



**Australian Government**

---

**Australian Aged Care Quality Agency**

# **Corporate Plan 2015-16**



**Australian Government**

---

**Australian Aged Care Quality Agency**

**Statement of preparation**

I Nick Ryan, as the accountable authority of the Australian Aged Care Quality Agency present the 2015-16 Corporate Plan (the Plan), as required under paragraph 35(1)(b) of the Public Governance, Performance and Accountability Act 2013. The Plan is prepared in accordance with the Public Governance, Performance and Accountability Rule 2014.

This plan has been prepared for the 2015–16 financial year, and covers the four financial periods 2015–16 to 2018–19.

A handwritten signature in black ink, consisting of the name 'Nick' followed by a stylized, cursive signature.

---

Nick Ryan  
CEO

## Part 1: Introduction

### Message from the Chief Executive Officer

I am pleased to present the inaugural Corporate Plan for the Australian Aged Care Quality Agency (Quality Agency).

Aged care in Australia is undergoing significant changes with a renewed focus on the consumer. The Quality Agency has a central role in this. We are working with our key stakeholders to achieve a future where consumers are well informed and have access to high quality care that enhances their quality of life. We are focused on supporting consumer choice and the provision of improved information to guide such choices. Consumers need information not only whether services meet minimum standards, but about the quality of care that enhances quality of life.

We are committed to improving the quality of life of older Australians. Listening to those receiving aged care is fundamental to our role. In the coming year we will interview more than 50,000 people in care and their families and representatives. This helps us to understand their experience of care and orients how and where we look to ensure that standards are being met. It also enables us to provide feedback to providers from the perspective of consumers. This can support the provider to deliver higher quality care.

Our strengthened focus on consumer choice, quality and better information emerges against the backdrop of fifteen years of accreditation of residential aged care in Australia. Accreditation of residential care and the most recent quality reviews of Home Care have succeeded in raising the quality of care and systems of aged care providers. In 2015 more than 95% of all residential aged care services fully meet the standards.

We aim to be a model regulator; to be transparent, accountable and professional in how we work. The Quality Agency is committed to implementing the Government's regulatory reform, streamlining processes, reducing red tape, providing efficiencies and reducing the burdens of regulation. Our staff are stewards of the aged care quality system. Their professionalism, integrity and commitment to service have forged a strong foundation to deliver further improvements to aged care in Australia.

To do this we will work with the aged care community, Department of Social Services, and the Aged Care Complaints Scheme<sup>1</sup> to:

- develop a quality framework that identifies the components and drivers of high quality aged care above and beyond compliance;
- review the accreditation standards and explore options to simplify and improve accreditation processes;
- prepare for full cost recovery in the accreditation of residential aged care;

---

<sup>1</sup> Aged Care Complaints Commissioner from 1 January 2016

- deliver efficiencies in quality assessment through the implementation of new technology to drive down costs; and
- explore options for market contestability in the accreditation of residential aged care.

Education and training is also central to our role in promoting high quality care. We will continue to provide a comprehensive programme of information, education and training to the aged care sector. Innovation and continuous improvement in the quality of care will be encouraged and promoted through industry events and our better practice conferences. We will revitalise and refresh our engagement with industry and services to assist providers to deliver high quality and innovative options for older Australians needing care.

It is our privilege to ensure the quality of care and improve the life experience of millions of Australians touched by the aged care system. We strive to engage and empower them with information to support their care choices within an industry which offers world class innovative options.

## OUR VISION

Older Australians have quality care choices that enhance their lives

## OUR MISSION

Our programmes and services provide assurance and enable high quality care and innovation

## OUR WORK

We manage the accreditation of approximately 2700 residential aged care services.

We monitor compliance with the Accreditation Standards and support residential aged care services to attain full compliance with the standards.

We review quality of aged care to older people in the community by undertaking Quality Reviews of services.

We promote quality care through developing and delivering targeted information, resources and education services for community and residential aged care services.

## How we work

Consistent with the Australian Public Service values we are:

### **IMPARTIAL**

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

### **COMMITTED TO SERVICE**

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

### **ACCOUNTABLE**

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

### **RESPECTFUL**

We respect all people, including their rights and their heritage.

### **ETHICAL**

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

## Part 2: Governance Arrangements and Structure

The Quality Agency is an independent Government Agency within the portfolio of the Minister for Social Services. The statutory head of the Agency is the Chief Executive Officer.

The Quality Agency operates throughout Australia with its National Office located in Parramatta, New South Wales, and with Operation's services delivered through state offices.

Our state offices are responsible for delivering the overall programme of assessments of aged care services including the accreditation of residential aged care services and quality review of home care services which include services under the Commonwealth Home Support programme and the National Aboriginal and Torres Strait Islander Flexible Aged Care Programme. State offices are also responsible for delivery of our industry education programmes and conference events.

The National Office is responsible for Corporate Services and Strategy including IT, human resources, finance, risk and quality assurance, as well as Programs and Education. This includes review of assessment methodologies as well as accreditation systems, and development and overall management of the comprehensive industry engagement and education programme.

### Our Purpose

High-quality care for persons receiving Australian Government subsidised residential aged care and aged care in the community through the accreditation of residential aged care services, the quality review of aged care services including services provided in the community, and the provision of information, education and training to the aged care sector.

### 2.2 Primary functions and responsibilities

- Manage accreditation of aged care services
- Monitor compliance with the Accreditation Standards
- Review quality of aged care to older people in the community
- Develop and deliver information publications and education services that promote high quality aged care

PORTFOLIO BUDGETS STATEMENTS 2015-16  
BUDGET RELATED PAPER NO. 1.15A

### The Aged Care Quality Advisory Council

Our programmes and services are enhanced by the experience and expertise of Aged Care Quality Advisory Council (Advisory Council) members. The Advisory Council is authorised under the *Aged Care Quality Agency Act 2013*. Its purpose is to provide advice to the Chief Executive Officer (CEO) and the Minister in relation to the functions of the CEO.

The Advisory Council is comprised of a Chair and six to 10 members. Members of the Advisory Council are appointed by the Minister.

The Advisory Council is a principal stakeholder of the Quality Agency. Members offer strategic advice and provide different experience and perspectives which assist the Quality Agency to meet the expectations of consumers, providers and the general public.

## **Part 3: Performance**

### **Context**

Recognising the environment in which we operate will be important in order to play an effective role to optimize models for aged care services in Australia and ensure effective safeguards for the quality of care received. A number of macro-economic, legislative and social factors are relevant to the Quality Agency's performance in the next four years:

- challenging economic environment;
- ageing population and the prevalence of dementia; and
- increasing consumer expectations and corresponding policy reforms

These factors are discussed in more detail in section 5.

Government is progressively reforming the aged care sector to offer competitive, high quality services that meet the needs of an ageing population. The Quality Agency responds flexibly to government policy decision, consumer expectations and workforce demands to maintain a high level of performance.

In particular, the implementation of full cost recovery and a contestable market for accreditation of residential aged care services; the development of new aged care standards and a single quality framework across aged care have our full attention and effort. Increased consumer expectations and their desire to use technology for instantaneous access to relevant information; and government and public expectation to implement efficiency improvements are also shaping how we do our work.

It is within this context that the Quality Agency has developed its Performance Framework and its key priorities for 2015-16.

### **Key Priorities for 2015-16**

#### **External**

- Contribute to the development of the new aged care standards and the single quality framework.
- Contribute to Government's review of options for market contestability in the accreditation of residential aged care.
- Engage in a quality dialogue with a broad range of stakeholders to develop a shared understanding of quality in aged care services.

#### **Internal**

- Enhance our stakeholder and consumer engagement capabilities.
- Implement efficiencies in the delivery of Quality Agency's programmes.
- Maintain the Quality Agency's financial position and ensure it is sustainable.
- Negotiate an Enterprise Agreement.

## Strategic Priorities

The Quality Agency's strategic priorities have been established in order for the Quality Agency to deliver on its vision that 'Older Australians have quality care choices that enhance their lives'.



## Strategic Priority 1 – Quality Framework

|   |                           |  |
|---|---------------------------|--|
| <b>1</b>  | <b>Strategic Priority</b> | <b>Key Performance Indicator:</b>  |
| We work collaboratively to ensure high quality care for older Australians |                           | <ul style="list-style-type: none"> <li>Programmes support performance beyond compliance amongst providers of aged care services</li> </ul> |

| <b>Strategic Objectives</b> |   | <b>Measures of Success</b>  |
|-----------------------------|---|---|
| 1.1.                        | Be a model regulator in delivery of accreditation and quality review programmes | <p>Compliance with the Regulator Performance Framework</p> <p>Minimum standards are met and there is evidence of continuous improvement amongst providers of aged care services</p> |
| 1.2.                        | Deliver a single quality framework across Home Care and Residential Aged Care   | Home care and residential aged care have been integrated across the Quality Agency’s regulatory programmes and systems  |
| 1.3                         | Understand and improve performance in Home Care                                 | Compliance measures and strategies established to improve performance in Home Care  |

## Strategic Priority 2 – Authentic Engagement

|   |                           |   |
|---|---------------------------|---|
| <b>2</b>  | <b>Strategic Priority</b> | <b>Key Performance Indicator:</b>   |
| We listen to consumers, providers and the aged care community |                           | <ul style="list-style-type: none"> <li>Surveys, reviews and feedback indicate satisfaction with our engagement</li> </ul> |

| <b>Strategic Objectives</b> |   | <b>Measures of Success</b>  |
|-----------------------------|---|---|
| 2.1.                        | Integrate consumer engagement strategies into our programmes            | Consumer priorities are reflected in our programmes                             |
| 2.2.                        | Engage strategically with the aged care industry and other stakeholders | Planned and targeted stakeholder engagement supports the achievement of quality |

## Strategic Priority 3 – PROMOTING QUALITY

3

### Strategic Priority

We target our programmes to promote high quality care and innovation

### Key Performance Indicator:

- Surveys, reviews and feedback indicate satisfaction with our programmes that promote high quality care and education

#### Strategic Objectives

#### Measures of Success

|      |  |   |
|------|--|---|
| 3.1. | Design evidence-based education programmes   | Programmes address identified needs                                   |
| 3.2. | Deliver targeted information, education and training to improve quality in aged care | Participation rates and feedback from events and education programmes |
| 3.3. | Increase innovation and adoption of better practices in aged care                    | Evidence of innovation and uptake of better practice                  |

## Strategic Priority 4 – WORKFORCE CAPABILITY

4

### Strategic Priority

We recruit and develop people with the right capability for now and the future

### Key Performance Indicator:

- Survey results indicate that staff can achieve the requirements of the role

#### Strategic Objectives

#### Measures of Success

|      |  |  |
|------|--|--|
| 4.1. | Promote wellbeing and productivity at work   | Results of staff surveys and other human resource data                       |
| 4.2. | Build workforce capability to match our business needs                                     | We have a workforce capable of meeting our current and future business needs |
| 4.3. | Link our performance framework, including learning and development to our strategic intent | Increased performance which has been supported by learning and development   |

## Strategic Priority 5 – ENRICHED INFORMATION

| <b>5</b>                    | <b>Strategic Priority</b><br>We have technology and information systems to improve performance and transparency | <b>Key Performance Indicators:</b> <ul style="list-style-type: none"> <li>• Risk assessment tools for Residential and Home Care developed and implemented</li> <li>• Streamlined system approved and implemented</li> </ul> |
|-----------------------------|---|---|
| <b>Strategic Objectives</b> |   | <b>Measures of Success</b>  |
| 5.1.                        | Our technology and information systems enable improved business operations                                      | Reduction in costs, time or complexity of business operations   |
| 5.2.                        | IT systems capture information to better understand consumer needs  | Information capture is reflected in programmes and services   |
| 5.3.                        | Build analytic capacity to differentiate performance and manage risk  | Regulatory intelligence informs our actions   |

## Strategic Priority 6 – Stewardship

| <b>6</b>                    | <b>Strategic Priority</b><br>We are responsible and sustainable in our use of public resources. | <b>Key Performance Indicators</b> <ul style="list-style-type: none"> <li>• Fiscal outcome is within 2% of budget</li> </ul>        |
|-----------------------------|---|--|
| <b>Strategic Objectives</b> |   | <b>Measures of Success</b>   |
| 6.1.                        | Our programmes and services represent best value for money                                      | Accurate costing and implement ongoing efficiencies through programme innovations and system development                           |
| 6.2.                        | Improve internal controls and governance  | Compliance with regulatory and legislative requirements  |
| 6.3.                        | We are responsive to Government priorities  | Alignment with Department of Finance and Portfolio policies in relation to expenditure of public money and allocation of resources |
| 6.4.                        | We use sound financial models and information to enable effective decision making               | Accurate activity based costing and minimal budget variance  |

## Part 4: Capability

### Workforce Plan and Quality Agency Capability

In order to ensure that its employees' skills and knowledge match business requirements, the Quality Agency will develop a Workforce Plan (the Plan) as a business tool to identify individual job capability, and the functions and roles needed to manage the Quality Agency's business. The objective of the Plan will be to ensure there is a sufficient and sustainable capability to deliver organizational objectives now and in the future.

The Plan will incorporate strong governance mechanisms which will clearly identify the human resource strategies required to continuously deliver the right people, in the right numbers, in the right place, at the right time. The Plan will also link learning and development to organisational business outcomes so that individual learning and performance contributes to the Quality Agency's outcomes.

### ICT Strategy

Technology enables the Quality Agency to increase productivity through operational improvement. Key characteristics of our ICT Strategy are:

- **Connected government** - consistent with the Commonwealth Government's vision of a connected government sharing information to deliver a single, seamless and consistent user experience for its stakeholders;
- **Strong infrastructure** - identifies key ICT investments and projects to ensure the ongoing security and reliability of the ICT infrastructure;
- **Innovation** - providing a contemporary ICT platform to facilitate innovative solutions which will enhance the experiences of staff, providers and consumers. Within the parameters established by the Commonwealth ICT guidelines, the agency will explore innovative use of emerging technology such as cloud computing, mobility, social media, data analytics and bring your own device BYOD to further increase productivity, reduce cost and enhance user experience; and
- **Digital transformation** - supports the Commonwealth Digital Transformation strategy, for single and consistent user experience regardless of the source and/or delivery channel of their interaction.

## Part 5: Environment

### Social and Demographic

Australians enjoy among the highest life expectancy of any developed nation – sixth highest in the OECD, thus Australia’s aged care system touches the lives of millions of Australians including:

- around 875,000 people who receive aged care services, ranging from assistance at home, to respite care, and residential aged care; and
- approximately 2.7 million unpaid carers, many of whom are family members who are the primary carer for an older relative.

As people age, there is a trend for them to remain in their own homes for as long as possible. Home care is a vital option that will continue to grow with the rising demand. Increasingly, people in residential aged care services will have complex needs, as those who can be cared for at home remain there. The Quality Agency is increasingly observing complexities that include:

- older Australians from culturally and linguistically diverse backgrounds;
- increasing numbers of Indigenous Australians accessing aged care services;
- people accessing aged care services with what were once terminal diseases such as Diabetes, Hepatitis and HIV;
- consumers with increasing expectations of the services they receive; and
- the rise in the numbers of older Australians with dementia.

The rise in dementia throughout Australia will continue to drive the need for high quality residential aged care and while there remains no prevention or cure this will continue to grow.

The implementation of Consumer Directed Care has raised the expectation of consumers. This fuels the need for the Agency to provide better and more consumer friendly information that can support and inform people’s care choices. We are focused on harnessing consumer perspectives to identify what information matters to them when making significant care choices amongst a suite of providers.

The Quality Agency is conscious of these trends impacting aged care service providers in developing our education services and resources. We are exploring new ways to provide relevant and targeted education resources to assist providers to provide high quality care.

## Political and Legislative

The Australian Government is committed to transforming the aged care sector to ensure that consumers are empowered to exercise choice, and that the aged care system is market based, innovative, responsive and sustainable.

Consumer choice and its influence on driving a competitive market was significantly boosted on 1 July 2015 by the commencement of:

- consumer directed care (CDC) for all Home Care packages;
- Commonwealth Home Support Programme, making available to consumers a greater range of services; and
- Regional Assessment Services, making it easier for consumers to have their needs assessed and met.

In this environment of increased choice, price and quality will be two key variables that consumers will take into account in making decisions about services and service providers. Prices are already published on My Aged Care creating greater transparency in the system. Pricing information will be complemented by improved transparency about service quality through the National Quality Indicator Programme currently being trialled in residential aged care and being developed for Home Care.

The commencement of the Commonwealth Home Support Programme and the commencement of the Regional Assessment Services is making it easier for consumers to have their needs assessed and met. This improved choice will be bolstered by making short term restorative care accessible to a wider range of consumers, and by attaching Home Care funding to the consumer from February 2017.

The Government has also flagged its intention to move to a single care at home programme, combining the Home Care Packages Programme and the Commonwealth Home Support Programme and to improve aged care regulatory arrangements by:

- increasing the independence of aged care complaints handling arrangements; and
- developing a single quality framework to provide for greater consistency in expectations for service providers and consumers across end to end aged care.

These changes support informed consumer choice, make the aged care system more responsive to consumer needs, will better meet the needs of older Australians, and will empower people to receive the services they require.

## **Economic**

Fiscal sustainability remains a high priority for government. The Government is implementing fiscal repair strategies to reduce Government spending, increase productivity, investment and labour participation.

The Aged Care sector is growing significantly in line with Australia's ageing population. The sector currently employs approximately 350,000 people. According to the Intergenerational Report 2015, the Australian Government provided around 0.9 per cent of GDP for total government aged care expenditure in 2014-15. The Australian Government provided \$13.3 billion in funding, of which about two-thirds was allocated to residential aged care programmes.

This economic environment has compelled the Australian Government to implement full cost recovery for the Quality Agency's residential aged care accreditation services from 1 July 2016. The Quality Agency is committed to be a model regulator and to deliver its programmes effectively and efficiently.

## **Technological**

Technology is transforming the way services are provided in the aged care sector. Interactions and communication employing new technologies are becoming more prevalent amongst providers, government and consumers. Technology has become an enabler of high quality care. Programmes using technology are being offered by providers to enhance the experience of consumers. These include Skype and video conference facilities to connect with families and professional services, gaming facilities including for therapy sessions, and education through internet based delivery.

Initiatives such as My Aged Care are enabling consumers to access relevant information to inform their choices. The Quality Agency is excited at the possibilities that our systems and experience blended with technology platforms can deliver. Technological enhancements means the Quality Agency can deliver initiatives that will empower consumers with evidence that can inform their care choices.

## Part 6: Risk oversight and Management

Risk management is integral to the Quality Agency's planning and governance framework. The Quality Agency will consolidate a strategic risk management framework based on compliance with the APS risk management policies and standards.

The Quality Agency Audit Committee assists the Chief Executive by ensuring that its risk management strategy remains current and focused on areas of greatest risk. The Quality Agency approach to risk management is based on low tolerance to risk given the vulnerability of people using aged care services. The Quality Agency has identified the following seven key strategic risks which it will manage through mitigation strategies in its operational plans:

- accreditation and review conclusions and recommendations are factually incorrect and lack a sound evidentiary basis;
- not fulfilling its legislative mandate to deliver on quality for consumers of aged care;
- policy and procedural implementation does not give effect to intended outcomes;
- not delivering key outputs in a timely manner and not sustaining capabilities in the short, medium or longer term;
- not sustaining constructive relationships with its stakeholders, including with consumers of aged care and their representatives;
- failing to manage changes in its operating environment resulting from government policy or legislative change; and
- failing to attract, develop and retain staff possessing the required skills and attributes.