

Anglican Community Services trading as Anglicare.

The first three years; the next ten years.

The story so far

In April 2016 Synod approved in principle the merger of Anglican Retirement Villages Diocese of Sydney and Sydney Anglican Home Mission Society to form Anglican Community Services. The merger took effect on 1 July 2016 and this report updates Synod on the work and ministry of Anglican Community Services. The incoming Board placed a strong emphasis on “beginning well” and prioritised the establishment of the Vision, Mission and Values from which the newly-formed merged organisation would forge its identity.



Integrity



Justice



Compassion



Excellence

Our vision

Jesus Christ honoured, lives enriched and communities strengthened.

Our mission

Serving people in need, enriching lives, sharing the love of Jesus.

Our values

We exist to share the love of Jesus and value all people as made in the image of the living God. Our faith gives us meaning, purpose, direction and hope as we seek to live lives pleasing to God. This inspires us to act with:

Integrity: We are honest and transparent in the way we treat others and actively promote a culture of trust and respect.

Justice: We seek fairness, equity and inclusion for all people, regardless of who they are. We honour and uphold the right to dignity and an enriching life.

Compassion: We put empathy into action; connecting with individuals by seeking to understand their feelings, thoughts, needs and experiences.

Excellence: We seek to exceed the expectations of those we serve and achieve the highest standards in all we do.

Progress to date

Aged Care and Accommodation



	1 July 2016	1 July 2019	Comments
Retirement Living	2,933 people	3,239 people	<p>New / Expanded</p> <ul style="list-style-type: none"> • Rooty Hill (new); The Ponds; Warriewood Brook; Lober Square; Caddens; Glenhaven Green; Warrina <p>Renewed:</p> <ul style="list-style-type: none"> • Goodwin; Woodberry; Hopetoun <p>Under Development: (approx. 500 additional people over the coming 3 years)</p> <ul style="list-style-type: none"> • Minto; Merrylands; Milperra; Bulli, Woolooware Shores, Oran Park Village, Gordon, St Lukes
Residential Care	2,117 people	2,005 people	<p>New</p> <ul style="list-style-type: none"> • Dudley Foord House; Melva McDonald Lodge, Thomas Street Lodge <p>Renewed¹:</p> <ul style="list-style-type: none"> • Woodberry; Mary Andrews; Lemongrove; Donald Coburn Centre; Donington Court; Warrina; Farrer Brown Court <p>Closed:</p> <ul style="list-style-type: none"> • Gowrie; Judy Cameron House <p>Under Development: (approx. 350 additional people over the coming 3 years)</p> <ul style="list-style-type: none"> • Gowrie; St Lukes; Oran Park; Taren Point
Housing for Vulnerable people	40 people	150 people	<p>Housing Assistance</p> <ul style="list-style-type: none"> • New – Katoomba; Leichhardt • Under development – Windsor <p>SHIFT (Support and Housing for Families in Transition)</p> <ul style="list-style-type: none"> • 25 locations across the Diocese (also discussed below) <p>SAHF (Social and Affordable Housing Fund)</p> <ul style="list-style-type: none"> • Target cohort is women aged 55+ • 550 dwellings by FY2022 • First 20 at Rooty Hill operational • Locations to include: Mt Druitt; Fairfield; Liverpool; Corrimal; Dapto; Nowra; Minto; Botany
Anglicare At Home	1,056 people	1,600 people	<ul style="list-style-type: none"> • Home Care Packages (this excludes CHSP and day centre client numbers of approximately 3,950)

¹Renewals often involved room enlargements or using space for private en suite bathrooms. This has contributed to a short-term reduction in the number of people served.

Progress to date

Community Services



	1 July 2016	And now in 2019
Mobile Community Pantry	The first pilot site commenced at Petersham Church in February 2015.	Over 50 churches across all five regions now involved. The plan for growth over the next 12 months is for that number to grow to 60 ideally on its way to 100 churches / locations over coming years.
Disability	Four services in Western Sydney ² .	Completed exit from the Kingsdene Respite Cottage and three other programs by June 2017.
NDIS/Mental Health	Zero sites involved in the provision of services via the NDIS. Anglicare had exited disability services.	Following completion of a successful pilot for the provision of psycho-social mental health services at Waverley these services are now being provided through the NDIS at two sites with plans to grow to four sites in the upcoming year. Commenced a new government-funded program to provide mental health services to refugees and asylum seekers in the Western Region of Sydney. This program will run for a four-year contract period.
Food and Financial Assistance	At the time of the merger we were serving around 18,000 people per annum through emergency relief services.	A major program transformation was approved in early 2018. The plan was to grow the number of people being cared for through FFA by 7,500 people per annum (an uplift of over 40%). We are halfway through that change, with more effective care being delivered to many more clients. We are tracking well towards the target of 28,000. The main task ahead is the recruitment of more volunteers who are equipped to work in the new model.
Migrants and Refugees	Around 90 churches engaged in ESL at time of merger.	Broadly the same number engaged in ESL at this point with plans to uplift that number by 20+ churches over coming years. The Syrian Iraqi Refugee Response was underway at merger and was completed at December 2018.
Counselling, Mediation and Youth Services	Broadly unchanged in number since merger.	We have introduced a 'Mens Behaviour Change Program' and appointed a Diocesan Domestic Violence Advisor (Lynda Dunstan) who is doing a great job supporting ministers and parishes. The 'Anglicare Youth Connect' Program has now grown to three churches.

² Exited from most disability programs prior to June 2016.



Transitional Accommodation	The SHIFT program, for refugee families and families escaping domestic violence, did not exist at merger.	We now have 25 families accommodated in housing, many of these families being supported in various ways by the local church.
Northern Inland	Anglicare NI was a separate entity at the time of the merger	On 1 July 2018 Anglicare assumed the work of Anglicare Northern Inland (Diocese of Armidale). This has been undertaken very successfully and the services in that area, particularly mental health, are now growing.
Children and Families	Around 150 placements in out-of-home care. System operated with nearly all children placed with Anglicare being in long-term foster care.	The NSW Government implemented a major reform to the out-of-home care system during 2018 which remains in a 'bedding down' phase. Anglicare now has around 170 children in care with over 35% of those placements being supported towards adoption or family restoration (instead of long-term foster care). A massive change in practice.
Shops	19	Now 25. We have opened/acquired seven shops and closed one since merger. The 'New Shop' model has been implemented and some shops refitted.
Aboriginal & Torres Strait Islander programs	No solid data across the programs at merger.	Results of the 2018 Annual Client Survey showed that: "Almost one in ten (9%) of respondents identified as Aboriginal, which was a significant over-representation on the 2016 Census statistic of 1.5% for Greater Sydney. There was also significant variation by service stream, with the highest levels of Aboriginal representation found among Young People (20%), Food and Financial Assistance (14%), Mental Health (9%) and Early Childhood (7%) services." In 2017 Anglicare exited from its 'Little Black Duck' children and youth counselling and mentoring program at Nowra due to staffing challenges. It is likely that Anglicare will align with the sectoral trend for Aboriginal-specific programs to be undertaken by Aboriginal organisations. A review of our aboriginal schools program at Mt Druitt will be undertaken with this trend in view.
Early Childhood Learning	None at merger.	Undertook an active and careful consideration of the merits of entering the Early Childhood Learning sector. In March 2019 a Board decision was made not to proceed at this time.

Our people

	1 July 2016	1 July 2019	Comments
Total staff numbers	3,061	3,427	Includes Support Centre staff, excludes casuals.
Aged care & accommodation	2,537	2,714	Excludes casuals.
Community Services	345	357	Excludes casuals.
Chaplaincy & Pastoral Care	77	103	Excludes casuals.

Volunteers

Volunteers have continued to be an integral part of our organisation with 2,000+ people of all ages contributing their time and skills in areas including:

- pastoral care
- aged care visiting and activities
- youth and refugee mentoring
- Christmas hamper packing
- food and financial assistance
- Anglicare Shops
- parish-based Disaster Recovery teams

Learning and Development

Since the merge we have placed significant emphasis on learning and development for our employees and volunteers. This includes:

- streamlined access to learning opportunities and resources through the implementation of Cornerstone, our online learning portal
- Christian Care training for all staff
- a renewed emphasis on leadership training at all levels
- Cultural Competency training for all staff.



Finances

Expenditure commitment toward community welfare and mission programs.

- Expenditure has grown significantly, both in dollar terms and as a percentage of the surplus we generate.
- Commitment to expanding the reach of Anglicare in the future but the growth rate will need to slow in line with capacity.

	FY16	FY17	FY18	FY19
Program expenditure \$m				
Community	4.3	5.4	7.0	7.3
Mission & Partnerships	4.2	4.7	5.5	6.6
Annualised growth rate (p.a.)				
Community				19.2%
Mission & Partnerships				16.7%
Use as Percentage of Surplus Generated by Anglicare				
Community	17%			40%
Mission & Partnerships	17%			37%



Provision of Affordable Housing

- In addition to the SHIFT program (included above) Anglicare has increased its stock of affordable housing in Villages and in the Housing Assistance program offering places for people at risk of homelessness. The \$ values below are an internal measure based in part on the opportunity cost of capital employed. FY19 numbers are provisional only.
- This is prior to our commitment of 550 dwellings over 3 years for SAHF.
- There has also been significant investment toward the provision of services in lower socio-economic areas (Rooty Hill, Minto etc.) that have not been quantified.

	FY16	FY16	FY19	FY19
	#	\$m	#	\$m
Village rentals	213	2.3	237	3.2
Housing Assistance	30	0.2	80	0.3

Reliance on Government Funding

This has not moved significantly – which is not unexpected since the mix of our services has not changed significantly. Across the two entities in FY 2016 government funding was \$208m on revenue (excluding property sales) of \$340m, or 61%. In FY19 it is \$233m on revenue of \$384m, 61%.

The largest part of our operations that is privately funded is Retirement Living, and a significant change in the size of RL relative to other operations is not contemplated. Shifts in other parts of Anglicare’s operations are more likely to come from changes in government funding models than from the development of new revenue lines.

We are seeing some growth opportunities in private homecare services, but these are not large compared to the overall revenue base. SAHF, although essentially a government-sponsored program, will over time improve the revenue-based calculation simply from the tenant contribution to rent.

Better together

Outcomes against the benefits outlined in the 2016 merger proposal document include progress in the following areas:

Supporting the Diocesan mission

Anglicare has been able to substantially increase its financial commitment to welfare and support services, particularly in areas of social disadvantage. It has also been able to substantially increase its financial commitment to chaplaincy and pastoral care, and to expand its work with parishes.

Improving our competitive position

Anglicare has maintained its reputation as a market leader in the residential aged care and retirement living sectors and has significantly grown its home care operations. While market conditions have been difficult in these sectors our operations continue to deliver high quality service demonstrated by our strong compliance record and customer satisfaction levels. We are also well placed to continue investing in renewal of existing facilities and have a development pipeline that will see our operations expand significantly under our current strategy.

Greater capability by streamlining costs

Synergies have been delivered in support areas, however the growth of the organisation and challenging market conditions have highlighted the need for significant investment in systems and the capability of our people. Our expansion into the provision of affordable housing would not have been possible without the different operational capabilities combined in the merger, nor without the strength of the combined balance sheet.



The impact on Ministry

Our Mission and Partnerships team includes the following:

	Chaplains	Pastoral Carers	PDOs ³	Comments
Residential Care	21	30		
Community Aged Care	9	1		
Parish Village Chaplains	25			Parish employed
Prison Chaplains	10			1 extra since 2016
Juvenile Justice Chaplain	1			
Health Chaplains	24			2.4 extra since 2016
Police Chaplain	1			
Community Chaplain	1			New since merger
Parish Partnership Work			6	1 per region & 1 youth



³Partnership Development Officers

- **Renewed focus on evangelism and pastoral care in aged care settings**

The merger has allowed Mission and Partnerships to review and refresh the focus on chaplaincy and pastoral care in both the residential aged care and community aged care space. Every day ministry staff have opportunities to meet the spiritual and emotional needs of residents and clients, and

to speak the gospel with truth and love. Within many of our Residential Aged Care Homes it has been encouraging to see 40-60% of residents regularly attending Chapel Services. Residents often attend Devotions/Bible studies as well as hymn singing each week. One resident recently asked to be baptised after understanding the need to follow Jesus. Chaplains and pastoral carers have many opportunities to develop relationships with

residents and clients and to speak to them about Jesus. Residents are encouraged in their faith daily.

For residents living with dementia, many chaplains and pastoral carers give wonderful testimonies of residents who go back to the faith that they had as a child and are keen to hear and sing the hymns they learnt when they were younger.

Across the organisation we are seeking to train and liberate Christian staff to engage in pastorally-directed conversations that point people to Christ, His death and resurrection.

The challenge and focus of Mission and Partnerships management for the next phase of the strategy in aged care is to build partnerships with local parishes to recruit pastorally-minded volunteers and ensure a chaplaincy and pastoral care team that is embedded well into the rhythm of life of each home so that Christ is honoured, customers served and communities strengthened.

- **Parish Connections with Affordable Housing and the Potential for SAHF Communities**

Strong partnerships have been built between 'The Cecil' and St. Hilda's Katoomba and between 'Taverners' and All Souls Leichhardt. Rev Ray Robinson describes the 'The Cecil' as "the best partnership that he has had with Anglicare". Other partnerships with 'Derby St' Penrith and 'Thurles Castle' Broadway are being strengthened and a partnership with the next Affordable Housing location at Windsor is being explored. SAHF housing sites are being discussed with local ministers to alert them to the opportunity these facilities will provide for ministry. SAHF clients have been welcomed into the Rooty Hill Village.

- **Support for ESL**

July training day had approx. 220 ESL teachers attend with 66 churches represented (57 Anglican and 9 other denominations).

- **Mobile Community Pantry**

The Partnership Development Officers have worked hard with churches to establish nine new MCP sites 2019. The new sites are: Wentworth Falls (from 8 Feb), Waitara (from 11 Feb), Shellharbour City (from 22 Feb), Whalan (from 28 Feb), Gymea (from 14 Mar), Blacktown (from 18 Mar), Mittagong (from 29 Mar), Nowra (from 10 Apr) and Leichhardt (from 24 Jun).

The value and impact of the MCP program is reflected in the following message received from the rector of Sadleir Anglican church: "I 'just wanted to share that a lady from MCP has been to church the last two weeks. She has spent a lot of time in prison and has now connected with JS, a lady in the congregation who is involved in Kairos prison ministry. Very thankful for God's providence so clearly at work!"

- **Community Chaplaincy**

Sashi Grayndler has just completed her first year in this two-year pilot with Eagle Vale Anglican church (EVAC). With a desire to focus on the suburb of Claymore within the Parish it was exciting to be able to locate Sashi several days a week at the Claymore Community Centre. In addition to attending many events and a multitude of informal chats Sashi has been able to engage in 81 'one-to-one' meetings with 27 different clients over the past six months. Sashi is able to follow up with many people from the community as the following example highlights: "S is a single mum and was referred to me from Diamond Women's services. I invited her to EVAC playgroup and she now attends regularly. I have had opportunity to drop off groceries and to take her to the Anglicare Op shop. She has shared her story with me and I have invited her to church. I am praying that she will have the courage to attend."

A second community chaplain will commence in early 2020.

Strategy 2018-2028

Jesus Christ honoured, lives enriched, communities strengthened

Purpose	<p>Christ Centred (being his)</p> <p>We will strive to create and maintain a culture where, whether by deed or by word, the love of Christ is demonstrated to all and opportunities to encounter him abound.</p> <p><i>We want to honour Jesus Christ in all we do.</i></p>	<p>Customer Experience (doing better)</p> <p>We will strive to improve the quality and efficiency of all we do and make a difference in the life of each person we serve, offering experiences that are both positive and fulfilling: not only meeting their needs, but exceeding their expectations.</p> <p><i>We value each and every individual person.</i></p>	<p>Community (doing more)</p> <p>We will strive to create, grow and promote environments where people flourish in inter-dependence and where the whole is greater than the sum of its parts.</p> <p><i>People are best able to grow and thrive when they belong and support one another in community.</i></p>
Themes	<ul style="list-style-type: none"> • Distinctively Christian • Philosophy of Christian care shapes service delivery and culture • Ministry at the margins • Advocating for those in need • Connecting people to Christ honouring causes 	<ul style="list-style-type: none"> • Gateways to services are simple and seamless • Driven to exceed expectations in meeting customer needs and preferences • Managed risk taking to explore new service opportunities 	<p>Apply our resources to serve, care and/or support:</p> <ul style="list-style-type: none"> • People who are vulnerable or in poverty • Children and families • Culturally And Linguistically Diverse Communities • Aboriginal and Torres Strait Islander communities • Older adults • Bringing positive change for people and their communities. • Other Dioceses where opportunity aligns with intent and capability

Intent: Anglicare will significantly increase its presence in areas of greatest need. We will be renowned for our care, compassion and excellence; recognised as a leading provider of contemporary and relevant services, and; acknowledged for our contribution to Christian mission. This passion to extend the reach and effectiveness of our Christian care will see Anglicare multiply the number of people it serves by 2028.

Goals

Our services will adapt and grow sustainably, expanding geographically to focus on areas of greatest need, our presence and impact in all key service types:

- A “net promoter score” of 30+ in all services
- People served in forms of residential care increased from 2100 to at least 3000
- People served through Anglicare At Home packaged care increased from 1200 to at least 2800
- People served in forms of retirement living increased from circa 3300 (2343 units) to at least 6600 (4600 units)
- Invest in new service offerings for vulnerable people, up to 5% of available capital
- People served through accommodation options for the most vulnerable increased from 82 to 670
- Children served through out of home care increased from 160 to 640
- Broaden the purpose and scope of Shops and grow from 19 to 40
- Establish expert palliative care capability, readily accessible to people in all aged care service contexts

Enablers

Core operations: Strong, robust, viable, deeply relational, professionally excellent, commercially astute and mission-hearted

People: Bold leadership, targeted recruitment, high engagement, purposeful development and holistic wellbeing

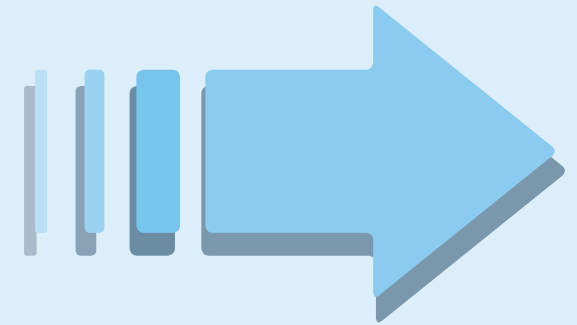
Brand: Compelling and engaging; valued and understood by all stakeholders; owned by supporters and parishes

Innovation, technology and advocacy: To achieve better customer outcomes

Supporters: Refresh supporter base; grow volunteering supporting service delivery whilst evidencing strengthened communities

Parishes: Engagement improved

Return: Overall return on capital no less than 6%



Initiatives in the next three years

In the financial year just started, and for the following two years, Anglicare will have a high level of capital expenditure in the building of social and affordable housing, residential care homes and retirement villages.

We have a robust agenda for delivering social and affordable housing within three years under contract with the NSW State Government. The financial returns from this investment are deferred but we will maintain our commitment during this time to self-funded (including through donations) work in the delivery of community services, pastoral care and chaplaincy.

Our ten-year strategy has so far demonstrated a stronger recognition by staff of the purpose of Anglicare and its mission. The penetration of our Christian care training programs down through the organisation is empowering our Christian staff to live out their faith with confidence in their workplace and with clients. These programs are providing many opportunities to speak with staff about Jesus.

Challenges of the changing regulatory environment

1. Community Services

The community services landscape has been subjected to a great deal of change over the last five years. There has been a move away from block-funded services towards client-directed funding models in more contestable markets. The NDIS is an example of this change which has been greeted with enthusiasm but has generated significant challenges for participants and service providers with many smaller disability organisations failing or seeking merger relief/consolidation.

Anglicare has competed vigorously in this new world for government tenders that align with our purpose and scope of practice. In the client-directed funding areas of the NDIS we have commenced mental health services and in aged care we have significantly grown our home care package business. This is highly significant given the explosion of new providers, very challenging financial results and the struggle to attract and retain direct care workers.

2. Residential Aged Care

It will not have escaped anyone's attention that we are in the midst of a Royal Commission

concerning aged care. The Royal Commission is having a significant impact on aged care providers, who are being impacted by reputational damage, loss of trust, employee disengagement, increased regulatory scrutiny, reduced occupancy and reduction in government funding in real terms.

Further, there is an increasing tendency towards 'knee-jerk' regulation, with seemingly isolated new compliance requirements being introduced quickly with apparently little or no thought to their impact on providers and certainly little or no industry consultation. This is often driven by media attention. These additional bureaucratic requirements are being layered on despite the expectation that the Royal Commission may also recommend wholesale change.

While Anglicare has maintained good occupancy and sustained high standards there have been significant financial challenges to operate in a sustainably profitable manner and it has been difficult to attract high quality clinical management personnel.

3. Retirement Living

At the same time as the increasing focus on the aged care industry there has been fallout in the retirement village industry from adverse media attention towards some retirement living operators. This negative publicity has had broader impact on all operators with a loss of trust and reduced confidence in the retirement living product. Anglicare's sales and

occupancy has been acceptable, but we face increased regulation (some of which will likely lead to small operator failure), slower sales rates and we operate now in a depressed and unsettled residential property market.

It would be a very common view that operating in the retirement living and aged care industries has never been more challenging or uncertain. Notwithstanding this, Anglicare is more diversified in our services than many competitors, we are conservatively financed and we are well capitalised. Anglicare has a very strong brand and high level of trust, which is tested annually through market research. We maintain confidence about our plans and operations but are vigilant in monitoring the challenges in the market in which we operate.

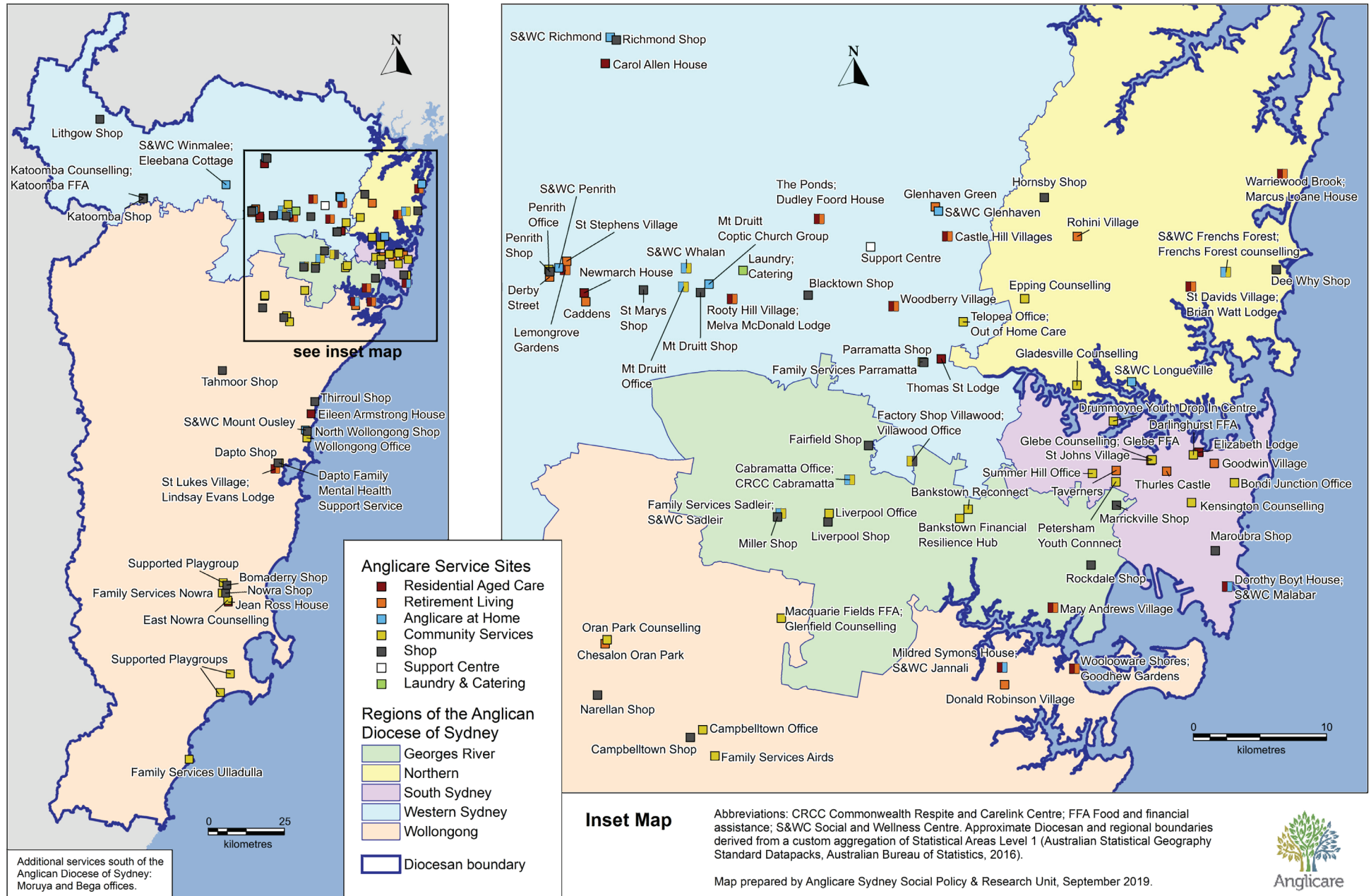
4. The Religious Freedom Debate

The future operations of Anglicare are inextricably linked to elements of the wider religious freedom debate continuing across Australia.

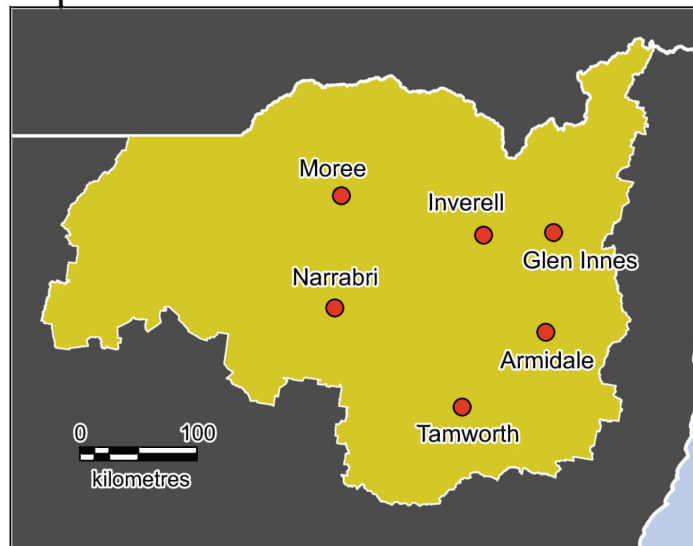
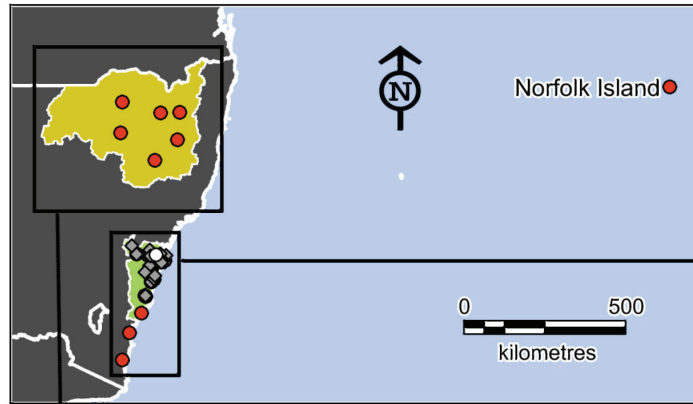
As has been the case for some time, the most significant issue will be potential for changes that may impact the organisation's right to recruit staff of Christian faith.

Anglicare will continue to monitor developments over coming months and will seek out opportunities to contribute to the debate as it is able.

Anglicare Service Sites within the Anglican Diocese of Sydney



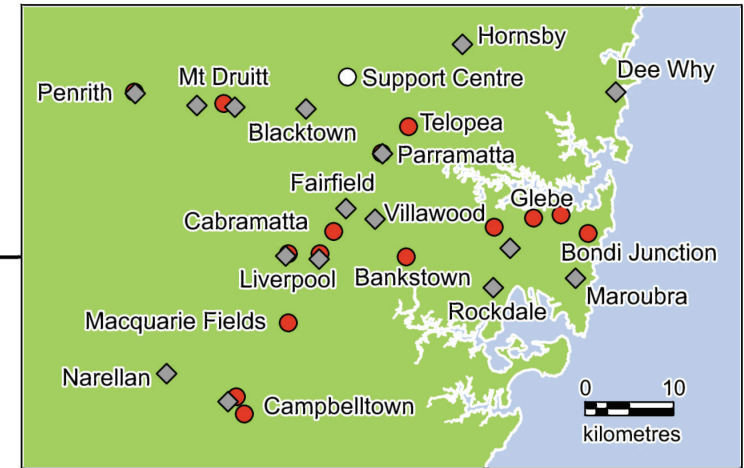
Community Services - Our Locations



NSW Northern Inland



Sydney, Illawarra and Shoalhaven



Sydney

- Community Services
- ◆ Shop
- Support Centre
- Anglicare Sydney
- Anglicare Northern Inland
- Other areas of Australia

Approximate Diocesan boundaries derived from a custom aggregation of Statistical Areas Level 1 (Australian Statistical Geography Standard, cat. no. 1270.0.55.001, Australian Bureau of Statistics, 2016).

Map prepared by Anglicare Sydney Social Policy & Research Unit, July 2019.



