

Governance readiness: preparing for the new Aged Care Act

9 May 2025

Outline of Presentation

- Fundamentals of the new Aged Care Act
- Statutory duties on registered providers and responsible persons
- How the penalty regime helps to understand governance obligations
- Key things to know to meet the statutory duty
- Tips for setting up systems and processes for compliance

The focus on provider governance

Fundamentals of the new Act

Registered provider statutory duty

A registered provider must **ensure**, so far as is **reasonably practicable**, that the **conduct** of the provider does not **cause adverse effects** to the **health and safety** of **individuals** to whom the provider is delivering **funded aged care services** while the provider is delivering those services.

Responsible person statutory duty

[Responsible persons to whom the duty applies] must **exercise due diligence** to **ensure** that the **provider complies** with the **provider's duty** under section 179 [being the section of the new Act which includes the registered provider statutory duty].

Due diligence includes taking reasonable steps to....

- acquire and maintain knowledge of requirements applying to registered providers under the Act
- ensure that the registered provider has, and implements, processes for complying with any duty or requirement of the registered provider under the Act.

How the penalty provisions help to understand governance obligations

What key matters should board members and executive staff acquire and maintain knowledge of?

Conditions of registration

Statement of Rights

Aged Care Code of Conduct

Aged Care Quality Standards & continuous improvement

Processes for compliance - practical issues and considerations



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