PROTECHT

E-BOOK

Operating under the Aged Care Act: From compliance to confidence.

How aged care providers can build oversight that stands up to scrutiny.

Executive summary.

1 November 2025

The new Aged Care Act began alongside Support at Home, the strengthened Aged Care Quality Standards and a new regulatory model, changing the environment for providers.

4 public comparison lenses

Residential aged care homes can now be compared through Star Ratings, with provider and compliance information also easier to find publicly.

5 sector pressure points tracked publicly

The Quarterly Financial Snapshot tracks key indicators, increasing pressure on providers to explain performance in operational terms.

18,000 cases in one quarter

OPAN supported nearly 18,000 cases in the final quarter of 2026, highlighting long wait times, unaffordable essential services and lack of cottage respite.

24 hours / 30 days

Under the updated Serious Incident Response Scheme:

Priority 1
reportable incidents must be notified within

24 hours

Priority 2
reportable incidents must be notified within

30 days

6.9% more complaints / 10.5% more issues

The Aged Care Quality and Safety Commission found complaints about residential aged care services rose 6.9% and issues within complaints rose 10.5% (ACQSC).

Fragmentation is still the problem

Current reform and data work still points to duplication, inconsistency, reporting burden, fragmented data use and limited interoperability across the aged care landscape.

Takeaway: Compliance is only the starting point

The real test now is whether providers can show, clearly and consistently, what happened, who acted, what changed, and whether the response worked. This includes not only how incidents, complaints and feedback are managed, but how underlying risks are identified, assessed and reduced across residents, workforce and the organisation.

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1 What changed, and why it matters.

The new Aged Care Act 2024 started on 1 November 2025[1]. It arrived alongside Support at Home[2], the strengthened Aged Care Quality Standards[3] and a new regulatory model[4].

Together, those changes did more than update the rules. They changed the operating environment for providers. Aged care is now more rights-focused, more structured and harder to manage through broad assurances alone. The changes also raise expectations about how providers understand and manage risk across care delivery, workforce and operations.

This eBook is not a legal summary of the Act. It is about what the new environment demands now that commencement has passed, and the work has moved from preparation into day-to-day operation.[5]

A more visible and more demanding environment

Aged care is now easier to compare in public. My Aged Care's Star Ratings system allows people to compare residential homes using an overall rating and four sub-categories: Residents' Experience, Compliance, Staffing and Quality Measures.[6]

Visibility also extends beyond Star Ratings. People can search registered providers and approved residential care homes, including compliance information and conformance with the Quality Standards[8]. Financial and operating performance is more visible too. The Quarterly Financial Snapshot tracks the sector across financial indicators, care minutes, labour costs, occupancy, and food and nutrition.[9]

The result is a more demanding environment for providers. Performance is easier to compare, question and interpret than it was a few years ago.

In focus:
Star Ratings made comparison easier, not simpler

Star Ratings were introduced to increase transparency and help older people and families compare residential aged care homes. The government's evaluation found they had improved transparency and supported informed decision-making, even if they were not the sole driver of consumer choice. For providers, that matters because performance is now easier to compare in public. Quality concerns are more visible, and they sit alongside staffing, resident experience and other indicators that families can view more easily than before.[7]

1. About the Aged Care Act, Australian Government Department of Health and Aged Care.
2. Support at Home Program, Australian Government Department of Health and Aged Care.
3. Strengthening Aged Care Quality Standards, Australian Government Department of Health and Aged Care.
4. New Regulatory Model: Guidance for Residential Aged Care Providers, Australian Government Department of Health and Aged Care.
5. The New Aged Care Act in Practice, Australian Government Department of Health and Aged Care.
6. How Star Ratings Are Calculated, My Aged Care.
7. Star Ratings Evaluation Summary Report, Australian Government Department of Health and Aged Care.
8. Provider Governance Obligations, Aged Care Quality and Safety Commission.
9. Quarterly Financial Snapshot of the Aged Care Sector (Q1 2025–26), Australian Government Department of Health and Aged Care.

The six shifts that providers need to respond to:

1.

Rights

Older people's rights are more explicit and more central to the system, and providers are expected to understand those rights, act in line with them and show that they can do so in practice.[10]

2.

Quality bar

The strengthened Quality Standards took effect with the new Act and were deliberately made more measurable and detailed. That narrows the gap between broad intent and what can actually be tested.

3.

Stronger governance

Strong governance is now a legal responsibility, and providers must have governance arrangements that support safe, quality care and uphold the rights of older people.

4.

Structured regulatory model

Provider registration, monitoring, supervision and enforcement now sit within a clearer and more coherent framework.

5.

Continuing change

Support at Home replaced the Home Care Packages Program and the Short-Term Restorative Care Programme on 1 November 2025, while provider guidance and implementation materials have continued well beyond that point.

6.

From events to risk

Providers are expected to move beyond responding to incidents and complaints, and demonstrate how underlying risks are identified, assessed and reduced across care delivery, workforce and operations.[11]

Taken together, these shifts explain why the sector feels different now. Providers are not only operating under a new Act. They are operating in a setting where rights are more central, quality is easier to test, governance is under greater pressure, regulation is more structured, and practical change is still bedding in.

10. Statement of Rights, Aged Care Quality and Safety Commission.

11. Aged Care Act Resources for Providers, Australian Government Department of Health and Aged Care.

2 The first few months: where pressure is showing.

The final months before commencement were formally framed as a period of significant change leading into the new Act[12].

The first months after commencement have clarified where the pressure now sits. Providers have not moved neatly from reform into stable operations. They have moved into a period where expectations are live, evidence matters more, and daily practice is being judged against a clearer and more public standard.[13]

The expectation gap

The expectation gap is the distance between formal compliance and day-to-day practice. Many providers did the necessary first-stage work. Policies were updated. Committees were reviewed. Delegations were reconsidered. Staff were trained. Systems were adjusted. But the new environment expects those elements to work together, not sit as separate activities.[14]

That is where older ways of working are starting to show strain. Incidents may still sit in one workflow, complaints in another, quality reporting in another, and board reporting in yet another.

The proof problem

The proof problem is simple. It is no longer enough to say that a policy exists. Providers increasingly need to show what happened, who acted, what changed and whether the response worked.

The same shift applies to risk. It is no longer enough to maintain a static risk register. Providers are increasingly expected to show how risks are identified, how they change over time, and what actions have reduced exposure in practice.

That expectation is visible in the ongoing volume and tone of implementation material. Provider resources continue to focus on how organisations can put the new arrangements into practice, not simply what the law says.

Why boards and executives are feeling the pressure

Governance now sits much closer to day-to-day proof. Strong governance is a legal responsibility, and the Commission has already linked governance and management processes to quality outcomes.[15]

That pressure is landing while providers are still managing wider operating strain. The sector is still being tracked across financial indicators, care minutes, labour costs, occupancy, and food and nutrition. Workforce pressure sits inside that picture, not outside it. Staffing availability, agency reliance, training demands and the effort of maintaining care delivery during reform all affect how quickly issues are picked up, followed through and resolved.

12. Sector Performance Reports, Aged Care Quality and Safety Commission.
13. Aged Care Reforms: A Guide for Providers and the Sector, Australian Government Department of Health and Aged Care.
14. Accountability: Quality System, Policies and Procedures, Aged Care Quality and Safety Commission.
15. Sector Performance Report (Q4 April–June 2025), Aged Care Quality and Safety Commission.

Support at Home transition issues are also surfacing as consumer pressure mounts. For boards and executives, that means the challenge is no longer just receiving reports on quality, incidents and complaints. It is understanding how those issues interact with staffing pressure, operating capacity and the organisation's ability to respond well, and how these interactions shape the organisation's overall risk exposure.

In focus:
The reform went live, but the pressure did not stop

More than 100 days after the new Act took effect, OPAN said significant Support at Home problems remained and pointed to nearly 18,000 cases supported by its network members in the previous quarter[16]. In December 2025, ABC reporting also described confusion and distress among older Australians trying to understand what the reforms would mean for their services and costs[17]. The point is not that providers caused every transition problem. It is that implementation pressure is now visible externally, through consumer advocacy and media scrutiny, not just internally through project plans and transition meetings.

The issue is therefore no longer whether leadership receives reports. It is whether leadership can show a clear line from issue to action to outcome, and whether workforce pressure is making that harder in parts of the organisation.

16. Support at Home Issues, OPAN.

17. Aged Care Reform Confusion and Impact on Older Australians, ABC News.

3 Quality and continuous improvement in practice.

Quality is where the new environment becomes real. The strengthened Aged Care Quality Standards were designed to be more measurable and detailed. That matters because quality is now easier to test through what providers can show, not just what they say they intend to do.

Continuous improvement as part of everyday practice

Continuous improvement is defined as a systematic, ongoing effort to improve care and services. It is part of the quality system, focuses on outputs and outcomes, and is expected to be understood and accepted across the organisation.[18]

That is an important shift. It depends on understanding not just what went wrong, but the risks that sit behind recurring quality issues.

> **Continuous improvement is no longer a side register or an audit afterthought. It is one of the main ways a provider shows that it is learning from what it sees and improving care over time.**

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The QI Program strengthens that expectation. Registered providers must report on aspects of quality of care that affect the health and wellbeing of older people, and the program is designed to help providers monitor and improve service quality while also giving government stronger visibility across the sector.[19]

When quality problems reveal gaps in action and ownership

Quality issues become governance issues when the provider cannot show a clear line from problem to response. In many cases, repeated issues reflect risks that have not been clearly identified, assessed or owned.

A concern may be recorded. An action may be assigned. A report may go to the board. But if no one can clearly show whether the issue recurred, whether the action worked, or what changed afterwards, the gap is no longer just operational. It becomes a leadership problem too.

Providers are also being encouraged to compare sector data with their own performance data as part of continuous improvement. That is a clear sign of what is now expected: quality is something providers should test, challenge and improve, not simply describe.[20]

18. Continuous Improvement in Aged Care, Aged Care Quality and Safety Commission.
19. National Aged Care Quality Indicator Program, Australian Government Department of Health and Aged Care.
20. Special Edition Sector Performance Report (2023–2025 Overview), Aged Care Quality and Safety Commission.

4 Incidents: what happens next is what gets judged.

Incidents are one of the clearest tests of whether a provider's systems work under pressure. Providers must use an incident management system to safeguard individuals and acknowledge, respond to, manage and learn from incidents. Incident data must also be analysed and fed into the provider's quality system.[21]

Classification, escalation and response

The incident itself is only the start of the story. Incidents are not isolated events. They are indicators of underlying risks that require ongoing assessment and control. Providers now need to classify incidents properly, escalate them through the right pathway and act quickly enough to protect the older person involved.[22]

That matters because the Serious Incident Response Scheme changed on 1 November 2025 under the new Act and Rules. The reporting windows remain demanding.

Priority 1 reportable incidents must be notified within 24 hours of the provider becoming aware of them, and Priority 2 incidents within 30 days.

> Priority 1 reportable incidents must be notified within 24 hours of the provider becoming aware of them, and Priority 2 incidents within 30 days.[23]

Where incident systems usually break down

The biggest breakdowns are usually not dramatic. They are failures of consistency, escalation and follow-through.

Not all notifiable incidents are being reported. The Commission has urged providers to review their processes and make sure they are reporting everything they need to. That is a useful warning for boards and executives. A low incident count does not automatically indicate strong performance. It may also indicate that the provider is not seeing, classifying or escalating incidents consistently enough.

In the current environment, weak incident reporting is not just an operational weakness. It can undermine the organisation's wider ability to show that it understands risk and responds well.

Closing the loop

The final stage of incident management is continuous improvement. Providers are expected to use incident data to review processes, address gaps, communicate findings, and carry out end-to-end review after each incident.[24]

> A strong incident response does not end when the immediate problem is contained. It ends when the provider can show what it learned, what it changed, and whether the underlying risk has been reduced.

21. Incident Management Requirements, Aged Care Quality and Safety Commission.
22. Serious Incidents in Aged Care, Aged Care Quality and Safety Commission.
23. Reportable Incidents and SIRS: Quick Guide (Changes from 1 Nov 2025), Aged Care Quality and Safety Commission.
24. Closing the Loop in Incident Management Systems, Aged Care Quality and Safety Commission.

5 Turning feedback into actions and insights.

Feedback is one of the earliest signs of whether care is working as intended. Complaints and feedback are not peripheral service issues.

Providers must encourage and support people to raise concerns without reprisal, manage complaints transparently, and use them to support continuous improvement. The same logic applies to workers as well as individuals and supporters.[25, 26]

The full voice of the care ecosystem

Feedback is broader than a formal complaint from the person receiving care. It can come from supporters, carers, family members, workers and others close to the care experience.

That matters because some of the most useful warning signs surface early, before they ever become a fully framed complaint. Providers that only pay attention to the formal complaint risk missing the earlier and wider picture.

From case handling to pattern detection

The bigger shift is from resolving individual cases to spotting patterns. Those patterns often highlight emerging risks before they are visible through formal reporting or incidents. Complaints and feedback data must be collected, analysed, reported to the governing body, and used to improve the quality system.

The scale of the signal matters too. Complaints about residential aged care services rose by almost 7% in 2023–24, according to the Commission's review, while complaints about in-home services increased by less than 1%. That review treats complaints as a source of insight and learning, not just dissatisfaction.[27]

In focus:
Complaints are not just service issues

The Commission's 2023–24 complaints review reported a 6.9% increase in residential care complaints and a 10.5% increase in the issues raised within those complaints. Its rights-based complaints material also makes the point that an increase in complaints is not automatically a bad sign if it reflects better access, safer speaking-up, and more meaningful handling. For providers, that changes the question. The issue is no longer just how many complaints were closed. It is what repeated complaints reveal about care, communication, staffing, follow-up and whether earlier warning signs were missed.

Turning feedback into improvement

Complaints handling is becoming more rights-based and more closely tied to improvement . Providers are expected to maintain an effective, resolution-focused system and foster a positive, blame-free complaints culture.[29]

That is the practical standard now emerging. Good providers ask what the issue says about the care experience, whether it is appearing elsewhere, who owns the response, whether the changes made actually improved anything, and what risks those patterns reveal if left unaddressed.

25. Complaints and Feedback Management (Individuals), Aged Care Quality and Safety Commission.
26. Complaints and Feedback Management (Workers), Aged Care Quality and Safety Commission.
27. Complaints About Aged Care 2023–24 Review, Aged Care Quality and Safety Commission.
28. New Rights-Based Complaints Process: What Providers Can Expect, Aged Care Quality and Safety Commission.
29. Better Practice Guide: Complaints Handling in Aged Care Services, Aged Care Quality and Safety Commission.

6 Governance under pressure: showing real oversight.

Strong governance is now a legal responsibility, and the governing body must maintain oversight of all aspects of the provider's operations.

What clear ownership looks like

Clear ownership starts with a simple question: when something goes wrong, or starts to go wrong, who is expected to know, act and follow it through?

> The legal term is **responsible persons**, and it matters because governance responsibility does not sit only with the board.

The legal term is responsible persons, and it matters because governance responsibility does not sit only with the board.

This means clear ownership cannot stop at broad board accountability or sit vaguely with "management". Providers need to be able to show which issues stay local, which move upward, who makes the decision at each point, and who checks that the response actually happened.

That becomes more important in organisations with multiple homes, distributed services or leadership layers. A complaint raised at site level, an incident trend in one service, or a staffing concern picked up through quality monitoring should not depend on informal relationships or individual memory to reach the right people.

How ownership becomes blurred:

- One team records the issue
- Another investigates
- A third prepares the board paper

Senior leaders find it hard to see:

- Who was responsible for acting at each stage
- Whether the action was completed
- Whether it solved the problem

When this happens, the weakness is not just operational. It becomes a governance problem too.

Clear ownership in practice therefore means more than assigning titles. It means having defined decision points, clear reporting lines, and a reliable way to show who knew what, who acted, and what changed afterwards. That is the standard leaders are increasingly being judged against.

What boards need to see and challenge

Boards now need more than separate updates by topic. This includes oversight of the organisation's key risks and how effectively they are being managed, not just performance metrics. The quality system is expected to enable performance monitoring across feedback, risks, complaints, incidents, quality indicator data and evidence-based practice.

Boards also need to read workforce information alongside those signals, not as a separate operational appendix. Staffing pressure can affect care continuity, incident follow-up, complaint handling, training completion and the pace of corrective action.

That changes what boards should ask. Not just how many incidents were reported or how many complaints were closed, but also other key concerns:

- Are the same homes or services appearing more than once?
- Are staffing gaps, turnover, agency use or training backlogs making it harder to follow issues through?
- Are warning signs appearing in workforce data before they become quality or complaint problems?

The formal governance model reflects the need for this broader view. Category 5 and 6 providers must have a quality care advisory body that reports to the governing body at least every six months, and the governing body must show how it considered that feedback. Consumer advisory body feedback must also be considered and answered in writing where those bodies exist.

The implication is clear. Boards should be able to see how incidents, complaints, quality measures, staffing pressure and open actions connect. Without that connection, boards may see activity without understanding the organisation's true risk exposure.

From board packs to decisions and action

A board paper may show incidents, complaints, quality activity and action status. But if leaders still cannot answer simple questions (what happened, who owned it, what changed, and whether the response worked) then the organisation has activity reporting without a strong enough record of leadership action.

The sector is being pushed towards stronger board practice, not just more information. The Governing for Reform in Aged Care Board Kit is designed to help chairs and CEOs engage governing bodies on the main governance issues arising from reform.[30]

30. Governing Reform in Aged Care: Board Kit, Aged Care Quality and Safety Commission.

7 Why disconnected systems still weaken oversight.

For many providers, the hardest part of the new environment is not understanding what needs to be monitored. It is pulling the whole story together.

An incident is logged in one system. A complaint sits in another. Workforce pressure shows up in rosters, agency spend or care-minute tracking. Quality actions sit in a spreadsheet or committee paper. Board reporting is then assembled from summaries and extracts. Each piece may be accurate on its own; the problem is that leaders still have to reconstruct the picture manually. This is not just a reporting issue. It directly affects the organisation's ability to understand and manage risk.

That matters because the strengthened Standards expect more than separate records. Information must be accurate, complete, available to the right people at the right time, and integrated across sources. In other words, providers are increasingly expected not just to hold information, but to connect it.[31]

Siloed information creates blind spots

This is where provider reality often starts to diverge from the model the system now expects.

The Data and Reporting Review was launched because duplication, inconsistency and reporting burden remain live issues across aged care[32]. Its second phase, published in February 2026, focuses specifically on clinical, care needs, quality and service-delivery information[33]. The same pattern appears in broader sector work on digital infrastructure, which points to fragmented data use, limited interoperability and persistent silos across the aged care data landscape.[34]

Workforce information is part of that problem. Rosters, care minutes, agency use, training records, vacancies and turnover may all sit in different systems from incidents, complaints, audit findings and quality actions. Each dataset may be usable on its own. But when they are not read together, providers can miss some of the clearest warning signs.

A rise in falls may sit in one report. Repeated family concerns may sit in another. Staffing instability, heavy agency reliance or delays in mandatory training may sit somewhere else again. Each signal may be visible somewhere without being visible together.

That is why siloed information creates blind spots. The issue is not simply that providers hold too much data. It is that leaders may still struggle to see how workforce pressure, care quality, complaints and follow-up are interacting in practice. When signals are not connected, providers can see individual events but struggle to identify the patterns that define risk exposure.

Manual workarounds make the burden heavier

When systems do not join up, the burden does not disappear. It shifts to people.

Staff end up exporting data, reconciling different versions, chasing updates by email, and manually preparing reports for committees, executives and the board. Government reform work is explicitly trying to reduce that burden through better data sharing, interoperability and more connected digital infrastructure. That in itself tells you something important: manual reconciliation is still a real operating problem.[35]

31. Information Management Requirements, Aged Care Quality and Safety Commission.
32. Aged Care Data and Reporting Review – Phase 1 Consultation Paper, Australian Government Department of Health and Aged Care.
33. Aged Care Data and Reporting Review – Phase 2 Consultation Paper, Australian Government Department of Health and Aged Care.
34. Aged Care Data Landscape Report, Digital Health CRC & CSIRO.
35. Aged Care Data and Digital Strategy, Australian Government Department of Health and Aged Care.

Reporting can still look stronger than the underlying picture

This is why reporting can appear reassuring while still leaving major gaps. If the underlying information remains fragmented, leadership may still struggle. Reporting may show activity, but not whether risks are increasing, stabilising or being reduced.

In focus:
The board pack that looks complete

A resident fall prompts an internal review. The incident is logged and closed. Separately, a family complaint had already raised concerns about response times. Staffing pressure in the same period appears in roster data and agency usage. An earlier action from a quality review is still open in another register.

Each item is reported somewhere. But no one can see the sequence clearly without pulling material from multiple places. By the time the matter reaches the board, leaders may receive a tidy summary of incidents, complaints and actions, yet still be unable to answer the most basic question: were the warning signs visible earlier, and did anyone join them up in time?

If leaders cannot see the full picture without manual reconstruction, then decision-making becomes slower, weaker and harder to defend. In a more visible, more demanding environment, that is exactly the point at which confidence starts to break down.

8 What stronger oversight looks like in practice.

Stronger oversight starts with connected information, not just more information. Performance should be monitorable across feedback, risks, complaints, incidents and Quality Indicator data, and information from different sources should be integrated and available to the right people at the right time. It also includes the ability to identify, assess and act on risks before they result in incidents, complaints or quality failures.

In practice, that means leaders should not need to reconstruct the story from separate fragments every time a concern is raised. They should be able to see where an issue first appeared, whether it has shown up elsewhere, who owns the response, and whether the response changed anything.

A practical self-check for leaders

A useful self-check is to ask four simple questions.

- **Can we trace decisions back to source evidence?**
  Can leaders see what issue triggered the discussion, and where that evidence came from?
- **Can we tell when the same problem is appearing in more than one place?**
  Are incidents, complaints, quality signals and actions still sitting in separate stories, or can we spot patterns across them?
- **Can we show who owned the response and whether it worked?**
  Is there a clear record of action, review and outcome?
- **Are we strengthening leadership confidence without adding more fatigue?**
  Are improvements reducing manual work and ambiguity, or simply adding another reporting layer?

If providers can answer those questions well, they are moving beyond fragmented compliance activity and towards a clearer operating model for governance.

9 From compliance activity to leadership confidence.

The pressure on providers is no longer only about understanding the rules. It is about showing that governance, quality, incident response, complaints handling, feedback, escalation and improvement are working in practice. It is also about understanding and managing the risks that sit behind those signals.

When the problem is fragmented information, manual follow-up and reporting that still leaves gaps, the answer is not another disconnected tool. It is a more connected way to manage the signals that matter most.

Your GRC system needs to bring together the information leaders actually need to see: incidents, complaints, feedback, risks, controls, obligations, actions and improvement activity. It should make it easier to connect issues across functions, follow them through clearly, and maintain a reliable record of what happened, who acted, what changed and whether the response worked.

In practice, that means supporting a clearer line of sight from the frontline to the board, reducing manual reconciliation, strengthening escalation and follow-through, and giving leaders more confidence in the decisions they make under pressure.

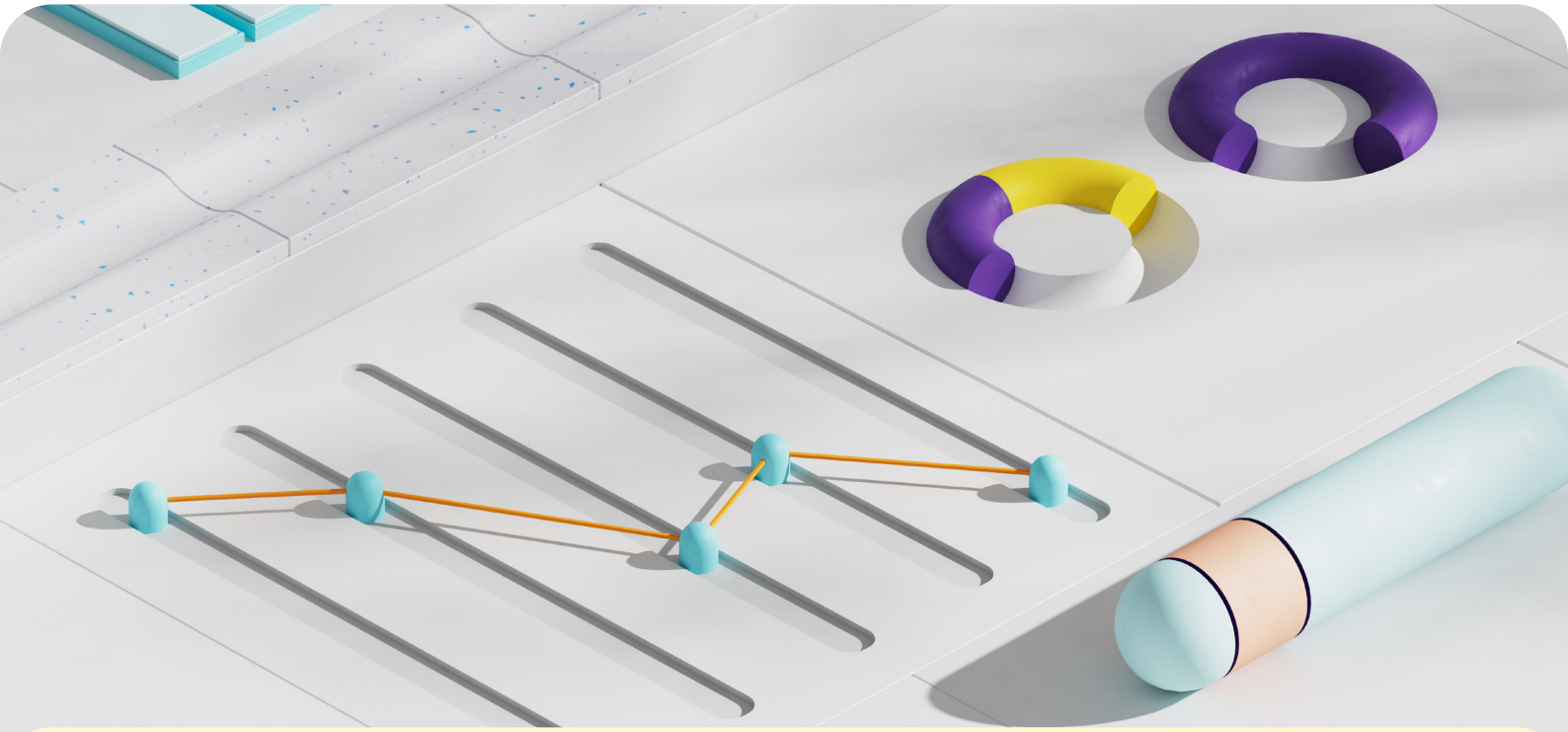
How Protecht can help

Protecht helps aged care providers bring these governance and compliance signals into one structured environment, making it easier to connect issues, track actions and support clearer oversight from operations to the board.

Explore Protecht's aged care solution or request a short walkthrough to see how connected oversight can work in practice:

Find out more

Request a demo



ABOUT PROTECHT

Redefining the way the world thinks about risk.

While others fear risk, we embrace it. For over 25 years, Protecht has redefined the way people think about risk management. Through our people, we enable smarter risk taking by our customers to drive their resilience and sustainable success.

We help our customers increase performance and achieve strategic objectives through better understanding, monitoring and management of risk. We provide a complete solution of AI-enabled governance, compliance and risk management software supported by training and advisory services to businesses, regulators and governments across the world.

With our flagship SaaS GRC platform you can dynamically manage all your risks in a single place: enterprise risk, cyber and IT risk, incidents, vendor risk, operational resilience, business continuity, compliance, internal audit, workplace safety, and more.

We're with you for your full risk journey. Let's transform the way you understand and manage your risk to create exciting opportunities for growth.

Visit our website:
protechtgroup.com

Email us:
info@protechtgroup.com