



## **Residential Care Grant Amendment (Various Measures) Principle 2013**

---

I, Jacinta Collins, Minister for Mental Health and Ageing, make the following principle under the *Aged Care Act 1997*.

Dated: 8 July 2013

Jacinta Collins  
Minister for Mental Health and Ageing

---



---

## Contents

1	Name of principle .....	1
2	Commencement .....	1
3	Authority.....	1
4	Schedule(s) .....	1
<b>Schedule 1—Amendments</b>		<b>2</b>
<i>Residential Care Grant Principles 1997</i>		<i>2</i>



---

## **1 Name of principle**

This principle is the *Residential Care Grant Amendment (Various Measures) Principle 2013*.

## **2 Commencement**

This principle commences on 1 August 2013.

## **3 Authority**

This principle is made under the *Aged Care Act 1997*.

## **4 Schedule(s)**

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

## Schedule 1—Amendments

### *Residential Care Grant Principles 1997*

#### **1 Section 20.3 (definition of *major city*)**

Repeal the definition, substitute:

*major city* means one of the major cities of Australia within the meaning of the Australian Statistical Geography Standard (ASGS): Volume 5 - Remoteness Structure, July 2011, produced by the Australian Bureau of Statistics.

#### **2 Section 20.3 (note)**

Repeal the note, substitute:

Note: A number of expressions used in these Principles are defined in the Act.

#### **3 Parts 2 and 3**

Repeal the Parts, substitute:

## Part 2—Criteria for allocations

### **20.4 Purpose of Part (Act, ss 72-1(2))**

This Part specifies the criteria for allocations of residential care grants to approved providers in respect of the capital works costs of projects for the provision of residential care.

### **20.5 Application**

This Part applies to an allocation of a residential care grant made on or after 1 August 2013 if the application for the allocation was made on or after that date.

### **20.6 General criteria**

- (1) A majority of the care recipients who receive, or who will receive, the care to which the grant relates must be one or more of the following:
  - (a) supported residents, concessional residents or assisted residents;
  - (b) people with special needs;
  - (c) people who live in a location where there is a demonstrated need for additional residential care services;
  - (d) people who do not live in a major city.
- (2) The Secretary must be satisfied that the applicant for the grant:
  - (a) has demonstrated its ongoing financial and organisational viability; and
  - (b) has demonstrated that it does not have the capacity to fund all or part of the project to which the grant relates without a residential care grant; and
  - (c) is not a State or Territory or an authority of a State or Territory; and

- 
- (d) if the applicant is, or has been, a provider of aged care for which any payment was or is payable under a law of the Commonwealth—the applicant has a very good record of, or a demonstrated commitment to improvement, in respect of:
    - (i) its conduct as such a provider; and
    - (ii) compliance with its responsibilities as such a provider; and
    - (iii) meeting its obligations arising from the receipt of any payment from the Commonwealth for providing aged care.
  - (3) No contracts for the construction of premises to be used to provide the residential care to which the project relates have been entered into, and no work has started on the construction of such premises.

## **20.7 Criteria for determining priority between applications**

- (1) The Secretary must consider the following matters in determining the priority to be given to an application for the allocation of a residential care grant in respect of a project:
  - (a) the proportion of care recipients to whom the grant relates who are, or will be:
    - (i) supported residents, concessional residents or assisted residents; or
    - (ii) people with special needs;
  - (b) the location of the residential care service to which the grant relates (the ***relevant residential care service***), in particular whether it is not in a major city;
  - (c) the availability of other aged care services in the area in which the relevant residential care service is, or will be, located;
  - (d) the need for the grant to assist in establishing or upgrading the relevant residential care service;
  - (e) whether there is an urgent need for the grant due to unforeseen circumstances;
  - (f) the extent to which the project will meet the needs of care recipients living with dementia;
  - (g) whether the project will provide high quality accommodation for care recipients;
  - (h) whether the project will provide significantly improved operational efficiency;
  - (i) the adequacy of any arrangements proposed for the care of care recipients and other residents while the project is being completed.
- (2) The Secretary must give priority to an application for the allocation of a residential care grant in respect of the following:
  - (a) projects that meet an urgent need for building, rebuilding, renovation or restoration work in order to improve or maintain access to residential care, including meeting changing care needs arising from the increased frailty of care recipients or the increased prevalence of dementia;
  - (b) projects that offer the Commonwealth best value for money compared with other projects for which applications for the allocation of residential care grants have been made.

#### 4 Part 4

Renumber as Part 3.

#### 5 Subsection 20.9(3)

Omit “does not include”, substitute “of a project for which a residential care grant is payable do not include any of the following”.

#### 6 Paragraph 20.9(3)(a)

Omit “service”, substitute “residential care service to which the grant relates”.

#### 7 At the end of subsection 20.9(3) (before the note)

Add:

- ; (d) normal overhead and operating costs;
- (e) any tax payable by the residential care service to which the grant relates, including any tax payable as a result of receiving the grant;
- (f) costs associated with obtaining finance for the project;
- (g) the cost of interest related to any finance obtained for the project.

#### 8 Subsection 20.9(3) (note)

Repeal the note, substitute:

Note: **Capital works costs** include the cost of acquiring land and furniture, fittings or equipment (see subsection 70-3(1) of the Act), but do not include costs referred to in subsection 70-3(2) of the Act.

#### 9 At the end of the Principles

Add:

### Part 4—Transitional provisions

#### 20.10 Applications for residential care grants made before 1 August 2013

- (1) This section applies to an allocation of a residential care grant on or after 1 August 2013 if the application for the allocation was made before that date.
- (2) For subsection 72-1(2) of the Act, the criteria for the allocation are the criteria and requirements that would have applied to the allocation:
  - (a) under subsection 72-1(2) and sections 72-2 and 72-3 of the *Aged Care Act 1997*, as in force immediately before 1 August 2013; and
  - (b) under sections 20.5, 20.7, 20.7B and 20.7F of the *Residential Care Grant Principles 1997*, as in force immediately before 1 August 2013;if the allocation had been made on 31 July 2013.