

## **Lutheran Services**

Report to the 2018 Convention of Synod

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## **Chair's Welcome**

It is a pleasure to provide this report to the 2018 Lutheran Church of Australia Queensland District Synod.

As Chairperson of this organisation for the past nine years it is always an honour to present this report to Synod reflecting a year of achievement in ministry, and to provide some insights into how these achievements will lead us to embrace unprecedented opportunities to reach out together to Minister to human need, provide a relevant and contemporary service offering, and growing together as Church and community.

### **1.1 Faith in Action**

As a diaconal ministry of the Church, Lutheran Services extend God's loving action into our communities to ensure that people are engaged with God's love in everyday life. Our purpose is to serve. It's how we bring our Christian faith to life we share God's blessings with people in service towards a good life, one that is with a person's own direction. Our faith and our focus is to encourage all we serve on their path to a good life - whatever that means to them.

During 2017 our ministry has provided care to thousands of people, including;

- 1733 young people
- 91 people living with disability
- 464 people who accessed our mental health support service
- 200 survivors of domestic violence
- 1298 people who accessed emergency relief
- 1,344 residents of our aged care services
- 121 accessed home care
- 364 residents in our retirement villages

### **1.2 Our Contribution**

Lutheran Services provides quality care for thousands of Queenslanders, diaconal ministry in communities we operate, and a compassionate voice for Queenslanders.

For more than 80 years we have operated across South East Queensland building on the work of Lutheran congregations and representing the Church as part of the Lutheran ministry.

Lutheran Services is also an employer of over 1,500 dedicated staff. We are a net job creator that grows employment in regional areas. Lutheran Services doesn't just bring jobs in our development and expansion, we generate highly skilled jobs and rewarding career paths in a growing industry.

Governance has been an issue of much discussion within the Church this year, and while some changes may be on the way for Lutheran Services' structure in relation to elected Church bodies, we

are and will always be a Lutheran organisation established to witness faithfully for Christ in the communities we serve.

Working in fellowship with the District Church Council in all areas of our work is vital for us to achieve mission. We can only achieve what we achieve for Christ through their support, their trust, and their faith in working with us as one Church.

Lutheran Services is also privileged to be involved with the Lutheran Church of Australia's Committee for Ministry with the Ageing. Our work with this body allows us the opportunity to discuss our work and experience with our colleagues from around Australia and to provide our church with advice and support to improve ministry with the aged at a congregational level and in policy.

### **1.3 Meeting the Challenges and Building the Future of Aged Care and Community Services**

The Aged Care industry has never before encountered such complex external pressures.

- \* Increasing demand for aged care places
- \* Increasing population longevity
- \* Rising incidents of dementia
- \* Changing community attitudes to ageing
- \* Future workforce challenges
- \* Empowered consumers who can choose and change providers as market driven care rises in prominence
- \* The changing nature of families
- \* Requirement to be transparent and accountable in care delivery
- \* Continuing negative perceptions of ageing
- \* The pressure to adjust our attitudes and actions
- \* To respect the needs, wishes, and contribution that senior Australians make

Lutheran Services must accelerate and maintain our transformation, and continue to embrace innovation while keeping safety, quality, compassion, spirituality, and consumer choice at its core.

Organisations that meet these challenges will thrive, and Lutheran Services enjoys some natural advantage in the market. As a Christian organisation that is committed by our values to supporting people to live a good life of their choosing, we are primed to develop the deeper relationships our future clients will seek.

Additionally, Government funding models of aged care is in constant flux, but a trend towards an aged care sector that is less able to depend on funding increases to keep pace with demand is almost certain.

Lutheran Services has continued to invest in planning for a future model of care that is more independently funded.

Where this has required clear decisions about how resources can be expended to meet our strategic goals, we have worked with experts in financial and service modelling to ensure economic rigour forms the bedrock of our plans.

Lutheran Services is embracing an unprecedented opportunity for diaconal ministry with a robust plan to go and grow together, ministering to human need.

In responding to these challenges and scoping opportunities Lutheran Services has undertaken detailed and complex planning processes. We have engaged with experts in fields as diverse as community services, design, master planning, finance, and architecture. We have consulted widely within our communities, our Church, with government, and with stakeholders everywhere.

In this report you will read about how our planning has begun to take physical form in building improvements, new master plans, and entirely new developments and in an increasingly skilled workforce to meet the diverse needs of ministry.

In readiness for the governance challenges of transformation, the Council for Lutheran Services has focused on becoming a skills based board that undertakes regular independent governance assessments and continuing professional education through accredited and reputable external bodies.

## **1.4 Acknowledgements**

In achieving this work we have been supported by countless members of our Lutheran community, but I would like to thank several of my colleagues personally for their enormous support of the work of Lutheran Services.

I would like to thank my fellow Council members Stuart Jaeschke, Pastor Boyd Briese, Stephen Cullen, Leena Vuorinen, Simon LaBlack, Jennifer Danslow, Andrew Stanke and Bobby Rolison.

Council are thankful for contributions of Stephen Cullen and Pastor Boyd Briese who will be missed as they step down from their roles on.

And happily, we welcome Pastor Mark Gierus to the Council as Pastor Representative, and look forward to many fruitful years of work together.

We are thankful for the engagement of Bishop Paul and the District Church Council and their support in our ministry. Their time and wisdom have deepened organisational knowledge and understanding of Lutheranism in all areas of our work.

Thank you to everyone who supported Lutheran Services this year; through the Lenten Appeal, the Easter Appeal benefitting our growing chaplaincy service, and in countless other ways.

We are grateful for the support we receive, whether it is in the form of money, goods, services, time, or prayers.

Finally, I would like to pay tribute to our staff who play a key role in nourishing and nurturing a community of hope for the people we serve.

Thank you.

## **Introduction**

2017 was a significant year in the ongoing development of Lutheran Services. Not without its challenges, 2017 was a year that we broke ground on new developments, finalised projects that have increased our capacity to serve, and invested in new care models that transform how we work.

In this report you will read about a number of highlights, and about actions we have taken to realise improvements in our position both financially, and within the broader competitive markets in which we operate. We have worked to improve our position with government and regulators by reaching out and engaging with our stakeholders, and improved our position with our residents and clients by investing in positive changes to their built and service environments.

This report follows our strategic plan and demonstrates how we have been working to priority areas of action alongside our colleagues in the Church.

### **Priority 1: A good life for the people we serve**

Aged care is changing rapidly in Australia both in terms of service design, and in the changing nature of ageing itself. As the baby boomer bubble moves through Australia, safe assumptions about the nature of aged care are being dismantled.

As providers of aged care, our sector is challenged to respond to new expectations of greater service delivery, physical qualities of residential services, flexibility of services, co-creation of models of care, and fundamental changes to what it means to age.

Lutheran Services is committed to supporting people in our care to discover and support a good life both because of market and mission imperative. Aged Care and Community Service are competitive markets and intensely client focussed. And these are markets our Christian values require us to act justly within and bring peace and compassion anywhere we are.

Lutheran Services is here for the long term. We are currently developing a 100 year strategic plan to guide our mission going far forward, and to ensure we reflect on how what we do today echoes through time.

Our community outreach planning operates from a 30 year plan to build services and support across Queensland with a focus on rural and regional areas. This plan informs our outreach, but remains flexible to identify new opportunities as they emerge.

## **1.1 Offers accommodation and creates supported living communities that people love to live in and share**

In the Queensland Aged Care sector, the numbers tell their own story of the challenges faced. In order to meet demand:

- By 2020, Queensland will need 80,000 more aged care places
- By 2031 South East Queensland will require 44,300 new places
- Brisbane will require 17,000 places in that time.

In terms of the impact of ageing on the Australian community:

- The Commonwealth will spend over \$330 billion over the next five years for Senior Australians
- Home Support demand will grow from 70,000 to 140,000 by 2022
- Dementia is currently the second most common cause of death in Australia
- The number of people living with dementia will reach over 900,000 by 2050
- More than six million Australians are aged 50-75 and can look forward to a longer life expectancy than any previous generation.

In Community Services the introduction of the NDIS is the largest shake up of disability support in a generation and is fundamentally amending the landscape our support services operate in:

- 10% of NDIS participants account for almost 50% of committed funding
- At least 1% of people under 65 have a need for assistance due to disability in nearly every Local Government Area
- In 2014-2015, 28% of funding allocated to NDIS participants went unspent
- 51% of Australians under 65 with frequent 'need for assistance' have difficulty learning and understanding, so this is likely true of higher needs NDIS participants.

### 1.1.a Dementia Care

Of particular importance to our imperative is dementia care. We know more Australians will be living with dementia for longer as baby boomers age. We know firsthand how deeply dementia touches the lives of people living with the disease and the lives of their loved ones.

We are committed by compassion and by our faith to develop innovative models of dementia care, and keep care for people with this disease at the heart of our work moving forward into the next phase of our organisational development.

## **1.2 Lutheran Services has a dynamic, diversified, and best-in-class service portfolio that responds to the needs of the people and communities it serves**

### 1.2.a Services Redevelopment

At Synod 2017 we reported on the final stages of completing our twenty year service's redevelopment plan. This year we are pleased to update Synod on the progress of this plan to improve our service offering in all communities we operate.

This is not just a series of renovations and building projects. In this we are drawing upon the Lutheran reputation of excellence in service delivery and mission and Lutheran Service's ranking in the top eight percent of aged care providers in Australia.

We now have the staffing models we need to realise a greater vision of aged care that honours the legacy of our church by transforming our residential aged care services into vibrant supported living communities through excellence in design, architecture, service planning, investments into the Ministry of Chaplaincy, social community development, and the development of innovative models of care.

This plan is a comprehensive 20 year plan for the total redevelopment of all services, and the development of new services. Alongside this plan we have detailed robust long term financial planning which is securing our cash flow and reserves for future reinvestment.

In developing and building new services, in 2017 Lutheran Services:

- Completed four master plans for Zion Nundah, Trinder Park Woodridge, Salem Toowoomba, and for our proposed Care Farm in Cooroy
- Lodged four Development Applications for Stage One and Stage Two of the Zion Nundah redevelopment, Stage One of the Trinder Park redevelopment, and Stage One of Salem Toowoomba
- Received Development Approval for Stage One of Zion Nundah, and Stage One of Salem Toowoomba
- Commenced construction of Stage One of Zion Nundah
- Completed construction of and opened Hopeland Hall on the grounds of our Tabeel Community in Laidley.

#### 1.2.b Salem Hume Street Redevelopment

The redevelopment of Salem Hume Street in Toowoomba is an example of how we are unlocking new value in existing services.

Following receipt of Development Approval last year, the Stage 1 redevelopment of Salem, Hume Street has reached business case stage. This project will transform Lutheran Services' position and service offering in the Toowoomba and wider Darling Downs community by adaptively reusing part of the existing Hume Street facility whilst demolishing and replacing some of the oldest sections.

The project will see the creation of 35 new suites and the redevelopment of 19 existing rooms into contemporary suites. Salem's main entrance will be reinvigorated and relocated to provide an attractive and welcoming experience to residents, their family and friends as well as the wider community. Staff will be housed in dedicated and modern office accommodation through the adaptive reuse of the existing garage area.

#### 1.2.c Further Works

In uplifting existing services we are ensuring that all services are comfortable and welcoming for residents and that for services who are further down the list for redevelopment, interim steps are taken to ensure the service remains a happy home for residents.

In 2017 Lutheran Services has invested over \$7 million in uplift projects for improvement works in:

- Immanuel Gardens
- Orana
- St Paul's
- Tabeel
- Zion (Gympie)
- Zion (Nundah)
- Trinder Park
- Wahroonga

#### 1.2.d Creating Vibrant Communities

Community Services Ministry is the foundation of Lutheran Services work with those in need right across Queensland. This work is diverse, technical, and always centred on supporting a better life for our clients.

Strategic land acquisitions follow deep and thorough financial study and business case assessment processes operated between Lutheran Services, Lutheran Services Council, and the District Church Council to ensure these purchases are appropriate to further mission are fairly priced, and are a responsible expenditure of funds.

In 2017 Lutheran Services completed two major land acquisitions.

#### 1.2.e Fernvale – An Addition to Somerset Community Services

Somerset Community Services provides a range of services in the Somerset catchment area under the Commonwealth Home Support Programme (CSHP) previously known as HACC (Home and Community Care) for people living with disability and older people living in the community.

Somerset brings grace to those who value the kindness and joy they find there.

A recent land and building purchase will significantly expand Somerset's capacity to serve. Located close to the existing Somerset service, it will allow for a free flow of staff and clients between the two services.

Whether to renovate the existing building or tear down and construct a purpose built facility is currently being assessed.

These new premises will provide the solid base to grow, creating service and staffing stability at Somerset. This will in turn grow purposeful business and community relationships and increase the capacity to deliver a broad range of services which are identified as in demand in this region.

#### 1.2.f A New Space for Young People at Intercept Caboolture

Lutheran Services has been providing youth services in the Moreton Bay region (Caboolture, Redcliffe and Pine Rivers) since the 1990s, being known as Intercept since 2007. Intercept is an extraordinary youth service that has changed the lives of countless young people.

Last year it was decided that we should pursue acquisition of a property, rather than continuing to rent property, to enhance a number of aspects of Intercept's work including operational budget concerns, high business rental costs within the Caboolture region, lack of available rental premises that suit Intercept's needs, and high costs of relocation every few years.

A permanent base for Intercept means stronger youth and family services in prevention and early intervention by intentionally and strategically investing in a region that is continuing to expand. In fact there is only one other (small) youth service located in the Caboolture region.

Intercept is already known for exceptional service and relationships – Intercept has developed a strong reputation and relationships with government agencies, schools and community.

Having the ability to offer exceptional service facilities that could generate income would support the service to achieve these strategic mission priorities and to remain responsive to local needs.

#### 1.2.g Working Together

Lutheran Services is working hard to shift the paradigm from a silo approach to an integrated, collaborative Community Services team that enhances professional development opportunities for staff, confidence in systems, and processes that allow for high quality service to our clients and our community.

This has resulted in our inaugural combined Community Services Operational Planning Day that took place in March, with over 130 staff coming together to share their collective wisdom, receive inspiration and guidance from Lutheran Services executive team, and network across sites and programs.

Over the next twelve months, we will continue to integrate these consistent practices and processes across our sites, ensuring we successfully transition all of our current disability programs and clients across to the NDIS model of funding, whilst growing our other areas of strength, in youth, domestic violence, and mental health. The aim is to be a solid contributor to healthy communities and individuals that are supported and have access to services when and how they require them.

#### **1.3 Lutheran Services delivers an uplifting service experience**

Continual improvement of Lutheran Services' capacity to care is not confined to building, design, and development. Structural work must support and work hand-in-hand with a constant focus on improving the day-to-day interactions residents have with staff, with services, and with their built environment.

In 2017 Lutheran Services made significant progress in improving services for residents, and building a service culture that will keep our services relevant in a demanding market.

### 1.3.a Service Uplift Projects and Improved Dining

Alongside large scale builds and service-level uplift projects, Lutheran Services is investing in meaningful day-to-day improvements of residents' experiences. We call this our Services Uplift program.

Our kitchen and dining experience form an important part of our residents' day at our services. As Lutherans, we deeply appreciate the power of coming together in a communal meal to build a sense of community.

Across our services we have been strategically improving the quality of our food, and paying careful attention to supporting a dining experience that produces food that is appetising, appealing, served in a pleasant environment at a reasonable time, nutritious, and convivial.

### 1.3.b Trinder Park Dementia Care Renovations

This approach to improving the 'small' things in order to gain large improvements is also evident at Trinder Park in Woodridge where significant improvements have been made to the built environment through low scale renovations and redecorating.

A large scale redesign of the dementia care unit's garden has also brought a dementia-friendly green space to residents that is both enriching and stimulating.

This work has provided residents with a space that is more dementia friendly, more welcoming for friends and family, more pleasant for staff, and improves the overall experience of care.

## ***1.4 Lutheran Services has a dynamic, diversified, and best-in-class service portfolio that responds to the people and communities we serve***

Lutheran Services operates a hugely diverse portfolio across Aged and Social Care. Partially this is a result of our legacy as the Lutheran church's diaconal ministry. Through careful planning and responding to opportunities for community ministry we are now providing more services to more people than at any point in our 80 year history.

In 2017 a number of significant achievements have been made and recognised across our services.

### 1.4.a Zion Awarded for Care

In 2017, a 'life embracing' model of care won Zion a prestigious national Aged Care award.

Zion's Living Life in Aged Care program garnered a Better Practice commendation from the Australian Government Aged Care Quality Agency . This award was in recognition of growth and change at the Nundah aged care service.

At the core of the program was a change from a 'medical and care needs' model to a 'life embracing' model. This model supports residents to exercise their right to make decisions over the important services in their lives.

Making decisions about what sort of activities and lifestyle residents wanted to pursue resulted in feelings of connection and being in control. The introduction of pets and encouraging connections with family, church and community supported the transition. Under the model, cognitive and physical impairments were not considered limiting to the way people live their lives.

The outcomes of this shift were significant in 2017. Residents took a cruise which previously would have been considered impossible. Residents, family and staff were invited to give their views on ways to make dining at the service more nourishing on all levels. Now as a result of a kitchen makeover, a greater choice of fresh food is cooked in updated surrounds. Ipads are used to order meals and each resident's electronic profile has information about allergies and any nutritional guidelines.

#### 1.4.b Daliya House

Very sadly, this year funding for Lutheran Services' Daliya House was not renewed by the Australian Government despite continued success of its operating model.

Daliya operated to support people in the Sunshine Coast community leaving acute mental health care into stable community accommodation.

Since 2014 this pilot program operated as part of a Step Up, Step Down model of care that brought services to people when they needed them. This Step Up, Step Down centre was a non-clinical and home-like environment that nurtured feelings of self-responsibility and capacity.

Daliya House worked – 94% of clients who entered Daliya House found accommodation, and 66% exiting Daliya House had not returned to hospital in the following 12 months.

While this particular Daliya House is no longer operating, we retain a strong belief that this model works, and will be seeking opportunities to roll it out further over the coming year.

#### 1.4.c NDIS Introduction

The introduction of the National Disability Insurance Scheme (NDIS) comes fully into effect for Lutheran Services in 2019. Our work to prepare ourselves, our clients, and the communities we are part of is well underway.

Somerset Community Services has been operating within the NDIS framework for the last twelve months, with over five individual clients receiving services so far.

Both Keystone Centre and Trinity Disability Service will transition in June/July 2018 with an expected 70 clients. Intercept Youth and Family Service and Graceville Centre will complete this phase of roll out of NDIS in January 2019, gaining great learning and insight from the services that have already transitioned.

#### 1.4.d Al Macasa

Al Macasa is a model of care Lutheran Services is importing from Switzerland, where it has been transformative in the lives of older members of the community, especially those living with dementia.

In 2017, Lutheran Services began planning for the introduction of small dedicated group living homes where residents live in a far more home-like environment and take on more autonomy over decisions of daily life such as menu design and activity planning. This model of care requires careful planning and long term reshaping of staffing roles within the service.

These homes will be slowly rolled out across existing Lutheran Services sites in order to refine the model for local use. Following this it is envisioned Amacasa units will form a rapidly deployable model of care into communities where needed.

This model of care will not replace existing Lutheran Services aged care services, but will operate as an addition to existing offerings.

#### 1.4.e Arts and Lifestyle Program – ‘Confusion / Inclusion’

This year, Lutheran Services’ successful arts and creative lifestyle team took a huge leap with the staging of Confusion Inclusion with our Keystone Centre disability clients alongside Popeye, a mixed ability dance company from Nagoya, Japan. Confusion Inclusion culminated in a performance at the Butter Box Theatre in Logan in March.

In February, over 50 people aged between 19 and 87 of mixed abilities attended a Community Dance Workshop hosted by Lutheran Services.

The live performance was hugely successful with over 80 people in attendance. The audience was made up of a diverse group of friends, family from across the local community, and Lutheran Services.

For Lutheran Services, success is measured by lives touched by compassion and dignity, and this was demonstrated by the real inclusion that was created through the event and its rehearsal process.

### **Priority 2: Growth and Outreach: Delivering Faithful Service and Lasting Social Value**

Where capability and opportunity align, Lutheran Services extends its services reach with a focus on regional and rural areas.

We do this as a matter of priority due to the underserved nature of rural and regional areas, and our strong belief in our skills in managing services spread across large distances.

Being of a faith long associated with farming and land care, Lutheran Services has a strong desire to work closely with Lutheran Congregations in rural and regional Queensland to identify ministry

opportunities to expand on and resource the excellent work of these congregations in their local communities.

## **2.a Cooroy Care Farm**

Lutheran Services is in the process of developing a Care Farm on over 50 acres of land in Cooroy. Care farming is a concept Lutheran Services is developing from Europe for the provision of care to older people, and people living with dementia in a tranquil and 'soft' farm-like environment. This approach has been ground-breaking.

Located on semi-rural bushland, the care farm is designed primarily as an aged care service with a specialisation in dementia care.

This service is innovative, and meets Lutheran Services' mission to provide the best quality of care to communities on behalf of the Lutheran Church of Australia, Queensland Division. The care farm will be primarily a service for older Australians in the first instance. Provisions have been made beyond stage one of the plans to include services in day respite, disability, longer term respite, social housing, youth and family services, independent and retirement living.

## **2.1 New services are developed that respond to market demand and align with mission priorities**

Lutheran Services have worked hard this year to develop new services and increase the reach of existing services in two main areas, in our response to domestic violence, and in an increased roll out of home support packages.

### **2.1.a Domestic Violence Service Expansion**

This year, Lutheran Services opened a new information and education service for families experiencing domestic violence in Wynnum. This was in response to community needs, because the Wynnum/Manly area was identified as lacking in domestic violence prevention information services.

The experienced outreach worker is based at the Lutheran Services operated Mary and Martha's refuge and brings a wealth of knowledge and expertise to assist local families in crisis.

### **2.1.b Home Support Packages**

The Australian Government is increasing its investment in home support packages. While Lutheran Services remains committed to residential aged care, we have also pursued this model of care as one that brings us closer to the people we serve.

Expanding this service to now reach 121 people has taken an effort in terms of building our model of care and an expansion into Kingaroy. However this investment will continue to bear fruit as we progress throughout 2018.

## ***2.2 Our accommodation and services are in demand because Lutheran Services is valued and respected by the communities we serve, our clients, funding providers, supporters and stakeholders and business partners***

Lutheran Services engagement work moving forward is motivated in part by the need to respond to government policy transformation, industry deregulation and unprecedented growth in our ageing population.

To achieve this Lutheran Services has undertaken direct lobbying work by securing meetings with:

- Queensland Shadow Social Services Minister Ros Bates
- Australian Aged Care Minister Ken Wyatt
- Australian Shadow Community Services Minister Jenny Macklin
- Trevor Evans MP
- Julie Collins MP
- Senator Louise Pratt
- And facilitating a visit to Salem Northridge by Labor's national spokesperson on Regional Workforce Development, Lisa Chesters MP.

Additionally we have been an active participant in policymaking, submitting three major papers to government inquiries focussed on the My Aged Care service, dementia care, and domestic violence responses.

Lutheran Services has been advocating for vital issues affecting our clients and residents, and offering our perspective on pressing social issues in forums as diverse as the Committee for the Economic Development of Australia (CEDA), UQ, QUT, and in various industry bodies.

### **2.2.a Lutheran Services as a Public Face of the Church**

In a contemporary world where physically attending church is no longer the only way to connect, Lutheran Services has a vital role as a significant public face of the Church. We engage closely with the congregations in the communities where we are active, to reach out with Christ's love in word and action.

We enable congregations and Church members to express their faith through community ministry and community chaplaincy and contribute to the vibrancy and social value of the communities in which they live.

### **2.3 Lutheran Services is valued for addressing unmet community needs that bring long-term social change to the communities we serve**

Lutheran Services where possible always works closely with Lutheran congregations to expand and deliver ministry work into local communities. As we continue to expand in planned and methodical ways throughout a larger geographical footprint, Lutheran Services looks forward to deeply engaging with congregations in these areas to bring Christian love to these communities.

#### **2.3.a Noosa Congregation**

In 2017, we were especially grateful to the Noosa Congregation for their support and commitment to the development of the proposed Care Farm in Cooroy.

### 2.3.b Western Downs Congregations

As we work towards developing a presence in the Western Downs, including finalising an expression of interest process, we are looking forward to working closely with congregations across the Western Downs over the next year to develop a plan for ministry in local communities.

### 2.3.c Reconciliation Action Plan

In April 2016 Bishop John Henderson and Executive Officer of the Church Peter Schirmer initiated a project to develop a Reconciliation Action Plan (RAP) for the Lutheran Church of Australia (LCA). Lutheran Services was appointed a leading role with this project.

An RAP will provide a framework for the LCA to craft practical plans of action built on relationships, respect and opportunities. RAPs create social change and economic opportunities for Aboriginal and Torres Strait Islander Australians.

Led by Neville Otto, Secretary of the LCA, a four member RAP Project Team was created in 2016. Lutheran Services is a member of this project team.

In 2016/2017 the Project Team's work has focussed on initial research and consultation to understand the best approach to developing an RAP. Key LCA representatives were consulted including members of the LCA Executive and Finke River Mission Board Chair, Tim Stollznow. Respected Lutheran and non-Lutheran Aboriginals were also consulted.

In preparation for 2018 Synod the Project Team plans to undertake community visits and consultations with groups of Aboriginal and Torres Strait Islander peoples and relevant LCA stakeholders in South Australia, Central Australia and Far North Queensland.

## **Priority 3: Reaching Out Together to Minister to Human Need**

### **3.1 Ministry Plan**

In 2017 Lutheran Services developed our Ministry Plan to guide our work with congregations, to build a greater capacity for ministry, and to expand and develop the role of Chaplains within local communities.

The introduction to this plan reads in part:

'The purpose of the Lutheran Church of Australia Queensland District (LCAQD) ministry of Lutheran Services is to minister to human need in the name of Jesus Christ our Lord in the spirit of Christian love, through our diaconal witness and service.

This work is at the centre of all we do. It guides how we minister to those in our care, and is the final word in how we conduct ourselves as a Christian business within the markets we operate

In all dealings, we strive to treat all we come into contact with every day with a love and kindness that witnesses Christ's message of hope to all humanity.

Ministry is not what we achieve in addition to our strategic business goals. Ministry is our core objective in all our work, and is built into all projects and plans.’

Our goal and purpose of this plan is to make clear our commitment to growing our Church, and our role as servants in achieving this.

This plan has been adopted by District Church Council, and we thank them for their support in its development.

*A copy of this plan is available from Lutheran Services.*

## **Priority 4: Capable of Delivering on Mission**

Addressing industry transformation challenges requires Lutheran Services to focus on some essential areas of operation and to invest in some important initiatives that will sustain capability to deliver on mission. Milestones achieved in 2017 include:

### ***4.1 Lutheran Services Akademie***

A draft concept plan has been developed with nine recommendations for the establishment of a flourishing centre for workforce learning and development. The Akademie will continuously support staff to provide consistent services that are central to our Lutheran doctrine; and philosophy of person centred care. The purpose of the Akademie is to build a valued centre of excellence that offers a curriculum to upskill/re-skill staff and volunteers across technical, administrative, professional and chaplaincy streams. People will be able to access these programs virtually and in rural and remote centres throughout Queensland.

### ***4.2 Vocational pathways for chaplaincy service***

In order to develop vibrant community ministries of chaplaincy that carry the Church forward in the next one hundred years, it is essential that we create a myriad of vocational pathways that encourage and enable people to serve the Church in community ministry. We have commenced the development of a framework that creates vocational pathways for chaplains and lay chaplains to easily and readily serve in and transition through the community ministries of the Church. A number of dialogues are in progress and we anticipate a ground breaking and healthy collaboration with the Australian Lutheran College (ALC) in the near future.

### ***4.3 Financial Management Capability***

This year we saw the coming to fruition of a number of initiatives.

- Banking and treasury management – At commencement of the transformation project Lutheran Services held 82 bank accounts. Following a detailed review, organisational bank accounts have been reduced to 21, the minimum operationally and legislatively necessary. Additionally, organisational treasury management has commenced from 2017

and cash flow is proactively managed to ensure operational needs are met and available investment returns are maximised.

- Procure to pay – At commencement of the transformation project Lutheran Services maintained 23 accounts payable ledgers and over 8,000 supplier accounts, with transactions being entered and paid by multiple staff, across many locations. This has now been reduced to one organisational accounts payable ledger and a less than 1,500 supplier accounts with all transactions processed and paid through one accounts team. This significantly improves efficiency of processing, accuracy and consistency, supplier management and reconciliation in addition to improved ability to leverage the scale of the organisation for improved supplier and procurement arrangements.
- Accounts receivable – Prior to commencement of the transformation project Lutheran Services maintained 23 accounts receivable ledgers, with transactions being recorded and processed at each aged care service. This has now been reduced to two accounts receivable ledgers and will consolidate to one organisational ledger in April 2018. Additionally, all transactions and accounts are being processed and managed through one accounts team. This provides consolidated expertise and resources to ensure efficiency, accuracy and consistency of processes and processing, providing significant benefits across the organisation.

#### **4.4 People in Service**

An important focus underpinning service excellences are people. This year we formulated and commenced the implementation of a strategy for high performance. This will feed into how we empower leadership, retain and grow talent, create career pathways and improve the quality of work life for staff. The leaders in the organisation participated in programs focussing on contemporary personnel practices, managing conflict constructively, building change resilience, breaking down silos and working effectively as a leadership team. Policies were reviewed and transformed to reflect modern practices that will attract and retain a diverse workforce. Contemporary leadership tools that foster a culture of service, accountability collaboration and respect for roles were introduced and implemented by key personnel.

### **Priority 5: Sustainability**

Operating a sustainable aged and social care business requires an approach that is far-sighted, technically proficient, and able to balance developing our own systems within a changing external environment.

In 2017, Lutheran Services left no stone unturned in seeking improvements in profitability, staffing models, and care standard improvements. We made the changes necessary to realise a long term sustainable financial position, and the ongoing capacity to deliver new services and develop new facilities to support ongoing community ministry.

The Council for Lutheran Services from a governance perspective is pleased that Lutheran Services continues to grow and adapt to a changing industry and market landscape.

1. The Council is pleased that Lutheran Services demonstrated the capacity to channel major regulatory compliance changes (The Aged Care Services New Single Quality System and Changes to retirement villages and rental legislation) into positive opportunities to strengthen the systemic predictability of service performance and collaborative innovations with minimum disruption to service continuity.
2. The Council is also pleased that Lutheran Services was able to provide a higher level of informed debate on several significant industry and government consultations:
  - i. Submission to Care at Home inquiry - Lutheran Services recently put a submission to the Commonwealth Government's Future reform – an integrated care at home program to support older Australians inquiry. Our submission focussed on the need for more funding for service providers, to provide support to individuals navigating the current My Aged Care program.
  - ii. Productivity Commission, National Disability Insurance Scheme (NDIS) Costs: investigating the higher than expected costs associated with the national rollout of the NDIS, despite provider feedback that fee amounts have not been set high enough to cover expenses. The final consultation round on the initial findings closes on 12 July. Lutheran Services gave a submission to the initial consultation round and plans to submit a brief response to this second round.
  - iii. Federal Treasury, Tax DGR Reform Opportunities: discussion paper which deals primarily with the advocacy activities of environmental organisations but will affect all organisations with DGR, including Lutheran Services. Lutheran Services plans to make a submission on the elements which affect the sector as a whole or proposals which, while limited to environmental charities at present, could present problems for Lutheran Services if expanded to all charities.
  - iv. Federal Department of Health, Review of National Aged Care Quality Regulatory Processes: arising from the Oakden investigation in South Australia, this survey is directed at consumers of the aged care sector but invites feedback from organisations as well.
  - v. Queensland Housing Strategy 2017 – 2027 - The Strategy sets out funding plans to support affordable housing over the next ten years. It has a special focus on women and children experiencing family violence. This may enable more flexible use of community housing funds by providers such as Lutheran Services. It also includes a plan to amend the retirement villages and home parks legislation to improve pre-contractual disclosure.
  - vi. Australian Law Reform Commission Elder Abuse report - The report contains 43 recommendations, including national guidelines for tribunals to use in supporting elderly people who are the subject of a guardianship application. Fourteen of the recommendations address aged care, in both residential settings and the home. One notable suggestion is to make aged care providers 'mandatory reporters' of suspected abuse or neglect.

3. It was also pleasing that the CEO could represent Lutheran Services at the Council Economic Development of Australia (CEDA) research report launch addressing concerns about housing affordability in Australia. Lutheran Services maintains an active and close involvement with CEDA because of its unparalleled access to networks of influence across SEQ. It is also an opportunity to profile our service experience to significant stakeholders. The CEO was one of the expert panel members of academics, practicing economists, and property industry leaders that discussed the housing in local communities, particularly affordable housing and responses to current challenges. The event resulted in an invitation from Ipswich City Council to join their Affordable Housing Taskforce, an offer from a colleague organisation to discuss joint developments in Logan, and an interview on affordable housing issues and solutions that appeared on Ten News Australia.
4. South Korean Delegation - Lutheran Services, through the Australian Trade Commission and University of Southern Queensland, hosted a delegation of 29 Senior Executives from the South Korean health and hospital system at St Andrews. The delegation was here to study the Australian aged care sector and was particularly interested in the reimbursement system for long term care, internal patient safety system, daily care programs, clinical care for the aged persons, aged care connected with ICT, and rehabilitative care process.
5. During the year the Council for Lutheran Services steered Lutheran Services through some problematic issues relating to residential aged care funding. Several initiatives under close scrutiny are underway to improve revenue reliability and performance optimisation that will underpin cash flow predictability and debt servicing for redevelopment.
6. Council also saw the Services redevelopment detailed implementation program and reporting system as well as a long term finance plan that will enable Council to prudently govern with the necessary transparency and oversight. The long term finance plan has a 20 year time horizon and plays a key role in the future viability and sustainability of ministry growth and operations.