



Australian Government  
Aged Care Pricing Commissioner

Aged Care Pricing Commissioner

# Annual Report

1 July 2020 – 30 June 2021



## **Aged Care Pricing Commissioner Annual Report 2020–21**

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**Australian Government**  
**Aged Care Pricing Commissioner**

Office of the Aged Care Pricing Commissioner  
Locked Bag 5, Haymarket, NSW, 1240  
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Senator the Hon Richard Colbeck  
Minister for Senior Australians and Aged Care Services  
Minister for Sport  
Senate  
Parliament House  
CANBERRA ACT 2600

Dear Minister,

As the acting Aged Care Pricing Commissioner, I am pleased to present the Annual Report of the Aged Care Pricing Commission covering the Commission's operations for the financial year from 1 July 2020 to 30 June 2021.

The Annual Report has been prepared in accordance with section 95B-12 of the *Aged Care Act 1997* and section 96 of the *Public Governance, Performance and Accountability Act 2013*.

The data and statements included in this report are based on records maintained by the Commission and is a true and accurate representation of our performance.

Yours sincerely,

A handwritten signature in black ink that reads 'David Weiss'.

**David Weiss**  
Acting Aged Care Pricing Commissioner  
7 October 2021

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# Commissioner's overview

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*David Weiss,  
Acting Aged Care  
Pricing Commissioner*

It is my pleasure to present the eighth Annual Report on the operations of the Aged Care Pricing Commissioner (ACPC) covering the period from 1 July 2020 to 30 June 2021.

I was appointed as the acting Aged Care Pricing Commissioner on 21 May 2021. I would like to acknowledge the work of the previous Commissioner, John Dicer, whose term finished in May.

The last financial year has been marked by several significant events, including the ongoing impact of COVID-19 and the handing down of the final report of the Royal Commission into Aged Care Quality and Safety and the Government's response.

Our team has also experienced a busy year, continuing to navigate the changing work environment due to COVID-19 restrictions,

while completing two long-term internal projects and assessing more than 400 applications - a 34% increase from the previous financial year.

## **New RAD application form**

The new Refundable Accommodation Deposit (RAD) application form was launched in September 2020 and was the culmination of more than 12 months' work by the ACPC team and the Industry Reference and Working Group<sup>1</sup>. It was initially hoped that the new application form would be accessible for stakeholders through an online portal, however, due to budgetary and technical constraints

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1 The Industry Reference Working Group (IRWG) consists of representatives from residential aged care providers and industry bodies from the aged care sector. The ACPC consults with the IRWG on specific topics and issues, using their knowledge and experience to improve our processes and inform our work.

it was determined that this approach would not be feasible. Instead we opted to revise and streamline our PDF application form, with providers required to download the templates, complete the documents offline, and then email their application submission. We appreciated the support and understanding received from the sector with the decision to move away from the online portal option.

The application form was revised in line with the Minister's requirement<sup>2</sup> to reduce the administrative burden on applicants and aligns with our current strategic objectives<sup>3</sup>. The new form simplifies the application process by focusing on requests for essential information, integrating instructions within the form, and creating a standard template for documenting room and facility features.

The uptake of the new form was encouraging, with the final transition taking place on 1 January 2021. The initial feedback on the new form has been positive, however, as flagged when the new form was launched, we intend to conduct a more formal review in the second half of 2021.

## New ACPC website

The new ACPC website was launched at the same time as the new RAD application form and was a joint effort by the ACPC team and the Digital Channels Team from the Department of Health.

Along with modernising the appearance of the website, the update has also vastly improved functionality, with updated information and easier navigation. The website also includes a new calculator to assist providers calculate annual indexation of an approved RAD price, and we have been pleased to see that it has been in regular use since it became available.

The website continues to receive positive feedback from providers and will be monitored

on an ongoing basis, with a formal review to take place during September to November 2021.

## Business Improvement Review

The Business Improvement Review (BIR) commenced in February 2020 with the objective of evaluating our operating procedures and recommending changes to improve our business performance. It was run in conjunction with both the development of the new RAD application form and revision of the ACPC website and concluded in October 2020.

The BIR comprised interviews with staff and an end-to-end mapping of the assessment process for RAD applications. The results highlighted the need to better understand task distribution during an assessment, refine aspects of the comparative assessment process, and update external communications.

Several outcomes from the BIR have already been actioned, including updates to the ACPC database to enable task specific monitoring and to register quantitative features against individual residential aged care homes. The remaining action items are scheduled to be implemented during the next financial year, including a review of letters sent to stakeholders and updating internal procedural documents. Analysis of additional data collected will occur on an ongoing basis.

## Facility visits

With the easing of COVID-19 travel restrictions towards the end of 2020, the previous Commissioner was able to resume visiting residential aged care homes from February to April 2021. Mr Dicer's visits covered 50 homes across Tasmania, Adelaide and Queensland.

As in previous years, the staff at the homes were generous with their time and willing to share their personal experience of both the

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2 See the Minister's Statement of Expectations at [ACPC Statement of Expectations and Statement of Intent | Aged Care Pricing Commissioner \(acpc.gov.au\)](#)

3 See the ACPC strategic objectives at [2020–2022 Strategic Objectives | Aged Care Pricing Commissioner \(acpc.gov.au\)](#)

joys and challenges of providing services to older Australians. In doing so, Mr Dicer was able to improve his understanding of the current difficulties facing the aged care sector, particularly the challenges of delivering services and retaining staff in regional areas across the country. He commended the passion and dedication of the staff in these homes.

Following the example of my predecessor, I hope to have the opportunity to visit residential aged care homes during my term. These visits provide valuable context for the ACPC regarding the type and style of accommodation on offer at different RAD prices across the country, and an insight into issues faced by providers in the current environment.

## COVID-19

The impact of the COVID-19 virus over the past 12 months can be clearly observed in the downturn of occupancy rates, particularly in Victoria and New South Wales, where the outbreak of the virus and its spread to residential aged care homes had such devastating effects.

At the end of 2020, several providers indicated that their occupancy rates had decreased substantially over the previous 6 months. Such reductions in occupancy have had severe financial consequences for many, with the outflow of RADs exposing providers to worsening economic conditions and, in some cases, threatening ongoing viability.

Subsequently, it brought into focus the financial situation of many providers and the importance of sound corporate governance practices and capabilities. Some of these impacts were picked up by the Royal Commission and were also a focus of the work performed by the Aged Care Financing Authority over the course of 2020–21.

It is pleasing to see that occupancy rates for residential aged care homes across the country have recovered reasonably well, though in some instances the rates have not returned to pre-COVID-19 levels.

The pandemic has also encouraged the residential aged care sector to consider how building design can be utilised to stop the spread of a virus and enable more effective quarantine arrangements to be implemented. This feature may be seen in future years as new residential aged care homes are designed and built, born out of this current experience.

## Royal Commission into Aged Care Quality and Safety

The Government's response to the Royal Commission's final report marks the beginning of major transformational change for the Australian aged care sector and brings a sense of optimism that the future of aged care is heading in a positive direction.

The Royal Commission handed down its Final Report in March 2021 and made 148 recommendations. The Government responded to the Final Report in the 2021-22 Budget and published a detailed and separate report identifying each recommendation and the Government's response.

Following that report, and subject to amendments to the *Aged Care Act 1997* and the *National Health Reform Act 2011*, the Aged Care Pricing Commissioner will no longer be a statutory position and the functions of the ACPC will be incorporated into a new and expanded Independent Health and Aged Care Pricing Authority (IHACPA). This body is expected to provide advice to the Government on aged care pricing and costing matters and will consider applications for extra service fees for residential aged care places and applications for accommodation payments higher than the maximum amount of accommodation payment determined by the Minister.

Subject to the passage of legislation, the ACPC functions are expected to become part of the new IHACPA during the second half of 2021.

## Aged Care Financing Authority (ACFA)<sup>4</sup>

The ACPC was represented at every ACFA meeting during the financial year including its final meeting in June 2021.

The work of ACFA over the year included detailed reports on RADs and the Basic Daily Fee, regular discussions on the work of the Royal Commission and the impact of COVID-19 on the financial viability and sustainability of the aged care sector.

The work performed by ACFA was well received by industry and the ACFA Annual Report provided a clear and unambiguous picture of the state of the industry and the challenges and difficulties it is currently facing.

## Acknowledgements

Our work each day is informed and enabled by a variety of important stakeholders. I extend my sincere thanks to the groups noted below, for your assistance in the improvement of our business processes, facilitating our visits and providing the information required for our daily operations.

- Minister Colbeck and his team;
- Department of Health senior executives;
- residential aged care providers;
- members of the ACPC Industry Reference Working Group;
- peak industry bodies (for both providers and consumers); and
- members of the ACFA.

To the ACPC team, thank you for your support and ongoing commitment to the work of the Office during challenging times.

And finally, I thank the previous Aged Care Pricing Commissioner, Mr John Dicer, for his service to the Office which concluded in May 2021. His engagement in the aged care sector was well received and appreciated.

As acting Aged Care Pricing Commissioner, I look forward to assisting the Office to transition over the next 12 months and continuing to support reforms adopted by the Government for the betterment of our older Australians.

### **David Weiss**

Acting Aged Care Pricing Commissioner

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4 The ACPC was an ex officio member of the Aged Care Financing Authority, which provided independent advice to the Government on funding and financing issues, informed by consultation with consumers and the aged care and finance sectors.



# Functions of the Aged Care Pricing Commissioner

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The main statutory functions of the ACPC are to:

- i)** review and approve proposed accommodation payments that are higher than the maximum amount of \$550,000 (as determined by the Minister); and
- ii)** review and approve applications for changes in extra service fees.

In carrying out these functions, the ACPC strives to contribute in a positive way to improve transparency in the pricing of residential aged care accommodation, so that prices for residents are set objectively and fairly and are in no way determined by a resident's ability to pay.



# ACPC yearly performance summary<sup>5</sup>

## Aged care industry changes at a glance<sup>6</sup>

| Category  | as at 30/06/2019 | as at 30/06/2020 | Change between financial years |
|---|------------------|------------------|--------------------------------|
| Residential aged care providers (RAC providers) | 873              | 845              | 28 (3%↓)                       |
| Residential aged care homes (RAC homes)         | 2,717            | 2,722            | 5 (0.2%↑)                      |
| Residential aged care rooms (RAC rooms)         | 213,397          | 217,145          | 3,748 (2%↑)                    |

**Supporting statement:** The decreasing number of RAC providers continues as an ongoing trend for the sector, with challenging economic conditions, greater scrutiny of operations, and the move towards consolidation of providers. However, importantly, this does not represent a decrease in accommodation, with both the number of homes and the number of rooms increasing.

## Applications received and approved

| Refundable accommodation deposit (RAD) applications | Received | Change | Approved | Change |
|---|----------|--------|----------|--------|
| as at 30/06/2021                                    | 446      | 55     | 434      | 111    |
| as at 30/06/2020                                    | 391      | (14%↑) | 323      | (34%↑) |

Note: The remaining 12 applications received in FY2020–21 were finalised in FY2021–22.

<sup>5</sup> There are minor differences in the figures reported here for FY2019-20 when compared to the last ACPC annual report. This is due to an audit of the database and subsequent corrections to the data.

<sup>6</sup> The data in this table is from the 30 June 2020 Stocktake of Australian Government Subsidised Aged Care places, [Stocktake data: 30 June 2020 - AIHW Gen \(gen-agedcaredata.gov.au\)](https://www.aihw.gov.au/stocktake-data-30-june-2020)

The totals on the previous page can be disaggregated as follows:

| New applications | Received | Change | Approved | Change |
|------------------|----------|--------|----------|--------|
| as at 30/06/2021 | 255      | 76     | 252      | 14     |
| as at 30/06/2020 | 331      | (23%↓) | 266      | (5%↓)  |

| Renewal of previously approved RADs | Received | Change  | Approved | Change  |
|-------------------------------------|----------|---------|----------|---------|
| as at 30/06/2021                    | 191      | 131     | 182      | 125     |
| as at 30/06/2020                    | 60       | (218%↑) | 57       | (219%↑) |

**Supporting statement:** The table above shows a significant increase in the number of renewal applications received and approved in the last financial year. Some of this may be due to an audit of lapsed approvals at the end of 2020, and a new process implemented by the Office where courtesy letters are sent to providers with a reminder that their previously approved RAD price is due to lapse.

### Approved applications by RAC providers, homes and rooms

|               | as at 30/06/2020 | as at 30/06/2021 | Change since last FY |
|---------------|------------------|------------------|----------------------|
| RAC providers | 73               | 87               | 14 (19%↑)            |
| RAC homes     | 119              | 154              | 35 (29%↑)            |
| RAC rooms     | 6,463            | 10,071           | 3,608 (56%↑)         |

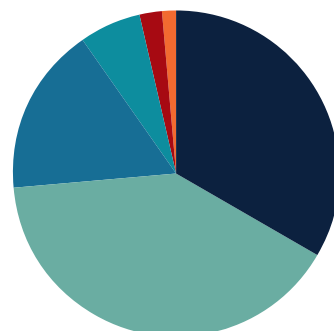
### Approved rooms within existing or new and refurbished RAC homes

|                           | as at 30/06/2020 | as at 30/06/2021 | Change since last FY |
|---------------------------|------------------|------------------|----------------------|
| Existing RAC homes        | 4,494            | 6,386            | 1,892 (42%↑)         |
| New/Refurbished RAC homes | 1,969            | 3,685            | 1,716 (87%↑)         |

**Supporting statement:** The figures above show a significant increase in the number of rooms approved from the previous financial year. The 34% increase in the number of total applications reviewed and approved translated to a 56% increase in the number of rooms approved during the financial year. The large increase may reflect several newly constructed large-scale homes that were submitted for approval this year, that each had more than 100 rooms.

## Approved rooms by price range

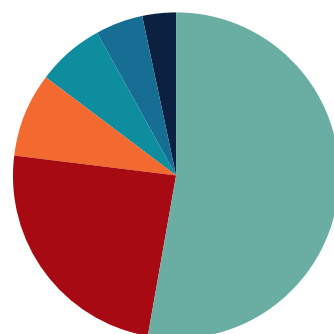
| Price range                  | No. of rooms  | Percentage (%) |
|------------------------------|---------------|----------------|
| ▶ \$550,001 to \$700,000     | 3,376         | 33.5           |
| ▶ \$700,001 to \$850,000     | 4,040         | 40.1           |
| ▶ \$850,001 to \$1,000,000   | 1,689         | 16.8           |
| ▶ \$1,000,001 to \$1,250,000 | 609           | 6.0            |
| ▶ \$1,250,001 to \$1,500,000 | 229           | 2.3            |
| ▶ \$1,500,001 and above      | 128           | 1.3            |
| <b>Total</b>                 | <b>10,071</b> | <b>100</b>     |



**Supporting statement:** As can be seen above, approximately 74% of all rooms approved this year were priced between \$550,001 and \$850,000. Only 10% of all rooms approved were priced at \$1 million or above. This is a similar story to that observed the previous year, where 74% of rooms were priced between \$550,001 and \$850,000, and only 6% of rooms were priced at \$1 million or above.

## Approved rooms by state/territory

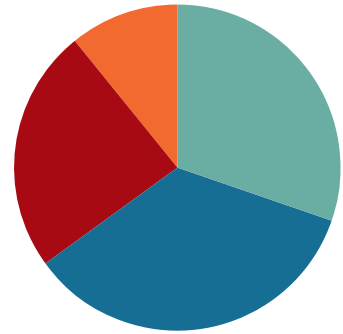
| State/territory | No. of rooms  | Percentage (%) |
|-----------------|---------------|----------------|
| ▶ NSW           | 5,339         | 53.0           |
| ▶ VIC           | 2,435         | 24.2           |
| ▶ WA            | 838           | 8.3            |
| ▶ SA            | 670           | 6.7            |
| ▶ QLD           | 478           | 4.7            |
| ▶ ACT           | 311           | 3.1            |
| ▶ TAS           | 0             | 0              |
| <b>Total</b>    | <b>10,071</b> | <b>100</b>     |



**Supporting statement:** Over 50% of the rooms approved this year were in NSW, with the next largest proportion of approximately 24% in Victoria. These figures maintain the same picture from previous years, however the proportion of applications from Queensland has reduced slightly from 8% down to approximately 5%.

## Approved rooms by distance from capital city central business district (CBD)

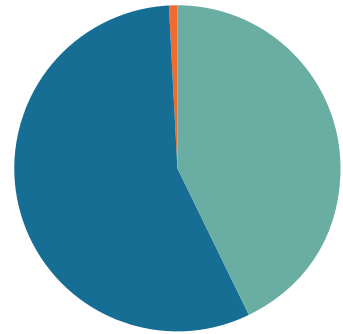
| Distance band       | No. of rooms  | Percentage (%) |
|---------------------|---------------|----------------|
| 0 – 10 kms from CBD | 3,067         | 30.5           |
| 11 – 20km from CBD  | 3,502         | 34.8           |
| 21 – 40km from CBD  | 2,438         | 24.2           |
| 40+kms from CBD     | 1,064         | 10.6           |
| <b>Total</b>        | <b>10,071</b> | <b>100</b>     |



**Supporting statement:** The information above shows that almost 90% of rooms approved in the 2020-2021 financial year were within 40km of the CBD. While this is a three percentage point increase from previous years, it does not represent a decrease in the number of rooms approved in regional areas, with an additional 167 rooms approved 40km or more from the nearest capital city CBD.

## Approved rooms by RAC provider type

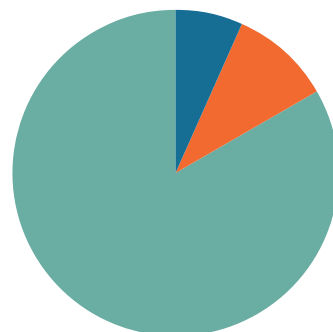
| Provider type  | No. of rooms  | Percentage (%) |
|----------------|---------------|----------------|
| For profit     | 4,331         | 43.0           |
| Not for profit | 5,656         | 56.2           |
| Government     | 84            | 0.8            |
| <b>Total</b>   | <b>10,071</b> | <b>100</b>     |



**Supporting statement:** More than half of the rooms approved were submitted by not for profit RAC providers. This proportion has slightly decreased from the previous financial year, but the number of rooms approved across all categories has increased.

## Applications with proposed RAD prices revised, rejected or withdrawn

|                                  | No. of applications | Percentage (%) |
|----------------------------------|---------------------|----------------|
| Withdrawn                        | 32                  | 6.9            |
| Approved with revised RAD prices | 46                  | 9.9            |
| Rejected                         | 0                   | 0              |
| Approved without revision        | 388                 | 83.3           |
| <b>Total</b>                     | <b>466</b>          | <b>100</b>     |



### Supporting statement:

Applications may be withdrawn, revised or rejected for the following reasons:

- insufficient information was received from the RAC provider; or
- pricing levels sought were not supported.

Applications withdrawn may be resubmitted with amendments by the provider at any time. Applications rejected may be resubmitted 4 months after a decision has been made.

## Completion times

| Category   | as at 30/06/2020 | as at 30/06/2021 | Change since last FY |
|--|------------------|------------------|----------------------|
| Average number of working days to review and approve a RAD application | 29               | 26               | 3 (10% ↓)            |

### Supporting statement:

The *Fees and Payments Principles 2014 (No 2)* state that the ACPC must notify applicants of a decision to approve, or to refuse to approve, an application within 60 days of receiving the submission. This timeframe does not include any period during which the ACPC formally sought further information for the application.

In March 2021, one application received was not allocated for assessment due to an administrative oversight. When this mistake was realised, the application was processed and a decision made within 17 working days. However, this application was held within our office for 76 working days in total. All other decisions made by the Commissioner in 2020–21 were within the 60-day period.

The approach taken in assessments, with a small number of exceptions, has been to informally seek the additional information required to complete an assessment. When this informal request time is taken into consideration, the average time taken to decide on an application in 2020–21 falls from 26 working days to 22 working days.

## Extra Service Fees

The ACPC received 25 applications for changes to extra service fees (ESFs) and approved 24 of them, a decrease in the number of applications from the previous financial year. One application was withdrawn, and two were for reductions in ESFs.

An ESF application relates to a provider with extra service status who seeks to charge a fee for significantly higher standards of accommodation, food and personal services on offer to the care recipient. A provider with extra service status can apply every 12 months to change the extra service fee. The fee can be increased by a maximum of 20% plus CPI. In considering an application to increase extra service fees, the ACPC looks at several factors, including food options, entertainment options, enhanced personal services, specific products offered and organised activities.

While approved providers may make an application at any time, the ACPC cannot decide to approve a proposed extra service fee until at least 12 months has elapsed since the date on which the last approval took effect. The average time taken to approve an extra service fee application in 2020–21 was 25 working days.

During the year, the ACPC was advised by the Department of Health of a number of providers who had suspended their extra service status. The lower number of extra service fee applications and the suspended services appears to represent a gradual shift away from extra service fees to charging residents additional service fees instead.



# ACPC operations in 2020–21 – the year on a page

**434**

Approved RADs



**24**

Approved ESFs

**87**

Providers with approved RADs



**154**

Homes with approved RADs

**10,071**

Rooms approved

**6,386**

Existing

**3,685**

New/Refurbished



**74%** of RADs approved are between \$550,001 and \$850,000

**77%**

of all rooms approved are in NSW and Victoria



**89%**

of all rooms approved are within 40kms of a capital city CBD

**56%**

of all rooms approved were from not for profit providers

**26** working days

on average to review and approve a RAD application





# Governance

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## Internal and external review

Decisions made by the ACPC in relation to applications for both RADs and ESFs are reviewable decisions under the *Aged Care Act 1997*. If an internal review is undertaken, the original decision can be affirmed, varied or a new decision made. However, an affected person can seek external review by lodging an appeal with the Administrative Appeals Tribunal. In 2020–21, no person or body sought an internal or external review of a decision.

## Freedom of Information requests

The ACPC did not receive any Freedom of Information requests during 2020–21. The ACPC provides an Information Publication Scheme entry and Freedom of Information Disclosure Log on the ACPC website.

## Financial accountability

The ACPC's approach to procuring goods and services is consistent with the:

- *Public Governance, Performance and Accountability Act 2013*;
- Commonwealth Procurement Rules; and
- Department of Health Procurement Policy.

The ACPC exercises expenditure powers under delegation from the Secretary of the Department of Health, pursuant to the *Public Governance, Performance and Accountability Act 2013*.

## Budget and staffing

The Aged Care Pricing Commissioner's original budget for 2020–21 was \$1,000,000 but this was increased through the course of the year by an additional \$171,000 for a total of \$1,171,000 (includes salaries, contractor costs, consultancies, website development and the Commissioner's remuneration and travel expenses).

The ACPC is supported by a team of four Assessors, one Data Analyst and one Executive Assistant.

## Future developments

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In response to the Aged Care Royal Commission, the Government has introduced legislation to incorporate the role of the ACPC into the new and expanded Independent Health and Aged Care Pricing Authority. The successful transition of the office will be the focus of activity over the next financial year.

In addition to the ongoing work of assessing applications, the team will also be conducting a 12-month review of the new RAD application form and ACPC website, including seeking stakeholder feedback on ways to improve these tools. In keeping with our continual business improvement approach, all current internal procedural documents will be updated, along with a review and update of documents used for external communications.

## Contacts

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The office of the Aged Care Pricing Commissioner can be contacted by phone on **1300 550 970**, by email on **[acpcenquiries@acpc.gov.au](mailto:acpcenquiries@acpc.gov.au)**, or by post at:

**Office of the Aged Care Pricing Commissioner**  
**Locked Bag 5**  
**Haymarket NSW 1240**

Further information about the Aged Care Pricing Commissioner can be found at **[www.acpc.gov.au](http://www.acpc.gov.au)**

# Appendices

## Appendix 1 – Statement of Expectations



**SENATOR THE HON RICHARD COLBECK**

Minister for Aged Care and Senior Australians  
Minister for Youth and Sport

Ref No: MS20-000439

Mr John Dicer  
Aged Care Pricing Commissioner  
Locked Bag 5  
HAYMARKET NSW 1240

17 JUN 2020

Dear Mr Dicer *John,*

Please find attached a Statement of Expectations for the Aged Care Pricing Commissioner.

The issuing of a Statement of Expectations, and the provision of a Statement of Intent in response, is a key element of sound governance for Australian Government bodies. These documents are valuable tools for increasing transparency and accountability, as well as ensuring well-defined responsibilities and clear relationships between statutory appointments and other arms of government.

The Statement of Expectations and your response, in the form of a Statement of Intent, complement the requirements of the Office of the Aged Care Pricing Commissioner (the Office) as set out in subsection 95B-1(2) of the *Aged Care Act 1997*. The statements enhance mechanisms of accountability and performance and build upon the Government's deregulation agenda and the strong goal of coming up with practical business solutions and outcomes.

The attached Statement of Expectations is intended to be a policy document and not a ministerial direction, a conferral of functions, a term or condition of office, or a delegation of power under any legislation or current agreement the Government may have with your Office.

I would appreciate receiving your Statement of Intent as a response within the next two months, outlining how you plan to achieve your goals, standards and timelines outlined in the attached Statement of Expectations. In the interest of public accountability, both these documents should be published on your website.

I look forward to receiving your Statement of Intent and the continued collaborative working relationship between the Aged Care Pricing Commissioner and the Department of Health.

Yours sincerely

Richard Colbeck

Encl (1)

## Statement of Expectations for the Aged Care Pricing Commissioner

### 1. Introduction

This Statement outlines the Government's expectations about the role and responsibilities of the Aged Care Pricing Commissioner (ACPC), the ACPC's relationship with the Government, issues of transparency and accountability and operational matters. It forms part of the Government's commitment to good corporate governance of agencies and reducing the regulatory burden on business and the community.

The ACPC is a statutory appointment, established to approve refundable accommodation deposits (RADs) that are higher than the maximum determined by the Minister (currently \$550,000) and approve increases in extra service fees (ESFs).

The Government recognises and respects the statutory independence of the ACPC. It is imperative that, as ACPC, you act independently and objectively in performing your functions and exercising powers as set out in Division 95B of the *Aged Care Act 1997* and associated Principles. However, the Government expects that you take into account the Government's broad policy framework and deregulation agenda in performing your role and functions.

The Minister for Aged Care and Senior Australians has responsibility for the policy, program and regulatory oversight of the Australian aged care system, and expects to be fully informed in a timely manner about the activities of the ACPC and any emerging trends, problems or issues in respect of its functions.

### 2. Priorities for the Aged Care Pricing Commissioner

The Government asks that you, as ACPC:

- use open, transparent and unbiased processes in order to arrive at fair, well-reasoned decisions and that you treat all stakeholders with respect and courtesy;
- maintain strong links and a cooperative working relationship with the Minister and the Department of Health (the Department) and the broader aged care sector in order to promote an effective response to the ageing population and the provision of high quality aged care accommodation and services based on respect for the dignity of older Australians;
- be dedicated to facilitating strong links with stakeholders through existing protocols (e.g. current protocols within the Department);
- ensure your procedural documents and actions are reviewed and updated and have a sound legislative base and are supported by appropriate internal processes and procedures;
- meet Government and public accountability expectations including maintaining comprehensive quality assurance and report processes for the Office of the ACPC;
- manage any potential conflicts around your responsibilities as ACPC in assessing applications;
- maintain ACPC team focus and morale; and

- educate and disseminate information regarding accommodation pricing to all stakeholders.

In undertaking your role, it is requested that the ACPC will:

- act in a professional, efficient and effective manner; and
- balance the needs of the Providers with the needs of Consumers to receive quality accommodation and extra services for fair, appropriate and transparent prices.

### 3. Stakeholder relationships

The Government notes that the ACPC and the Department operate within the same broad policy platform in a manner consistent with the requirements established by the Act. The Secretary of the Department plays an important role in providing the Government with policy advice in its oversight of portfolio agencies. To ensure that the Secretary and the Department can undertake this advisory role, it is important that you as ACPC, inform the Secretary (or the Department) of relevant issues and information affecting the portfolio.

The ACPC, the Minister and the Department should foster a close working relationship based on the principles of open communication, no surprises and information sharing, within the legislative constraints of and to the extent allowed by protected information or privacy provisions under the *Aged Care Act 1997*.

Conducive to an effective working relationship, the Minister and the Department will continue to consult with you on any issues that may impact on you fulfilling your statutory objective or compliance with the law.

In your role as ACPC, you should continue to maintain professional working relationships with other key stakeholders, particularly the broader aged care sector.

### 4. Organisational Governance and Financial Management

As a statutory office holder, you are required to exercise care and prudence in your financial management of the ACPC's Office in the context of your legislative framework, government expectations as set out in this document; the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and the financial management policies of the Department.

Further, it is requested that you manage the affairs of the ACPC's Office in a way that promotes the efficient, effective, economical and ethical use of resources. As a statutory office holder, you should continue to keep abreast of any relevant amendments to your legislative framework in order to continue to operate in an effective manner.

The ACPC is assisted by staff employed by the Department under the *Public Service Act 1999* (PS Act). Under the PS Act, agencies are required to uphold and promote the Australian Public Service (APS) Values. It is expected that you lead the ACPC's Office and ensure that all APS employees adhere to the APS Code of Conduct.

The ACPC's Office should ensure that it operates within all Departmental policies and processes, including human resources, financial, protective security, information technology and procurement.

**5. Reporting**

In addition to the Annual Report that you prepare as part of your legislative requirements, it is expected that you and the ACPC's Office provide input into the Department's Annual Report and other publications as requested from time to time.

**6. Conclusion**

The Government's vision is that the ACPC contributes to Government objectives to increase levels of transparency and understanding in the pricing of residential aged care accommodation and to ensure that residents receive quality accommodation where higher prices are paid, and approve increases in ESF. In doing so, the ACPC has a role to play in improving confidence in the regulation of aged care and in the aged care sector itself in a way that minimises the burden on care recipients, consumers and approved providers.





[acpc.gov.au](https://www.acpc.gov.au)