

## EXPLANATORY STATEMENT

Issued by the authority of the Minister for Ageing

*Aged Care Act 1997*

*Quality of Care Amendment Principles 2010 (No. 1)*

The *Aged Care Act 1997* (the Act) provides for the funding of aged care services. Persons who are approved under the Act to provide residential aged care services (approved providers) can be eligible to receive residential care subsidy payments in respect of the care they provide to approved care recipients.

Subsection 96-1(1) of the Act allows the Minister to make Principles providing for various matters required or permitted by a Part or section of the Act.

The *Quality of Care Principles 1997* (the Principles) are one of the sets of Principles made under the Act.

The purpose of the *Quality of Care Amendment Principles 2010 (No. 1)* (the Amending Principles) is to reduce regulatory burden on the aged care industry by abolishing the annual fire safety declaration for those aged care homes that have met state, territory and local government authority fire standards.

This initiative is being undertaken in response to a recommendation contained in a 2009 Productivity Commission Report, recommending amongst other things a move to exception reporting for the annual fire safety declaration.

The annual fire safety declaration will be replaced by an obligation on approved providers to advise the Secretary by written notice of non-compliance with relevant state, territory or local government authority fire standards.

Further details of the amendments to the Principles are attached.

The Amending Principles are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

### **Consultation**

The Department of Health and Ageing consulted with the aged care industry through the Ageing Consultative Committee in relation to the Productivity Commission's recommendation.

The Ageing Consultative Committee comprises peak industry, professional and consumer bodies. Sector feedback was considered in the implementation and fine tuning of the recommendations.

**NOTES ON CLAUSES**

**Clause 1** states that the name of the Amending Principles is the *Quality of Care Amendment Principles 2010 (No. 1)*.

**Clause 2** states that these Amending Principles commence on 1 July 2010.

**Clause 3** states that Schedule 1 amends the *Quality of Care Principles 1997*.

**Schedule 1 – Amendments**

**Item 1**

Section 18.6B currently sets out the requirements for approved providers to submit to the Secretary a fire declaration in relation to the residential care service's compliance with all relevant state or territory laws (including local by-laws) relating to fire safety for each calendar year.

Item 1 removes the requirement for an annual fire safety declaration, replacing it with a requirement for a fire safety exception notice, which is only to be submitted to the Secretary in the event of an approved provider being advised that it is non-compliant with any applicable state or territory laws (including local by-laws) relating to fire safety.