

Future directions for supported residential services (SRS)

# Discussion sheet 10: Registration changes

The current SRS regulatory scheme is being updated. Changes are proposed to the existing scheme to enhance protection for people living in SRS and to ensure the scheme is contemporary and provides flexibility to meet the needs of the industry into the future.

**In line with the government's commitment to reduce the cost of regulation, SRS administrative processes have been streamlined to avoid duplication of information and/or assessments and eliminate other steps that no longer play a valuable function for proprietors or the department. The proposed changes are estimated to save the sector around \$300,000 per annum in terms of their time and effort.**

## What we know

- The *Health Services Act 1988* requires a prospective proprietor of an SRS to register the premises as an SRS and renew the registration every two years. As well, if the service changes, the proprietor must apply to vary the registration.
- There are four major administrative processes involved: approval in principle (AIP), registration, variation and renewal.
- The AIP and the registration processes are similar in nature but are conducted at different times. The AIP process was introduced when construction of new purpose-built facilities was more common. It would often take two years to construct a proposed building and the AIP process gave prospective proprietors certainty that they would meet SRS requirements.
- Today, few purpose-built SRS facilities are constructed. Most new facilities are built to the Commonwealth aged care standards that are higher than those that apply to SRS facilities and that give proprietors the flexibility to offer a range of accommodation services at the same premises.
- The AIP also duplicates information and assessments that are the primary responsibility of other legislation such as the building code. The AIP process therefore no longer fulfils a unique role for either the department or proprietors.
- The renewal of services every two years imposes a significant time and cost commitment on both proprietors and the department and does not, in many cases, lead to a change in registration details. It is a review process that no longer fulfils an important role and can be removed without loss of capacity or integrity to the scheme.

## New directions – proposed legislative reforms

Under the new legislation, the costs of SRS regulation will be substantially reduced and administrative processes redesigned to ensure they are clear, efficient and do not duplicate the responsibilities of other areas.

### **Proposal: Remove the AIP and linked processes and payment.**

The existing AIP and associated processes (transfer, revocation and variation of AIP) and fees will be removed. Prospective proprietors will need to ensure they meet all building regulations that relate to SRS in order to be registered.

### **Proposal: Enhance the registration process by clarifying the documentation necessary for assessment of the premises and the proprietor.**

An assessment of the suitability of proprietors and the premises will be retained in the legislation as core elements of the registration process.

Criteria and documentation requirements for assessing the 'fitness and properness' of proprietors will be more clearly defined in the regulations. These will include:

- police checks
- personal and professional references
- knowledge of the legislation
- passing an examination that tests the capacity of the proprietor to respond appropriately to practical day-to-day resident care issues

With regard to assessment of the premises, the SRS design guidelines will be updated to clarify the detailed information that must be provided as part of the registration documents. For example, the design guidelines will specify that:

- floor plans must be provided that show room measurements, room numbers, intended use of each room and so on
- certificates of compliance for building services for all buildings
- A compliance report from a licensed building surveyor in cases of existing buildings.

If documentation is submitted that does not contain the required information, the applicant will have to commission documentation that is acceptable.

### **Proposal: Include the capacity to assess the fitness and properness of the nominated 'SRS manager' in the registration process.**

As part of the registration process, the proprietor is required to provide details of who will be the:

- personal care coordinator
- day-to-day manager.

Currently, proprietors must ensure the personal care coordinator is a 'fit and proper' person. This proposal requires the proprietor to ensure that the day-to-day manager is also a 'fit and proper' person.

The proprietor can nominate himself/herself to be either or both of these. Where the proprietor is also the personal care coordinator or the day-to-day manager, only one assessment for fitness and properness would be required.

## Proposal: Redesign and streamline the variation process.

If the AIP process is removed, changes to the conditions of registration will need to be dealt with through an 'application for variation' process.

The requirement for proprietors to vary their registration if circumstances change, such as an increase in the number of beds at the premises, will be retained.

There will be four types of variation. They are:

- A – for major renovations requiring a building permit
- B – for minor renovations not requiring a building permit
- C – for change of ownership
- D – for variations instituted by the department as compliance measures.

Variations A, B and C will require an application to be lodged and a fee paid. Variation D will be initiated by the department and will not involve lodgment of an application.

## Proposal: Abolish requirements for the renewal of registration and payment of the annual fee.

The existing requirement to renew registration every two years will *not* be retained in the new legislation. The annual fee that proprietors are currently required to pay will also be abolished.

This will mean a significant reduction in costs for proprietors but will not reduce the capacity of the department to monitor and enforce compliance. Improved provisions for monitoring, review and enforcement are described in *Discussion sheet 9: Monitoring and enforcement*.

Powers to revoke registration will be retained and additional compliance measures are being proposed. Refer to the *Discussion sheet 9* for further details.

## What's new?

The table below summarises the requirements that will be retained from the current regulatory scheme and the new requirements being introduced.

Status	Requirements
Abolish	<ul style="list-style-type: none"><li>• all approval in principle processes and fees</li><li>• renewal of registration process</li><li>• payment of an annual fee</li></ul> <p><i>Anticipated date of effect: immediately after the legislation is passed.</i></p>
Retain	<p>Proprietors of SRS must be registered and keep their registration up to date.</p> <p>An assessment of the suitability of proprietors and the premises will be retained in the legislation.</p> <p><i>Anticipated date of effect: current, and to be incorporated in the new legislation.</i></p>
New	<p>Streamlined registration process now consists of two enhanced processes:</p> <ul style="list-style-type: none"><li>• registration – including fitness and properness assessment requirements for both the proprietor and the 'SRS manager'</li><li>• variation – four types of variation (major, minor, change of ownership, initiated by the department) with clear decision pathways, documentation requirements and criteria for each type.</li></ul> <p><i>Anticipated date of effect: 12–18 months after the legislation has been passed.</i></p>

## Implementation

The SRS design guidelines will be updated, new application forms will be developed and an information sheet explaining the new requirements will be developed.

## Frequently asked questions

### **Q.1 What is the process for registration?**

**A.** As part of the registration process, there will be an assessment of the suitability of premises and the suitability of a proprietor along with the submission of set documentation.

The annual fee for registration will be abolished under the new proposals.

### **Q.2 Can the nominated manager be the proprietor and/or the PCC?**

**A.** Yes, the nominated manager can be the proprietor and/or the personal care coordinator. Irrespective of whether the nominated manager is also the proprietor or a different person, that person must be assessed for suitability at the registration phase.

### **Q.3 What qualifications does the manager have to have?**

**A.** The manager is not required to have any formal qualifications but the personal care coordinator (PCC) is required to have a minimum certificate III in aged care or community services (or equivalent). If the manager also acts as the PCC, he/she will be required to hold this qualification.

### **Q.4 How long does registration last for?**

**A.** Under the new proposals, registration will be indefinite, unless there is a reason to end the registration. If you break the law in a serious way, or if you can't afford to keep operating, your registration may be ended. You will be consulted if this happens.

The department will keep monitoring your SRS to make sure you are operating the SRS properly, and that residents are being properly cared for.