

# National Aged Care Advisory Council (NACAC)

## Communiqué – 11 April 2024

The National Aged Care Advisory Council's (Council) priority focus was on recommendations of Aged Care Taskforce relating to Refundable Accommodation Deposits (RADs), and Duty of Care and Criminal Penalties provisions in Exposure Draft of the new Aged Care Act. Council will continue to work closely with the department on these matters.

**Aged Care Taskforce:** Council supports the directions of the Aged Care Taskforce's recommendations, with members reflecting on the importance of aged care as a safety net. Council notes the sector and older people are seeking detail on the implementation approach for the recommendations, including timelines for next steps. Council noted that members had received mixed views from the sector regarding recommendations related to modernising accommodation funding and improving viability. Providers have raised concerns regarding capital uncertainty, as RADs are currently an essential component of the funding of capital development and for maintenance of existing homes. Older people have raised concerns regarding retention, if it is an additional payment which is not clearly tied to a specific purpose or added benefit. Council suggest work commences now to consider alternative funding solutions before the recommended review in 2030. This includes considering linking retention to capital to fund new builds and maintain existing buildings. Council noted the need to consider regional and remote homes as this cohort is different than urban and new builds.

**New Aged Care Act:** Council discussed balancing Royal Commission commitments in the application of penalties with the risk of unintended consequences. This includes the risk of impacting the attraction of workers or volunteers to the sector, and directors leaving the sector, should penalties for individuals not be set at a reasonable level. Throughout consultation, there was a strong response from stakeholders regarding the proposed statutory duty on responsible persons outlined in the exposure draft. Whilst some stakeholders thought a duty on responsible persons was unnecessary and could discourage suitably qualified and experienced individuals from participating in governing positions (particularly voluntary positions and positions in more rural and remote areas), or cause them to exit the market completely, others took the view that it would reinforce accountability and help foster a culture of compliance. Options for addressing the more contentious pieces of feedback from consultations need to be settled as a matter of priority.

**Other items discussed:** Council was joined by COVID-19 Inquiry Panel Chair, Ms Robyn Kruk AO, and Panel Member, Epidemiologist, Professor Catherine Bennett, who are conducting the independent inquiry into Australia's response to the COVID-19 pandemic. Council praised the efforts and innovation of front-line workers, but noted the immense toll of the pandemic on the workforce. Council acknowledged the deployment of armed forces to fill gaps in workforce and undertake infection prevention and control audits. Members noted significant challenges navigating relationships, communication, and decision-making processes between and within different levels of government. Council supports future use of a command-and-control model to ensure greater clarity and consistency across the sector. Council noted the importance of the visitation framework that was sector-led and appropriately balances the social needs and human rights of older people with health and safety.

An independent evaluation of Star Ratings is underway. It will include surveys, interviews and focus groups for prospective residents, residents, their families and carers, and sector stakeholders. It will also include workshops and written submissions for service providers, peak bodies and other representative organisations. Council welcomed engagement taking place in diverse locations across Australia, ensuring a broad representation of perspectives from stakeholders. While Council considers that Star Ratings has driven positive change over time, timely communication of enhancements, and prompt publication of quarterly updates to ensure currency of information, will increase uptake and drive changes as trust in currency of information in the system is built.

Council provided feedback on a proposed model for an Australian Ageing Well Research and Innovation Clearing House, which is being developed by the National Ageing Research Institute for the Department. Council is keen to ensure an industry perspective could be fed into the proposed model, and the importance of considering the relationship with States and Territories, in a model that includes independent evaluation. It is important to ensure research translation occurs promptly and addresses the needs of older people and their communities.

The next Council meeting is scheduled for 16 May 2024.