
Annual Report 2017-2018





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WHO WE ARE

In 1970 a group of socially motivated Catholic laymen known as the Knights of the Southern Cross looked for opportunities to improve the lives of older people. They identified appropriate housing and quality care as important necessities required by all people, particularly the aged.

So began our first village, Patrick Minehan Village, located in Marrickville, Sydney. It was

shortly followed by our first Residential Aged Care home at John Woodward Apartments in Merrylands.

Fast forward to today and we have grown to 31 Residential Aged Care homes and 29 Retirement Community villages; we also provide care services to many hundreds of people in their homes throughout NSW.

We remain just as focused today on providing caring, safe environments for older Australians to live in, confident in the knowledge they will be supported by a dedicated team committed to helping every customer "live life to the full."

The statistics below are a quick overview of the scope of services provided to our customers in the 2017-18 year.

SOUTHERN CROSS CARE (NSW & ACT) IN 2017-18

RESIDENTIAL AGED CARE

 **31** Residential Aged Care Homes

 **1,764** Beds

 **555** New residents on-boarded

RETIREMENT LIVING

 **29** Retirement Communities

% 92.6 Average occupancy over the year

% 20 Units occupied on concessional terms

HOME CARE

 **36,145** Hours of Home Care provided during the year

% 17 Increase in Home Care Packages to 440 packages

BOARD MEMBERS

2017-2018

Anne Lane – Chairperson
Angela McKay
Ian Chisholm
Rose-Marie Hoekstra
John Devlin
Liz Callaghan
Patrick McGannon
Monique Reynolds
Lawrie Hallinan

ABN: 76 131 082 374

CHAIRPERSON'S REPORT



“
As an organisation,
we are deeply
committed to our
vision of enabling
older people to live
life to the full. ”

My first year as the Chairperson of Southern Cross Care (NSW & ACT) has been a challenging yet rewarding experience, proving the strength of our organisation, and its committed staff and leadership team. These are times of great upheaval and flux as, across the aged care industry, operators battle to balance the pressures of regulatory change, limited funding and a sustained property downturn. In this increasingly complex, competitive landscape, Southern Cross Care has remained fixed on its mission, and maintained its trusted, quality service through its capacity to be adaptive and innovate.

All our residential care homes seeking reaccreditation by Government have been granted a full three-year term, and we continue to champion the right of older Australians to receive world class accommodation and care. This has seen us upgrade a number of homes across both city and country communities, and we are constantly expanding the scope of our network with a range of high value new projects. Embracing technological change and developing staff skills have been vital as we enhance service delivery and streamline our systems to ensure that Southern Cross Care grows and thrives through this transformative period.

On behalf of the Board, I would like to acknowledge the contribution of retiring Chief Executive Paul McMahon, who with humility has shaped an agile organisation, diverse in its service mix, and well equipped for the future. He will be succeeded by Helen Emmerson, formerly our Head of Care, and I am delighted to see Southern Cross Care placed in such competent hands.

Our new Strategic Plan (2018-21) reflects the vision and values of staff, leaders and customers, and creates a cohesive framework through which each member of the Southern Cross Care family can own our objectives and take pride in their achievement.

The Nobel Peace Prize laureate, Mother Teresa once said, “None of us ever do great things. But when we all do small things, with love, together we can create something wonderful.” Her words capture the essence of Southern Cross Care, and what makes it so special - its respect for the uniqueness of each individual, and affirmation of their role in community. I feel privileged to head the Board of Southern Cross Care – an organisation where the little things matter, where everyone has an impact, and a key place in this ever emerging, rich tapestry.

As an organisation, we are deeply committed to our vision of enabling older people to live life to the full.

Anne Lane

MESSAGE FROM THE CEO



“
Quality care continues to remain our most important focus.”

Amidst a backdrop of increasing scrutiny into the Aged Care sector and tightening Commonwealth Government funding, Southern Cross Care (NSW & ACT) has remained firmly focused on the organisation's delivery of care services to our customers across NSW and the ACT. With close to 50 years' experience in caring for older people, we fully intend to continue to meet the needs of an ageing community for the next 50 years to come.

These are challenging times for the entire sector, however, we remain committed to maintaining our strong position in the aged care market by doing what we have always done well – caring for people in their homes, in retirement communities and our aged care homes. As a Not-for-Profit and faith-based organisation, we continue to strive to balance providing the best possible care along with financial viability of our services. This need to balance care outcomes with a “business-like” manner has never been harder but is more important than ever. While our compassion needs to be at the forefront of what we do, we also must be well organised, efficient and resilient.

We will soon release our next 3-year strategic plan that will make sure we are a relevant, innovative provider who is sought out for our expertise and quality care.

As already mentioned, quality care continues to remain our most important focus. During the year we expanded our Quality and Clinical Support team to lead the improvement of processes, standards, and education across our 2,200-strong workforce.

We also continued to enhance operational readiness with the establishment of an integrated Admissions Team for all care streams. Our goal is to ensure customers enjoy a seamless experience from their first contact with us, throughout what we hope is a long and happy relationship as their needs change. We want the customer experience to be one that provides confidence, ease, and surety at every stage.

We continue to make major commitments to redeveloping and building new communities in both rural and metropolitan locations. At Thornton Park, in Penrith, our integrated village comprising residential care, retirement village and home care will open in 2019. In Grafton, we are investing in the redevelopment of our Residential Aged Care home



to meet the needs of the region's ageing population. There has also been significant progress on our North Turramurra redevelopment due for completion in 2019. In Campbelltown, plans have progressed for a multi-million-dollar integrated village and in Merrylands, stage 1 of the Master Plan has been finalised and will be submitted for a Development Application later in the year.

Early this year I informed the Board that I wished to retire later this year after seven years with the organisation. It has been an honour and privilege to serve as CEO. I feel blessed to have been given this opportunity. It's no easy job. While we

have undertaken a number of changes, not everything works out as one would want. But that's life, isn't it? Important are the learnings and experience we draw from initiatives and decisions that fall short.

I particularly want to acknowledge the incredible people who make up Southern Cross Care. I am immensely proud and grateful to our staff, volunteers and supporters for their tireless dedication. Over the past seven years, I have witnessed great generosity and kindness. You have left a lasting impression on me on all that is good and right in our community.

I wish to acknowledge and thank the Board, now under the leadership of Chairperson Anne Lane, and previously John Devlin. I acknowledge your commitment and dedication to the organisation along with your personal support and wisdom.

I extend as well my special thanks to the Executive Management Team and all those working in Management roles. Indeed, a special thanks once again to all staff, irrespective of your role because at the end of the day we are one team striving to ensure our customers "live life to the full".

Thank you and all the best.

Paul McMahon

OUR VISION, MISSION & PRINCIPLES

At Southern Cross Care (NSW & ACT) our vision is to empower people to 'live life to the full'.

We believe that each person has individual worth, the right to be treated with dignity and the right to exercise choice and control in their life.

We celebrate and respect diversity and welcome people for who they are, regardless of faith, ethnicity, sexual orientation, gender identity and lifestyle choices.

We promote recognition of the whole person and support their physical, emotional, intellectual, social and spiritual wellbeing to facilitate lives of dignity and purpose according to individual aspirations and needs.

We place people at the heart of everything we do. Our employees are as caring as they are dedicated, experienced and highly trained. Together we deliver warm, expert and personalised services catering to each individual's needs.

We offer a full spectrum of services and adapt our services to meet the needs of each person and their family. Every day we work to maintain the trust of the people we care for. We aim to be their supportive, long-term partner now and into the future.

Our commitment to quality care is second to none.

Our Vision

To enable older people to live life to the full.

Our Mission

To support the aspirations and needs of people as they age by reflecting the love of Christ.

Our Principles

We are an all-inclusive, welcoming and accepting organisation with a longstanding Catholic tradition of caring for others. Our guiding principles direct our decisions and support our desire to enable those in our care to live full and dignified lives.

SCC Principles



Caring for People

We acknowledge the individuality of every person and care for the whole person. We promote living life with respect, dignity and purpose, according to your individual aspirations and needs. We believe that people who are disadvantaged, vulnerable or isolated merit special consideration.

How we do this:

We care for your physical, emotional, intellectual, social, and spiritual wellbeing. We build personal relationships and warm homelike environments that encourage people to enjoy their lives on their own terms.

We build communities and homes in rural locations specifically to provide care and support in areas where aged care services are limited or non-existent. Our presence also creates employment opportunities and contributes to the social fabric of towns and communities.

We seek to help those with chronic and debilitating health and social issues including dementia and Alzheimer's. We fund research and implement programs and activities designed to help everyone lead fulfilling lives.

Dignity

We believe every person deserves to be treated with dignity regardless of their ethnicity, creed, gender, sexuality, age or ability.

How we do this:

We celebrate the rich diversity of our residents, clients and employees. We honour all traditions, beliefs, events and special occasions that are unique and special to them.

Self-Direction

We believe that people have the right to participate in decisions that affect their lives.

How we do this:

In our communities, we encourage and support decision making by individuals, groups, families and employees - giving everyone the opportunity to participate in decisions that affect their lives.

Value of Work

We believe work is intrinsically good, and part of our contribution to society. For us, employees must be treated well and should undertake their work fully, faithfully, and responsibly.

How we do this:

We pay our employees above the award rates and provide favourable conditions wherever possible. Our working conditions are safe, fair, and respectful of our employees. We recognise the importance of family and acknowledge cultural diversity in our workforce and therefore value work-life balance. Employees are in turn responsible for contributing to the common good by providing a fair day's work for a fair day's pay, and treating employers, clients, and co-workers with respect.

Sustainability

We believe that we're responsible for looking after the world we live in and for sharing and sustaining the resources the earth gives us, so that future generations can enjoy the same benefits that we do.

How we do this:

We monitor our environmental impact by improving the way we build, operate, maintain and improve our buildings, communities and operations.

We are a Silver Partner under the Sustainability Advantage program coordinated by the NSW Office of Environment and Heritage.



A NEW LEASE ON LIFE

Doreen and Harry lived in many places all over Australia before settling in Parkes, but they now say that the SCC Parkes Village is their absolute favourite place they've lived.

They never imagined how happy they could be as a part of village life after having been on a large farm without a neighbour in sight for so long.

Their Home Care Service Advisor, Karen, could see that their health was deteriorating fast and they were suffering from being so isolated, especially after Harry had to stop driving. Karen invited them to look around the village, they were amazed and made what they call the biggest and best decision of their lives by moving in.

SCC is committed to providing these services in rural locations where isolation can be difficult to overcome for older people and access to care and support is limited.

"We were so impressed with the care and love. We felt so welcomed. I had no idea that this sort of thing was available" said Harry.

"We have always been busy worker bees, looking after chickens and cows, so we just love being a bit lazy now. Life is easier, it's a sigh of relief when we sit down in our new home. I do like playing bowls and having afternoon tea with the new ladies I've met. It's really given us a new lease on life" said Doreen.

"Moving here has added years back to their lives! Their health has improved so much." said Karen.



DAY TRIP TO WEETHALLE SILO ART

The Weethalle Silo Art had been a topic of discussion with the Leeton Assumption Villa residents for some time, admiring the towering murals they saw on the news. They planned the perfect day-out to see the murals and decided as a group where they would stop for breaks and lunch.

A few residents who had come from the area became backseat drivers, directing the bus and making sure it went the right way! They talked a lot about the history of the areas they passed becoming tourists in their own towns.

"The silos were a grand sight to see and so pretty. The residents enjoyed seeing the silos, and reading the information signs that were there. They had a good time chatting to the other people who had pulled up to admire the art" said Sue the Lifestyle Co-ordinator.

Sue and the residents felt the day was a big success and they still talk about how glad they

were that they were able to see such amazing artworks.

"I'm so pleased I was able to join my husband on the outing, I don't normally go out due to finding it hard to get about, but I really enjoyed the day," said one resident.

OUR STRATEGIC PLAN 2014-2017



OUR STRATEGIC PLAN 2014-2017

During 2013, Southern Cross Care (NSW & ACT) developed a Strategic Plan for the organisation for years 2014 to 2017. The old saying is true; "if you aim at nothing, you will hit it every time".

A strategic plan counters that saying by putting objectives down in black and white, for all departments to strive towards and achieve. At the close of the 2017 financial year, it was important for the Strategic Plan to be evaluated to clarify what had been achieved and how Southern Cross Care (NSW & ACT) improved.

We reviewed our Strategic Plan 2014-2017 and identified well over 80 positive results. Our Executive are most proud of our achievements in quality and clinical governance, our workforce and our growth in services provided. These three areas are summarised below along with other achievements that highlight our ability to set and achieve realistic goals that enhance the care we provide our customers.

Quality & Clinical Governance

- Appointed a central Quality Management Team for continuous quality improvement, regional Quality Educators and increased Registered Nurse numbers
- Revised Mandatory Training and Provided Advanced Clinical education opportunities
- Commenced systematic update of core staff competencies

Our Workforce

- Employee engagement survey score of 83%, 3% higher than sector
- Reduced staff turnover to 15% versus sector average 22%
- New EBA with wages in the top 20% of providers
- Workers compensation claims reduced by 20%

Growth in Services Provided

- Residential care increased by 174 places
- Retirement Living increased by 44 units with 138 under construction/planning
- Home Care Packages increased by 312 packages & 730 customers in total

Partnerships and Projects

- The GroundSwell Project and Western Sydney University, Community Integration Program (the '10K Project')
- Aust Catholic University, Consumer Directed Care Project
- Dementia Australia, Antipsychotic de-prescribing and Living well with Dementia research projects
- Meaningful Ageing Australia, the Tech Connect Program
- Dementia Training Australia for training needs analysis & training

Customer Experience

- Created the Admissions team to improve customers' entry experience
- Revised handbook, reviewed dining experience, expanded pastoral & spiritual care

Sustainable Environment

- Achieved Silver Partner status, NSW Office of Environment & Heritage's Sustainable Advantage program



RESIDENTIAL AGED CARE



We are constantly encouraged and impressed by the example set by Southern Cross Care (NSW & ACT) staff and it is a real joy to see the enriching impact of their contributions on the lives of our customers.

The Government has recently released a national roadmap for workforce reform to ensure that aged care staffing supports high standards of service and meets the needs of an ageing Australia. Over the past year at SCC, we have invested strongly in workforce development and have implemented wide ranging initiatives to empower staff and provide for their professional growth.

In late 2017, we strengthened our quality management framework and our culture of service improvement, by recruiting a team of clinical experts to lead our regional Quality Officers. This move has brought consistency and centralised oversight to clinical training

and support across our care streams. For the first time, Registered Nurses receive regular, role specific advanced education. Training programs are multimodal and routinely delivered by external industry specialists with clinical updates issued to assist staff to adapt to a complex aged care environment. Staff have identified the management of behaviours associated with dementia as a key learning priority and a thorough needs-analysis resulted in a partnership with Dementia Training Australia to provide practical instruction across our services.

The Quality and Clinical Governance team has coordinated the design and review of SCC policies and has created an overarching Committee to secure the input of customers, staff members and Management. The development of an integrated Quality Management System through which data

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Our Aged Care Workforce Strategy seeks to inspire people to want to care, enable people to properly care and to enhance life through care. ”

analysis drives enhanced practice will enable SCC to smoothly transition to the Government's single Quality Framework, to be introduced in July 2019.

Given the ever-changing landscape in which we operate, it has never been more critical that SCC develops the skills of its staff and its capacity to grow and diversify. In June 2018, we appointed an experienced Commissioning Manager to guide the logistics of service commencement, but also to spearhead a rethinking of our traditional residential care model.

Our new home in the Western Sydney suburb of Penrith, to be opened in April 2019, will adopt a whole new service paradigm which builds on our existing customer directed approach and offers a fresh experience of connection and freedom.



SCC residential care services have never been institutional or governed by rules and routines, but our new home in Penrith will challenge convention by providing customers with unfettered agency and autonomy.

Research partnerships support our position as a leader in service innovation, and we continue to work with universities and community bodies to further strategies which promote older people's wellbeing.

New technologies and contemporary design

principles have been applied in the redevelopment of our residential care service in Parkes. The home has been rebuilt at a cost of over \$20 million and showcases the latest telecommunications, access controls and assistive devices, along with top of the range fixtures and furniture.

The Government's Quality Agency has stepped up its compliance activities, and it is a credit to staff that all ten of our homes seeking accreditation this year were awarded a full three-year term.

The Executive acknowledges and thanks every SCC staff member and manager for their commitment and open-minded compassion. Our experience is consistent with the vision of the Committee which drafted the recent Aged Care Workforce Strategy, which seeks to "inspire people to want to care, enable people to properly care and to enhance life through care. Because how we care for our ageing is a reflection of who we are as a nation."



I GET BY WITH A LITTLE HELP FROM MY FRIENDS

Raymond is the king of his castle. His unit in Coogee that he and his wife bought more than 20 years ago has everything he could possibly want. At 92, he has made a few tweaks that allow him to stay at home.

Sadly, Raymond's wife passed away in 2000 and he suffered a stroke in his 80's. Initially, friends helped out when he was unable to drive. Now, thanks to Southern Cross Care's Home Care, it's easy for him to call up and schedule a carer to drive and accompany him to his appointments around town. Starting with a Level One package, Southern Cross Care has supported Raymond over the years and continues to do so, adjusting the service as his needs have increased.

Raymond now has the support of a carer once a day for personal, domestic, and social care, plus transport when he needs it. "It's always nice to know that someone's looking out for

you and worrying, better safe than sorry" Raymond says after laughing over his care workers taking note of every health detail that may pop up.

Even when the carer might just be there to clean the house, for Raymond it means a friendly face and someone to chat to. Raymond says he has to have a goal to work towards, to keep him going. "I have everything right at my fingertips and I plan to keep it that way, thanks to a little bit of help from my friends".

HOME CARE



Home Care has had a very busy year. Notably, we were very pleased with a successful go-live of our new 'Procura' system in May. We have moved from a paper-based system to quite a sophisticated electronic platform with all care staff communicating via the Procura app on their SCC mobile phone.

The system was piloted at Central Coast and Lower Hunter Regions in May followed by Western region and then Riverina. Remaining regions will come on board in early 2019. Much time and expertise were utilised in the preparation and build of Procura, and the integration to the finance and payroll systems. From a client perspective, we can be more responsive to required changes to rosters, as rosters can be communicated to care staff immediately and improved communication improves quality of care with all documents in one place and accessible. We

are seeing efficiencies from centralised intake, improved rostering and greater vision and transparency across the business.

We have built services particularly in our regional areas where SCC has a strong presence and reputation. Much work has been done to bring the three streams of Residential Aged Care, Retirement Communities and Home Care together. Home Care is working more closely with our retirement community customers and staff, hosting information/education sessions and morning teas in most communities. This has led to improved interest and uptake of SCC Home Care services. Recruitment continues to be a focus as our growth depends on engaging and training of new staff.

The range of services offered has widened to encompass greater diversity and individual focus to improve quality of life for our clients. Apart from

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basic personal care, clinical care and domestic assistance tasks, services of choice regularly include activities supporting socialisation to reduce isolation and improve mental health, purchase of hand-held tablets/ devices to support community connection and communication with friends and loved ones. We have also increased community engagement, utilising community exercise physiologists, massage and other groups and therapies.

Over the next 12 months we expect to see continued strong growth in delivery of Home Care package services and also client-funded services.

RETIREMENT COMMUNITIES



This year has seen a lot of public attention into the operations of the retirement living sector. We have taken this opportunity to re-visit our thinking and approach to the construction and operations of retirement communities.

We continue to focus on helping residents live life on their terms but are making this a more customer-driven process, offering more choices in a more collaborative way.

- In November 2017, Southern Cross Care (NSW & ACT) officially opened the new Parkes Retirement Community offering 29 additional one- and two-bedroom retirement units with contemporary, quality finishes and fittings. The Open Day and Blessing saw the whole Parkes community come together. The community toured the new units and residential aged care building, plus the new features including a café, hair salon, children's play area, BBQ areas, attractive landscaped gardens and recreational walking paths.
- The Property Development team conducted full refurbishments on 15 units at Cardinal Gilroy Village

in Merrylands. Due for completion in the second half of 2018, this project is the first stage of a larger site refurbishment plan.

- The partial re-build works on Block D of the Patrick Minahan Village in Marrickville were completed in the first half of 2018, following previous fire damage. An opening ceremony and blessing was held to welcome the residents of Block D safely back home.
- SCC continues to protect the interests of financially disadvantaged customers, with a 20% rate of concessional renters who are paying minimal contributions to the cost of their accommodation in our retirement communities.
- In July 2017 we began recruiting 'Village Liaison Officers' (VLOs) to be a conduit to facilitate resident social activities and care requirements. Based across SCC regions, VLOs serve as the frontline person and SCC representative for retirement community residents.
- SCC has undertaken significant local and high-level audits to assess the current maintenance structure at SCC. Maintenance has

evolved in recent times from the perception of a "Handyman" to become more Asset Management focused and Building Compliance related, with advanced skill sets now required to perform and deliver to industry best practice and to adhere to regulatory requirements.

This will address issues and risks associated with compliance, preventative maintenance, contractor management and minor works as well as financial implications (budgeting and expenditure).

The key deliverable of this exercise is to allow more time for SCC Care Management and staff to focus on delivering a high-standard of person-centred care.



IVAN AND MARGARET KEEPING MERRYLANDS LUSH

For Ivan and Margaret from the Cardinal Gilroy Village in Merrylands, life in a retirement village is about living the life they always wanted.

"We always liked spending time in the garden we had a lot of rose bushes, those were our favourite. I like those and Snapdragons, so I'd like to plant

more here" said Ivan.

"When we came here we had this green space in front of our unit to do what we wanted, we made a garden bed, but we seem to make it bigger and bigger all the time as I see different things Ivan could plant," said Margaret.

The Village Manager Deborah saw the value in gardening as a way for residents to exercise and socialise. She has created programs to encourage residents to get gardening all around the village. These spaces have spruced up the village and have a personal touch that the residents can be proud of.

Two of our partners, Bunnings

and Programmed, have been very generous, donating and helping to set up wheelbarrow gardens, raised garden beds and benches, creating peaceful spots for residents to have their own veggie patches. Ivan enjoys tending to the garden and using the fruit and veggies from the garden like tomatoes, cucumbers, spring onions and strawberries.

"People like Deb and the maintenance crew have been a great help. Gardening is something we always did in our own home anyway. Living in the village, things like help with tools and the raised beds means it's easier on us" said Ivan.

CUSTOMER SERVICE AND SALES



The beginning of 2018 saw the inception of a new role to oversee and manage the entire Customer Service & Sales Team, covering all three Care Streams. This recognised the importance of consumer-directed care and providing a more seamless customer experience.

Also in 2018, we appointed a Retirement Living & Sales Coordinator, to look after all Retirement Living sales and enquiries, for both new and existing villages.

This year, the focus for the Admissions Team was the refinement of the enquiry process and the continuing transfer to a centralised platform to enable effective coordination of SCC's actions.

The Admissions Team supports people and families throughout the entire journey. We listen to the needs of our current customers and our potential customers. We respond with detailed information, introduce people to our communities and facilities and where possible, offer interim strategies for people still living at home.



LIVING LIFE TO THE FULL

Village Liaison Officer, Yvette tells us how her residents of the beautiful Banora Point and Tweed Heads villages take advantage of being part of the Southern Cross Care family to really live life to the full.

"They enjoy a wide range of options and lifestyle choices, with great events, concerts, outings and in-house Chapel services always being heavily

attended. If their desire is simply to read a book, put their feet up or potter around the garden, this is the perfect place for that too.

I love to learn about what sort of lives our residents have had. We have a father and daughter who even live next to each other in the village. Rolf is a much older German man, who is just delightful with beautiful manners. His daughter Gabby supports her father with his shopping and cleaning, assisting him to stay and live at the village. Gabby also loves gardening and often helps other residents in their gardens.

Another resident, Frank, moved

into the village so that he could be closer to his wife who lives in the co-located residential aged care home. He is so grateful that he's found a place that will look after them so well, and that allows him to be close by so that he can visit her every day.

I love that many of our residents have formed friendships and often go out shopping and for coffee together. They look out for one another and really understand the term 'being neighbourly'.

All I want is for our residents to be safe and happy and I think we do a pretty good job at giving them that."

PEOPLE AND CULTURE



This year we continued to build our staff capability to meet the changing needs of our customers. We also continued to focus on retaining our position as an employer of choice.

Talent management and development

This year we completed the implementation of our STARS talent management system, focusing on goal setting and development needs in alignment with our strategy and person-centred model of care.

The STARS system also supports workforce compliance and mandatory training. This year, session-based mandatory training was transitioned to a 'train the trainer' model to build

a depth of local knowledge and ownership.

We invested significantly in the development of our clinical care teams. The objective of this program was to align the skill level of our Registered Nurses and ensure compliance with current clinical processes and procedures, with peer support.

Our spiritual wellbeing (pastoral care) team got together for professional development and the relaunch of our approach in this important area.



Our workforce

Southern Cross Care (NSW & ACT) and its workforce reached agreement on a new Enterprise Agreement which will run until 2020, covering the vast majority of our 2,200 employees.

Our talent acquisition team implemented electronic contract management, removing all hard copy paperwork from the hiring process, as well as implementing an electronic system to support the onboarding of new staff.

During the year, we implemented a survey for new employees and our 'net promoter score' was a healthy

+51, measured six weeks after an employee commences. This number represents the percentage of those who would recommend SCC as an employer, minus the percentage who would not recommend (note: a neutral response was a third possible response).

Employee wellbeing and safety

This year we launched a proactive wellbeing campaign activity aimed at increasing uptake of influenza immunisation.

Our safety committees assisted in consultation with our

workforce to transition SCC to a smoke-free workplace, with all locations meeting the legislated deadline of 1 December 2017.

Our workers' compensation and return to work management resulted in outcomes slightly better than industry benchmarks. Our focus was on reducing common injuries through proactive manual handling training and specific training on equipment.



PASTORAL AND SPIRITUAL CARE



Southern Cross Care (NSW & ACT) has a proud history of considering the whole person and providing Pastoral & Spiritual Care to our residents. While this stems from our heritage of Christian values and traditions, we recognise the diversity in our communities and are committed to meeting the spiritual needs of residents based on who they are and what is meaningful to them.

We commend the efforts and achievements of our Pastoral & Spiritual Care staff and volunteers over many years. More broadly, it is part of our unique culture that all staff

demonstrate an appreciation of the importance of spiritual wellbeing to our residents' lives.

The new Aged Care Quality Framework, which will take effect from July 2019, recognises spiritual wellbeing as an integral part of holistic person-centred care. Accordingly, our aspiration is to have a coordinated, consistent and effective approach to supporting spiritual wellbeing.

We see an opportunity to clarify and refresh our approach, which will include:

- Bringing consistency to the coordinator role and changing the role title to 'Spiritual Wellbeing Coordinator'.
- Promoting a renewed understanding of what 'spiritual wellbeing' is and how Spiritual Wellbeing Coordinators and Pastoral Care Volunteers will be engaged and supported in their work.
- Roll-out of the new 'Spiritual Wellbeing Framework for Residential Care'.
- Ensuring all facilities have Spiritual Wellbeing Coordinator roles assigned.
- Recruiting a Spiritual Wellbeing Manager to provide leadership in this area.



RESIDENTS RELISHING LIFE AT COROWA

Donna, a Pastoral Carer from our Corowa home is involved with many activities in the Special Memories Unit. One of her favourite activities was the lengthy process of making tomato relish together. There were parts that tested their tactile skills and had them chopping up tomatoes and onions, writing the labels and jarring the final product.

It was a very sensory experience filled with delicious smells, tastes and squishy textures.

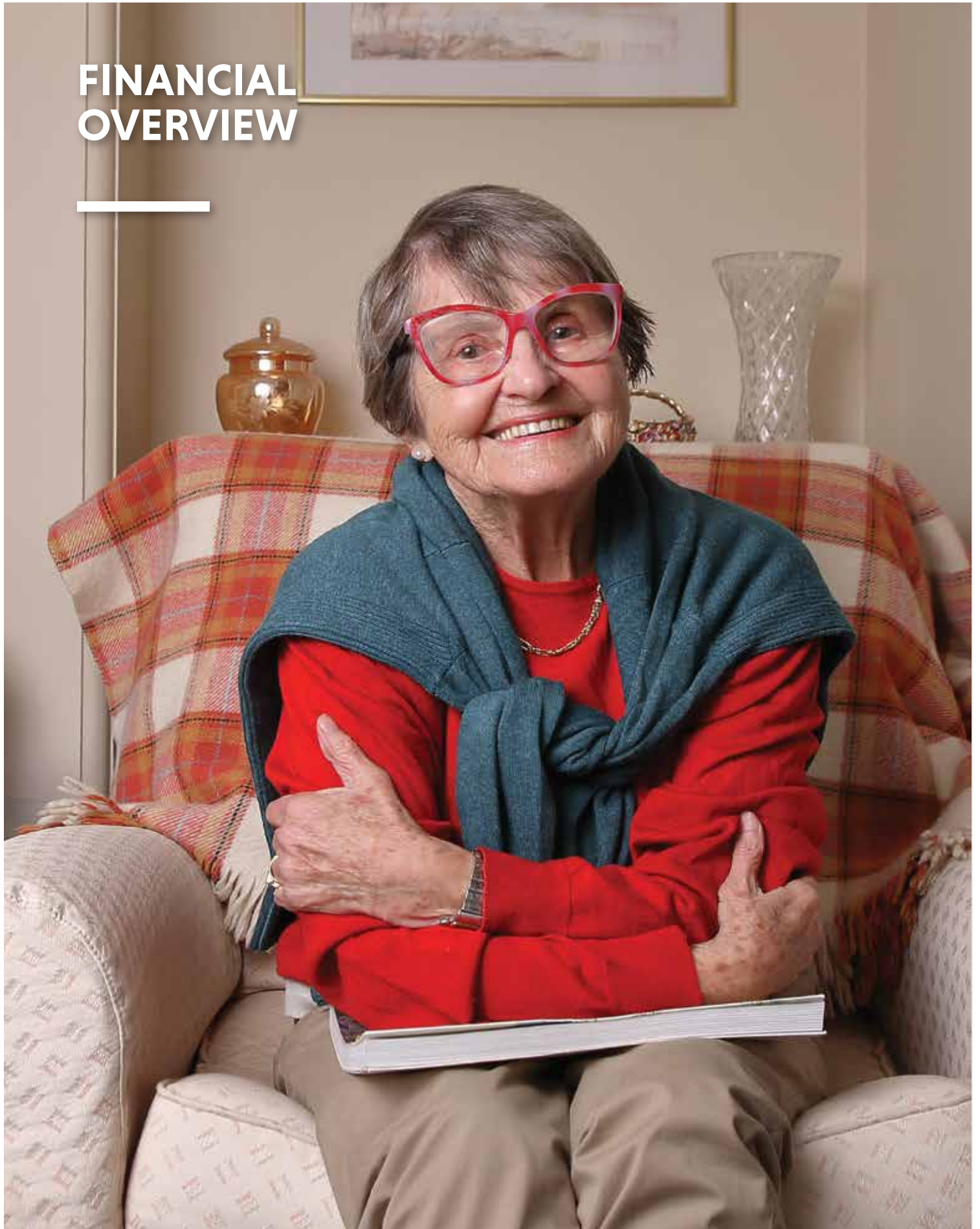
Many people have spent a lot of time in their lives cooking so this can be a link to fond memories of creating their favourite dishes or mealtimes with family.

"You could see the satisfaction on their faces when all the cutting up of the onions and tomatoes or writing the labels or sealing the jars with the rubber band. It was priceless to see the joy that they all had at the end when they saw their accomplishment," said Donna.

Donna says her motto in life is 'I choose joy', a motto that guides her in her work to create moments that will bring a bit

more joy into the lives of her residents. It is a proud moment for Donna to see the activities making such a positive change in their behaviour and has been a great way to form connections over the experience and conversations about food and memories.

FINANCIAL OVERVIEW



\$168m
Total Revenue

\$416m
Assets – Property,
Plant & Equipment

\$175m
Cash & Investments

\$52m
Expenditure on
upgrading existing
and new buildings

Following the 2016 Federal budget cut of almost \$2 billion from Aged Care funding, Aged Care providers are increasingly focused on ensuring their operating models are sustainable. Southern Cross Care (NSW & ACT)'s revenue base for the year was \$168 million with a consistently strong balance sheet. This gives us a solid platform to respond to the challenges of the sector and to continue to build a sustainable future.

Never before has the aged care industry faced the amount of reform and change it has had over the last two years, including an increasing need

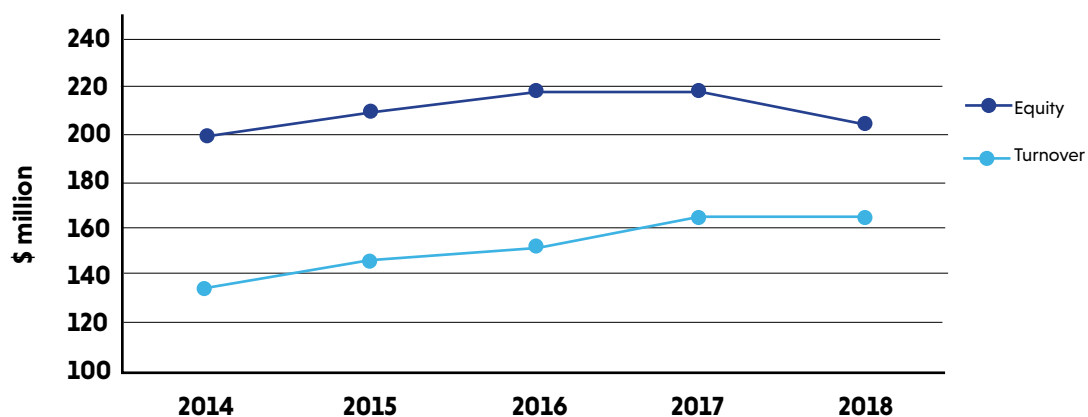
for aged care, due to the boom in the ageing population, and a more informed client base. We have responded proactively to meet these challenges (SCC maintained a quality of care and kept the actual hours of care provided to residents above industry benchmarks) while attempting to mitigate the flow-on effect of the 2016 Federal funding cuts.

In response to the changing needs of the industry and to secure a sustainable future for SCC, we have continued to invest in significant facility refurbishments and redevelopments, and to develop greenfield, integrated

care environments. Continued investment in technology and systems improvements and automation is enabling us to streamline care services and data analysis, implement cost-effective processes, and facilitate agile response to the ever-changing aged care landscape.

The following graphs show the revenue and net equity over five years, and the revenue and expense breakdown for the 2017-18 financial year.

Five Year Turnover/Equity Growth



The five-year positive trend for revenue growth reflects the organisation's strategic plan to continue to provide increased services and high-quality care to our customers. Equity remains very strong.

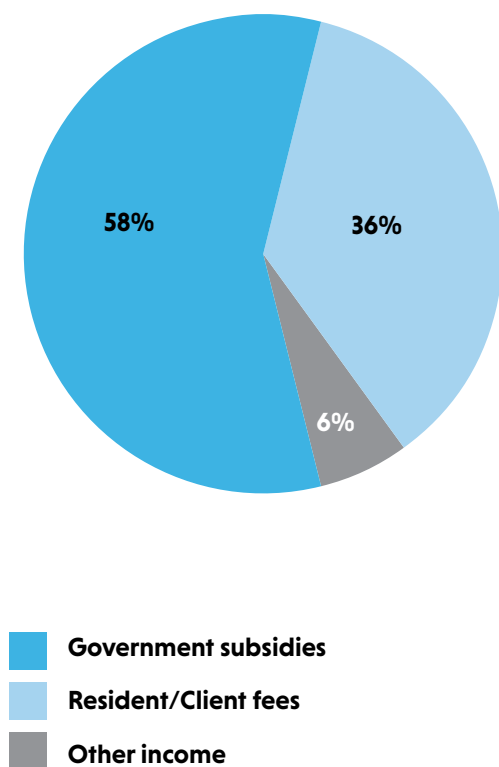
Government funding continues to be our main source of revenue. However, whilst total revenue has increased during 2018, government subsidies

reflected Federal budget cuts and decreased by 1%. Other revenue remained constant at 6%.

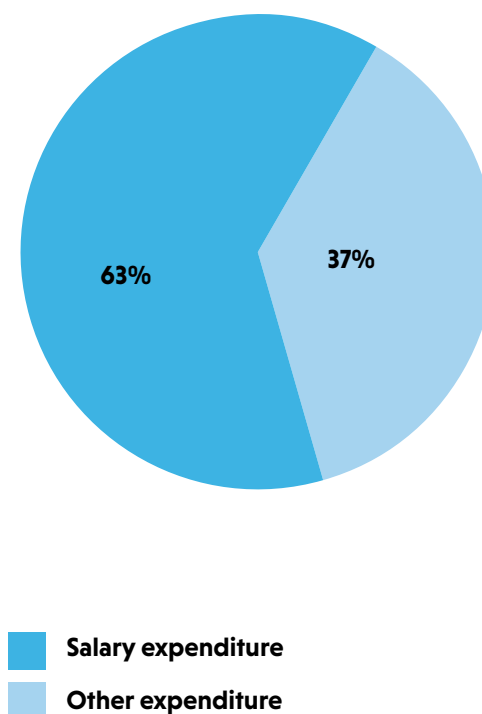
Salary expenditure has remained a consistent 63 per cent of our total expenditure and this reflects our commitment to maintaining the highest standard of person-centred care and enabling our customers to live life to the full.

In summary, the commercial environment in 2017-18 posed many challenges, however, SCC has a solid foundation on which to implement its new Strategic Plan 2018-21 and create a sustainable future.

Revenue Allocation



Expenditure Allocation



INFORMATION TECHNOLOGY

2017-2018 has been an extremely busy year for the Information Technology team at Southern Cross Care (NSW & ACT).

On the residential front, we brought our new facility at Parkes 'online', which incorporates high levels of automated building management, as well as a future-proofed segregated resident network that provides resident telecommunications and internet connectivity. This design and deployment methodology is being further refined and is being incorporated into new facility builds and refurbishments.

The systems and infrastructure design activities for the new facility at Thornton Park are well advanced and will include several new community-focused services.

The business data network that supports our enterprise activities are planned for major upgrades in 2018/2019 (the design has been completed). This will provide extra capacity and improved network security to all our facilities, enabling new and improved business services

to be deployed. Improved secured corporate connectivity to the internet will improve the ability to adopt "Cloud" services.

During the year we have substantially increased our mobile fleet to enable the use of mobile technology to be fully embraced by users of the new Home Care system as well as providing a level of core service fall back capability for residential facilities in the event of a primary network failure.

The primary care systems have undergone a number of changes over the year, including major upgrades to the Residential Care System and the implementation of a new Home Care System (Procura).

Cybersecurity issues are of increasing concern to all businesses nowadays and SCC is no exception, we continue to constantly review and improve our network security controls as well as how we protect the data we manage on behalf of our customers and the business.

The Information Technology team continues to adapt to the increasing diversity and ever-changing portfolio of services. This year saw a significant

number of changes that are resulting in demonstrable improvements in both service delivery and support.

Looking forward, 2018-19 has plenty of opportunities and challenges, with new facility builds and upgrades, changes in data communications with the introduction of 5G mobile services, the NBN starting to mature, major application upgrades and several proposed new applications and services.



FROM PARKES TO EAST TIMOR WITH LOVE

Southern Cross Care (NSW & ACT) partnered with many people and organisations in Parkes to help remote East Timorese hospitals and clinics treat patients with modern equipment they could have only dreamt of previously.

SCC is committed to sustainability and protecting our planet. We are a Silver Sustainability Advantage Member, recognised by the Office of Heritage and the Environment.

A massive care package,

consisting of two 12-metre-long shipping containers packed to capacity with donated items was sent to Dili, the capital of East Timor.

In addition to donating \$15,000 to the locally based charity ParaMarcia, SCC donated materials from our former Parkes Residential Aged Care home. The containers were filled to capacity with furniture, electric beds, medical equipment, linen, white goods, roofing, and more.

Organiser Bill Shallvey, on behalf of ParaMarcia said many of the donated items from SCC were destined for the Manufahi Health District in the remote northern part of Timor.

"Other recipients are missionary led groups, including schools,

a young women's refuge, a disability clinic, an orphanage and birthing facilities, all remarkable in their own way," Bill said.

Paul McMahon said the organisation is honoured to have played a part in helping Timorese people receive the care they deserve.

"SCC have won numerous awards for our sustainability programs, so opportunities to share and sustain resources, like the ParaMarcia program are a good fit for us," he said.

Bill said many East Timorese people are now receiving better care thanks to the donations, but to these clinics and charities in East Timor, the appreciation goes beyond the material donations.

PROPERTY



Several of our sites have seen great progress with building works over the 2017-18 financial year.

A lot of focus was also put into future planning and our developments due to open in 2019. Below are some of the Property team's highlights of the 2017-2018 Financial year.

- Completion of our new, state-of-the-art 62 bed Residential Aged Care home in Parkes in late 2017.
- A significant refurbishment and expansion of our Marsfield Residential Aged Care home was completed in late 2017.
- Construction commenced on the redevelopment of our North Turrumurra Residential Aged Care home in early 2018. When completed in late 2019, this state-of-the-art facility will offer 113 premium suites and on-site community facilities. A highlight to this project will be the heritage restoration of Huon House.
- Construction continued on our brand new, fully integrated community, Thornton Park at Penrith. The development features a 100 bed Residential Aged Care home, 48 premium Retirement Living units, café, beauty salon, community workshop, technology hub and a range of rooftop gardens. A range of community programs targeting our broader community will be offered from the Community Building. Construction will be complete in early 2019, with the first residents due to move into their new home in the first half of 2019.

- Planning continued for redevelopment and expansion of our Grafton Residential Aged Care home. If approved, the home will increase in size from 63 to 83 beds and will offer a number of Allied Health programs.
- Future planning for an integrated retirement community at our Campbelltown site continued to progress. The initial development will involve a new 100 bed Residential Aged Care home, incorporating a number of design features and services that will enhance community engagement.
- Master planning of our largest community, Cardinal Gilroy Village in Merrylands has progressed, with planning of the first stage underway. This will involve the construction of a new community building. The first stage will involve the enhancement of the community facilities within the village, as well as improvements to accommodation.
- Over the last 12 months, we have undertaken audits of our property portfolio, assessing the needs and requirements for best practice implementation of property asset management. Maintenance of the asset portfolio is an enormous and complex component of any business and organisation. We are currently progressing towards a restructure of how asset management is undertaken, which will align with the organisations strategic goals and long-term vision for the improvement of service delivery.



Redevelopment in progress of our North Turramurra Residential Aged Care Home.

SUSTAINABILITY



At Southern Cross Care (NSW & ACT) (SCC) our commitment to helping older people 'live life to the full' sits comfortably side-by-side with our goal of making sure we do so in an environmentally responsible way. SCC is always looking for better ways to minimise impact on the environment to ensure wherever possible, our activities promote environmentally responsible, sustainable practices to build a better future for our community and the environment.

Our Support Office-based Green Team, with the support of all our staff, have initiated both large and small-scale green projects since 2011. Part of our work is to track and monitor energy and resource usage across all our residential aged care homes, measuring our consumption against other aged care organisations. By comparing benchmarks set by the Office of Environment and Heritage and KPIs between our facilities, we are able to prioritise our means of reducing energy consumption, water usage and waste management and generation across the organisation. Our energy goal is to boost efficiency to 12 per cent by 2020.

Key Initiatives

- Silver to Gold Status with Sustainability Advantage: SCC is thrilled to have previously achieved Silver Recognition with the Sustainability Advantage Program. Working towards Gold recognition will help further demonstrate our standing as one of the sustainability leaders within the Aged Care sector.
- Risk within Sustainability at Southern Cross Care: An Employee Engagement and Policy Workshop was organised with Sustainability Advantage to provide staff engagement and policies to ensure sustainability is governed and part of SCC's operations.



Figure 1. Solar Panels Installed at new Thornton Park RAC

- **Sustainability Tool-kit:** The tool-kit has been prepared for SCC's retirement community and home care customers on how to practice and implement sustainability within their homes. The document will be distributed as a handout and will be placed on SCC's Intranet and website for all other stakeholders to use.
- **Sustainability Intranet Page:** Has been developed and published on the SCC Intranet for staff to have access to key tools and information on sustainability as of July 2018.

Recent Projects:

1. Young Dam rectification & surrounding landscaping works – anticipate completion in February 2019.
2. Air-conditioning works at Moama & Deniliquin RACs. Including removing of inefficient wall heaters – Completed in October 2018.
3. New developments with integrated ESD (Ecologically Sustainable Development) principles at Thornton Park and North Turrumurra – anticipate completion in February 2019 and December 2019 respectively.
4. **Waste Contract:** Consolidation of waste services across all sites via region, with the aim to go to tender to work with one supplier (or a limited number) to insist on our reporting and our recycling needs – completion date April 2019.
5. **Harden LED Retrofitting:** Ongoing work handled by the maintenance officer.

Key Achievements

1. **Liquid Food Composter (LFC)** food waste savings: The LFC has been installed at Tweed Heads, Nordby and Marsfield residential care homes. This has achieved 85% reduction of food waste across these three homes. A total of 9062 kg of food waste was diverted from landfill in 2018.
2. **Worm farm:** Minimising food waste from going into landfills by converting organic food waste into nutrient-rich fertiliser for plants and soils. This has achieved approximately 10% reduction in food waste going to landfill at these sites.

3. **Fuel Management:** SCC has continuously managed to lower fuel consumption through adopting fuel-efficient vehicles, minimising travel, utilising other forms of communication (e.g. telecoms) and monitoring fuel data usage for continued improvement. We achieved a total cost reduction of \$108,000 per annum in 2017 compared to the baseline year of 2014, based on a total fuel savings of 76,000 Litres.

Ongoing Commitment

Our ongoing commitment to sustainability is reflected within our Business Strategic Plan across all departments and sectors within the organisation.

We invite everyone to be part of our Green Philosophy, if you have any feedback, ideas or require any additional information on our environmental sustainability "Green Philosophy" and how to participate, then please contact our Green Team on the following details: greenteam@sccliving.org.au or 1800 632 314.



Annual Report **2017-2018**

ABN: 76 131 082 374