



Governance (Pillar 5 of the Royal Commission response) – Strengthening provider governance

In response to the Aged Care Royal Commission, the Australian Government is investing \$30.1 million from December 2021 to support aged care providers to improve their governance arrangements and meet strengthened legislative obligations. This will improve the quality of care for the 1.3 million Australians who currently access aged care services each year.

Measures to strengthen the accountability of aged care providers include:

- new governance obligations from 2022 to lift leadership capability in the sector by requiring improvements to the composition and accountability of aged care boards
- a review of the Aged Care Quality Standards, focussing on key areas of concern identified by the Royal Commission such as governance, dementia, and food and nutrition, and
- the appointment of an Assistant Commissioner for Sector Capability and Education to the Aged Care Quality and Safety Commission.
 - The Assistant Commissioner for Sector Capability and Education will be responsible for leading a transformational change program, informed by regulatory intelligence, to build sector capability.
 - This will include leading the development and implementation of a program to 3,700 aged care leaders to improve their corporate and clinical governance capability and equip aged care boards to drive improved outcomes for aged care recipients.

Why is this important?

The Australian Government is committed to building a culture of dignity and respect for senior Australians through the aged care sector, and quality and safety are critical to delivering on this commitment.

Boards of aged care provider organisations have a fundamental role in driving the cultural change required to bring about landmark sector reforms.

The reforms to quality and safety within aged care will be an important focus for the sector. These measures are in response to some of the immediate priorities to deliver better outcomes for senior Australians, aged care providers and the Australian community.

These measures implement in full or in part *Recommendations 19, and 88 to 91* of the Royal Commission's final report.

Who will benefit?

These measures will contribute towards improving the quality of care for the 1.3 million Australians who currently receive aged care services each year.

Australians deserve to have confidence in aged care quality and safety, and these measures are designed to drive cultural change across the sector, aligning aged care in this country with community expectations.

These measures will improve the respect, care and dignity senior Australians receive. In particular, stronger regulation of, and communication around, the expectations of aged care service delivery will deliver lasting improvements to safety and quality of life, and Australians' experience of aged care.

The measures will also drive change for aged care providers, building leadership in corporate and clinical governance, and through investment in sector education. They will raise the bar by requiring aged care providers to establish robust governance arrangements, and by strengthening standards for governance, dementia, food and nutrition.

How much will this cost?

The Australian Government will commit \$30.1 million over 4 years, from 2021–22.