

Article Information

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Reform at last: the Aged Care Act 2024 and what to expect on 1 July 2025

In response to the Royal Commission's findings of systemic neglect and governance failures, the Aged Care Act 2024 introduces reforms aimed at strengthening transparency, accountability and rights-based care within the sector. We explore what the implementation of the new framework means for providers, recipients, and the uncertainties that lie ahead for the future of aged care in Australia.

The <u>Aged Care Act 2024 (Cth) (Act)</u> is a direct legislative response to the Royal Commission into Aged Care Quality and Safety, which exposed systemic neglect, inconsistent service standards, and failures in governance across the sector. With over 10,000 submissions and 600 witnesses, the Commission found that the existing framework failed to uphold the dignity, rights and safety of older Australians. In response, the Act — commencing 1 July 2025 — introduces a rights-based, person-centred approach, establishing a Statement of Rights, stronger regulatory oversight and improved governance to promote transparency, accountability and higher standards of care. But how far do these reforms go — and what do they mean for providers, recipients and the future of aged care in Australia?

Key Reforms and Changes

Statements of Rights and Principles

The Act establishes a comprehensive Statement of Rights for older individuals seeking and accessing aged care services. This includes rights related to:

- Independence;
- · Autonomy;
- Empowerment;
- Freedom of choice;
- Equitable access;
- Quality and safe services;
- · Respect for personal privacy; and
- Person-centred communication.

Additionally, the Act introduces a Statement of Principles to guide the conduct of government agencies, aimed at ensuring a person-centred, transparent and sustainable aged care system.

The Act reinforces these rights by mandating that providers take all reasonable steps to act in a manner compatible with those rights. While the Statement of Rights and Principles does not itself confer legally enforceable obligations, it establishes a clear normative framework that guides expected standards of care and delivery of high quality care across the sector.

Governance of the Aged Care System

The Act will establish a robust governance structure, including the appointment of key statutory officeholders such as the Aged Care Quality and Safety Commissioner and the Complaints Commissioner. These roles are crucial for overseeing compliance and addressing the effective resolution of complaints. An Aged Care Quality and Safety Advisory Council will

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also be established to provide ongoing monitoring and advice within the sector. The details of the Act will be found in the Aged Care Rules, which are progressively being released for consultation by the Australian Government.

Complaints Pathways

One of the significant reforms in the Act is the implementation of clear complaints pathways. The law clarifies that registered aged care providers are required to establish and maintain a comprehensive complaints and feedback management system. The Act expressly prohibits victimisation or discrimination against individuals who raise concerns or provide feedback, and includes whistleblower protections to safeguard those reporting substandard care or misconduct.

Under the new framework, complaints should first be directed to the relevant service provider, who must respond promptly and in accordance with their statutory obligations. Where concerns are not adequately addressed, individuals may escalate the matter to the Complaints Commissioner. The Commissioner is required to investigate and resolve complaints within a defined timeframe and must issue a written statement outlining the outcome and any corrective action taken.

Regulatory and Enforcement Mechanisms

The Act introduces a new risk-based regulatory model to enhance provider accountability and support proactive compliance. Key regulatory powers include the ability to enter and search residential care homes without a warrant under certain conditions, issue compliance notices, and impose civil penalties for breaches of the Act. Where providers fail to meet mandated standards, the Commissioner may suspend or revoke their registration.

Key Takeaways: What Do the Reforms Mean for You?

- Enhanced Rights and Principles: The Act establishes a comprehensive Statement of Rights and Principles, ensuring older individuals receive high-quality, safe, and person-centred care. While not legally enforceable, this framework sets expectations around dignity, autonomy, privacy and culturally-safe care. Providers must ensure their practices are aligned with these principles, while recipients and families now have a clearer benchmark to assess service quality.
- Complaints processes are clear and defined: All registered providers must implement formal complaints and feedback systems. Individuals who raise concerns are protected from victimisation, and whistleblower safeguards are in place. This promotes transparency and gives confidence to recipients, families and staff that concerns will be addressed appropriately.
- Stronger oversight and enforcement powers: New roles such as the Aged Care Quality and Safety Commissioner and Complaints Commissioner are introduced to oversee compliance and address complaints. This includes powers to inspect premises without a warrant in certain cases and to suspend or deregister providers for non-compliance. Providers should review internal compliance frameworks. For care recipients, this shift signals a more proactive regulatory response to poor care. Further requirements as to these aspects will be addressed by the progressive release of the Aged Care Rules.

For tailored guidance on preparing for the new Act or understanding your rights under the legislation, <u>contact us</u> to assist you in navigating these significant reforms in the aged care sector. We will no doubt see both the regulator and courts dealing with cases in the not too distant future.

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