



ANNUAL REPORT

2016 - 17





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Our Value Proposition

◆ Specialists in support to clients with high needs

Supporting clients with a physical disability, acquired brain injury (ABI) or intellectual disability whose support needs and health conditions are complex is our speciality. We are regarded as a high needs niche disability provider.

◆ Respect for our clients and their decisions

Our role is to assist our clients live the lives they want and we respect their choices and ambitions.

◆ Customer service focus

Delivering quality services and client outcomes reflects our strong customer service focus, as recognised in the Illawarra Business Awards as a Customer Service category winner.

◆ Longevity in supporting people with disabilities

Established in 1932 and remaining true to our role in the community Cram has proven and long track record in disability support.

◆ Illawarra based organisation utilising local staff with local knowledge

We employ local staff, we engage with our local community and we utilise local businesses and professionals in supporting our clients.

◆ Quality processes that meet disability standards

As one of the first disability organisations in NSW to achieve certification against the disability standards, we embrace the importance of quality systems and independent verification.

◆ Transportation fleet that is appropriate and reliable

Our wheelchair modified fleet of buses, driven by trained and competent disability workers, ensure our clients transport requirements are met.

◆ Trained and competent staff who are committed to the clients

We set high standards for employment at Cram and our internal competency training program combined with formal qualifications ensure our staff not only have the motivation to support high needs clients, but the skills and experience to do so.

◆ Focus on a specific client group

We focus on what we are good at, supporting people with high needs, and do not intend to dilute our services by being all things to all people with a disability—we know our core business and we know it well.

◆ Not-for-profit charity that puts service ahead of profit

Our focus is on client outcomes, not on profits for owners or investors. We operate professionally using business principles and believe that a strong Cram will deliver strong outcomes for our clients.

Client Outcomes



The Cram Foundation has seen an exciting and productive year for each of our services. Our internal restructure and the beginning of our transition into the National Disability Insurance Scheme (NDIS) has brought significant changes to our organisation but our dedication and commitment to our clients has remained our priority throughout it all. We have been able to provide and create opportunities throughout the year that are meaningful, engaging and based on the interests and needs of our clients.

Our supported accommodation clients have continued to meet their goals and aspirations with the supports provided by Cram driven by client choice and the ability of our dedicated staff to think outside the box to achieve the client outcomes.

During the year our clients participated in the Blue Rose Beyond Empathy film project which partnered with disability organisations in the Illawarra to produce a sensory experience, which was presented at the IPAC Theatre. Eight of our clients

became “stars” for the day by taking part in the filming that was integrated into the sensory experience. The filming occurred either at their place of residence or whilst participating in activities that they love like swimming, using their sensory beds or having a foot massage. The creative concept strengthens the NDIS vision of inclusivity, enabling people of all-abilities to fulfil their potential in their community.

We acquired a new single wheelchair accessible vehicle to our fleet this year with the assistance of a funding grant arranged by Stephen Jones MP, Member for Whitlam. This will change the way we access the community, particularly as parking can be a big challenge in our larger buses.

Our community in-home support clients each received a one-off brokerage grant from the Department of Family and Community Services.

This presented a great opportunity to acquire necessary one-off support and equipment which supported our client’s independence, safety and wellbeing. This extra funding resulted in fantastic outcomes, such as a chair lift that enables our client to access the upstairs of her family home. She is now able to access her whole home and fully participate in her family’s life.

Cram has been strengthening its philosophy and focus on client outcomes in the past year and these examples are just a few of the many positive outcomes our clients achieved with support from Cram.



The above photograph has been extracted from video footage by Beyond Empathy

Growth and Progress

A key strategy for Cram is to strengthen and grow so that more people benefit from our services. Pursuing growth that is both sustainable and that aligns to Cram's core business formed part of the strategic direction during the year.

NDIS Readiness: With the NDIS commencing in the Illawarra in July 2017 much of the growth and progress related to preparing for our transition into the NDIS. A Readiness roadmap was developed and helped to guide the operational and financial preparations for NDIS. A key aspect was the financial modelling using a unit costing approach.

NSW Government Services: Cram was involved in the tender process for the NSW government group homes that were being moved across to the non-government sector. In partnership with The Disability Trust, Cram was keen to tender for the 26 group homes in the Illawarra/Shoalhaven region. A thorough due-diligence process was undertaken and it was decided not to continue to the final stage of the tender due to significant financial risks and contractual requirements. This was disappointing for Cram considering that the high-needs government group homes were seen as compatible with Cram's services and growth aspirations.

Consortium – Further Together: As part of the government tender opportunity, Cram was invited to be part of a new consortium with four other providers. The consortium formed a new company, called Further Together, with the aim of submitting a tender for the whole of NSW. For the same reasons, why Cram withdrew from the Illawarra tender process, Further Together also chose not to submit a tender. Further Together has continued to consider future opportunities that could be pursued and there is a commitment, at this stage, for Cram and the other organisations to continue operating Further Together.

New group homes: Cram is striving to have new group homes developed in the Illawarra so that more people can be supported by Cram in a supported living environment. During the year progress was made in negotiations with a number of developers/investors who are interested in building houses for people with high needs. Progress continues to be made towards an agreement that will result in new housing being built.

New clients: Cram took on some new clients during the year for people who live in their family home but require support in their daily activities. Sadly, three existing clients being supported in their family home passed away during the year.

Community and Industry

Making a valuable contribution across the disability sector and in the community, is a strategic objective that Cram aspires to achieve. During the year Cram was prominent as a contributor within the disability sector and in the community via the following avenues;

Illawarra Disability Alliance (IDA)

Illawarra Interagency Restrictive Practices Panel

Southern Network Accommodation Providers (SNAP)

Illawarra Community Advisory Panel

Illawarra Disability Health Network

Southern Nurses Peer Support (SNIP)

Illawarra Workforce Advisory Group

Community Events (various)

Of course, the biggest contribution Cram makes in the disability sector and in the Illawarra community is to support our clients to live a good life as a member of their community and to focus on activities and goals that they wish to achieve.

Organisational Strength

This year we have been very proactive in stabilising the organisation in preparation for the commencement of the NDIS in July 2017. As one of the initiatives we finalised the workforce plan and provided more part-time positions and less reliance on casual staff. The staff over the past year have settled into the stability of the new rosters and enjoy the knowledge of their shift patterns. This has placed the organisation in a good position to understand future needs for staffing and client support needs. Employees also have permanency in their employment.

Working with our suppliers we have also achieved great outcomes, which have in turn saved dollars for both Cram and also directly for clients. These include our fit for work on commencement and a different approach to managing our workers compensation claims. As a result, Crams' workers compensation insurance premium has dropped by more than 60%. Our lost-time injuries have also dropped significantly.

In 2016, we also identified the need to ready the organisation for the NDIS by moving with the times and updating our use of technology. Early in 2017 we launched a new website including information for potential new clients and our services available under the NDIS. We are able track our visits and tailor the site to the pages of interest. We also launched the organisation first Facebook page. Our clients have enjoyed seeing stories of themselves on the page and we have also highlighted the amazing work our staff do at Cram.

During the year we started to build our new online WHS system that will utilise computer tablets in each group home. A work experience student from the University assisted in this process. This system will go live in 2017-18 and assist in streamlining the workload for our care staff and ensure we capture statistics more concisely.



Cram clients are supported by approximately 110 staff, primarily disability support workers along with Team Leaders, a registered nurse and administrative staff. The Cram Foundation has and always will be a sought-after place to work. Our staff are committed to caring for our clients and every year we recognise this via the Triple-C Awards.

In 2016-17 staff who qualified for recognition include Danielle Matthews, Julie Voorwinden and Christine Hayes (10 years), Mandy Brown (20 years) and Belinda White, who becomes the second staff member to reach the 30 years milestone. Congratulations on your ongoing efforts. We can also report that we have 100% return rate from employees who embark on maternity leave in the past year.

Chairman's Report



This has been a challenging year for Cram as we prepared for the introduction of NDIS. The test has been in our need to focus on the transition, whilst at the same time continuing to operate in providing services that meet high level disabilities and complex medical needs in a new NDIS environment. I am pleased to say that our preparations during the year positioned us well to transition to NDIS whilst continuing to remain focused on recognising and meeting clients outcomes.

As a Board we have been aware of our need to retain our capacity to operate in this new NDIS environment. I am confident of our future, operating under these new environmental conditions.

In speaking of future, during the year we began to work with property developers with the aim of increasing housing supply in the Illawarra for people with high needs. This is an exciting prospect that will meet this important need.

During the past 12 months we became part of a group of 4 other providers who looked at tendering for NSW Government services following the decision by the State government to divest themselves of their disability services. Following a thorough due diligence we decided to refrain from going further. We made this decision because we did not wish to compromise our financial stability which might have impacted on our capacity to support our existing clients.

The Board continues to operate with three active committees: HR and Remuneration Committee; Audit and Risk Committee; and Practices Review Committee. A review of each committee's charter has been carried out to ensure their continued relevance and usefulness to Board governance. The Board approved the changes recommended by the review.

During the year a Disability Standards audit was carried out; the subsequent report included positive comments.

I would like to thank the NSW Government through Family and Community Services and its former minister Hon. John Ajaka MLC for the wonderful support they have provided.

The Board continues to operate in a very cohesive manner always cognisant of its duty to its clients and staff and of its governance responsibilities.

During the year the Board welcomed new Director Bill Dowson OAM as replacement for departing director Prof. Patrick Crookes. Prof. Crookes made an excellent contribution to the Board during his tenure. To all Board members, well done and thank you for your valuable contribution over the past 12 months.

Gareth McKeen has completed his 5th year as Cram CEO. I would like to acknowledge the leadership he provides to the Cram team and this has been ever most important during this NDIS preparatory period. I once again thank him for the quality of his presentations to the Board and the immense assistance he provides to all board members.

On behalf of the Board I would like to thank the Cram staff for their continued efforts in ensuring our high quality service levels are maintained.

Partick Roberts OAM
Chairman

Directors



Top row left to right:

Chris Townend - Deputy Chair (to Dec 16), Appointed 26/09/2000: *HR & Remuneration Chair*

Dale Cairney - Appointed 20/02/2015: *Risk & Audit Committee Chair*

Prof. Patrick Crookes - Appointed 10/10/2014: Resigned 09/12/2016

John Chaplin OAM- Appointed 24/09/2002: *HR & Remuneration Committee*

Bottom row left to right:

Linda Wright - Deputy Chair (Dec 16), Appointed 09/03/2009: *Practice Review Committee Chair*

Patrick Roberts OAM- Chair: Appointed 23/05/2000: *Risk & Audit Committee, HR & Remuneration*

Dr Melinda Williams - Appointed 15/08/2014: *Practice Review Committee*

Bill Dowson OAM- Appointed 02/02/2017: *Risk & Audit Committee*

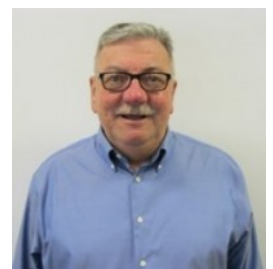
◆ *Subcommittee roles as of June 2017*

CEO/Company Secretary



Gareth McKeen
Appointed: June 2012

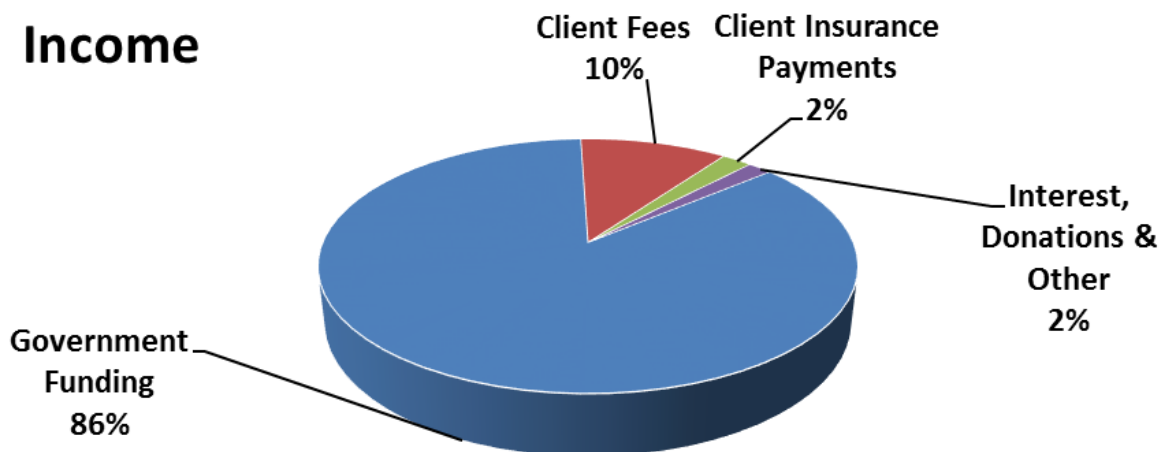
Bill Dowson OAM
Appointed: Feb 2017



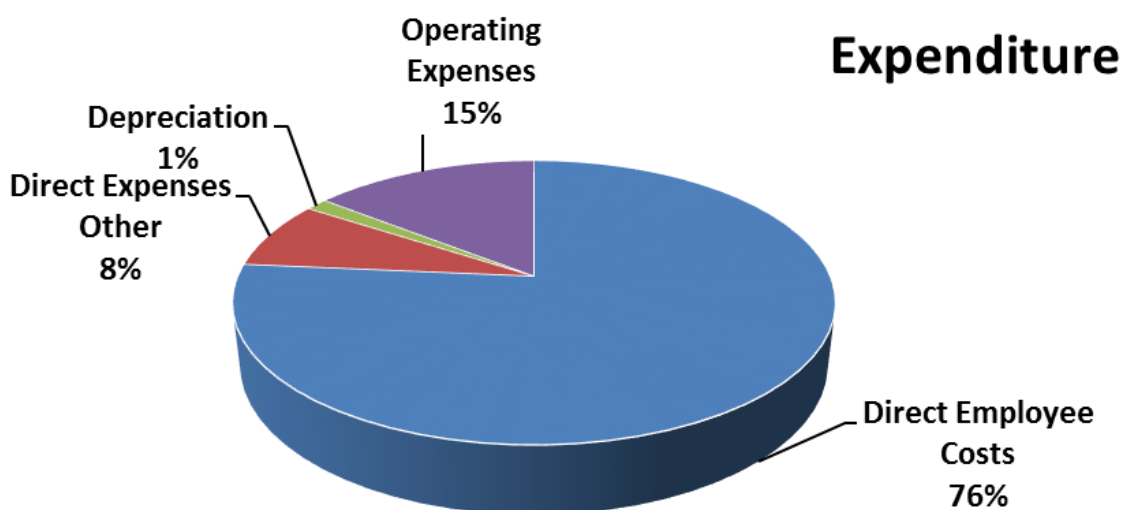
Financial Report

The financial year end 2017 produced an operating deficit of \$125,636 compared with deficit of \$307,051 for 2016.

Total Income was \$7,399,792 of which 86% (\$6,333,965) is from government funding, with 10% (\$778,793) being from Client fees, 2% (\$127,060) from interest earned, dividends, other and 2% (\$159,974) from Client Insurance Payments.



Total Expenditure was \$7,523,051 with 76% (\$5,748,075) comprising of employee expenses for direct care staff, 8% (\$582,247) for other direct expenses; 15% (\$1,087,283) being operating expenses consisting of administration and centralised staffing costs. Depreciation expense was 1% (\$105,446).



Total assets are \$5,062,079 of which 75% (\$3,814,922) is current assets, comprised primarily of cash reserves; with 25% (\$1,247,157) being non-current assets comprising of buildings, motor vehicles and furniture/equipment. Total liabilities are \$1,193,164. The working capital ratio (current assets to current liabilities) is 3.7.

History

The Organisation was formed in May 1932 as the Wollongong and District Society for Crippled Children at the time there were limited facilities within the Illawarra for children with physical disabilities.

The Organisation changed its name to The Illawarra Society for Crippled Children in 1964.

In 1965 a house at 362 Crown Street was bequeathed to the Society following the death of Miss Martha Cram.

The property, known as Cram House, was modified in 1971, jointly from funds raised as result of the Lord Mayor's Appeal and Commonwealth Government funds, and became 'The Illawarra Children's Hospital', caring for post-operative and orthopaedic patients.

In January 1972 an adjoining cottage was purchased by the Society and renovated by West Wollongong Rotary Club, and became a Special School for children with disabilities. The following year part of Cram House was used as a Day Care Centre. Both these services were later transferred to other community programs.

In 1974 Cram House closed, and in 1975 re-opened as a 'Special Purpose Nursing Home' and quickly filled to capacity to accommodate 26 children with severe disabilities.

In April 1984 extensions to Cram House were built on adjoining land leased from the Education Department and later purchased by the Society. Funds for the extensions came from the community, mainly through a telethon on WIN TV and funds from the Commonwealth Government.

In 1981 the Society established a community-based group home at Bellambi. It provided accommodation for four children with disabilities.

In 1999 the Society changed its name to The Cram Foundation.

Cram House became unsuitable for meeting the residents needs and during 2002 and 2003 residents moved to 'group homes' in the Shellharbour area. These homes are located in the community, and each accommodates small groups of residents staffed on a 24 hour basis.

Cram House was sold in December 2006 with the proceeds retained by Cram Foundation to ensure support for people with significant disabilities would continue in the future. With the closure of Cram House the head office moved to Shellharbour.

In 2010 Cram Foundation became the service provider for two more group homes, both in Albion Park.

In 2011 Cram Foundation achieved external certification under the Attendant Care Industry Standards.

In-home care for people living in their own homes commenced in 2013 and later that year began providing services to a number of Cram clients for their Community Participation program.

In 2014, based on feedback from family members of clients, Cram Foundation won the Illawarra Business Award for Excellence in Customer Service.

In 2016 Cram Foundation was one of five organisation to form a consortium that created a new company, called Further Together, to tender for NSW Government services and other projects.

Photo inlay of Cram House circa 2006

Who We Are

What We Do:

We support people who live with profound or severe disabilities to achieve outcomes that meet their life goals by offering services that range from supported accommodation and care, in-home care, community and lifestyle involvement, respite support, transportation, nursing care and advice.

Why We Do It:

Our Vision is that each person with a disability supported by Cram experiences a life of value for themselves and to others.

How We Do It:

Our Mission is to provide person-centred services through a range of high quality accommodation, community and individual support services.

Who Do We Support:

As part of our Mission we focus on people with a disability who have multiple or complex care support needs.

What Do We Value:

We believe in recognising and responding to each person's right to a good life, to gain a sense of self, self-worth and awareness of being value to others.

How Old Are We:

We commenced in 1932 as the Wollongong and District Society for Crippled Children, name changed to CRAM Foundation in 1999.

Our Legal Status:

We are a not-for-profit, public company limited by guarantee

Our Tax Status:

We are a registered charity and a public benevolent institution

Approvals and Registrations

We are an Approved provider with NDIS, NSW Department of Ageing, Disability and Home Care; NSW iCare and we are certified as meeting the Attendant Care Industry Standard (ACIS).

Vision

Each person with a disability supported by Cram experiences a life of value to themselves and to others.

Mission

To provide person-centred services through a range of high quality accommodation, community and individual support services for people who have a disability, are physically or medically frail and who have multiple or complex care support needs.

Values

We believe in recognising and responding to each person's right to a good life, to gain a sense of self, self-worth and an awareness of being value to others.



Level 1, Unit 7/75 Cygnet Avenue
Shellharbour City Centre NSW 2529
Phone: 4255 6900
Email: admin@cramfoundation.com.au
www.cramfoundation.com.au