

Statement of Expectations

Statement of Intent

8 April 2010

Introduction

This Statement formally outlines the Government's expectations concerning the operations of the Aged Care Standards and Accreditation Agency Ltd (ACSAA) and how the Agency will meet these expectations.

1. Short and long term priorities

I request that ACSAA address the following priorities:

Governance

1. Be responsive to Government and the Parliament while fulfilling the functions of the accreditation body as set out in the *Aged Care Act 1997*, the *Accreditation Grant Principles 1999* and the Deed of Funding Agreement between ACSAA and the Department.

The company will:

- *ensure any legislation or policy changes related to the company or our activities are implemented in accordance with the legislation or the policy*
- *be responsive to you, as the Minister, and Parliament through Estimates, questions and parliamentary inquiries*
- *provide accurate information and balanced advice.*

2. Ensure that ACSAA's business objectives focus on implementing risk management strategies and practices aimed at effectively identifying and addressing non-compliance and the risk of non compliance with the Accreditation Standards, while continuing to promote continuous improvement within the residential aged care sector.

The company understands the importance of safety and quality in aged care. We will:

- *support changes to the accreditation arrangements that facilitate the development of a predictive risk identification model based on information and intelligence analysis techniques*
- *continually review our approach to assessment including*
 - *reviewing the on site information gathering methodology,*
 - *identifying further information requirements that will inform the assessment process*
 - *continuing to promote quality improvement through education and accreditation activity*
 - *identifying how a site visit can be used more directly to promote quality improvement.*

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3. Continue to work co-operatively with the Department and the Aged Care Commissioner to ensure that the Government's approach to ensuring quality in residential aged care operates effectively.

The company will contribute to this requirement by:

- *maintaining a cooperative approach to our working relationship with the Department*
- *continuing the relationship with the Aged Care Commissioner that recognises the Commissioner's functions and responsibilities set out in the Aged Care Act 1997*
- *reviewing the existing protocols with the Department and Commissioner that recognise the functions, powers, responsibilities and obligations of the parties.*

4. Ensure ACSAA retains certification of its management processes and assessor recruitment and training program.

The company will:

- *maintain the company's organisation accreditation with ISQua (International Society for Quality in Health Care) and*
- *maintain the ISQua accreditation of the assessor management and training program.*

5. Identify opportunities to maximise the use of financial resources.

We will continue with our practice of reviewing expenditure and revenue monthly as required, and planning with efficiency and effectiveness in mind.

6. Revise and implement ACSAA's corporate/business plan and provide this to me.

The company's corporate and business plan is developed with a three-year outlook. The plan is reviewed in February every year in time to inform the budget development process for the coming year. The company will:

- *continue to conduct an annual review of our plan to ensure the plan remains contemporary*
- *provide you, as the Minister, and as the member of the company, with any revisions of the plan*
- *ensure that the requirements of the Deed of Funding and this Statement of Expectations are reflected in the corporate plan*
- *continue to monitor company practices to ensure alignment with our plan.*

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Accreditation

1. Make certain that ACSAA has in place systems and processes that will ensure it undertakes at least one unannounced visit per annum to each aged care facility and provides site audits, follow up support contacts and review audits as required. These visits will ensure that high quality residential aged care is maintained so that the community will benefit from good quality care for its frail and older population in residential facilities.

The company:

- *has implemented the Australian Government policy concerning unannounced visits and has systems in place to monitor performance against the policy*
- *has processes in place to ensure that all homes that submit an application for accreditation receive an assessment and a decision about the accreditation period before the previous period expires*
- *consistently applies a case management approach to planning and conducting support contacts and review.*

The company will:

- *continue to use our case management approach to ensure support contacts and review audits are carried out with a view to ensuring residential aged care facilities provide high quality care and services and continue to improve*
- *continue to review all referrals of information from the Department and follow up where appropriate with support contacts or review audits.*

2. In assessing homes against the Accreditation Standards, actively work with industry to promote compliance and encourage a focus on continuous improvement.

The company supports the safety and quality emphasis of the accreditation arrangements. We will:

- *continue to maintain productive working relationships with approved providers through our commitment to promoting high quality care, helping homes to improve services by identifying best practice, providing information to homes and identifying non-compliance or potentially failing systems*
- *continue to provide education services to the industry as well as tools and resources.*

3. Explore additional means of engaging consumers and carers, including those from Indigenous and culturally and linguistically diverse backgrounds, in the accreditation process and of ensuring that their experiences of care are appropriately reflected in accreditation decisions.

The company will:

- *continue to ensure that the views of residents/representatives are canvassed as part of the assessment process*
- *recommend to the review of the accreditation arrangements that the accreditation body be authorised to gather resident feedback through a number of mechanisms including resident and representative surveys, resident and representative meetings*

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and facilitating submissions from residents or representatives about a home leading up to and following accreditation site audits

- *continue to provide training for registered quality assessors in working with residents from Indigenous and culturally and linguistically diverse backgrounds to ensure a better capture of information directly from residents*
- *provide community forums to the general public.*

4. Explore mechanisms to enhance openness and transparency in the work of ACSAA, within the parameters outlined in the *Aged Care Act 1997* and related legislation.

The company currently makes publicly available information about our systems and processes. We have recently:

- *revised our website to ensure greater accessibility and clarity in the content*
- *revised and made publicly available on our website the tools used by assessors including the Audit handbook, Results and processes guide and the Assessment modules*
- *made the assessor training course available to anyone who applies and pays for the course.*

The company will:

- *continue to review the website periodically including conducting an annual review of all content about the accreditation process*
- *continue to review all assessor tools annually and continue to make these publicly available*
- *continue to provide Quality education on standards (QUEST) training sessions free of charge to homes and to place self-directed training packages on our website as they are developed*
- *continue to provide seminars and Better Practice events as a vehicle for sharing the work of the company.*

Education

1. Ensure that ACSAA develops and delivers education services that promote best practice and assist approved providers and their staff to deliver high quality care.

The company recognises the need to provide a range of approaches to learning and development in the industry in order to promote a continuous improvement ethos among approved providers and throughout all homes.

The company will:

- *continue to engage with industry to identify education needs*
- *further develop our education activities as part of the 2009/2012 business plan*
- *conduct Better Practice events in each state capital city in 2010*
- *deliver seminars according to demand – current seminar topics cover evidence-based practice, strategic continuous improvement and managing risk*
- *maintain the currency of self-directed packages available for free download from the website – current packages are about self-assessment, continuous improvement, data and measurement, and demystifying dementia*
- *continue to promote the Governance and accreditation toolbox for use with boards*
- *continue to produce the monthly publication, The Standard, which focuses on the Accreditation Standards and homes which are examples of improving practice*
- *continue to provide QUEST as requested – this is a program whereby we deliver education to staff in residential aged care homes about accreditation and the Accreditation Standards*
- *continue to provide informal education during visits to homes and through assessment reports.*

Engagement with Industry and Consumers

1. Adopt a stronger focus on raising public awareness and confidence in the accreditation process and government arrangements for ensuring quality residential aged care.

The company will:

- *continue to brief media outlets*
- *continue to publish reports about aged care homes*
- *publish and distribute widely and promote the outcome of industry performance for round four accreditation*
- *market activities such as Better Practice events to the broader community*
- *continue to deliver conference papers to a wide range of suitable conferences*
- *seek to publish information in a range of publications which reach a broad range of people*
- *participate in industry and community forums.*

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2. Use the valuable expertise and knowledge of ACSAA Board members to build positive alliances with industry, consumers and other stakeholders, emphasising the critical role of ACSAA and the accreditation process in monitoring and promoting the provision of quality residential aged care.

The expertise and knowledge of non-executive directors will continue to be utilised as directors continue undertaking their role in the full understanding of the responsibilities they have as directors of a Commonwealth owned company.

Directors will continue to:

- *attend stakeholder functions with providers and consumer representatives*
- *speak at Better Practice events and meet with providers and their staff*
- *meet with company staff.*

3. Continue to implement quality assurance measures aimed at promoting consistency in the assessment process, including the provision of ongoing training and development opportunities for all staff including assessors and decision makers.

The company will continue to:

- *analyse approved provider and assessor feedback and use that feedback to improve processes and implement training*
- *monitor the assessor training course*
- *monitor the quality of reports and consistency of decision-making*
- *conduct observations of assessor practices*
- *take steps to ensure approved providers have a comprehensive understanding of the accreditation arrangements and the role of the company*
- *develop assessing tools and assessor ongoing education*
- *review and make publicly available on our website the tools used by assessors including the Audit handbook, Results and processes guide and the Assessment modules.*

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4. Ensure that the assessor workforce is adequately guided, equipped and resourced to detect non-compliance and to be responsive to the needs of residential aged care recipients, including those from Indigenous and culturally and linguistically diverse backgrounds, and approved providers.

The company will:

- *continue to ensure assessors are trained and up-skilled to undertake their role of assessing the performance of homes against the Accreditation Standards while maintaining the integrity of the accreditation arrangements*
 - *continue to revise the assessor training course as a result of learnings gained through the delivery of courses*
 - *continue to take into account the changing residential aged care environment and any changes to accreditation arrangements, Accreditation Standards and the introduction of quality indicators when up-skilling assessors*
 - *develop a specific learning package for assessors who have contact with Indigenous residents*
 - *review the information provided to assessors about assessing homes that have residents with culturally and linguistically diverse backgrounds*
 - *research alternative methodologies for assessment with a view to improving our assessment process*
 - *continue the development of assessing tools and assessor ongoing education.*
5. Continue to identify trends and developments in the delivery of quality care, and to disseminate information that promotes best practice.

The company will:

- *review the data on the performance of homes to identify trends in the delivery of quality care and services*
- *continue to identify best practice through research and ongoing relationships with other Australian and international accreditation bodies and research groups*
- *continue to promote best practice through education activities and publications including information presented on the website.*

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Engagement with the Department and Aged Care Commissioner

Whilst recognising the independence of ACSAA as the accreditation body under the *Aged Care Act 1997*, I ask that ACSAA work collaboratively and closely with the Department and the Aged Care Commissioner. In particular I request that ACSAA:

1. Work closely with the Department and the Aged Care Commissioner in the management of the Government's approach to ensuring quality in residential aged care.

The company will continue to work closely with the Department and the Aged Care Commissioner by providing information in accordance with the protocols developed and agreed by the parties.

2. Actively engage with the Department on the Review of the accreditation process and the Accreditation Standards and the development of Quality Indicators for residential aged care.

The company will:

- *continue our involvement in working parties and advisory committees established as part of the review of the accreditation arrangements and the Accreditation Standards, and the development of quality indicators*
- *continue to share our knowledge of international activity and trends in safety and quality and accreditation in health and aged care.*

3. Demonstrate innovation and leadership in the implementation of any outcomes of the review process.

The company will:

- *use our publications, website and education activities to promote any outcomes of the review process*
- *reengineer and revise our policies, processes, tools and information systems in a timely fashion to enable implementation of any changes*
- *work collaboratively with the Department and the industry to ensure consistent understanding and a smooth transition to any new system.*

4. Work with the Aged Care Commissioner to ensure a positive and productive working relationship between the organisations.

We will continue to play our part in encouraging a relationship built on respect, trust, integrity and a shared understanding of the respective roles and responsibilities of the parties.

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5. Maintain protocols with the Aged Care Commissioner to support the provision of comprehensive information to the Commissioner, which enables thorough examination of complaints about ACSAA's actions, in accordance with the legislation.

The company will:

- *maintain protocols with the Aged Care Commissioner concerning the provision of information in relation to complaints about the company's actions, our staff and contractors*
- *continue to cooperate with the Aged Care Commissioner in relation to the examination of complaints about the company, our staff and contractors to the full extent permitted by the law.*

6. Review protocols with the Department to support the complaints investigation process, including the timely provision of accurate advice, data and reports.

The company will review protocols with the Department concerning the complaints investigation process.

7. Work with the Department on the development of compatible information technology systems and databases that provide for regular and efficient sharing of information, including referrals on non-compliance, accreditation data, risk assessment data, and visits to homes.

The company has completed phase 1 of the Better Business information technology project which has modernised the way in which our transactions occur and facilitates timely reporting.

Once the Department's information requirements are scoped the company and the Department will work on the specifics of improved data exchange.

8. Analyse ACSAA's data in relation to accreditation results and provide timely reports to me, through the Department, on trends in non-compliance with specific accreditation outcomes and the circumstances and risk factors which may precipitate a change in compliance status.

The company will:

- *continue to expand our analytical work*
- *review the circumstances surrounding homes where there is a change in compliance to better inform what risk factors contribute to non-compliance and what promotes compliance*
- *continue to inform you, the Department and the sector of trends in non-compliance and the outcome of any research undertaken concerning accreditation.*

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9. Work cooperatively with the Department promoting best practice through ACSAA education division.

The company will:

- *conduct six Better Practice events in 2009 -2010*
- *continue to promote better practice through seminars, QUEST (education directly to homes), The Standard and on the website*
- *continue to promote Departmental events, tools or publications that provide guidance on better practice.*

Business Development

1. Maintain ACSAA's commitment to its priority core business, as set out in the Deed of Funding Agreement with the Department; the *Aged Care Act 1997*; and the Aged Care Principles, covering aged care accreditation, monitoring and education activities.

The company will maintain its focus on the core business of ensuring the health, safety and well being of residents and promoting quality improvement through accreditation and education.

The company will:

- *continue to ensure a focus on the accreditation of residential aged care homes by meeting the requirements of the Deed of Funding, the Aged Care Act 1997, the Accreditation Grant Principles 1999 and the Accountability Principles 1998*
- *continue to ensure accreditation and continuous improvement of residential aged care homes is supported through education and information provided to the industry*
- *manage these requirements in the context of monitoring and reviewing our own systems and processes to ensure efficient and effective delivery of services.*

2. Work co-operatively with the Department to explore opportunities to broaden the role of the ACSAA in accrediting other spheres of Commonwealth Government aged care.

The company will discuss with the Department and the Minister, the opportunities to undertake broader government accreditation in aged care.

As opportunities are identified, we will demonstrate how the company is able to develop systems and processes to manage the accreditation in other areas efficiently and effectively.

3. Progress continuous quality improvement within the ACSAA by working cooperatively with the Department to identify modifications or innovations to either the accreditation process or standards, for consideration by Government. The aim being to enhance outcomes for consumers of residential aged care or to reduce the regulatory burden on industry (without impacting on the quality of care).

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The company has proposed some changes to the accreditation arrangements that will:

- *reduce costs to the Government*
- *simplify the accreditation arrangements for providers*
- *provide better information about activity in the residential aged care sector and*
- *improve the voice of the consumer in accreditation.*

The company will:

- *use the current review of the accreditation arrangements and the Accreditation Standards, as well as the development of quality indicators, as one catalyst for identifying modifications to the accreditation process and Standards*
- *use our research into accreditation systems in other jurisdictions to inform improvements to the accreditation arrangements and Standards in Australia.*

2. Legislative Framework

I note that the ACSAA was established in 1997 as a Commonwealth company limited by guarantee and is subject to the *Corporations Act 2001* and the *Commonwealth Authorities and Companies Act 1997*. The sole member of the company is the Australian Government, represented by me as the Minister with responsibility for the *Aged Care Act 1997*.

I expect the ACSAA to operate in accordance with:

1. All relevant legislation (including the *Aged Care Act 1997*, the *Accountability Principles 1998*, the *Accreditation Grant Principles 1999*, the *Commonwealth Authorities and Companies Act 1997* and the *Corporations Act 2001*); and
2. Your Deed of Funding Agreement with the Department for service delivery with the Department.

The company will ensure that our actions conform to relevant legislation and the Deed of Funding.

3. ACSAA function as the accreditation body

The Government's approach to quality in residential aged care ensures minimum standards and continuous improvement in the quality of care, services and accommodation. The approach also protects residents and promotes consumer rights, and facilitates a resident-centred approach to aged care. An integral aspect of this approach is the assessment of residential aged care homes.

I note that ACSAA is the body appointed by the Secretary, Department of Health and Ageing as the accreditation body under Section 80-1 of the *Aged Care Act 1997*, and is funded through a Deed of Funding Agreement between the Commonwealth (represented by my Department) and ACSAA. Under the *Aged Care Act 1997*, related delegated legislation (including the *Accountability Principles 1998* and the *Accreditation Grant Principles 1999*), and the Deed of Funding Agreement with the Department, the ACSAA is responsible for:

- Managing the accreditation process for residential aged care facilities using the Accreditation Standards;
- Promoting high quality residential aged care and helping the aged care industry to improve service quality, by identifying best practice and providing information, education and training to industry;
- Assessing, and strategically managing, residential aged care services working towards accreditation; and
- Liaising with the Department about services that do not comply with the Accreditation Standards.

In implementing its function I expect ACSAA to:

- Comply with all relevant legislation;
- Act in a professional, efficient and effective manner, mindful of the critical role accreditation and education plays in the Government's approach to ensuring quality in residential aged care;
- Provide the Department with timely advice about any non-compliance identified and work closely with them, and with the aged care facility concerned, to achieve a quick resolution, with the continued health and safety of care recipients the key priority;
- Keep me fully informed in a timely manner about the activities of ACSAA and any emerging trends, problems or issues in respect of accreditation;
- Work collaboratively with the Department to develop and implement Government policy and develop new, better and more cost-effective ways to ensure compliance and facilitate continuous quality improvement across the residential aged care sector.

The company will continue to:

- *comply with all relevant legislation*
- *report on compliance with all relevant legislation in our annual report and regular reports to the Department of Health and Ageing*
- *be mindful of the critical role accreditation and education plays in the Government's approach to ensuring quality in residential aged care*
- *seek improvements to our practices to ensure enhanced outcomes for consumers of residential aged care*

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- *provide the Department with timely advice about any non-compliance identified and work closely with the Department and with the aged care home and approved provider concerned to ensure quick resolution*
- *keep you, as the Minister, and the Department informed in a timely manner about our activities and any emerging trends, problems or issues in respect of accreditation as a result of data analysis, individual reviews of homes, and targeted projects and research*
- *work collaboratively with the Department to develop and implement Government policy and develop new, better and more cost-effective ways to assess compliance and facilitate continuous quality improvement across the residential aged care sector including:*
 - *as part of working groups (including the review of the accreditation arrangements, review of the Accreditation Standards, implementation of quality indicators, and review of data exchange)*
 - *through regular formal and informal meetings with state and central office staff of the Department*
 - *through regular exchange of reports and data on homes.*

4. Stakeholder relationships

I note that ACSAA and the Department operate within the same broad policy platform, and in a manner that is consistent with the requirements established by the *Aged Care Act 1997*. The Secretary of the Department plays an important role in providing me with policy advice in my oversight of portfolio agencies. To ensure that the Secretary and the Department can undertake this advisory role, I request that you inform the Secretary (or the Department) of relevant issues and information affecting the portfolio.

I ask that ACSAA and the Department foster a close working relationship based on the principles of open communication, no surprises, and information sharing. I also request that the ACSAA comply with the appointment and relationship protocols for portfolio agencies endorsed by Minister Roxon in December 2008.

In having regard to the interests of the Government, I expect that you will provide me and my Department with appropriate notice of key issues, reports, and events that may impact on Government operations or policies. I also expect that you will provide a report bi-annually to the Department detailing the ACSAA's activities during the preceding six months, achievements against its Key Performance Targets, and any emerging trends in accreditation or compliance that you have noted during the period.

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The company will continue to:

- *inform the Secretary of the Department of relevant issues and information affecting the aged care portfolio including through*
 - *provision of information, reports and data on homes*
 - *discussion in preparation for Estimates, questions and parliamentary inquiries*
 - *prompt response to questions*
- *work collaboratively with the Department to foster a close working relationship based on the principles of open communication, no surprises and information sharing including*
 - *as part of working groups (including the review of the accreditation arrangements, review of the Accreditation Standards, implementation of quality indicators, and review of data exchange)*
 - *through regular formal and informal meetings with state and central office staff of the Department*
 - *through regular exchange of reports and data on homes*
 - *discussion of possible improvements to accreditation and information exchange processes to ensure enhanced outcomes for consumers of residential aged care*
- *comply with the appointment and relationship protocols for agencies endorsed by Minister Roxon in December 2008 and provide reports on this compliance to you as required*
- *provide a bi-annual report and ad hoc reports as required to you and the Department detailing our activities and achievements against our key performance targets, and any emerging trends in accreditation or compliance, or other significant issues within the residential aged care sector noted by the company.*

5. Company Compliance

I request that ACSAA's Board of Directors exercise prudence in their financial management of the company in the context of its legislative framework, Company Constitution, my expectations as set out in this document, and the requirements of the *Commonwealth Authorities and Companies Act 1997* (CAC Act) and the *Corporations Act 2001*.

The Board is accountable for the performance of the company's functions and financial management. Directors are responsible for exercising their powers and discharge of their duties: in good faith and in the best interests of the company; and with the degree of care and diligence that a reasonable person would exercise.

Under the CAC Act, the Board must notify me of any significant events, keep me informed of the operations of the company and comply with general policy orders issued by the Minister for Finance. Any breaches of the CAC Act, CAC Regulations or CAC Finance Minister's Orders must be reported in your company's annual compliance report.

The company will:

- *review our expenditure on a continuous basis to ensure operations are within budget*
- *review our processes to maximise efficiencies*
- *continue to ensure compliance with relevant legislation and the Company Constitution*
- *continue to apply the ANAO Best Practice Principles in the conduct of all Board matters including committees*
- *continue to ensure our Board of Directors exercises prudence in their financial management of the company including by*
 - *discussing any significant issues relating to the company's financial management*
 - *discussing compliance with relevant legislation and the Company Constitution as part of our governance framework*
- *continue to ensure our Board of Directors notifies you, the Minister, of the operations of the company and compliance with general policy orders issued by the Minister for Finance including any breaches of the CAC Act, CAC Regulations or CAC Finance Minister's Orders including through*
 - *the provision of an annual report and ad hoc reports as required*
 - *open and honest communication as reflected in our corporate plan*
 - *prompt response to questions.*

6. ACSAA as an employer

I note that ACSAA staff are not employed under the Public Service Act. Under the Government's Employment Bargaining Framework (EBF), ACSAA is required to seek my approval of its Collective Agreement prior to the finalisation of negotiations and considerations by staff. This request for approval should include the assessment of ACSAA's Collective Agreement by the Department of Education, Employment and Workplace Relations.

I request that ACSAA have in place broad people management practices that would support ACSAA being viewed by staff as a good place to work, being safe, family friendly and inclusive of community diversity and with a staffing profile that makes it sit well placed to effectively implement government workplace policy.

The company has sought and gained approval of its Collective Agreement 2009-2010 from you, the Minister.

The company will:

- *involve staff and their agents in the development of any future Collective Agreement with a view to ensuring that the company is a good place to work, being safe and family friendly*
- *seek approval of future Collective Agreements prior to finalisation of negotiations and considerations by staff and in accordance with the assessment of our Collective Agreement by the relevant government departments and other authorities*
- *continue our policy and practice of recruiting from the community with a transparent merit based process*
- *continue to conduct our coaching for performance everyday approach to managing staff and to provide opportunities for enhancing skills through education and opportunities to gain skills in the workplace*
- *continue to promote itself as an employer of choice.*

7. Conclusion

As outlined above, the purpose of this statement is to share with you my expectations of ACSAA. I look forward to receiving ACSAA's Statement of Intent in response to this Statement of Expectation, outlining how ACSAA proposes to meet these expectations. It is my intention that this Statement will be reviewed as circumstances require. I note that the current review of the accreditation process and Accreditation Standards being undertaken by the Department may impact on ACSAA operations in the future.

I ask that ACSAA include both the expectations outlined in this Statement, and the proposed actions to implement the expectations outlined in its Statement of Intent, into its Corporate Plan.

I commend ACSAA on its role in managing the accreditation of residential aged care homes. The continued high standard of ACSAA's performance demonstrates its commitment to quality care for older Australians.

I look forward to continuing a close and co-operative working relationship in the future.