilities.
- In the past, this program has worked with small providers in rural, regional and remote areas to help them improve their prudential capabilities. During the 2024–25 financial year, we shifted our focus from small (1 to 2 services) to medium-sized residential providers (3 to 10 services).



## **Targeted reviews**

#### 2023-24

- Room price approvals and publishing
- Disclosure standard
- Refunding refundable deposits
- Related party arrangements
- Provider governance
- Liquidity management
- Home care provider governance

#### 2024-25

- Providers' compliance with refundable deposit and liquidity obligations
- Refundable accommodation deposits
- Permissible uses Capital expenditures
- Permissible uses Reasonable business losses
- Permissible uses Loans
- Refundable accommodation deposits Deductions
- Room price approvals and publishing





# Serious Incident Response Scheme (SIRS) 2022–23 to 2024–25

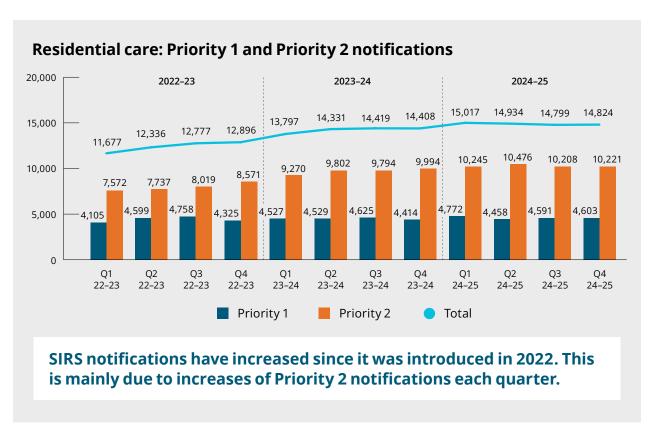


Figure 7: Priority 1 and Priority 2 SIRS notifications in residential care over the past 12 quarters

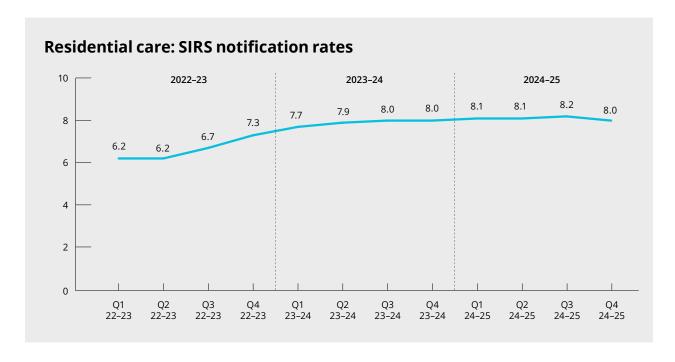


Figure 8: SIRS notification rates in residential care over the past 12 quarters
The SIRS notification rate is the number of notifications we have received per 10,000 occupied bed days (OBDs).



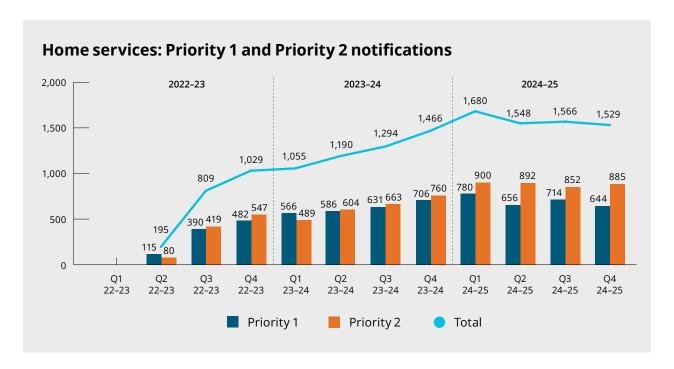


Figure 9: SIRS Priority 1 and Priority 2 notifications in home services over the past 11 quarters SIRS for home services was introduced during Q2 2022–23.

- The rate of serious incident notifications in residential care grew over the past 3 years before dropping in the most recent quarter. (Figure 8)
- The drop in notifications may be because there have been fewer incidents but may also mean some incidents are not being detected or reported.
- SIRS notifications in home services grew steadily since reporting started in Q2 2022–23 before levelling off in 2024–25. (Figure 9)
- However, rates of SIRS reporting in home services are still a lot lower than in residential care. We are continuing to work with providers to meet their obligations to detect and report incidents and stop them from happening.



## Complaints 2022-23 to 2024-25

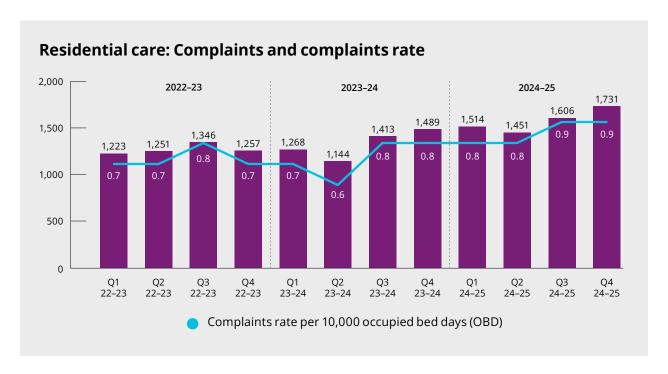


Figure 10: Number of complaints and complaints rate in residential care over the past 12 quarters

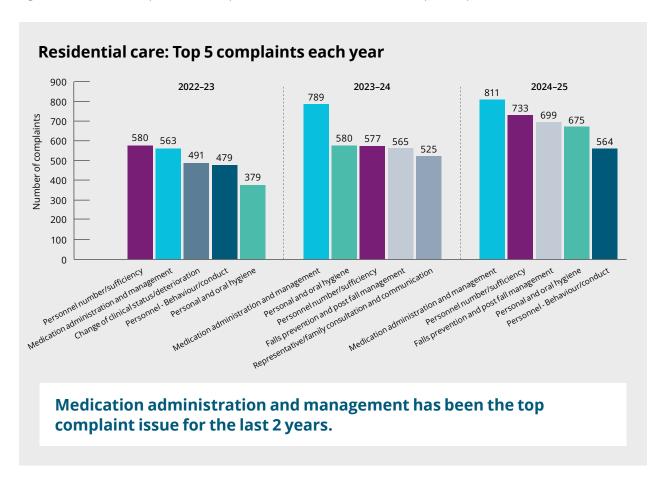


Figure 11: Top 5 complaint issues in residential care over the past 3 years

- While complaint numbers vary quarter to quarter, we have seen an increase over time in complaints in residential care. We work with providers to make sure that they resolve issues with people in their care and create an environment where older people and their representatives feel comfortable to raise issues and concerns.
- The complaints rate per 10,000 occupied bed days (OBD) was stable at 0.7 or 0.8 during 2022–23 and 2023–24, with a slight dip to 0.6 in Q2 2023–24.
- In 2024–25, the rate was consistently at 0.8 and then increased to 0.9. This shows the increasing number of complaints compared to OBDs.
- Understanding complaints as a rate allows us to track changes over time. It also allows us
  to account for changing numbers of people in residential aged care and in the number of
  people receiving home services.
- Medication administration and management was the most complained about issue over the past 3 years. This could be because of the high number of older people in residential care that have complex health care needs and take multiple medications several times a day. This also shows that this issue is an important measure of quality, and highly valued by family members and representatives.
- The 2 top complaint issues are medication administration and personnel issues, although over the past two years we have seen an increase in complaints about falls and falls management. This information gives all residential providers the opportunity to consider ways to keep improving their services. Providers should be working with older people, staff and their consumer panels about areas to identify where they can improve, particularly where complaints on an issue are notably higher than a sector average. This can help to not only strengthen their practice, but also lower the number of complaints they receive.

## Home services: Complaints and complaints rates

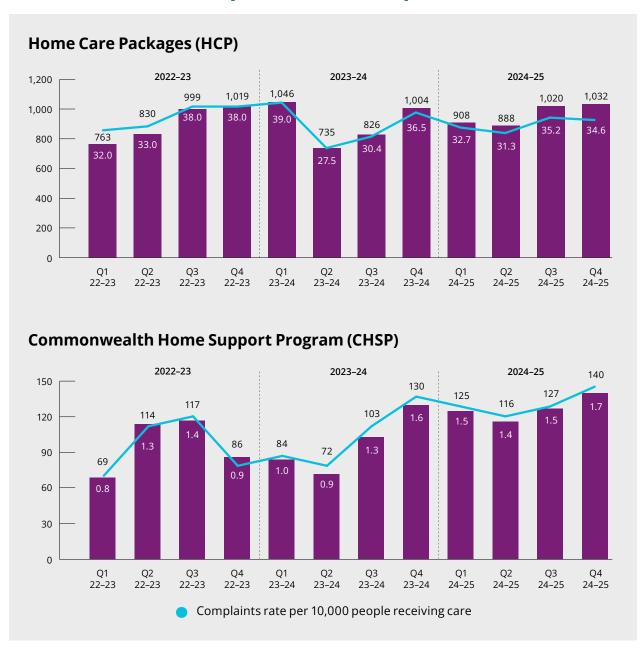


Figure 12: Number of complaints and rate of complaints for every 10,000 people receiving home care over the past 12 quarters

- While the numbers and rates of complaints across Home Care Packages (HCP) and the Commonwealth Home Support Program (CHSP) vary, they have followed similar trends across the past 2 years.
- Intelligence from complaints will be a crucial source of information for Category 1-3 home and community care providers after 1 November, as they will not be subject to audits.



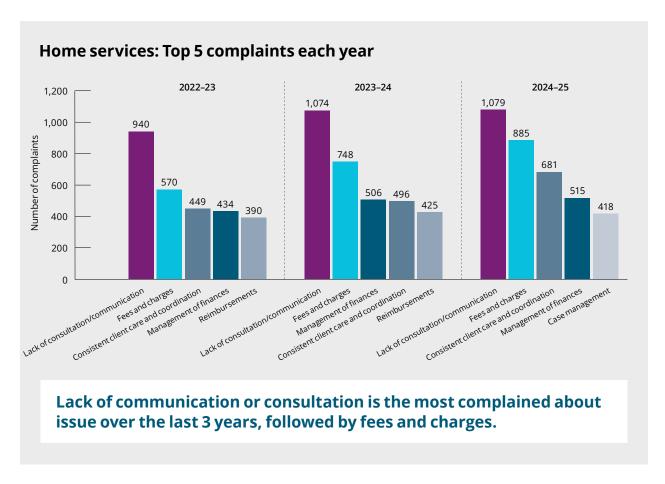


Figure 13: Top 5 complaints in home services over the past 3 years

- In home services, lack of consultation and communication has been the top complaint issue for the past 3 years. Fees and management of finances are also consistently in the top 5 complaint issues.
- Providers should be engaging with the people they provide services to, their staff and consumer advisory groups to identify ways they can improve.
- Given the consistency of complaints about fees and charges and communications, the Commission is currently conducting research into these complaints categories. This will allow providers to better understand how they can improve.
- Providers can benefit from analysing and learning from their end-of-year complaints data:
- What trends can you identify?
- What does it show?

# Non-compliance notices and directions in residential care and home services

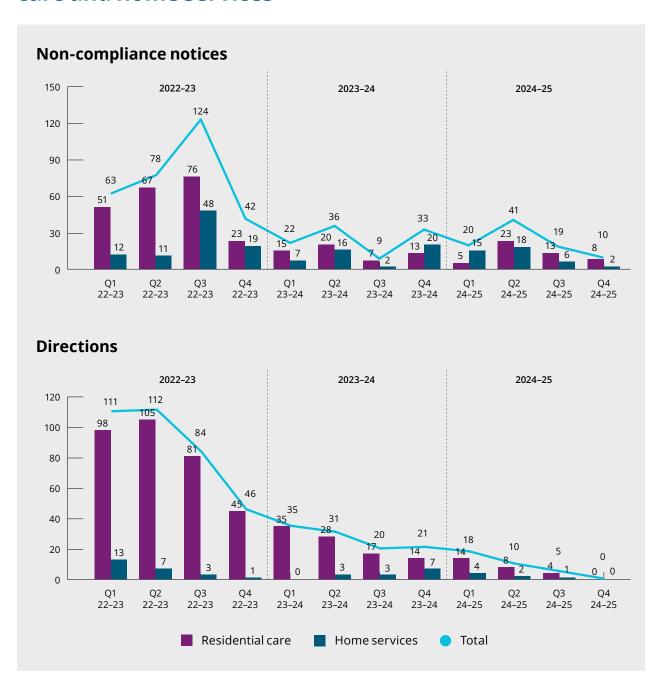


Figure 14: Non-compliance notices and directions in residential care and home services over the past 12 quarters

- Over the past 3 years, the number of non-compliance notices and directions issued has gone down in both residential care and home services.
- The lower number of regulatory notices we have issued is largely because of changes in our approach when we identify harm or risk of harm. Through engagement with providers, our compliance case managers make sure that providers understand what is expected of them to:
- address risk and non-compliance
- make sure that they provide the appropriate level of assurance
- deliver what they need to immediately manage risk and to keep monitoring their own risk management processes.
- This process is designed to encourage providers to:
  - change their behaviour and develop sustainable strategies to fix their non-compliance
  - manage the risks to people receiving care without needing us to use our formal regulatory powers.
- In line with this approach, the average number of NCNs issued per quarter in residential care fell from 54 in 2022–23 to 12 in 2024–25. In home services, the average number of notices issued fell from 23 in 2022–23 to 10 in 2024–25.
- In 2022–23, the average number of directions we issued each quarter was 82 in residential care and 6 in home services. In 2024–25, this had gone down to 7 in residential care and 2 in home services.



## **Sector performance**

## **Risk-based monitoring and campaigns**

The Commission monitors the quality of aged care and services through a program of risk-based monitoring. We target our risk-based monitoring at higher-risk services and providers.

We monitor risk in different ways, including a pre-arranged or unannounced visit to a provider's office or service, or by requesting written or verbal information. How we monitor will depend on the type of risk we are monitoring and the best way to collect and understand the information about that risk.

We also use risk-based monitoring to check how similar groups of providers are performing in key areas of sector risk. These are areas where many providers are falling short or where they may need help improving and understanding how to prevent poor care for older people.

In residential care, we are currently focusing on 3 key areas of sector risk:

- COVID-19 and infection prevention and control
- · food, nutrition and dining
- workforce responsibilities.

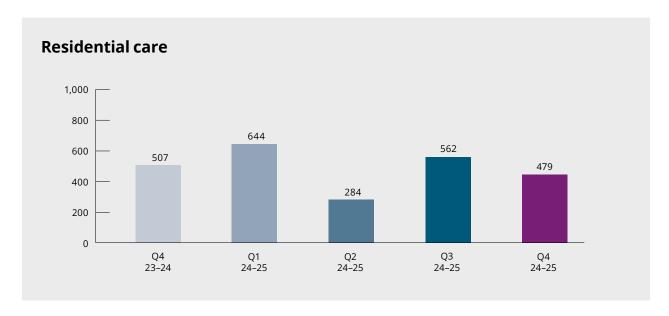
For most sector risks, we are focusing on providers where our information suggests there is a higher risk of harm for people receiving care.

In home services, we increased our monitoring of providers offering services under the Home Care Package Program who had persistent non-compliance.





## **Risk-based assessment activities**



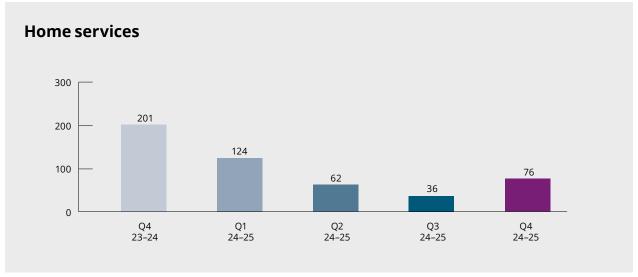


Figure 15: Risk-based assessment activities in residential care and home services over the past 5 quarters See data tables for a breakdown of performance and monitoring assessments.



# Residential care: Campaigns and targeted monitoring activities

There are many ways we find information on provider performance and identify strengths and gaps in the sector. These include our targeted monitoring activities, the complaints we receive, and our engagement with providers.

## **COVID-19 vaccination**

We encourage older people to be vaccinated against COVID-19. It is still the most effective way to protect against severe illness, hospitalisation and death from COVID-19.



In Q4, we increased our vaccination targeted monitoring program to 153 residential services. These services reported low COVID-19 vaccination coverage but high influenza vaccination rates.

Many services told us they would consider having dual influenza and COVID-19 vaccination clinics in 2026. This could support older people to make their own choices about vaccination.

## By July 2025:

- 126 services of the 153 monitored increased their COVID-19 vaccination coverage, with 9 of these services increasing coverage to 80% of residents or higher
- 27 services did not increase their COVID-19 vaccination coverage.

We are continuing to work with 38 services where we have not been satisfied the provider is trying hard enough to talk to older people about vaccinations and to organise clinics.

# Reflection questions Residential care providers



- Do you have a system in place to track when vaccinations are due?
- Are you planning for COVID-19 vaccinations this year, or 6 months after your influenza vaccination clinic?
- Will you arrange for an immunisation provider who can give both the influenza and COVID-19 vaccines at the same time in 2026?

### Home and community aged care providers

- Do you share the <u>latest vaccine advice</u> with older people, including that they can have influenza and COVID-19 vaccines at the same time?
- Do you talk to older people about how you can support them to receive vaccinations?
- How do you promote how important being vaccinated is against influenza and COVID-19 to staff?



## Food, nutrition and dining

In Q4, we completed 82 visits to monitor the food, nutrition and dining experience at residential aged care services. Dietitians from our food, nutrition and dining advisory unit attended most of these visits.



Our surveys and focus groups show that many providers still face challenges. These include offering choice and meeting each person's needs, particularly with those who need texture-modified food and thickened fluids.

Under the Menu and Mealtime Review program, 191 residential services received a menu and mealtime review by an independent accredited practising dietitian in Q4. The program supports providers to prepare for the introduction of strengthened Quality Standard 6.

The Menu and Mealtime Review program is a collaboration between the Commission and the Department of Health, Disability and Ageing. It is providing up to 1,000 residential services with a free, independent, dietitianled review of the nutrition care, menu and mealtime experience. The reviews are confidential, and the Commission does not receive a copy.

From November 1 2025, <u>strengthened Quality Standard 6: Food and nutrition</u> will be in place. Under this standard, providers need to work with older people to find out what they like to eat and drink. The recommended actions listed under Outcome 6.1 explain how important it is to work with each person on how to:

- create enjoyable food, drinks and dining experiences at the service
- develop a system to monitor and continuously improve the food service in response to older people's feedback and needs.

Our new Food Focus Group toolkit offers tips and suggestions on ways providers can partner with the people in their care.

## **Reflection questions for providers**



- Have you worked with older people to find ways to meet their needs and their food and dining preferences?
- Do you have a system that records their needs, preferences and how happy they are with their food and dining experience?
- Does each person understand the risk of eating and drinking certain foods and drinks they want? Have you explained it in a way that helps them understand?
- Have you given suggestions about how the risk could be managed or reduced?



## **Workforce-related responsibilities**

Since we started a targeted focus on workforce responsibilities in May 2024, the number of services with the largest gaps reduced by 82% between Q2 2023–24 and Q3 2024–25.

In Q4, we continued to focus on helping providers to meet their 24/7 registered nurse responsibility through:

- 16 site visits to services that are currently exempt from the responsibility
- targeted monitoring of 66 services with gaps in their nursing coverage on how they are working to comply.

Where providers have large gaps in their care minutes, we want to understand why these providers are not complying. They are compelled (forced) to comply where needed.

We have now completed 4 programs monitoring providers that have not met their care minutes responsibilities. Initially, our focus was on providers of services located in metropolitan areas with the largest shortfalls, whose care minutes targets were not met over consecutive quarters. We continued to focus on providers of services that had the largest shortfalls, but we also monitored their other services where care minutes targets were not met. We use our regulatory tools when required, including enforceable undertakings and Non-Compliance Notices.

What we found is that providers generally need time to make sustainable changes. Some examples include:

- making changes to staff employment status (from casual or part-time to full-time)
   and hiring new staff
- increasing the pool of casual staff
- reviewing business processes and rostering processes
- widening the reach of recruitment, including searching internationally.



#### In Q4, we:

- Closely supervised 14 providers operating 75 services that had large and ongoing gaps with their care minutes targets. In most cases, we found the provider was taking positive steps towards meeting their targets by 30 June 2025.
- Issued a non-compliance notice to 2 providers who were not engaging with us and did not have plans to comply with their care minutes obligations. Both providers have committed to reach their care minutes targets. We are continuing to monitor and work with them to make sure they comply. This has led to increased care minutes for 36% of these services. However, 7% still had large gaps in Q3 (we received this data in Q4). Two other providers remain under our intensive regulatory scrutiny.
- Closed 13 enforceable undertakings entered into in December 2024, as the providers had delivered on their commitments. They had also made significant improvements in complying with their care minute targets.
- Monitored 12 providers with enforceable undertakings so that they will meet their commitments to improve care minutes delivery by 30 September 2025. From this date, policy changes will link care funding to delivery of care minutes in all non-specialised homes in metropolitan areas.
- Targeted 55 providers (65 services) for supervision due to gaps of more than 4 hours in RN cover in January 2025. By June 2025, 24 of these providers (37%) reported lower or no gaps.

#### Resources

Engagement resource: Food focus group toolkit



Eating and drinking with acknowledged risk (EDAR) visual scenario

Changes coming to care minutes funding





## **Worker regulation**

The Commission monitors risks to people receiving aged care that are caused by a:

- provider, worker, responsible person or governing person's actions, inactions or behaviours
- person's suitability to be involved in providing aged care.

We act when we have concerns about these risks.

The Code of Conduct for Aged Care (the Code) describes how approved providers, their governing persons (such as board members) and workers (including volunteers) must behave and treat people receiving care.

You can find information about the Code for approved <u>providers</u>, <u>aged care workers</u> and governing persons on our website.

Providers and workers are each responsible for complying with the Code. Providers also need to make sure that their workforce complies with the Code. This includes their paid staff and volunteers.

If we think there is a risk to people receiving care, we may:

- send the worker or provider a letter that reminds them of their responsibilities
- send the worker or provider a caution letter
- conduct an investigation.

If we think the risk to older people is severe, we may issue a banning order to stop a person from working in aged care or to restrict the work they can do.

#### Banning orders:

- are our most serious enforcement action against a person
- can be permanent or for a set time
- can have conditions
- · can be issued quickly.



Figure 16: Worker regulation activities in Q4



## **Investigations**

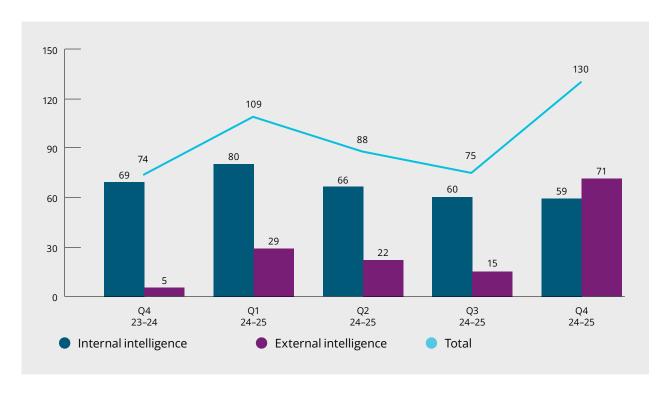


Figure 17: Investigations over the past 5 quarters

 $Internal\,intelligence\,includes\,information\,from\,complaints\,we\,receive,\,the\,Serious\,Incident\,Response\,Scheme\,(SIRS)\,and\,our\,audit\,and\,monitoring\,programs$ 

External intelligence includes information from the NDIS Quality and Safeguards Commission, law enforcement, the department, the Australian Health Practitioner Regulation Agency, the media and external agencies

## Letters to providers and individuals

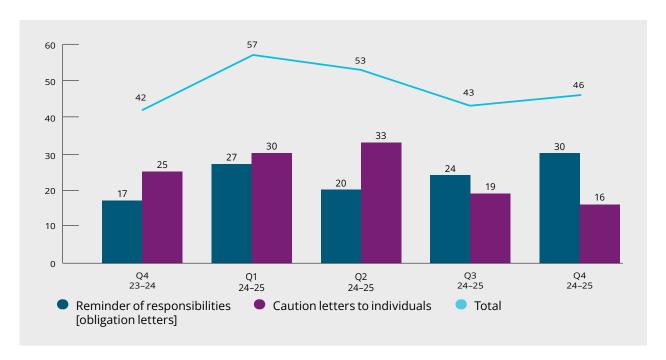


Figure 18: Letters to providers and individuals sent over the past 5 quarters



## **Banning orders**



Figure 19: Banning orders over the past 5 quarters

## Find out more:



- Banning orders | Aged Care Quality and Safety Commission
- Aged Care Register of banning orders





## **Provider supervision**



Provider supervision is part of the Commission's regulatory strategy to improve the quality of aged care. We supervise providers in a way that encourages them to address risks and improve their performance.

If a provider shows that they are not willing or able to address risks or non-compliance, we will increase our level of intervention and supervision. This includes using our compliance powers to compel (force) the provider to act.

The level of our supervision depends on the risks to older people. To determine a provider's supervision status, we consider:

- the provider's risk profile (our assessment of how well they are likely to be delivering care)
- the provider's ability to identify and manage risks to people receiving care
- other information and intelligence we have collected.



#### Surveillance

Surveillance involves the ongoing monitoring and risk assessment of all providers. Providers in this category do not have specific identified risks or compliance concerns.



#### **Targeted supervision**

Targeted supervision applies to providers who need to take corrective action to address specific events or issues.

The Commission has confidence in the provider's ability to fix these issues in a timely and appropriate manner.



#### **Active supervision**

Active supervision applies to providers exhibiting high levels of risk or non-compliance that needs significant oversight.



#### **Heightened supervision**

Heightened supervision is reserved for providers with sustained, severe, or unresolved noncompliance. This level of non-compliance is often due to systemic issues or poor conduct. The Commission may be considering if the provider should be removed from the aged care sector.



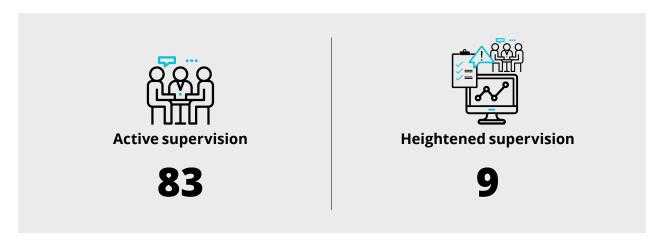


Figure 20: The number of residential providers under active or heightened supervision

Data provided by the compliance management group, 8 July 2025. Data extracted 8 July 2025 for a point-in-time breakdown for 30 June 2025.

Providers under targeted, active or heightened supervision will be aware of this through our engagement with them.

The number of providers in active supervision increased from 81 to 83. Changes in supervision status included:

- 26 providers down from active supervision to surveillance
- 9 providers from active supervision down to targeted
- 7 providers from surveillance up into active supervision
- 29 providers from targeted into active supervision.

#### Find out more:



You can find more information on provider supervision in our <u>Regulatory Strategy 2024–2025</u>. You can also find case studies from our trial of the supervision model in the In focus section of the <u>Q4 2023–24 Sector Performance Report</u>.





# **Compliance and enforcement actions**

When we respond to a risk or issue, and when a provider is under active or heightened supervision, there are a range of monitoring, compliance and enforcement actions we can take. These depend on the nature of the risk to older people, and how willing the provider or worker are to change. If they are using their best efforts and are committed to complying with their obligations, we will support them to improve and manage the risks through our engagement. If they are repeatedly or wilfully non-compliant or are putting older people at risk, we will compel (force) them to change their behaviour.

You can find a description of all our compliance powers in our <u>Compliance and Enforcement Policy</u>.

#### **Residential care: Compliance and enforcement actions**

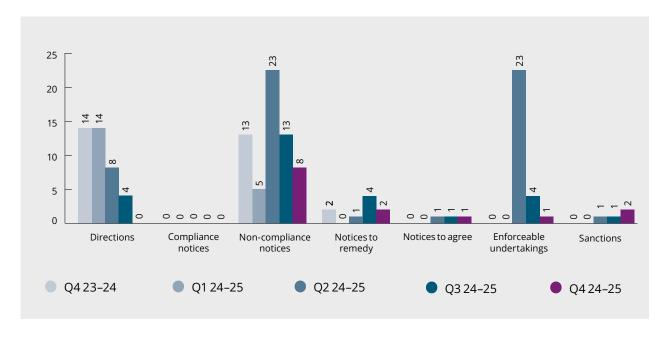


Figure 21: Directions, notices and enforceable actions because of non-compliance in residential care over the past 5 quarters. Of the 8 non-compliance notices issued in Q4, 2 were related to financial and prudential compliance.





## **Home services: Compliance and enforcement actions**

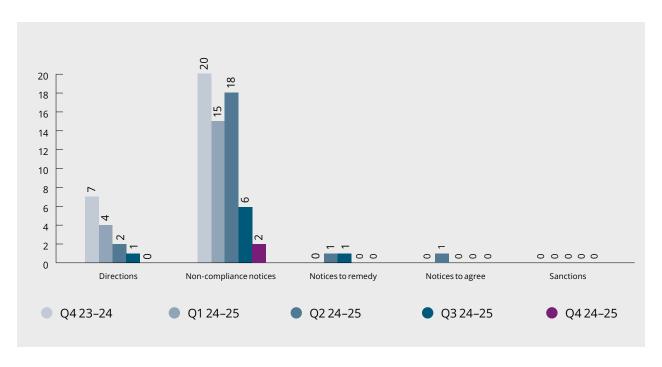


Figure 22: Directions, notices and enforceable actions because of non-compliance in home services over the past 5 quarters. Both non-compliance notices issued in Q4 were related to financial and prudential compliance.

#### Find out more:

- Compliance and Enforcement Policy
- Aged Care Quality Standards
- Home services quality reviews
- Residential care review audits





# Financial and prudential compliance

Provider financial and prudential compliance audits and reviews are part of how the Commission monitors and engages with providers.

These audits and reviews improve care by:

- making sure providers understand their financial and prudential responsibilities
- working with individual providers to detect and address risks
- preventing and mitigating (reducing) future risks by supporting providers to improve their performance and their processes and use best practices
- giving us insight into broader sector risks to inform the support and guidance we provide to the sector
- educating providers on best practice and supporting them to improve their frameworks, processes and performance.

## The Financial and Prudential Standards are changing

Click here to read the new Financial and Prudential Standards.

#### **Targeted reviews**

Targeted reviews focus on educating providers on their responsibilities for a specific requirement or topic. In Q3, we completed 2 targeted reviews. One review was on refunding of refundable deposits and the other was on provider governance responsibilities.

To help providers better understand their refunding and governance obligations, you can find our insights reports on the <u>targeted review</u> web page.





#### Home care pricing audits

The home care pricing audit program is an annual program. In 2024–25, we audited 54 Home Care Package providers to assess how they complied with their pricing obligations.

This program found that most providers complied with their pricing responsibilities and were:

- charging at or below the set price caps introduced in 2023
- not charging entry or exit fees
- not charging package management fees when no services were provided
- not charging separate charges for business costs for third party or subcontracting arrangements.

The non-compliance we did find included:

- providers charging higher than agreed prices without showing consent from people receiving care to charge those higher prices
- out-of-date home care agreements
- issues with record-keeping practices and financial governance processes.

Where we identified issues we provided support, education and resources to make sure providers could comply in the future.

Our financial and prudential review of home care providers will now move away from assessing how they comply with the 2023 pricing changes. In 2025–26, our reviews will focus on:

- pricing transparency to make sure providers explain their prices and get older people's consent to charge higher prices
- compliance with financial reporting obligations to understand if there is a link between late reporting and financial governance
- the new Financial and Prudential Management Standards, starting on 1 November 2025.



#### **Prudential audits**

The annual prudential audit program assesses how providers comply with the Financial and Prudential Standards and other prudential obligations. The audits focus on educating and supporting providers to meet their responsibilities.

In the past, this program has worked with small providers in rural, regional and remote areas to help them improve their prudential capabilities. During the 2024–25 financial year, we shifted our focus from small (1 to 2 services) to medium-sized residential providers (3 to 10 services).

We did this because medium-sized providers have:

- more complex corporate structures and related party transactions
- larger amounts of refundable deposits
- more major capital works
- a higher demand on operating cashflows.

We did audits with 97 providers and found a high level of compliance. We worked with providers we found who did not comply to address their issues. Most were open to working closely with us. We referred a few providers to the Prudential and Governance Compliance team to investigate further and work with them.

In Q4, we found that several providers were preparing for the new Aged Care Act and new Financial and Prudential Standards. The governance documents we assessed in Q3 showed that they are updating and refining their policies, procedures and systems in line with the new requirements.

We will publish more details about our findings from the 2024–25 program in an insights report in the next quarter.

#### Find out more:

- Prudential Standards webpage
- Refunding refundable deposits





# **Serious Incident Response Scheme**



Residential care and home services providers need to notify the Commission about 8 types of reportable incidents through the Serious Incident Response Scheme (SIRS).

In this report, we present the numbers and rates of SIRS incidents reported to the Commission. This can help providers to understand how their rate of notifications compares with the sector average. We use these rates, combined with other information on how providers are performing, to identify risks to people receiving care. We are concerned by rates that seem too high or low compared with the sector average or similar types of providers.

Providers need to report SIRS incidents when an incident has happened or is alleged or suspected of happening.

#### **Priority 1 reportable incidents are incidents:**

- that a provider must notify us about within 24 hours of the provider finding out about them
- that have caused, or could reasonably have caused, a person receiving aged care physical or psychological injury or discomfort that needed medical or psychological treatment
- where it is reasonable to contact the police (this includes all incidents involving alleged, suspected or witnessed sexual assault)
- where there is the unexpected death of a person in aged care or their unexplained absence from the service.

## Priority 2 reportable incidents are incidents:

- that do not meet the criteria for a Priority 1 reportable incident
- where providers must notify us within 30 days of finding out about the incident.





#### **Residential care: Reportable incident notifications**

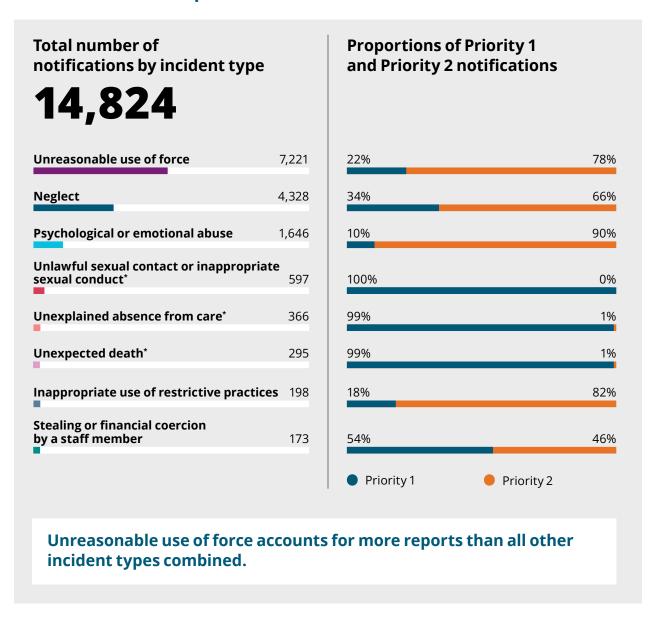


Figure 23: All reported incidents and percentage of Priority 1 and Priority 2 incidents in residential care in Q4

<sup>\*</sup> Reportable incidents of unlawful sexual contact or inappropriate sexual conduct, unexplained absence and unexpected deaths are Priority 1 reportable incidents. The notifications recorded in this table as Priority 2 are because providers incorrectly selected Priority 2 when they submitted the notification.



# **Residential care: Priority 1 and Priority 2 notifications**



Figure 24: Priority 1 and Priority 2 SIRS notifications in residential care over the past 5 quarters





#### Residential care: SIRS notification rates

We calculate rates based on 10,000 occupied bed days (OBDs). OBDs is the number that providers use for claiming subsidies with Services Australia. For a residential service fully occupied by 110 residents, the current sector average SIRS notification rate is 8. That equals 8 incidents across the quarter or 32 a year.

Providers should review their incident management system to look for ways to get better at preventing incidents and improving their responses to incidents. Many reported incidents are preventable. We expect providers to be able to show how they keep improving to reduce the likelihood of incidents.

#### This includes:

- studying what happens when things go wrong
- listening to people affected by the incident
- making changes to stop it happening again.

Low rates do not always mean better care. Higher rates can mean providers are detecting and managing their incidents appropriately.

#### Residential care: SIRS incident notification rates

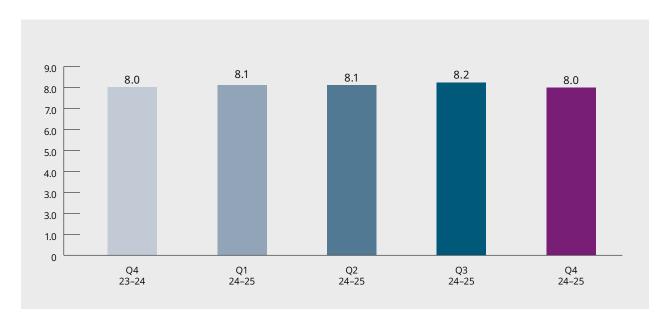


Figure 25: SIRS notification rates in residential care over the past 5 quarters
The SIRS notification rate is the number of notifications we have received per 10,000 occupied bed days (OBDs).



#### Residential care: SIRS notification rates by provider size

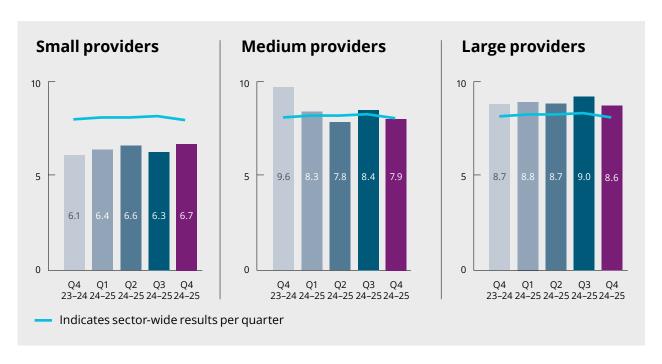


Figure 26: SIRS reporting rates by provider size in residential care over the past 5 quarters All rates are notifications for every 10,000 OBDs.

See data tables for the number of providers and services by size.

## Residential care: SIRS notification rates by ownership type

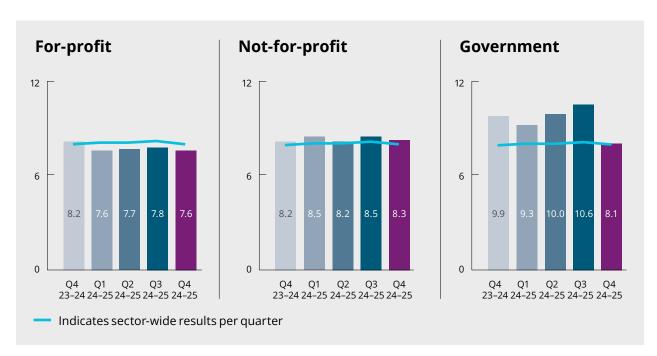


Figure 27: SIRS reporting rates for each quarter by ownership type in residential care over the past 5 quarters All rates are notifications for every 10,000 OBDs.

See data tables for the number of providers and services by ownership type.



#### **Residential care: SIRS reporting rates**

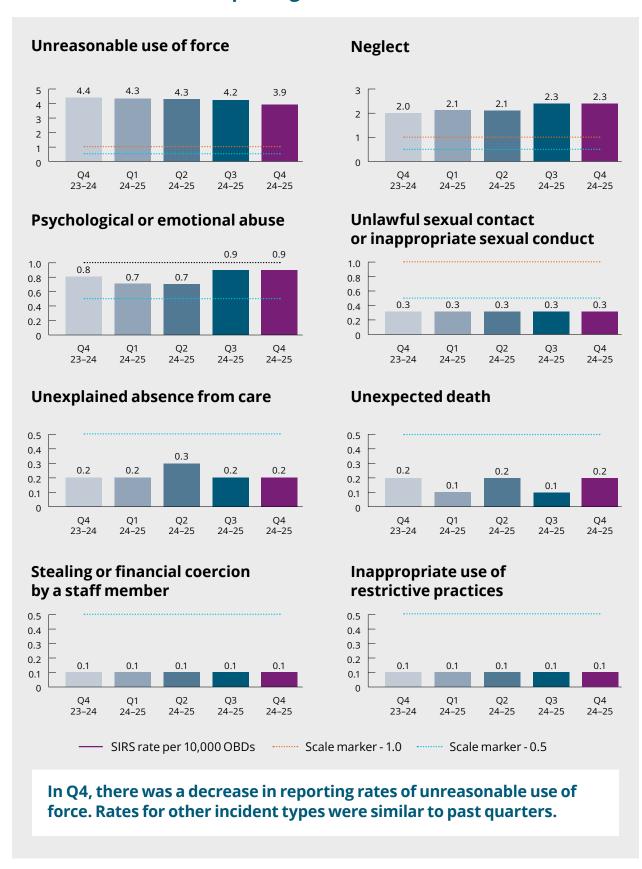


Figure 28: SIRS reporting rates for each notification type in residential care over the past 5 quarters All rates are notifications for every 10,000 OBDs.



#### Home services: Reportable incident notifications

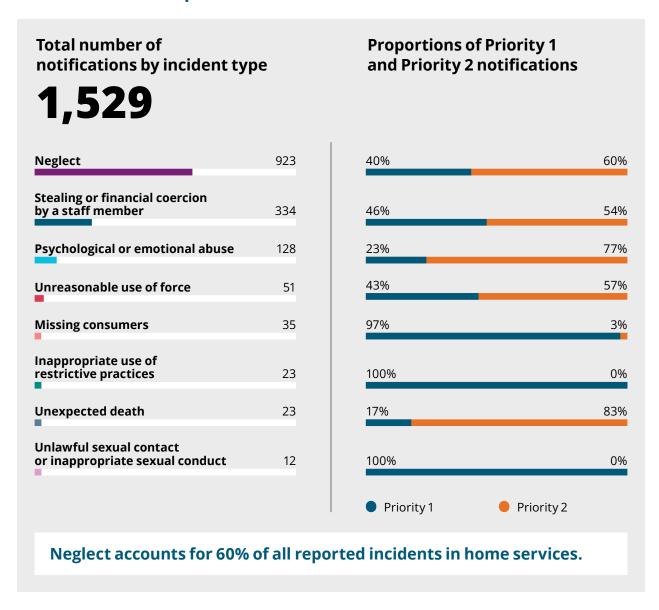


Figure 29: All reported incidents and the percentage of Priority 1 and Priority 2 incidents in home services in Q4

Our review of notifications of neglect found:

- Missed shifts accounted for a quarter of neglect notifications in home services
- Nearly a quarter of notifications involved multiple people or system issues, such as rostering errors
- · Clinical and personal care made up just over half of the issues reported
- Medication management and falls management were the most common clinical issues reported, similar to residential care.



#### Home services: Priority 1 and Priority 2 notifications

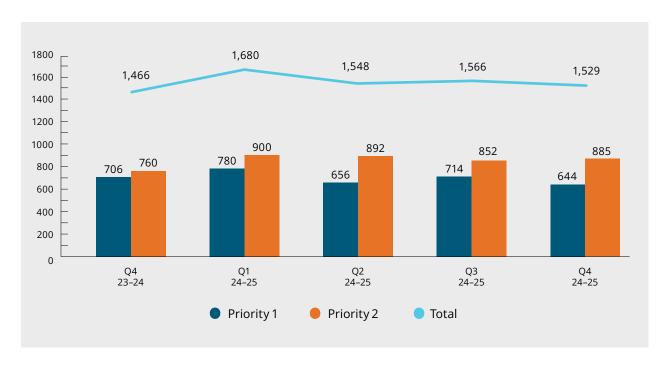


Figure 30: SIRS Priority 1 and Priority 2 notifications in home services over the past 5 quarters

#### Find out more about SIRS:



- SIRS insights reports
- SIRS information for providers
- SIRS information for home services providers
- Information on Quality Standard 8 Organisational governance
- Clinical governance resources
- SIRS Home services Reportable incidents: neglect



# **Complaints**



Complaints give providers and the Commission valuable information about the issues that are concerning people receiving care and their families or representatives. Aged care workers also contact us with their concerns about the quality of care that people are receiving.

In this section, we list the most common issues that people raise with us. Providers have their own complaints data. They should use that, with insights from the Commission's data, to improve the care they provide.

A higher number of complaints can be because a provider is encouraging feedback and people receiving care, their families and representatives feel comfortable to raise issues. It can also mean the provider's complaints management system is not easy to use or not working well.





1,731

**Complaints received** 



0.9

**Complaints rate** per 10,000 occupied bed days (OBD)

#### **Home services**



1,172

Complaints received (HCP = 1,032, CHSP = 140)\*



**34.6** (HCP) | **1.7** (CHSP)

**Complaints rate** per 10,000 consumers

Figure 31: Number of complaints and complaints rate in residential care and home services in Q4

<sup>\*</sup> Home Care Packages (HCP) and Commonwealth Home Support Program (CHSP)

# **\*\***

## Residential care: Complaints and complaints rate

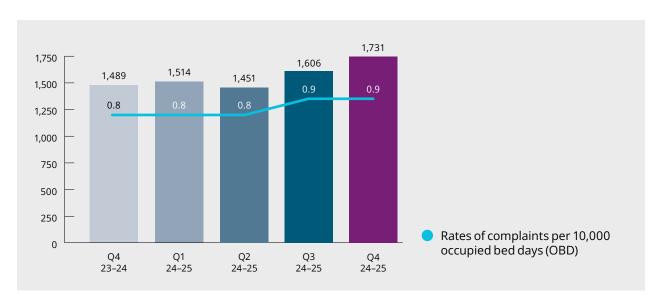


Figure 32: Number of complaints and complaints rate in residential care over the past 5 quarters

# Residential care: Complaints rate by provider size

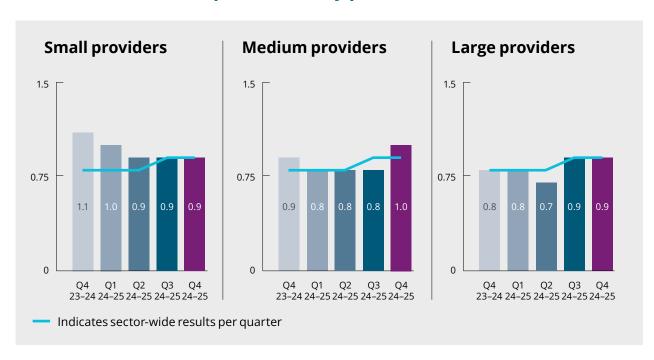


Figure 33: Complaint rates for every 10,000 OBDs by provider size in residential care over the past 5 quarters See data tables for the number of providers and services by size.

# **\*\***

#### Residential care: Complaints rate by ownership type

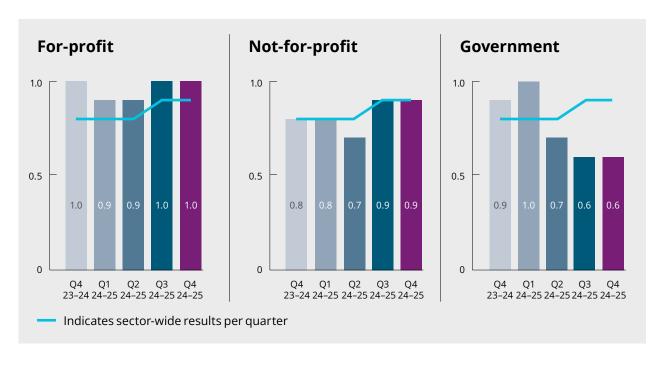


Figure 34: Complaint rates for every 10,000 OBDs by ownership type in residential care over the past 5 quarters See data tables for the number of providers and services by ownership type.

# We calculate rates of complaints by the number of complaints received in the quarter for each:



- 10,000 occupied bed days (OBDs) in residential care
- 10,000 people receiving care in home services.

This allows us to track changes over time and account for services with different numbers of:

- residents in residential care and occupancy
- people receiving home services.

OBDs do not apply to home services, so we use a different rate. This means that the rates for residential and home services are not comparable with each other.

Where we can, we have broken down home services by program type. The 2 programs are the Commonwealth Home Support Program (CHSP) and Home Care Packages (HCP). This allows providers to compare their results with similar types of providers.



## Calculating your own rates

We encourage you to calculate your own complaints rates so that you can compare them with the sector averages and with averages for similar types of providers.



If your own rates are very different from the averages, it is important to know why. For example:

- Has an unresolved issue come up at your service?
- Are there any problems with your complaints system?
- Are people receiving care confident that your management and staff can fix a problem quickly? Or do they feel they need to involve the Commission?
- Do people receiving care feel confident about coming forward to complain? Do they know how to make a complaint?
- Are you communicating well and practising open disclosure to have good relationships with the people in your care?

#### Residential care: Complaints by group

T,731

Family member or representative 771

Anonymous 589

Others\* 226

Care recipient 145

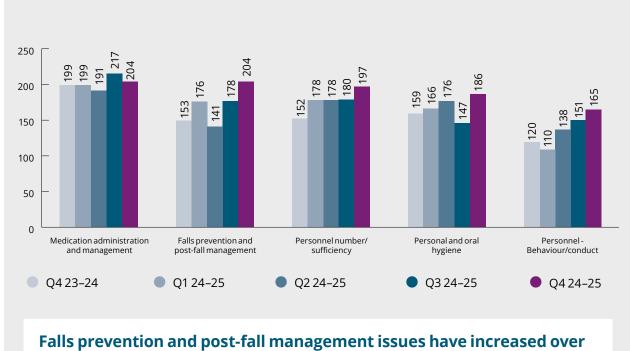
Over half of the complaints were made by a representative or family member of a person receiving care.

Figure 35: Complaints by the group that made the complaint in residential care in Q4

\* Others includes staff, external agencies, media, internal referrals, providers or other interested people.



# Residential care: Complaints by issue



the past 3 quarters. They are now, along with medication management, the most complained about issues in residential care.

Figure 36: Top 5 complaints issues in residential care over the past 5 quarters

The top 20 complaints issues and rankings for each quarter are in our online data tables published with this report.



#### Home services: Complaints and complaints rates

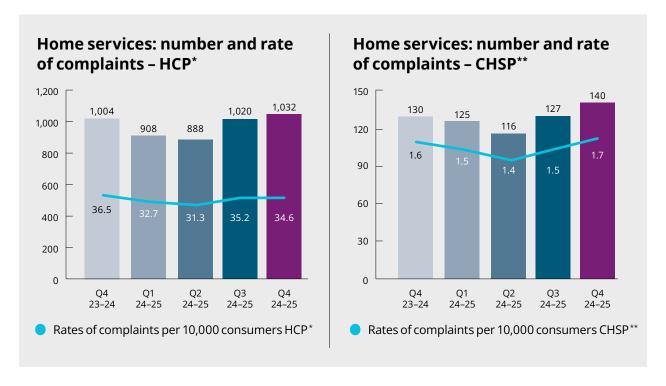


Figure 37: Number of complaints and the rate of complaints for every 10,000 people receiving home services over the past 5 quarters

- \* Home Care Packages (HCP)
- \*\* Commonwealth Home Support Program (CHSP)

#### Home services: Complaints by group

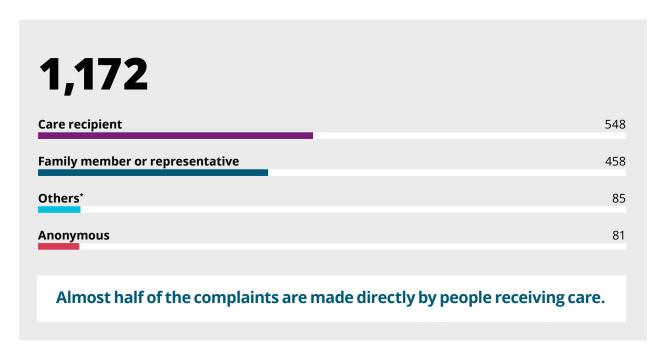


Figure 38: Complaints by the group that made the complaint in home services in Q4

<sup>\*</sup> Others includes staff, external agencies, media, internal referrals, providers or other interested people.



# Home services: Complaints by issue

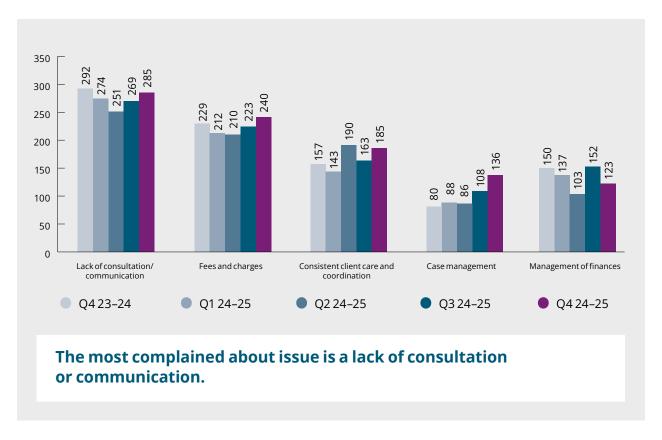


Figure 39: Top 5 complaints issues in home services over the past 5 quarters

The top 20 complaints issues and rankings for each quarter are in our online data tables published with this report.





# Supporting the rights of older people

Providers are responsible for protecting older people in their care and managing risks.

The Commission is responsible for:

- managing complaints we receive
- regulating providers, their governing persons and aged care workers
- monitoring and responding to risks when needed (this can include holding the provider to account or compelling (forcing) them to improve through regulatory action)
- upholding an older person's rights under the Charter of Aged Care Rights
- protecting and improving older people's safety, health, wellbeing and quality of life.

We want older people and their representatives to be active partners in their care. We want to help them to speak up when things are not right. You can read more in our Complaints Handling Policy.



The new Aged Care Act, coming into effect on 1 November 2025, sets out older people's rights in a <u>Statement of Rights</u>.







#### How we resolve complaints

We want complaints to be resolved as quickly as possible. We support people making the complaint and providers to resolve the issues themselves. The proportion of complaints resolved this way has stayed steady over the past 5 quarters.

A small number of the complaints we receive need to go through a formal resolution process. This can include using an external mediator or having a Commission investigation.

Providers should regularly check their complaints management system. This can help them to understand why people receiving care feel they need to come to us.

We are looking for evidence that providers have:

- resolved the complaint
- restored the trust and confidence of the person receiving care or their representative
- taken steps to prevent the issue happening again.

By doing this, providers will build better relationships with the people in their care and with the local community.



#### Find out more:

- How to make a complaint
- Complaints Handling Policy





# Residential care: National **Aged Care Mandatory Quality Indicator Program**



Quality Indicators (QIs) measure the parts of an aged care service that support the quality of care that people receive in residential care. The QIs included here are about harm or risk of harm. The lower the rate for each QI, the lower the risk.

Providers collect and submit their own QI data. They can get their QI rates from the Government Provider Management System.

For benchmarking, providers may find it useful to look at QI data next to their own data, at provider and sector levels, for:

- how they are complying with the Quality Standards
- the Serious Incident Response Scheme
- complaints.

#### Some QIs are lag indicators.

This means that the issues may show up in other data before they show up in QIs. For example, QIs may show that unplanned and consecutive weight loss issues are going down. But when providers also look at other data, like feedback and complaints from residents about their food and feedback from staff who plan and serve meals, they will get a better sense of whether things are improving, rather than waiting for weight loss data.

- Over the past 3 years, 8 out of 9 of the long-term indicators that the QI Program tracks have trended downwards. The indicators are based on the percentages of people receiving care experiencing poor outcomes. For example, for pressure injuries and unplanned weight loss the downward trend shows improvement. There has been no real change in the last indicator which measures the number of residents having falls.
- The QI Program introduced 6 more QIs on 1 April 2023. These show:
- a decrease in workforce turnover
- an improvement in measures of older people's satisfaction and quality of life
- an increase in people going to emergency departments and being admitted to hospitals.



#### Trends in QI performance over time

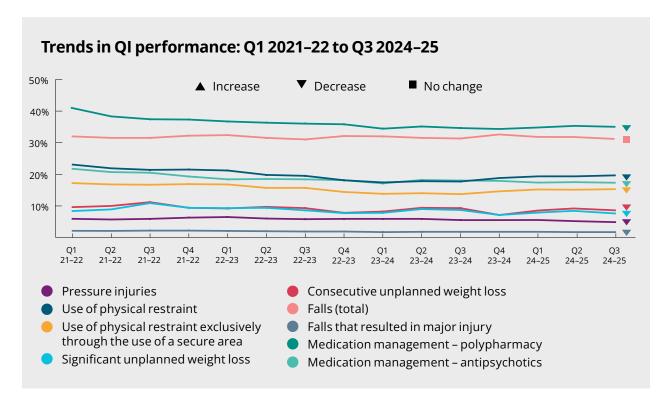


Figure 40: Trends in QI performance over time for the 9 original QIs

Australian Institute of Health and Welfare, data released 27 June 2025, published on GEN-agedcaredata.gov.au

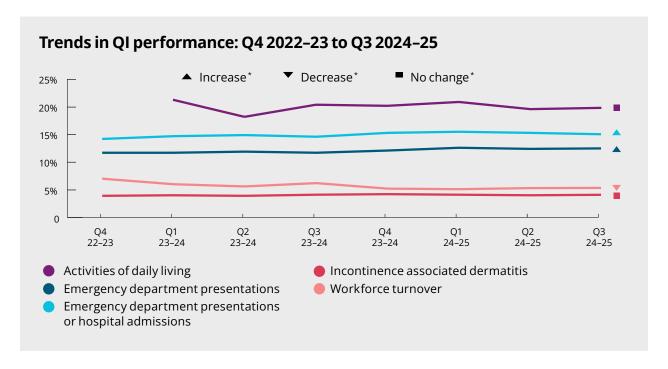


Figure 41: Trends in QI performance over time for the 6 newer QIs

Australian Institute of Health and Welfare, data released 27 June 2025, published on GEN-agedcaredata.gov.au

<sup>\*</sup> A trend here means that there must have been a change up or down of at least 0.05.

<sup>\*</sup> A trend here means that there must have been a change up or down of at least 0.05.



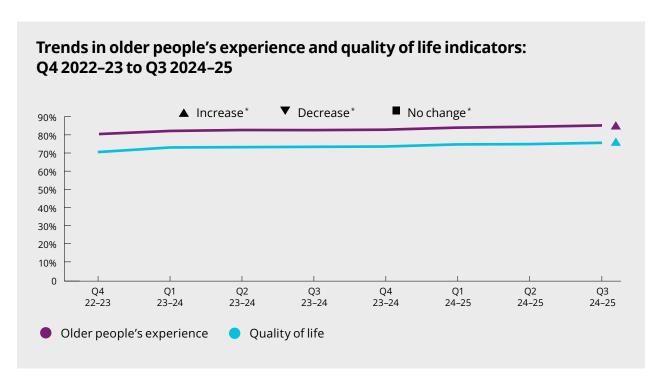


Figure 42: Trends in older people's experience and quality of life indicators

Australian Institute of Health and Welfare, data released 27 June 2025, published on GEN-agedcaredata.gov.au

#### Find out more:



Residential Aged Care Quality Indicators – January to March 2025 – AIHW Gen

Guidance on using QI data for quality improvement - National Aged Care Mandatory Quality Indicator Program Manual 3.0 - Part B

<sup>\*</sup> A trend here means that there must have been a change up or down of at least 0.05.



# How to calculate your rates

# Residential care: How to calculate your own Serious Incident Response Scheme (SIRS) notification rate (per 10,000 OBDs) for a quarter

- **1.** Take the number of incidents in your service that you reported to the Commission over the quarter.
- 2. Take the number of occupied bed days (OBDs) for your service during that quarter. This number is what you used for claiming subsidies with Services Australia. It should also match the figure you entered for 'occupied bed days' in your Quarterly Financial Report.
- 3. Divide the first number by the second number and multiply by 10,000.

# Residential care: How to calculate your own complaints rate (per 10,000 OBDs) for a quarter

- **1.** Take the number of complaints about your service that were lodged with the Commission over the quarter.
- 2. Take the number of OBDs for your service during the quarter. This number is what you used for claiming subsidies with Services Australia. It should also match the figure you entered for 'occupied bed days' in your Quarterly Financial Report.
- 3. Divide the first number by the second number and multiply by 10,000.

# Home services: How to calculate your own complaints rate per 10,000 people receiving care for a quarter

- **1.** Take the number of complaints about your service that were lodged with the Commission over the quarter.
- **2.** Take the number of people receiving care for your service during the quarter.
- 3. Divide the first number by the second number and multiply by 10,000.



# **Notes on data**

We take point-in-time sector performance data from live Commission systems, so reported figures may change as cases in the database are updated.

As we update our systems regularly, published numbers for past quarters or numbers extracted at a later point in time may be slightly different to this report.

The numbers of people receiving residential care were extracted from the Department of Health, Disability and Ageing (department) data warehouse as of 30 June 2025, on 7 July 2025. State is based on the state the service is in.

We took the information about the number of active residential care and home services as of 30 June 2025 from Commission systems on 7 July 2025.

Home Care Packages (HCP) data on people receiving care was extracted from the department data warehouse as of 30 June 2025, on 7 July 2025. HCP state of the person receiving care is based on the state the service is in.

Commonwealth Home Support Program (CHSP) data on people receiving care was extracted from the department data warehouse as of 30 June 2025, on 7 July 2025. The state where the person is receiving care in HCP is based on the state the service is in. Because of financial year limitations, some people receiving care through CHSP may be listed against services that are no longer operational.

We extracted SIRS data from Commission systems on 17 July 2025.

Occupied bed days (OBD) data for Q4 was extracted from the data warehouse on 17 July 2025. OBD data for Q1 2025–26 was not available at the time of production, so they are estimated from the unique counts of people receiving care in the residential sector for that quarter.

Residential Aged Care Quality Indicators data was taken from the Australian Institute of Health and Welfare website published on 27 June 2025.

Where a person receiving care changed services, they may be counted across multiple states. The sum of the state totals may therefore exceed the total national count. In the past, the state came from the CHSP service state, however this was changed to the person receiving care state in line with other Gen-Aged Care reporting.

Data about quality assessment and monitoring activities and outcomes in this report includes care delivered flexibly (for example, services provided through short-term restorative care).

Extended history was taken from point-in-time data published in past sector performance reports where available. Reporting on some measures was for a shorter period where reporting started at a later point.

The Aged Care Quality and Safety Commission acknowledges the Traditional Owners of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to Elders both past and present.



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