



Alwyndor Management
Committee

NOTICE OF MEETING

Notice is hereby given that a meeting of the Alwyndor Management Committee will be held in the

**Alwyndor Aged Care Meeting Room
Dunrobin Road, Hove**

Tuesday 20 November 2018 at 6.30pm

Justin Lynch
CHIEF EXECUTIVE OFFICER

Alwyndor Management Committee Agenda

1. OPENING

The Chairperson, Ms T Aukett will declare the meeting open at 6.30 pm.

2. KAURNA ACKNOWLEDGEMENT

We acknowledge Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

3. APOLOGIES

3.1 Apologies received

3.2 Absent

4. DECLARATION OF INTEREST

If a Committee Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Committee they are asked to disclose the interest to the Committee and provide full and accurate details of the relevant interest. Committee Members are reminded to declare their interest before each item.

5. CONFIRMATION OF MINUTES

Motion

That the minutes of the Alwyndor Management Committee meeting held on 16 October 2018 and the special meeting held on 25 October 2018 be taken as read and confirmed.

6. REVIEW OF ACTION ITEMS

7. REPORTS/ITEMS OF BUSINESS

7.1 Healthy Living Services Update (Report No: 76/18)

7.2 Australian Aged Care Quality Agency – Quality Review Audit (Report No: 80/18)

7.3 People and Culture Update (Report No: 77/18)

7.4 Marketing and Communications Strategy 2019-20 (Report No: 78/18)

7.5 General Manager's Report (Report No: 73/18)

7.6 Review of Items Held in Confidence (Report No: 75/18)

7.7 Annual Review of Investments (Report No: 79/18)

7.8 Strategic Planning Approach (Report No: 82/18)

8. CONFIDENTIAL

8.1 Monthly Financial Report – October 2018 (Report No: 74/18)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:

- d. commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

8.2 Carecosystems Project Update (Report No: 81/18)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:

- a. commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

8.3 Sustainability Analysis (Report No: 83/18)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:

- d. commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

8.4 Home Support Services Structure (Report No: 84/18)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents

in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:

- a. **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

8.5 Independent Business Review (Report No: 85/18)

Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Alwyndor Management Committee Members upon the basis that the Alwyndor Management Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Alwyndor Management Committee will receive, discuss or consider:

- a. **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

9. **URGENT BUSINESS – Subject to the Leave of the Meeting**

10. **DATE AND TIME OF NEXT MEETING**

The next meeting of the Alwyndor Management Committee will be held on Tuesday 18 December 2018 in the Meeting Room, Alwyndor Aged Care, 52 Dunrobin Road, Hove.

11. **CLOSURE**

**JUSTIN LYNCH
CHIEF EXECUTIVE OFFICER**

CITY OF HOLDFAST BAY

Minutes of the meeting of the Alwyndor Management Committee of the City of Holdfast Bay held at Alwyndor Aged Care, Dunrobin Road, Hove on Tuesday 16 October 2018 at 6.30 pm.

PRESENT

Elected Members

Councillor R Aust

Independent Members

Chairperson – Ms T Aukett

Mr T Bamford

Ms J Bonnici

Mr K Cheater

Mr K Whitford

Staff

General Manager Alwyndor – Mr R Kluge

Personal Assistant – Ms R Gordon

Chief Financial Officer – Ms N Andjelkovic

Chief People and Culture Officer – Mr B Capes

Best Practice and Innovation Coordinator – Ms R Cantos

Care Manager – Ms L Whiston

1. OPENING

The Chairperson declared the meeting open at 6.33 pm.

2. KAURNA ACKNOWLEDGEMENT

With the opening of the meeting the Chairperson stated:

We acknowledge the Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

3. APOLOGIES

3.1 For Absence - Nil

3.2 Leave of Absence - Councillor S Lonie, Mr O Peters, Ms J Cudsi

4. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

5. CONFIRMATION OF MINUTES**Motion**

That the minutes of the Alwyndor Management Committee held on 18 September 2018 be taken as read and confirmed.

Moved by Cr Aust, Seconded by Mr Cheater

Carried

The Chairperson advised that this was the last meeting Chief Financial Officer, Ms Andjelkovic, would attend as she had resigned. The Committee thanked Ms Andjelkovic for her contribution to Alwyndor.

Leave of the meeting

The Chairperson sought leave of the meeting to change the order of the Reports on the Agenda to Report 65/18 Residential Services Update, then Report 67/18 Governance Update.

Leave of the meeting was granted.

7. REPORTS/ITEMS OF BUSINESS**7.1 Residential Services Update (Report No: 65/18)**

The Residential Services Update provides information on the new clinical structure; occupancy; quality program; complaints management; and reportable assaults.

The Committee was pleased to see that benchmarking is being undertaken. The Best Practice and Innovation Coordinator confirmed that MediMap went live on 11 October and that the one day delay was due to an unannounced visit from the Aged Care Quality Agency on 10 October. The General Manager advised that the cost of the change over to MediMap was \$5k and both training and implementation ran smoothly. The Best Practice and Innovation Coordinate advised that the MediMap system is more compliant with standards. The Committee indicated they would like some elaboration on improvements being undertaken within standard 2 under the governance section of future reports. The General Manager informed the Committee that the Agency visit reviewed areas: 1.6 Human Resources, 2.4 Clinical Care, 3.2 Legislative Compliance and that the exit meeting was positive. Some gaps were identified however, we were aware of these and processes are in place. It was disappointing to find a gap identified in wound management with how much training has been undertaken in this area. The Chairperson confirmed she had read the exit report and that it was overall very positive and constructive. The Committee was pleased to see the recruitment undertaken and the reduction in agency usage.

Motion

That the Alwyndor Management Committee receive and note the update on Residential Services activities as outlined in this report.

Moved Mr Whitford, Seconded Mr Bamford

Carried

7.2 Governance Update (Report No: 67/18)

This report summarises the objectives, tasks and achievements during the July to September 2018 period within the governance framework areas of:

- Governance leadership and culture;
- Safety and quality systems improvement;
- Clinical performance and effectiveness;
- Safe environment for the delivery of care;
- Partnering with consumers; and
- Innovation Opportunities.

The Committee noted that they no longer receive the reports on feedback and the General Manager responded that old reports only provided numbers and a report is provided to the Governance and Operations Committee however, a trending summary can be provided as part of the governance reporting.

A question regarding where the board expectations outlined on page 3 of this report came from was raised. The Best Practice and Innovation Coordinator advised that new standard 8.2 talks about the expectations of governing bodies. The Committee noted that although there are some good points, not all of them would be appropriate to focus on at board/committee level. The Best Practice and Innovation Coordinator also confirmed that there is no cost involved in the trial with Standards Wise.

Motion

That the Alwyndor Management Committee receives and notes the information provided in this report.

Moved Ms Bonnici, Seconded Mr Bamford

Carried

Ms Whiston and Ms Cantos left the meeting at 7.06pm

6. CONFIDENTIAL**6.1 Monthly Financial Report – September 2018 (Report No: 68/18)****Exclusion of the Public – Section 90(3)(d) Order**

- 1. That pursuant to Section 90(2) of the Local Government Act 1999 Alwyndor Management Committee hereby orders that the public be excluded from**

attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 68/18 Monthly Financial Report – September 2018 in confidence.

2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 68/18 Monthly Financial Report – September 2018 on the following grounds:

- d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor's financial position is reported as part of Council's regular budget updates.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Bamford, Seconded Cr Aust

Carried

Motion

RETAIN IN CONFIDENCE - Section 91(7) Order

3. That having considered Agenda Item 6.1 Monthly Financial Report – September 2018 (Report No: 68/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 18 months and that this order be reviewed every 12 months.

Moved Ms Bonnici, Seconded Cr Aust

Carried

6.2 **Review of Forecast Budget (Report No: 69/18)**

Exclusion of the Public – Section 90(3)(d) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor

Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 69/18 Review of Forecast Budget in confidence.

2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 69/18 Review of Forecast Budget on the following grounds:

- d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor's financial position is reported as part of Council's regular budget updates.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Whitford, Seconded Mr Cheater

Carried

Motion

RETAIN IN CONFIDENCE - Section 91(7) Order

2. That having considered Agenda Item 6.2 Review of Forecast Budget (Report No: 69/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 18 months and that this order be reviewed every 12 months.

Moved Mr Whitford, Seconded Cr Aust

Carried

Ms Andjelkovic left the meeting at 7.42pm

6.3 Results of the 2018 Alwyndor Staff Survey (Report No: 72/18)

Exclusion of the Public – Section 90(3)(e) Order

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 72/18 Results of the 2018 Alwyndor Staff Survey in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 72/18 Results of the 2018 Alwyndor Staff Survey on the following grounds:
 - e. pursuant to section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of employees of Alwyndor due to the personal nature of some of the comments within this report.
3. The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Ms Bonnici, Seconded Mr Bamford

Carried

Motion**RETAIN IN CONFIDENCE - Section 91(7) Order**

2. That having considered Agenda Item 6.3 Results of the 2018 Alwyndor Staff Survey (Report No: 72/18) in confidence under section 90(2) and (3)(e) of the *Local Government Act 1999*, the Alwyndor, pursuant to section 91(7) of that Act orders that the Report and Minutes be retained in confidence for a period of 12 months and that this order be reviewed every 12 months.

Moved Mr Bamford, Seconded Cr Aust

Carried

7. REPORTS/ITEMS OF BUSINESS**7.3 Minutes – Governance and Operations Committee – 4 October 2018 (Report No: 66/18)**

The draft minutes of the Governance and Operations Committee meeting held on 4 October 2018 are provided for information.

The General Manager advised that a previous action for him to review the governance committee structure has been incorporated within the Governance Framework which will be discussed in the General Manager's Report at item 7.5. The General Manager indicated that he believes the Governance and Operations Committee and Care

Services Committee (with quarterly Medication Advisory Committee (MAC) hanging off Care Services) structure is working well. The Support Services Committee is heading in the right direction but requires some further development.

Motion

That the draft minutes of the Governance and Operations Committee meeting held on 4 October 2018 be noted.

Moved Mr Whitford, Seconded Mr Bamford

Carried

7.4 Deferred Report - Alwyndor Management Committee Terms of Reference – Draft Update Report No: 62/18 (Report No: 64/18)

The Alwyndor Management Committee at its meeting held on 18 September 2018, resolved to defer Report No: 62/18 Alwyndor Management Committee Terms of Reference – Draft Update in order for the Chairperson to be present for discussions and to allow further time for consideration and comments from the Committee.

This report represents Report No: 62/18 for the Committee's consideration in Attachment 1.

Council's current Terms of Reference for the Alwyndor Management Committee were developed and adopted in 2010. Attachment 2 to this report provides a draft update of these Terms of Reference for the Committee's consideration and subsequent recommendation to Council for adoption.

The Committee worked through the draft Terms of Reference and made some edits.

Mr Whitford left the meeting at 8.38pm

Mr Whitford re-joined the meeting at 8.43pm

Motion

That the Alwyndor Management Committee recommend the draft Terms of Reference be presented to Council for adoption following minor changes.

Moved Mr Cheater, Seconded Mr Whitford

Carried

7.5 General Manager's Report (Report No: 63/18)

These items are presented for the information of Members. After noting the report any items of interest can be discussed and, if required, further motions proposed.

The General Manager advised that there is an error in WHS report attachment – the colours should all be green except contractor management. The Chief People and Culture Officer advised that Alwyndor has a 1-page process for how we interpret Council's WHS policies. We are working through contractor management

requirements with who is responsible regarding Home Support as although contractors are engaged to perform work at a customer's home, the funding now goes to customers and not the provider. We have preferred providers for on-site at Alwyndor and therefore contractor management is much easier to manage in this scenario.

The General Manager introduced the proposed Governance Framework which needs to be put in place to be in line with the new standards. The General Manager indicated that various Statements of Intent documents will be presented at the November meeting with the aim to endorse at the December meeting. The Committee queried whether this should be done as part of the Committee's strategic planning but the General Manager believes there is more urgency to have them in place now and that they can be adjusted during strategic planning, if required.

The General Manager advised the Corporate Risk Register will become a standing item in the General Manager's report. The Committee requested this be a 1-page summary of risks and status, then dive deeper every six months.

The General Manager noted that the AMC had previously wished to have a presence on the Customer Engagement forum however, it has been designed in the format as presented in the terms of reference to ensure we are engaged with our customer and not seen to have any bias. It was noted that this is an opportunity to bring in a co-design philosophy.

It was suggested that the General Manager update the Customer Engagement Forum Terms of Reference to specify how members will be appointed; edit for consistent terminology throughout and replace the word advocate with representative.

Motion

- 1. That the following items be noted and items of interest discussed:
 - 1. Meeting Dates and Task Schedule**
 - 2. WHS Implementation Plan**
 - 3. Governance Framework**
 - 4. Corporate Risk Register Review**
 - 5. Customer Engagement Forum Terms of Reference.****
- 2. That Alwyndor Management Committee members review the Corporate Risk Register and that it be presented for endorsement at the November meeting.**

Moved Mr Bamford, Seconded Ms Bonnici

Carried

Mr Bamford left the meeting at 9.08pm

- 8. URGENT BUSINESS – Subject to the leave of the meeting**
 - 8.1 Professional development for AMC (verbal)**

8.2 Strategic Plan (verbal)

8.3 Response to the Royal Commission into Aged Care (verbal)

The Royal Commission into Aged Care is open to the entire aged care system including home support services. Further discussion with need to take place regarding any resources required to ensure we are active and open participants.

9. DATE AND TIME OF NEXT MEETING

The next meeting of the Alwyndor Management Committee will be held on Tuesday 20 November 2018 in the Meeting Room, Alwyndor Aged Care, 52 Dunrobin Road, Hove.

10. CLOSURE

The meeting closed at 9.19 pm.

CONFIRMED 20 November 2018

CHAIRPERSON

CITY OF HOLDFAST BAY

Minutes of the special meeting of the Alwyndor Management Committee of the City of Holdfast Bay held at Alwyndor Aged Care, Dunrobin Road, Hove on Thursday 25 October 2018 at 6.00 pm.

PRESENT

Elected Members

Councillor S Lonie

Independent Members

Chairperson – Ms T Aukett

Mr T Bamford

Ms J Cudsi (phone)

Mr O Peters

Mr K Whitford

Staff

General Manager Alwyndor – Mr R Kluge

Personal Assistant – Ms R Gordon

Guest

Mr G Edwards

1. OPENING

The Chairperson declared the meeting open at 6.17pm.

2. KAURNA ACKNOWLEDGEMENT

With the opening of the meeting the Chairperson stated:

We acknowledge the Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

3. APOLOGIES

3.1 For Absence - Nil

3.2 Leave of Absence - Mr K Cheater, Ms J Bonnici, Cr R Aust

4. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

5. BUSINESS OF THE SPECIAL MEETING

5.1 2017-2018 General Purpose Financial Statements (Audit Committee Report No: 343/18)

The financial statements for the year ended 30 June 2018 have been completed and audited by Council's auditor, BDO, who have indicated that an unqualified audit opinion will be provided and that there are no material issues arising from the audit.

The financial statements were presented to the Audit Committee for review on 17 October 2018 and the Audit Committee resolved to *advise the Alwyndor Management Committee that the Alwyndor Aged Care General Purpose Financial Statements for the year ended 30 June 2018 present fairly the state of affairs at Alwyndor.*

Mr Edwards of BDO presented on the audited general purpose financial statement.

Motion

That the Chairperson sign the audited 2017-2018 Alwyndor General Purpose Financial Statements on behalf of the Alwyndor Management Committee.

Moved Cr Lonie, Seconded Mr Peters

Carried

6. CLOSURE

The meeting closed at 6.33pm.

CONFIRMED 20 November 2018

CHAIRPERSON

**ALWYNDOR MANAGEMENT COMMITTEE
ACTION ITEMS**

Meeting	Agenda Item	Action Required	Responsibility	Due Date	Current Status
16 October 2018	5. Confirmation of Minutes	That an action scheduled be added to future agendas.	R Gordon	12 November 2018	Complete
16 October 2018	7.2 Governance Update	That a summary report of feedback added to the report schedule.	R Gordon	12 November 2018	Complete
16 October 2018	7.5 General Managers Report	AMC members to review current risk outlined in the Corporate Risk Register and provide feedback ahead of November meeting.	All	12 November 2018	Incomplete. No feedback received.
16 October 2018	7.5 General Managers Report	That the minutes of the Customer Engagement Forum and Governance and Operations Committee no longer be presented to the Committee but that a summary on these activities be presented in relevant department reports.	R Kluge (Exec)	All future meetings	Complete (Ongoing)
16 October 2018	8.1 Professional Development for AMC	Register 1 place (at \$99) for Better Boards webinar on Aged Care Legal Risk Unlocked. Committee member Ms Bonnici to view webinar and provide a summary at a future meeting.	R Gordon	17 October 2018	Complete
16 October 2018	8.2 Strategic plan	Arrange a meeting for Mr Cheater, Ms Aukett and Mr Kluge to discuss the blueprint for the AMC's strategic planning process.	R Gordon	18 October 2018	Complete Meeting held 9/11/18
16 October 2018	8.1 Response to the Royal Commission into Aged Care	Distribute to AMC members the document providing an overview of what the Royal Commission into Aged Care will be and the Terms of Reference for these.	T Aukett	18 October 2018	Complete
16 October 2018	Via email	AMC members to provide feedback on the Governance Framework	All	1 December 2018	Incomplete. No feedback received.



**ALWYNDOR MANAGEMENT COMMITTEE
ACTION ITEMS**

Item No: **7.1**
Subject: **HEALTHY LIVING SERVICES UPDATE**
Date: 20 November 2018
Written By: Healthy Living Services Manager, Mr S Drew
General Manager: Alwyndor, Mr R Kluge

SUMMARY

This report provides an overview of the activity in the Healthy Living Services between July and September 2018.

RECOMMENDATION

That the Alwyndor Management Committee receives and notes the information provided in this report.

COMMUNITY PLAN

Community: Building a healthy, active and resilient community
Community: Providing welcoming and accessible facilities
Culture: Providing customer-centered services
Culture: Being financially accountable
Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

Not applicable.

REPORT

Major achievements for the last quarter include the following:

- Launch of the Healthy Living Services i.e. integration of 'Lifestyles' team with the old 'Therapy' team
- Commencement of the Healthy Living Assistant role (i.e. fitness instructor); resulting in an additional 8 Residential Classes per week or 32 per month, an increase in 8.75 hours

- of 1:1 time with residents per week (minimum) or 35 hours per month, and a minimum of three new Private classes per week or 12 per month e.g. Pilates, Strength for Life
- Healthy Living Coordinator role implemented in lieu of the old 'Therapy Manager' role; filled by Marg Warnock
 - Podiatry contractor converted to casual employee
 - Healthy Living Service Manager leading the Residential iCare Working Party: all assessments completed, and care plan developed; awaiting testing in iCare environment
 - Finalist for Active Australia \$10K innovation grant; to promote exercise within a certain demographic. Grant proposal can be provided upon request.
 - Podiatry Medicare item 731 (Chronic Disease Management) from Residential commenced: requires refinement from a back-office process perspective (remains outstanding)
 - New manual handling competencies developed and implemented to WorkSafe SA requirements
 - Collaborative research with Flinders University investigating the uptake of technologies in the residential setting; surveys conducted at Alwyndor
 - Cancellation of Saturday services as they are no longer financially viable
 - Healthy Living Manager back filled Home Support Manager for 6-week period and then the Therapy Manager for 4 weeks and then Residential Physiotherapist for 2 weeks
 - Alwyndor information presentation delivered at CoHB
 - Lifestyles activities opened to the community and HSS; yet to be marketed externally
 - Financial Hardship work instruction endorsed at Support Services Committee, i.e. a fair and equitable process is in place for CHSP programs
 - CHSP acquittals submitted to the Department
 - Alwyndor Xmas party organised for the 14 December
 - Statement of Intent for services drafted and endorsed
 - Healthy Living Newsletter sent to consumers
 - Dental booking procedure with Care Services Committee

On-going operational and business development activities:

- Healthy Living Marketing Plan: material has been developed by the HLSM and pertains to Massage Clinic (private services), Podiatry, Respite Services, Lifestyles Calendar, OT scripts. TBA.
- CHSP cancellation work instruction to be implemented as an average of 700 hours per month (group classes) for the quarter had been lost due to cancellations i.e. equivalent of between \$6-7K per month of lost revenue
- iCare working party to develop roll-out strategy to ensure 134 residents have new assessments/care plans; to be done in conjunction with the RSM
- Service Agreement for Therapy Clients with lawyers

Continuous Improvement Activities

1. **Healthy Living Strategy:** theoretical framework to tie all of the current initiatives together into one unified strategy.

2. **Care of Older Persons with Dementia (COPE):** Evidence-based programs to improve the wellbeing of people with dementia and their carers: Implementing COPE (Care of Older Persons with Dementia in their Environment) in the Australian health context.
3. **1:1 Fitness:** an offering of 1:1 fitness to staff (with fitness instructor) and private services to external customers.
4. **Therapy Policies & Procedures Project:** Development of an Orientation Folder for the allied health services offered in the Healthy Living Department; contains work-instructions, procedures and business rules; note on going but near completion.
5. **Communication with Home Support Services for shared CDC clients:** improve the flow of communication between services, identify opportunities and strengthen service relations.
6. **Electronic Documentation on Home Care Manager:** exploring to have all clinical documentation ceased as paper based/hard filed and conducted on Home Care Manager
7. **Healthy Living Membership Model:** membership model for group classes, offer to community and residential clients; direct-debit model; aim to reduce cancellations and DNA's
8. **Physiotherapy Group Assessment:** introduction of new clinical outcome measure tool that aligns with Wellness and Reablement expectations of goal setting
9. **Remembering Deceased Residents:** formally and respectfully acknowledging those that have passed away; and to also normalise death.
10. **Virtual reality Experiences:** bucket list opportunity for residents who wish to travel or experience different scenarios/situations in a virtual world.
11. **Men's Shed:** adding activities to the men's shed e.g. furniture restoration and leather polishing services.
12. **Dru Yoga:** seated yoga classes in residential
13. **Sundowners Program in Alandale:** gentle and soft activities to be delivered to residents in Alandale to mitigate atypical behaviours and provide relaxing stimulus.
14. **The Dining Experience:** an initiative to enhance the dining experience in Residential Services to make it more inviting and homely; aim to improve attendance and consumption.
15. **Volunteer Training:** to improve the on-boarding experience without alienating volunteers whilst remaining compliant against the standards and CoHB policy.

Customer

Deed Outputs (July-September 2018):

- Total outputs July-September 2018 = 3236 (Increase of 117.5 hours from the last quarter)
- % of deed for July-September 2018 = 102%

Analysis

Deeds are above funding levels to account for the slow Xmas and New Year period i.e. two-week closure of CHSP services.

Therapist Utilisation:

Utilizations are measured per discipline rather than per employee and are monitored and reported on in the monthly dashboards. We have moved from a manual system to one in which

is automated i.e. Power BI overseeing HCM; some refinements still to be made. Utilizations are traditionally up and down but on the whole the overall team utilization KPI of 80% has been met for the quarter. Further efficiencies have been made with regards to the workforce such that it remains lean and care costs are under budget. The 1:1 PDR sessions will be used to monitor individual therapist utilization rates as well as individual KPI tracking.

Variations:

Therapist utilisation takes into account annual and sick-leave periods but not meetings (team meeting - 1.5hours/month; seniors' meeting - 1.5 hours/month; TCP meeting - 1hour/week; 3 hours of PT meetings in September; planning day with entire team).

Utilisations can be affected by Do Not Arrives and cancellations at short notice. We are unable to quantify this measure at present due to the nature of the booking system. Adjusted figures to be presented upon request.

Analysis:

Monthly variations occur with no foreseeable trending. The low utilisation for the Senior PT is currently being managed by the Therapy Manager during the 1:1 PDR process. Therapist Utilisation is reported differently from August-ongoing i.e. is part of the Healthy Living Services Monthly Dashboard – these can be provided upon request.

People

- All staff PDR's have been conducted, nil outstanding. Moving to a monthly 1:1 process from November.
- Casual Physiotherapist has resigned for an interstate full-time position. This position is not to be replaced at present.
- Healthy Living Assistant, (fitness instructor) has been filled. Episodes of service statistics to be presented at CSC.

Analysis:

Nil material concerns at present regarding performance management and leave balances/entitlements.

Governance

- Therapy Group Audits conducted for the quarter with 100% compliance.
- Residential Physiotherapy and Lifestyles Care Plan reviews completed with 100% compliance achieved for the quarter.
- Monthly auditing schedule of client files in-situ with increased sample size and sensitivity.

Audit Schedule

All documentation audits completed for the quarter and a rolling action plan continues to be sent to the team. Further discussions are held with the team in the monthly Healthy Living meetings. At present there are no negative trends or critical areas that need to be addressed. The team have lifted their attention to detail and consistency between and within each discipline is being achieved – as reflected in the individual discipline results.

Feedback

Figure 1. The Healthy Living Department received 19 items of feedback for the period

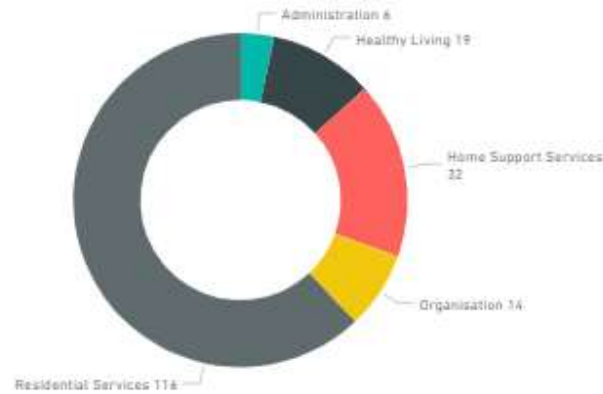


Figure 2. The breakdown of feedback is 16% suggestions and 47% compliments and 37% complaints (predominately due to the cancellation of Saturday services)

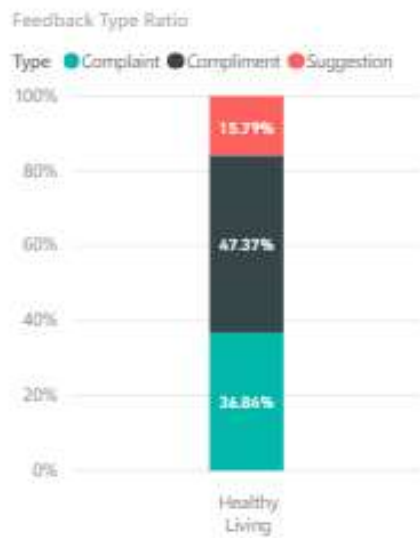
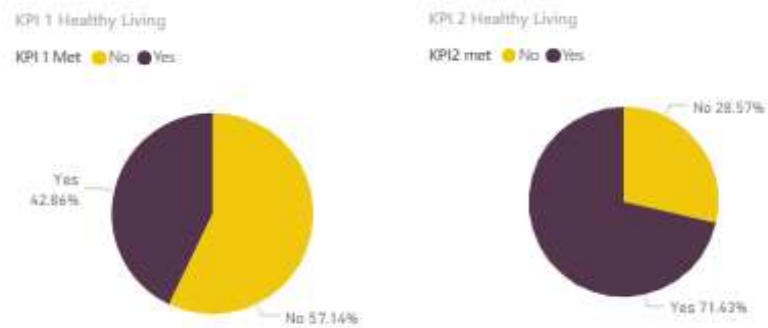


Figure 3 Response time KPI’s for all compliments, suggestions and complaints



Analysis:

An increased number of feedback items are anticipated for the following quarter with the integration of Lifestyles and Therapy into the one business unit: Healthy Living Services. Trending would suggest that the feedback system is having a greater uptake from all stakeholders (July 2 items, August 10 and October 14). A number of suggestions have converted into CI initiatives (see aforementioned). Staff members continue to receive compliments from customers which are celebrated in ‘real time’ with the staff member and again during the monthly meeting schedule.

BUDGET

As reported by the CFO.

LIFE CYCLE COSTS

Not Applicable.

Item No: **7.2**

Subject: **AUSTRALIAN AGED CARE QUALITY AGENCY – QUALITY REVIEW AUDIT**

Date: 20 November 2018

Written By: Home Support Services Manager, Ms N Jeffery

General Manager: Alwyndor, Mr R Kluge

SUMMARY

This report provides an overview of the final Quality Review Report of Alwyndor's Quality Review by the Australian Aged Care Quality Agency conducted on 26 and 27 June 2018. Alwyndor met all 18 Expected Outcomes as part of the Quality Review.

RECOMMENDATION

That the Alwyndor Management Committee receives and notes the information provided in this report.

COMMUNITY PLAN

Community: Building a healthy, active and resilient community
Community: Providing welcoming and accessible facilities
Culture: Providing customer-centred services
Culture: Enabling high performance
Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Aged Care Act 1997

BACKGROUND

There is a requirement by the Australian Aged Care Quality Agency for Alwyndor to have a Quality Review undertaken every 3 years to maintain accreditation as an organisation to continue to provide care and services to individuals.

Approved providers of Home Care services and grant recipients of the Commonwealth Home Support Program (CHSP) are required to meet the Home Care Standards.

Service providers are required to demonstrate care and services are provided in a way that meets the Standards. The process of the quality review is to assess performance against the Standards and to assist providers to show how they meet the Standards.

REPORT

The Standards assessed were the Home Care Common Standards and comprise three Standards, three Principles and 18 Expected Outcomes:

- Standard 1 – Effective management
- Standard 2 – Appropriate access and service delivery
- Standard 3 – Service user rights and responsibilities.

Each Standard has a number of expected outcomes, which Alwyndor was assessed against, forming the basis of whether Alwyndor is delivering its care and services in accordance with the Standard's requirements. There are 18 Expected Outcomes that were assessed as part of the Quality Review.

This is the final quality review against these Standards. The new Single Set of Standards commenced implementation in July 2018. Alwyndor is currently reviewing all its systems and processes to ensure compliance against the new Aged Care Quality Standards, which will be assessed by the Aged Care Quality Agency from July 2019. Care and services provided by Alwyndor were reviewed under:

- Community Services Home Care, 18549
- Elders Choices Home Care, 18508
- Commonwealth Home Support Program (CHSP) – Allied Health and Therapy Services.

Two members of the Aged Care Quality Agency audited the care and services provided via the above programs on 26 and 27 June 2018. The auditors interviewed 11 members of executive team, 6 allied health staff, 4 home support co-ordinators, 2 nursing staff, 6 care recipients receiving services under Home Care Package and 21 care recipients receiving services under CHSP, 2 administration staff and 2 agency staff. They also reviewed 13 Home Care Package care recipient files and 19 CHSP files.

A comprehensive Self-Assessment document was provided to the auditors on the day with many staff available to assist the auditors with their questioning and provision of evidence of our practices and systems against the Standards. Many documents were reviewed which included clinical incidents, complaints, confidentiality agreements, service plans, continuous improvement plans, staff development and mandatory training, medication authorities, financial management, and many others.

Alwyndor was provided with an Interim Quality Review Report on the final day of the quality review that indicated the achievement of a MET for all 18 of the Standards. A Final Report was received on 26 July 2018, which endorsed the Interim Report therefore endorsing that Alwyndor MET all of the care and service requirements as part of the Home Care Common Standards.

Throughout the quality review, and documented within both reports, areas of improvement were identified, namely:

- PDRs for staff not being completed on time

- Mandatory training not being completed on time by Home Support Services support staff
- Communication notes in some customer's Home Folder not up-to-date
- Some Police Clearances for members of the Council not up-to-date
- Brokerage Agreement used for agency staff had outdated information included
- Test and Tag in Healthy Living Services area were not tagged as per process
- 10 RCDs used by Home Support staff were past their test due date
- Diagnoses information is recommended to be provided in care plans in customer's home for additional information for support staff
- A CHSP customer was not sure therapy assistant running exercise classes was instructing them in a safe manner as have been requested not to hold onto the chair when doing exercises but felt they may fall.

Actions undertaken to improve these processes include:

- Continuous Improvement (CI) Plan in place to change the PDR process to a monthly 1:1 face to face between each staff member and their supervisor. This will commence in December 2018 with all staff being trained in this new process by end November 2018
- Staff have been advised that they must complete their mandatory training to be eligible to be placed on the roster. Monthly reports are provided to the Manager of any overdue training with information provided to the staff member and a decision made on whether they can be placed on the roster
- A review of all Home Folders is occurring to ensure accuracy of information. Every Home Support Services customer is being interviewed on service quality with all documentation reviewed in the home folder at that time. All documentation is being reviewed in Home Support Services as part of the transition to the new Aged Care Quality Standards
- Outdated Police Clearances has been followed up with the City of Holdfast Bay with a schedule now in place to ensure all members' clearances are up-to-date
- Alwyndor's Brokerage Agreement was updated whilst the auditors were in attendance with the updated version currently being used to engage Agency staff
- A number of RCDs listed as out of date for testing are no longer in service – the register has been updated. Any RCDs out of date for testing have been tested
- Care plans and all associated documents are currently being reviewed as part of continuous improvement program for documentation to align with the new Standards which will include ensuring all relevant information is provided to support staff
- The Manager has contacted the customer and advised that the intent of the exercise program is to enhance their balance by not holding onto chairs but all participants are advised that they need to work within their own capability and if they feel that they need to hold on to a chair then they should do so.

BUDGET

Not applicable.

LIFE CYCLE COSTS

Not applicable.

Item No: **7.3**

Subject: **PEOPLE AND CULTURE UPDATE**

Date: 20 November 2018

Written By: Chief People and Culture Officer, Mr B Capes

General Manager: Alwyndor, Mr R Kluge

SUMMARY

This report provides an update on Human Resources (HR) activity for the last three months as well as planned future activity.

RECOMMENDATION

That the Alwyndor Management Committee receive and note the information provided in this report.

COMMUNITY PLAN

Not Applicable

COUNCIL POLICY

Not Applicable

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

This report provides an update on Human Resources (HR) activity for the last three months as well as planned future activity.

REPORT

Current activity:

- Recruitment
 - HR have engaged in significant recruitment over the last four months including:
 - Enrolled Nurses
 - Lifestyle Officer
 - Multiple Residential Care Workers
 - Support Workers
 - Housekeeping Workers

- Return to Work
 - HR currently have 10 active worker's compensation claims
 - 5 of these claims are long term (over 6 months)
 - We expect these claims to be resolved within three months
- Performance Management
 - Performance Management training has been conducted with all operational business units
 - This will assist with day to day performance management as well as one on one meetings
- Staff Survey
 - Staff participated in an online survey in August
 - Survey was conducted by Best Practice Australia
 - Results were communicated to staff on 23 October 2018
 - Results will be used as a benchmark for future surveys
- Values Launch
 - 26 July 2018 – Staff contributed to values workshops with external facilitator, Derek Stamoulis
 - Staff were advised in July 2018 that values would be reviewed in consultation with them
 - Staff survey results were considered to formulate values
 - Values launched along with survey results on 23 October 2018
 - Values will form part of KPIs going forward
- One-on-One Staff Meetings
 - Alwyndor is progressing to one-on-one individual staff meetings to replace the previous annual performance review process
 - Business units have received one-on-one meeting training
 - All business units will conduct monthly meetings with all staff members
 - Residential Services and Home Support Services are an exception and will conduct meetings bi-monthly to begin with and then reviewed
- Industrial Relations
 - United Voice are continuing to appeal their unsuccessful agreement interpretation dispute around annual leave entitlements. This has progressed to the Full Bench. We are awaiting the decision
 - An unfair dismissal decision that was made in our favour has also been appealed by United Voice. We are awaiting the decision
- HR Administration
 - HR will be taking over the responsibility for the rostering process for an interim period
 - This will involve two rostering staff members reporting to the Chief People and Culture Officer
 - Rostering functions will be reviewed with broader organisational administrative functions to determine an appropriate structure to be used as a sustainable solution
 - This will involve consultation with all business units
- WHS
 - Alwyndor are continuing with the WHS Plan
 - Skytrust is being utilised to record incidents and hazards for Home Support Services
 - Once this trial has occurred it will roll out across the organisation

Future activity:

- HR Plan
 - We will continue to work toward the HR and WHS Plan
 - Further recruitment required in Residential Services particularly for casual support
 - HR will also be heavily involved in considering Home Support Services structure and administration/rostering over the coming months
- Training
 - Mandatory training will be further refined to alleviate risk relating to compliance
 - All online mandatory training for the organisation will be required to be conducted in one month (March) for all staff apart from new starters
 - This should result in compliance for 11 months and reduce reporting and administrative functions
- WHS
 - WHS will continue in line with the WHSMS Gap Analysis Action Plan
 - Incident and hard reporting through Skytrust will continue over the next few months

People

The Employee Engagement Officer (EEO) role has predominately assisted with the high level of recruitment and onboarding required over the last four months. This role ends in January 2019. A 0.6 HR Officer and 0.6 WHS Officer are currently employed. Both contracts expire in February 2019. The HR structure is currently under review.

The structure and functional requirements of this team will be reviewed in line with recommendations from the recent Tierra report.

Governance

Further refining of administrative processes and changes to training processes will address identified gaps in process and further mitigate risk.

BUDGET

Not Applicable.

LIFE CYCLE COSTS

Not Applicable.

Item No: **7.4**

Subject: **MARKETING AND COMMUNICATIONS STRATEGY 2019-20**

Date: 20 November 2018

Written By: Communications & Engagement Advisor, Ms T Helbers

General Manager: Alwyndor, Mr R Kluge

SUMMARY

Supporting our Strategic Plan 2017-20 and 2018-19 Business Plan, the Alwyndor Marketing and Communications Strategy 2019-20 outlines the core initiatives that will better support and empower our people, promote our services and protect our reputation.

RECOMMENDATION

That AMC support the implementation of the Alwyndor Marketing and Communications Strategy 2019-20.

COMMUNITY PLAN

Economy: Making it easier to do business
Environment: Using resource efficiently
Culture: Providing customer-centred services
Culture: Enabling high performance
Culture: Being financially accountable
Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Aged Care Quality Standards.

BACKGROUND

Not Applicable.

REPORT

Right now, Alwyndor faces a number of hurdles in communications and marketing. In our tightly regulated sector, we face obstacles (like capping) to developing new, market-driven services. We don't have big-player resources and advertising budgets. Our people are adapting to change initiatives while maintaining day-to-day operations.

Many of our customers and potential customers are confused about what they can access and how – and are making difficult decisions when under duress.

In terms of resources, we have a logo and a colour palette but no branding, no design templates and an insufficient network of design suppliers. Our photo stock is redundant (featuring customers whom have died, and staff and volunteers whom have left). Our social media channels are under-utilised, and our internal communications systems are fragmented, with multiple databases and distribution lists. We send generic ('dear valued staff member') emails and memos from various sources.

But we have opportunities. We have a solid reputation for high-quality care. We have a state-of-the-art facility in beautiful grounds in an enviable location with a rich demographic. We already offer a 'one-stop-shop' suite of services. And, as a council-owned provider, we have inside access to trusted local networks and platforms.

To move forward with growing our business, we must address our weaknesses, so we can become agile and creative, and play to our strengths. To inspire potential customers to choose us, we need to communicate our offerings strongly – even as we adapt and evolve.

BUDGET

The Marketing and Communications Strategy 2019-20 will utilise Alwyndor's existing marketing budget.

LIFE CYCLE COSTS

As above.



Attachment 1

YOUR LIFE, YOUR WAY

MARKETING & COMMUNICATIONS STRATEGY 2019-20



Prepared for the Alwyndor Management Committee
November 2018

...WITH ALWYNDOR

ABOUT

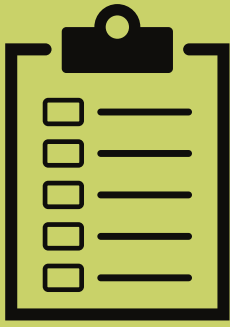
Like other Australian aged care providers, Alwyndor is grappling with significant and broad-ranging change. Our sector is in flux, with a Royal Commission looming, the roll-out of new quality standards underway and the media spotlight searching for instances of bad practice. Already complex funding models are transitioning to reflect our government's new aged care directions. In the new model, older Australians are 'consumers', contributing more to the costs of their care but with greater choice over how they use their aged care subsidies (if, and when, those subsidies are allocated). Coupled with this, demographics and expectations are changing. People are living longer, and they want more out of life - and out of their services - as they age.

These factors make this a challenging time to be in the aged care business - especially for a single-site, council-owned, independent, not-for-profit provider.

With the external changes driving a raft of internal reforms for Alwyndor, solid, positive relationships with our stakeholders are vital. Effective two-way communication can ensure that our people are more fully engaged as allies and advocates.

Supporting our Strategic Plan 2017-20 and 2018-19 Business Plan, this marketing and communications strategy outlines the way we'll keep things moving. It aims to better support and empower our people, build awareness, promote our services, and protect our reputation.

**OUR APPROACH:
START WHERE YOU
ARE.
USE WHAT YOU
HAVE.
DO WHAT YOU CAN.**



STRATEGIC PRIORITIES 2018-19

1

INTERNAL COMMUNICATIONS

Build user-friendly channels to improve staff engagement through effective communication

2

MARKETING & PROMOTIONS

Develop tools & strategies to increase awareness and support sales in key service areas

3

STAKEHOLDER RELATIONS

Identify & mitigate risks to reputation through improved communication with stakeholders

4

REVIEW & REFRESH

Build measurable targets into our initiatives to evaluate our success & hone our strategy

1, 2 & 3: PLANS IN DEVELOPMENT

>> INTERIM INITIATIVES ROLLING OUT

INTERNAL COMMUNICATIONS

CORE INITIATIVES>>

BUILD USER-FRIENDLY CHANNELS TO IMPROVE STAFF ENGAGEMENT THROUGH EFFECTIVE COMMUNICATION>>

COMMUNICATIONS AUDIT

Our workforce is diverse. To best 'meet staff where they are', we'll ask them how & where they prefer alerts & start a Communications Focus Group.

Status: Roll out late Nov 2018

CORPORATE COMMUNITY

We'll create one point of truth - a staff portal for clear, timely, relevant, engaging, easy-to-access stories & info + curated staff contribution. We'll then meet staff where they are & link them to those stories.

Status: Early scoping / Research required

REGULAR STAFF NEWS

We'll send staff brief, branded, measurable, trustworthy e-newsletters that link to our staff portal stories.

Status: Early scoping. Interim initiatives to commence from early 2019

BETTER STAFF DATA

We'll aim for a better database for contacting staff; and start sending info from one trustworthy source.

Status: Research required



MARKETING & PROMOTIONS

CORE INITIATIVES>>

DEVELOP TOOLS & STRATEGIES TO INCREASE AWARENESS AND SUPPORT SALES IN KEY SERVICE AREAS>>

CORPORATE IDENTITY KIT

We'll develop a style guide & branded templates so we can produce flexible, engaging, customer-centric collateral.

Status: Seeking quotes; for triaged rollout

POSITIONING STATEMENTS

For branding & campaigns, we'll introduce brief, memorable slogans that convey who we are, what we offer & why people should choose us.

Status: In progress

IMAGE LIBRARY

To produce engaging collateral, we'll source fresh pics that focus on our target customers, & how choosing our services can empower them.

Status: Scoping for triaged rollout

DETAILED MARKETING PLANS

To grow Home Support and Healthy Living sales & relationships, we'll plan specific initiatives to leverage existing clients & attract new ones.

Status: Commence Dec 2018 for end Feb 2019, with interim initiatives during planning



STAKEHOLDER RELATIONS

CORE INITIATIVES>>

IDENTIFY & MITIGATE RISKS TO REPUTATION THROUGH IMPROVED COMMUNICATION WITH STAKEHOLDERS>>

STAKEHOLDER STRATEGY & FORUM

To strengthen our relationships through proactive communication, we'll build a clearer picture of who our major stakeholders are, & how we can better engage with them.

Status: Commence in third quarter 2019

CUSTOMER ENGAGEMENT

For each of our client groups, we'll begin mapping the key points for communication, to identify & address gaps and opportunities.

Status: Commence in second quarter 2019 with interim initiatives during planning

FEEDBACK ANALYSIS

We'll continue analysing stakeholder feedback to action problems, improve our service delivery - & close the loop with good reporting.

Status: Ongoing

ISSUES MANAGEMENT

We'll develop key messages that assist us with communicating with stakeholders as issues arise.

Status: Ongoing



MARKETING & COMMUNICATIONS

NOVEMBER 2018 AMC UPDATE



HOME SUPPORT: OUTREACH TO 20,000 HOMES

To raise awareness about Alwyndor's Home Support services in our target catchment area, we've developed an A5 flyer, 'Could a little help make it easier?' (see below). While focusing on Home Support, the flyer briefly outlines our full suite of services, with the call to action to contact our Home Support Consultant, Cherie for expert advice. From 10 November, the flyers will be delivered to 20,000 homes (see map, left). An information kit, including details on navigating MyAgedCare, will support enquiries,

CORPORATE IDENTITY

To build our capacity to be agile and respond effectively to our marketing and communications needs, we will prioritise creating a corporate identity kit, including professional design templates. We are seeking quotes now.

BRAND AWARENESS - ADVERTISING



- DPS Aged Care Guide: 2019 print & online - Finalised.
- The Senior news: Jan, Feb, Mar 2019 - Booked. Now developing themes, images & text for collateral.
- Messenger Newspapers - Exploring prices and fit.

HEALTHY LIVING

- Massage (private clients): A5 flyer for distribution via Alwyndor client-base & council channels - Distributing.
- Join in the Alwyndor Lifestyle - Planning.

INTERNAL COMMUNICATIONS

- Alwyndor 'We CARE' Values launched and Culture Survey findings shared across two staff events. Staff received an Alwyndor drink bottle. Please enjoy yours!



Could a little help make it easier for you to stay in your own home?

Are some of the things you used to be able to do easily becoming harder? Things like shopping, cooking, cleaning and gardening? Or showering, dressing and going out?

Whether you are just starting to explore the options, or have already been assigned a home care package...

We can help you.

CALL CHERIE FOR FRIENDLY HELP ON 8177 3200

52 DUNROBIN ROAD HOVE, SA 5048 ALWYNDOR.ORG.AU



Item No: **7.5**

Subject: **GENERAL MANAGER'S REPORT**

Date: 20 November 2018

Written By: General Manager

General Manager: Alwyndor, Mr R Kluge

SUMMARY

These items are presented for the information of Members. After noting the report any items of interest can be discussed and, if required, further motions proposed.

RECOMMENDATION

That the following items be noted and items of interest discussed:

- 1. Meeting Dates and Task Schedule**
 - 2. WHS Implementation Plan**
 - 3. Corporate Risk Register**
 - 4. Feedback Analysis Report**
 - 5. Proposed dates for AMC meetings in 2019**
 - 6. Annual Review of Alwyndor Management Committee Sitting Fees**
 - 7. Draft 2019-20 Annual Business Plan Schedule**
 - 8. Sub-Committee update**
 - 9. Governance Framework**
 - 10. Cultural Action Plan Update (formerly Uniquity Action Plan)**
 - 11. Successful Tender for CCTV Upgrade**
 - 12. Royal Commission into Aged Care Quality and Safety**
 - 13. Audited Financial Statements.**
-

COMMUNITY PLAN

Community: Building a healthy, active and resilient community

Culture: Providing customer-centred services

Culture: Enabling high performance

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Not applicable

REPORT

Standing Items

1. **Meeting Dates and Task Schedule**

The register of meeting dates with attendance and annual governance task schedule listing are attached for reference.

Refer Attachment 1

2. **WHS Implementation Plan**

A monthly progress report on WHS is provided for information.

Refer Attachment 2

3. **Corporate Risk Register**

The General Manager will provide an update on the Corporate Risk Register.

4. **Feedback Analysis Report**

An analysis of the feedback for the month of October is provided for information.

Refer Attachment 3

Other Items

5. **Proposed dates for AMC meetings in 2019**

It is proposed that in 2019 the Alwyndor Management Committee meeting schedule will be adjusted to the third Wednesday of each month. The proposed scheduled of dates will be as follows:

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
16	20	20	17	15	19	17	21	18	16	20	18

The format of the evening will be dinner at 6pm with the meeting commencing at 6.30pm.

6. **Annual Review of Alwyndor Management Committee Sitting Fees**

Council has conducted its annual review of sitting fees. Sitting fees are adjusted annually in November by applying the September quarter Adelaide CPI. Accordingly, from 1 November 2018 the sitting fees paid to members of the AMC will be: \$531 for an independent presiding member, and \$425 for other independent members.

7. **Draft 2019-20 Annual Business Plan Schedule**

Please see attached for Council's internal timelines for the Draft 2019-20 Annual Business Plan.

Refer Attachment 4

8. **Sub-Committee Update**

The General Manager will provide a verbal update on the sub-committee structure.

9. **Governance Framework**

The General Manager will provide a verbal update on the Governance Framework.

10. **Cultural Action Plan Update (formerly Uniquity Action Plan)**

The General Manager will provide a verbal update on the Cultural Action Plan provided.

Refer Attachment 5

11. **Tender for CCTV Upgrade**

At the June meeting the AMC considered and approved the upgrade of Alwyndor's CCTV systems. The GM agreed to advise the AMC if the tender result exceeded the estimated cost of \$100k. The detail of the successful CCTV Tender is as follows:

Tender Price	Comment
\$105k	Original Scope of 72 cameras that was estimated to cost \$100k
\$11k	As part of the tendering process the number of cameras was increased from the original scope of 72 to 86 to cover off some small 'black spots' identified and adding additional camera capacity in each dining room.
\$15k	Increased storage and switch capacity. Although not specifically required for this work, during the discovery phase it was identified that several existing switches needed to be replaced. The replacement switches will have additional capacity for future Wi-Fi expansion and will reduce the costs of this budgeted project. Storage capacity was also increased above original scope to attempt to enable up to 40 - 50 days of footage (timeframes depend on final system settings, e.g. record on motion or full time capture).
\$131k	Total cost of works

The total cost of \$131k is marginally above the original CAPEX budget of \$120k however, as indicated the original scope was very close to the estimated cost of \$100k.

I believe the result was still great value for money considering the significantly improved system capacity and functionality it will provide and I am confident that the over budget cost will be recovered by savings in the Wi Fi coverage upgrade project (CAPEX budget in FY 18/19 of \$80k) as the new switch capacity will remove the requirement to purchase these as part of the Wi-Fi project.

12. **Royal Commission into Aged Care Quality and Safety**

The Royal Commission website (<https://agedcare.royalcommission.gov.au>) states:

The Commissioners were appointed to be a Commission of inquiry, and required and authorised to inquire into the following matters:

- a. the quality of aged care services provided to Australians, the extent to which those services meet the needs of the people accessing them, the extent of substandard care being provided, including mistreatment and all forms of abuse, the causes of any systemic failures, and any actions that should be taken in response;*
- b. how best to deliver aged care services to:*
 - i. people with disabilities residing in aged care facilities, including younger people; and*
 - ii. the increasing number of Australians living with dementia, having regard to the importance of dementia care for the future of aged care services;*
- c. the future challenges and opportunities for delivering accessible, affordable and high quality aged care services in Australia, including:*
 - i. in the context of changing demographics and preferences, in particular people's desire to remain living at home as they age; and*
 - ii. in remote, rural and regional Australia;*
- d. what the Australian Government, aged care industry, Australian families and the wider community can do to strengthen the system of aged care services to ensure that the services provided are of high quality and safe;*
- e. how to ensure that aged care services are person-centred, including through allowing people to exercise greater choice, control and independence in relation to their care, and improving engagement with families and carers on care-related matters;*
- f. how best to deliver aged care services in a sustainable way, including through innovative models of care, increased use of technology, and investment in the aged care workforce and capital infrastructure;*
- g. any matter reasonably incidental to a matter referred to in paragraphs (a) to (f) or that [the Commissioners] believe is reasonably relevant to the inquiry.*

The Terms of Reference for the Royal Commission into Aged Care Quality and Safety are provided for information.

Refer Attachment 6

13. Audited Financial Statements

The completed financial statements and accompanying auditor's report, as approved at the special meeting of the AMC on 25 October and endorsed by Council, are provided for information.

Refer Attachment 7



Attachment 1

ANNUAL GOVERNANCE TASK SCHEDULE

SCHEDULED REPORTS	BY	J	F	M	A	M	J	J	A	S	O	N	D
GENERAL MANAGERS REPORT	GM	X	X	X	X	X	X	X	X	X	X	X	X
MONTHLY FINANCE STATEMENTS	CFO	X	X	X	X		X	X	X	X	X	X	X
RESIDENTIAL SERVICES REPORT	RSM	X			X			X			X		
HEALTHY LIVING SERVICES REPORT	HLSM		X			X			X			X	
HOME SUPPORT SERVICES REPORT	HSSM			X			X			X			X
GOVERNANCE REPORT	BPI	X			X			X			X		
PEOPLE REPORT	CPCO		X			X			X			X	
OPERATIONS REPORT	COO			X			X			X			X
SUMMARY OF FEEDBACK (IN GM REPORT)	BPI	X	X	X	X	X	X	X	X	X	X	X	X
KEY REVIEWS/EVENTS													
SERVICE BUSINESS PLANS	ALL	X											
AAC WORKFORCE PLAN	CPSO		X										
AAC BUDGET ADOPTION	AMC			X									
AAC MARKETING PLAN	COO				X								
AMC OFFICE BEARERS ELETION	AMC							X					
DELEGATIONS INSTRUMENT REVIEW	AMC								X				
COPRORATE RISK REGISTER REVIEW	AMC				X						X		
STRATEGIC PLANNING WORKSHOP	AMC											X	
AUDITED FINANCIAL STATEMENTS	CFO											X	
INVESTMENT MANAGEMENT STRATEGY	CFO											X	

ALWYNDOR MANAGEMENT COMMITTEE MEETING DATES FOR 2018

Member	Term Start	Term Expires	16 Jan	20 Feb	20 Mar	17 Apr	15 May	19 Jun	17 Jul	21 Aug	18 Sept	16 Oct	20 Nov	18 Dec
D. Royans	Jul 2007	July 2018												
T. Bamford	Jul 2013	July 2019												
Cr. R. Aust	N/A	Nov 2018												
Cr. S Lonie	N/A	Nov 2018												
L. Wills	Jul 2015	July 2019												
O. Peters	Jul 2015	July 2019												
I. Pratt	Jul 2005	July 2018												
J. Bonnici	Oct 2016	July 2019												
J. Cudsi	Mar 2017	July 2019												
T. Aukett	Sep 2017	Sep 2019												
K. Whitford	July 2018	July 2020												
K. Cheater	Aug 2018	July 2020							obs					



Attachment 2

WHS Management System Gap Analysis 2018 – Timeline for Implementation
(Progress Report)

Item	Goal	Target (EOM)	Status	Comments
1. May 2017 (Theme: Planning)				
1.1	Development of the Alwyndor WHS Management System	May		System completed
1.2	Older versions of the Alwyndor Hazard Profile collated, revised and updated into the new Alwyndor Hazard and Risk Profile Register. Drafted and ready for consultation	May		Completed.
1.3	Suite of Alwyndor specific 'One Page Procedures' based on the CHB/Alwyndor shared WHS Procedures and CHB 'One Pages'. First drafts completed and ready for consultation	May		Completed. Releasing in stages
1.4	Commencement of induction and training related actions. Working parties established	February 2018		Completed
2. June 2017 (Theme: Consultation, and Hazard and Risk Management)				
2.1	New HSC composition finalised	June		Completed.
2.2	Review of how WHS & RTW performance information is presented to the Alwyndor HSC and SMT completed. Objectives and goals (KPI's) for the 2017/18 financial year implemented	December 2018		To be revisited post-WHSMS implementation.
2.3	Revised Corrective and Preventative Action accountability process implemented into HSC proceedings	June		Completed.
2.4	Revised WHS Contractor Management process enters final draft phase. Contractor Management training sourced for key staff	December 2018		Process Completed. Continuing to work with CHB to refine Contractor Management.
2.5	Process for Document and Records Management (based on CHB/Alwyndor shared procedures)	June		Completed. See item 1.3.
2.6	Risk assessment program enters active phase	July 2017		Completed. Consultation still ongoing
3. August 2017 (Theme: Induction and Training)				
3.1	Draft frameworks and process for: <ul style="list-style-type: none"> Tiered induction programs (incorporating CHB requirements), Organisation-wide training needs analysis, Individualised training plans, and Position description consistency and control Completed and ready for consultation and implementation.	February 2018		Completed
4. September 2017 (Theme: Implementation, and Management Review (Continual Improvement))				
4.1	Risk assessment program complete. Documents (assessments, SOPs, SWIs, SWMS etc.) and registers complete	December		Completed. Continually reviewed and updated
4.2	Final consultation phase: Alwyndor WHS Management System implementation	December 2018		Ongoing
4.3	Hazard management and Alwyndor WHS Management System training – program rolled out to all staff	November 2108		Skytrust trial in Home Support Services. To be rolled out across organization in 2019.

4.4	Internal audit process implemented	December 2018		On track.
4.5	Alwyndor continual improvement plan put into planning stages	September 2018		On track.

Complete | Commenced – On Track | Delayed | Not Yet Started



Attachment 3

Type of Audit: Feedback Analysis	Date Audit Completed: 08/11/2018
Sample Size: Documentation Review ___	Department: Organisational
Observation ___ Interview ___	Report completed by: R. Cantos (BPIC)
Results / Analysis / Trends	<p>There was a total of 76 items of feedback received for the month of October for the organisation of which 69 were actioned and closed off. These items consisted of 25 Complaints, 36 Compliments and 15 Suggestions.</p> <p>The contributors of feedback were Residents with 24, staff 20, family members 17, customers 10 and other sources 2 (including suggestions from external support visit).</p> <p>There are currently 15 'open' items of feedback (3 Complaints) with the oldest dating back to August 2018. For all the outstanding items actions have been taken and, in most cases,, they are awaiting evaluation.</p> <p>An identified trend was within Healthy Living where 11 compliments were received with regards to current and new exercise class and services being provided.</p> <p>There was no identified trend with Home Support with 5 items received for the month with 4 compliments and 1 complaint. Actions with regards to this complaint will be reported in the next report.</p> <p>Residential Services continues to have an even number of complaints and compliments 18 and 20 consecutively. There were 8 suggestions for improvement.</p>
Actions	<p>Include immediate action, education, conferences, training, memos, table at meetings, CL log, Hazard log, repeat audit, adjust audit schedule)</p> <ul style="list-style-type: none"> • Results reported and discussed at Governance and Operation Committee, Care Services Committee, Support Services Committee. Soon to be also reported to Customer Engagement Forum. • Continuous Improvement progress are maintained by each executive leader's action plan • There was a high risk complaint in Residential Services for which the Mandatory Reporting Pathway were followed. SAPol, Department and the Nursing Agency involved where informed, staff member was asked to leave the premises as soon as the report was made while investigation was to take place. • Care related issues are dealt with in consultation with residents and/or their representatives with resolution obtained. • Due to the above feedback there were 3 suggestions logged into the plan for continuous improvement.

Progress of above actions and outcomes and comment on effectiveness of actions implemented from above and previous audit.

The below table shows the number of feedback items received by each service in the last four months.

The amount of feedback for Residential Services increased as compared to last month, Home Support remains stable. The feedback doubled in the Healthy Living Service from September but remains stable with feedback in August to September but an overall improvement in the last four months. Organisational feedback is now showing gradual increase which is pleasing.

Service	July	August	Sept	Oct
Administration	2	3	1	2
<i>Complaints</i>	1	0	0	1
<i>Compliments</i>	0	3	0	1
<i>Suggestion</i>	1	0	1	0
Healthy Living	2	10	7	14
<i>Complaints</i>	2	5	0	1
<i>Compliments</i>	0	5	4	11
<i>Suggestion</i>	0	0	3	2
Home Support	7	20	4	5
<i>Complaints</i>	1	4	1	1
<i>Compliments</i>	4	15	3	4
<i>Suggestion</i>	2	1	0	0
Organisational	6	4	5	9
<i>Complaints</i>	2	2	0	4
<i>Compliments</i>	1	0	0	0
<i>Suggestion</i>	2	2	5	5
Residential	34	52	27	46
<i>Complaints</i>	13	25	12	18
<i>Compliments</i>	11	21	12	20
<i>Suggestion</i>	10	6	3	8

Overall, there was significant improvement with the number of complaints received versus compliments. The number of open feedback remains stable as compared to the previous month.



Attachment 4

Draft 2019-20 Annual Business Plan Schedule

Process

Process	Dates		SLT Review
New initiatives – Concepts	Thu 15/11/18	Mon 17/12/18	Thu 20/12/18
Budget info for Business Unit Managers	Thu 15/11/18	Fri 30/11/18	-
Business unit budget development	Mon 19/11/18	Wed 9/01/19	-
Initial cut of budget	Mon 14/01/19	Thu 24/01/19	Thu 24/01/19
New Initiatives - Business Case Development	Fri 21/12/18	Fri 8/02/19	Thu 21/02/19
First full draft budget	Wed 30/01/19	Thu 28/02/19	Tue 26/02/19
Second full draft budget	Wed 6/03/19	Thu 28/03/19	Tue 26/03/19
Alwyndor budget development (subject to negotiation with Alwyndor)	Mon 4/02/19	Fri 22/03/19	Thu 21/03/19
Draft ABP writing	Wed 21/01/19	Wed 3/04/19	Thu 4/04/19
Draft ABP consultation period	Mon 15/04/19	Fri 10/05/19	Fri 10/05/19
Draft ABP consultation results	Mon 6/05/19	Thu 16/05/19	Wed 15/05/19
Rating (subject to review)	Mon 15/04/19	Wed 15/05/19	Thu 9/05/19
Final ABP prepared (including design)	Fri 12/04/19	Tue 4/06/19	Tue 4/06/19
Declaration of rates	Mon 3/06/19	Wed 19/06/19	-
Summary ABP	Tue 16/04/19	Thu 20/06/19	Thu 27/06/19

Council Workshops/Meetings

Workshop/Council Meeting	Topic	Date
Workshop	Budget Workshop 1	Tue 29/01/19
Workshop	Budget Workshop 2	Tue 5/03/19
Workshop	Budget Workshop 3	Tue 2/04/19
Council Meeting – Report	Draft ABP Endorsed for Consultation	Tue 9/04/19
Council Meeting – Within Meeting	Council Hears Submissions from Public	Tue 7/05/19
Workshop	ABP Consultation Results	Tue 14/05/19
Council Meeting – Report	ABP Consultation Results	Tue 21/05/19
Council Meeting – Report	Council Adopt Rates Parameters and Distribution	Tue 21/05/19
Council Meeting – Report	Endorse ABP	Tue 11/06/19
Council Meeting – Report	Rates Declaration Report	Tue 25/06/19
Council Meeting – Item in Brief	Summary ABP	Tue 25/06/19



Attachment 5

Cultural Improvement Action Summary

The following is a summary of the actions derived from the Uniquity Review Recommendations and details on their implementation:

Build a Positive Culture

Recommendation	Proposed Action	Resource	Due Date	Progress
Review the benefits of an overall AAC Cultural change program	<ul style="list-style-type: none"> Develop Cultural Change Plan. 	Chief People and Culture Officer	Complete	Workforce Plan completed incorporating Cultural change initiatives and KPI's.
	<ul style="list-style-type: none"> Staff teamwork activities/social events. 		Complete	Approximately 60 Staff attended Friday afternoon function.
	<ul style="list-style-type: none"> Conduct Staff Survey. 	Chief People and Culture Officer	Complete	Survey Completed. 67% Reponses rate. Analysis of results expected end of September.
	<ul style="list-style-type: none"> Conduct Staff Survey in 12 months. 		31 Jul 19	
Bullying and Harassment Awareness Sessions	<ul style="list-style-type: none"> Deliver Training to all staff at Monthly Professional Development Sessions. Training to include: <ul style="list-style-type: none"> Bullying, EEO, Diversity Follow up training consisting of: <ul style="list-style-type: none"> Purpose/Mission/History Values and Behavioural Expectations 	Marie Reynolds	Completed	All Training Completed.
EEO and Diversity Education Program		Chief People and Culture Officer	Completed	Draft Expectations and Behaviours charter developed. Staff consultation forums to be held on 26 July 2018 with 20 attendees.
	Training incorporated in Induction of new staff.	Chief People and Culture Officer	Completed	Final Leadership Charter and Expectations and Values completed. Values and Expectations Launch completed. Remaining items included in following induction and Performance actions.

Review and design an Induction and Onboarding program	<ul style="list-style-type: none"> • Complete Strategic Plan Initiative of re-designing new Onboarding and Induction program. • Implement program for new staff. • Provide Opportunity for re-induction training to staff whom request additional assistance. 	TBA	30 Nov 18	Initiative deferred to await completion of Staff Survey which includes specific questions in relation to Onboarding and Induction preferences.
Roll Out re-induction program to all staff			28 Feb 19	
Educate staff on all employee lifecycle policy and processes	<ul style="list-style-type: none"> • Review all current and required HR Policies and Procedures. • Re-Design and launch updated Employee Handbook including eg. Grievance and EBA Interpretation • Develop and Deliver Training Sessions and Incorporate into Induction Program. 	Chief People and Culture Officer	30 Nov 18	Assessment of all current policies underway in conjunction with Clinical Policy review.
Educate staff on the AAC performance management framework		Chief People and Culture Officer	30 Nov 18	Draft document completed awaiting finalisation of Work Instructions etc.
		Employee Engagement Officer	31 Oct 18	
Review the effectiveness of the HR function	<ul style="list-style-type: none"> • Review HR Structure. 	Tierra	Completed	See separate report.
	<ul style="list-style-type: none"> • Performance Management training for Leadership Team 	Employee Engagement Officer	Completed	Delivery Dates deferred to allow other higher priority initiatives to be completed.
	<ul style="list-style-type: none"> • Sourcing of online performance management system to enable timely and accurate action 	Chief People and Culture Officer	31 Dec 18	Currently reviewing various programs.

Coping with Change

Recommendation	Proposed Action	Resource	Due Date	Progress
	<ul style="list-style-type: none"> Recruit Employee Engagement Role (12 Month Contract) 	GM	Complete	
Increase communication and education on industry change	<ul style="list-style-type: none"> Change communication and advocacy and provide direct avenue for staff feedback and concerns. 	Employee Engagement	Ongoing	
Conduct an HR Audit on proposed structural change and individual and business impacts and risks	<ul style="list-style-type: none"> Conduct a high level strategic assessment of the current structure, proposed changes and predicted effects on the three organisational pillars of: <ul style="list-style-type: none"> Staff Wellbeing; Business Operations; Resident Outcomes. 	Anthea LeCornu	Complete	Anthea Engaged. Completed. Anthea presented findings to staff at forums held on 3 May 2018. Anthea will attend AMC/CHB Workshop to be on 29 May 2018.
Develop a strategic change plan which includes a one-page change plan timeline and make available to staff	<ul style="list-style-type: none"> Re-design of overall Change Plan Create Flow Chart for visual representation of changes and their benefits. 	Chief People and Culture Officer	Complete	Information Pack sent to Staff on 14 May 2018.
Immediate individual meetings with affected staff	<ul style="list-style-type: none"> All affected staff of determined changes have had meetings Determine Final Structure for EN's and PCW's and then communicate to staff 	Chief People and Culture Officer	Complete	Information Pack sent to Staff on 14 May 2018.
	<ul style="list-style-type: none"> Conduct one on one meetings as required. 	General Manager	Complete	Over 50 meetings held with staff during roster change process
All staff education sessions on coping with change and change management	<ul style="list-style-type: none"> Development of Resilience Training session to be delivered during Professional Development Sessions. 	Uniquity	Complete	

Communication and Engagement

Recommendation	Proposed Action	Resource	Due Date	Progress
	<ul style="list-style-type: none"> Source Communications Expertise 	Trisha Helbers	Complete	Trisha Helbers engaged on a fixed term contract for 6 months commencing 23 Apr 18
Facilitated staff sessions on the findings of the Uniquity report	<ul style="list-style-type: none"> Staff Forums will be held on 4 and 5 April 2018 with Uniquity present. Communicate to all staff the agreed action plan 	GM Trisha Helbers	Complete Not Progressed	Consumed by Anthea LeCornu Sessions. Employee Engagement Role will communicate on an ongoing basis.
Facilitated targeted focus groups to action findings from Uniquity report	<ul style="list-style-type: none"> Working Parties will be developed if/when required. 		As Required	
Develop a Strategic Communication Plan	<ul style="list-style-type: none"> Hold staff forums to determine what communication methods are the most efficient. Develop Strategic Communication Plan. 	Trisha Helbers Trisha Helbers	30 Nov 18 31 Dec 18	Initiative overtaken by Coping with Change and Values and Expectations consultation. Will take place in October. Draft plan developed. Awaiting outcome of Staff survey and forums prior to completing draft.
Review current staff forum structure	<ul style="list-style-type: none"> Continue trial of communication of information to staff being part of the mandatory Professional Development. 	Leadership Team	Complete	Assessment of PD session indicates it is not functioning and other communication methods will be reviewed as part of overall communications strategy.
	<ul style="list-style-type: none"> Redesigned PDR process to incorporate individual meetings 	Chief People and Culture Officer	Complete	
	<ul style="list-style-type: none"> Implement Individual one on one monthly meetings with staff by supervisors 	Chief People and Culture Officer	31 Dec 18	Initiative delayed due to other priorities however process will be rolled out over next several months.

Leadership Development

Recommendation	Proposed Action	Resource	Due Date	Progress
Increase AMC and CHBC visibility and AAC support	<ul style="list-style-type: none"> Liaise with AMC and CHB Members to determine a schedule of activities that they can attend. 	PA GM		Mayor visited site middle May. Activity Program will be distributed to all Members and specific meet and greet sessions proposed.
Increase AMC and CHBC visibility				
An AMC or CHBC member to attend staff change forums to demonstrate alignment and support		GM	Complete	
Review and assess the benefits of a GM self-awareness and development program	<ul style="list-style-type: none"> Source an appropriate mentor to provide advice and develop GM. 	Anthea LeCornu	Complete	
Leadership Team to align and drive the implementation of the strategic communication plan	<ul style="list-style-type: none"> Provide consistent and positive messaging to staff. Recommencement of Training currently on hold. 	Leadership Team	Ongoing	
Facilitated leadership expectation and accountability workshop		Derek Stamoulis	Complete	
Facilitated Leadership team building and development program				



Attachment 6



ELIZABETH THE SECOND, by the Grace of God Queen of Australia and Her other Realms and Territories, Head of the Commonwealth

TO

The Honourable Justice Joseph McGrath, and

Ms Lynelle Jann Briggs AO

GREETING

RECOGNISING the contribution of older Australians to society, and that older Australians deserve high quality care in a safe environment that protects their wellbeing and dignity.

AND the importance of building a national culture of respect for ageing and older persons.

AND that Australia's population is ageing and the proportion and number of people accessing and needing care is increasing.

AND the many positive examples of high quality care within the Australian aged care sector which engages thousands of dedicated people providing aged care services every day, complemented by the important contribution of families and volunteers.

AND that as a community all Australians expect high standards of quality and safety from our aged care services, and it is important that the Australian Government has the best regulatory and policy framework to provide a sustainable aged care system that meets the needs of older Australians in the future.

AND that it is important that frail, older people needing care should receive services that reflect and address their care needs.

AND that the Commonwealth provides funding to, and regulates, providers of aged care services.

AND that some people residing in aged care facilities, including younger people, or otherwise receiving aged care services, have disabilities and

ENTERED ON RECORD by me in Register of Patents No.

53

, page 34, on

8th

October 2018

Secretary to the Federal Executive Council

Hand Care

Australia has undertaken relevant international obligations, including to take all appropriate legislative, administrative and other measures for the implementation of the rights of people with disabilities.

NOW THEREFORE We do, by Our Letters Patent issued in Our name by Our Governor-General of the Commonwealth of Australia on the advice of the Federal Executive Council and under the Constitution of the Commonwealth of Australia, the *Royal Commissions Act 1902* and every other enabling power, appoint you to be a Commission of inquiry, and require and authorise you, to inquire into the following matters:

- (a) the quality of aged care services provided to Australians, the extent to which those services meet the needs of the people accessing them, the extent of substandard care being provided, including mistreatment and all forms of abuse, the causes of any systemic failures, and any actions that should be taken in response;
- (b) how best to deliver aged care services to:
 - (i) people with disabilities residing in aged care facilities, including younger people; and
 - (ii) the increasing number of Australians living with dementia, having regard to the importance of dementia care for the future of aged care services;
- (c) the future challenges and opportunities for delivering accessible, affordable and high quality aged care services in Australia, including:
 - (i) in the context of changing demographics and preferences, in particular people's desire to remain living at home as they age; and
 - (ii) in remote, rural and regional Australia;
- (d) what the Australian Government, aged care industry, Australian families and the wider community can do to strengthen the system of aged care services to ensure that the services provided are of high quality and safe;
- (e) how to ensure that aged care services are person-centred, including through allowing people to exercise greater choice, control and independence in relation to their care, and improving engagement with families and carers on care-related matters;
- (f) how best to deliver aged care services in a sustainable way, including through innovative models of care, increased use of technology, and investment in the aged care workforce and capital infrastructure;

- (g) any matter reasonably incidental to a matter referred to in paragraphs (a) to (f) or that you believe is reasonably relevant to the inquiry.

AND We direct you to make any recommendations arising out of your inquiry that you consider appropriate, including recommendations about any policy, legislative, administrative or structural reforms.

AND, without limiting the scope of your inquiry or the scope of any recommendations arising out of your inquiry that you may consider appropriate, We direct you, for the purposes of your inquiry and recommendations, to have regard to the following matters:

- (h) all forms of Commonwealth-funded aged care services, whatever the setting or environment in which those services are delivered;
- (i) all aspects of the quality and safety of aged care services, including but not limited to the following:
 - (i) dignity;
 - (ii) choice and control;
 - (iii) clinical care;
 - (iv) medication management;
 - (v) mental health;
 - (vi) personal care;
 - (vii) nutrition;
 - (viii) positive behaviour supports to reduce or eliminate the use of restrictive practices;
 - (ix) end of life care;
 - (x) systems to ensure that high quality care is delivered, such as governance arrangements and management support systems;
- (j) the critical role of the aged care workforce in delivering high quality, safe, person-centred care, and the need for close partnerships with families, carers and others providing care and support;
- (k) the wide diversity of older Australians and the barriers they face in accessing and receiving high quality aged care services. This should take into account the increasing incidence of chronic and complex conditions;
- (l) the interface with other services accessed by people receiving aged care services, including primary health care services, acute care and

disability services, and relevant regulatory systems. This should take into account how people transition from other care environments or between aged care settings;

- (m) examples of good practice and innovative models in delivering aged care services;
- (n) the findings and recommendations of previous relevant reports and inquiries.

AND We further declare that you are not required by these Our Letters Patent to inquire, or to continue to inquire, into a particular matter to the extent that you are satisfied that the matter has been, is being, or will be, sufficiently and appropriately dealt with by another inquiry or investigation or a criminal or civil proceeding.

AND, without limiting the scope of your inquiry or the scope of any recommendations arising out of your inquiry that you may consider appropriate, We direct you, for the purposes of your inquiry and recommendations, to consider the following matters, and We authorise you, as you consider appropriate, to take (or refrain from taking) any action arising out of your consideration:

- (o) the need to establish mechanisms to facilitate the timely communication of information, or the furnishing of evidence, documents or things, in accordance with section 6P of the *Royal Commissions Act 1902* or any other relevant law, including, for example, for the purpose of enabling the timely investigation and prosecution of offences;
- (p) the need to ensure that evidence that may be received by you that identifies particular individuals as having been subject to inappropriate treatment is dealt with in a way that does not prejudice current or future criminal or civil proceedings or other contemporaneous inquiries;
- (q) the need to establish appropriate arrangements in relation to current and previous inquiries, in Australia and elsewhere, for evidence and information to be shared with you in ways consistent with relevant obligations so that the work of those inquiries, including, with any necessary consents, the testimony of witnesses, can be taken into account by you in a way that avoids unnecessary duplication, improves efficiency and avoids unnecessary trauma to witnesses;
- (r) the need to establish, as you see fit and having regard to the date by which you are required to submit your final report, appropriate arrangements for evidence and information to be shared with you by people about their experiences, including people receiving aged care services, their families, carers and others who provide care and

support, recognising that some people will need special support to share their experiences.

AND We appoint you, the Honourable Justice Joseph McGrath, to be the Chair of the Commission.

AND We declare that you are a relevant Commission for the purposes of sections 4 and 5 of the *Royal Commissions Act 1902*.

AND We declare that, in exercising your powers under Part 2 of the *Royal Commissions Act 1902*, you are to inquire into the matters falling within the scope of paragraphs (a) to (g) only to the extent that Commonwealth constitutional power extends to those subjects of inquiry.

AND We declare that you are a Royal Commission to which item 5 of the table in subsection 355-70(1) in Schedule 1 to the *Taxation Administration Act 1953* applies.

AND We declare that in these Our Letters Patent:

aged care services means services provided by any of the following:

- (a) approved providers within the meaning of the *Aged Care Act 1997*;
- (b) entities to which a grant is payable under Chapter 5 of the *Aged Care Act 1997*;
- (c) entities to which funding is payable under a program relating to aged care specified in Schedule 1AA or 1AB to the *Financial Framework (Supplementary Powers) Regulations 1997*;
- (d) entities that receive funding for the purposes of the Veterans' Home Care Program established under the *Veterans' Entitlements Act 1986*.

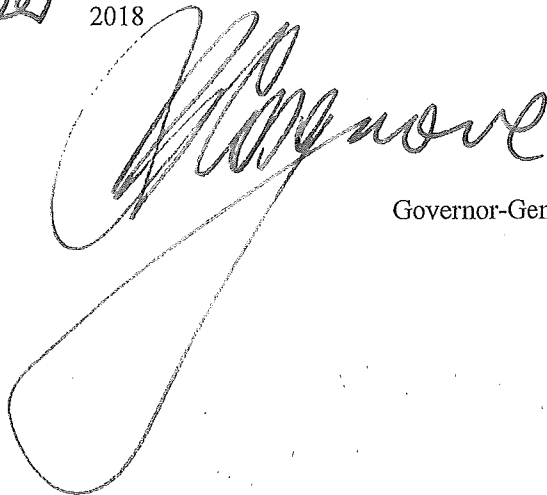
AND We:

- (s) require you to begin your inquiry as soon as practicable; and
- (t) require you to make your inquiry as expeditiously as possible; and
- (u) require you to submit to Our Governor-General an interim report that you consider appropriate not later than 31 October 2019; and
- (v) require you to submit to Our Governor-General a final report of the results of your inquiry, and your recommendations, not later than 30 April 2020.

IN WITNESS, We have caused these Our Letters to be made Patent.

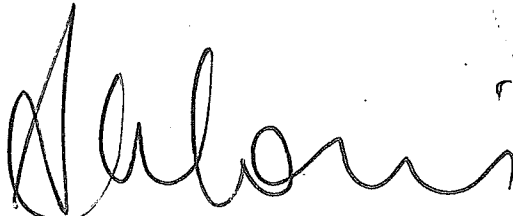
WITNESS General the Honourable Sir Peter Cosgrove AK MC
(Ret'd), Governor-General of the Commonwealth of Australia.

Dated *8th October* 2018



Governor-General

By His Excellency's Command



Prime Minister





Attachment 7

Alwyndor Aged Care

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018



ABN: 66 219 253 940

Alwyndor Aged Care

General Purpose Financial Statements for the year ended 30 June 2018

Contents	Page
1. Alwyndor Certificate	2
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3. Primary Financial Statements:	
- Statement of Comprehensive Income	4
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- Statement of Changes in Equity	6
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Alwyndor Aged Care

General Purpose Financial Statements for the year ended 30 June 2018

Certification of Financial Statements

We have been authorised by the Alwyndor to certify the financial statements in their final form.

In our opinion:

- the financial statements present a true and fair view of the Alwyndor's financial position at 30 June 2018 and the results of its operations and cash flows for the financial year,
- the financial statements accurately reflect the Alwyndor's accounting and other records.



Justin Lynch
CHIEF EXECUTIVE OFFICER



Rick Kluge
GENERAL MANAGER, ALWYNDOR

Dated this *26* day of *October* 2018

Alwyndor Aged Care

General Purpose Financial Statements for the year ended 30 June 2018

Alwyndor Management Committee Declaration

The Alwyndor Management Committee declare that

In our opinion:

The financial statements and notes, as set out in the document are in accordance with the *Australian Charities and not-for-profits Commission Act 2012* and :

- a comply with Australian Accounting Standards; and
- b give a true and fair view of the financial position of the registered entity as at 30 June 2018 and of its performance for the year ended on that date.

There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



Trish Aukett
CHAIR

Dated this 25 day of October 2018

Alwyndor Aged Care

Statement of Comprehensive Income

for the year ended 30 June 2018

\$	Notes	2018	2017
Income			
User Charges	2a	2,912,359	3,380,832
Grants, Subsidies and Contributions	2e	10,172,010	9,772,597
Investment Income	2b	463,464	381,007
Reimbursements	2c	2,201,012	1,927,495
Other Income	2d	2,766,420	1,569,530
Total Income		18,515,265	17,031,461
Expenses			
Employee Costs	3a	13,202,268	12,386,336
Materials, Contracts & Other Expenses	3b	5,306,476	3,985,372
Depreciation and Amortisation	3c	1,074,184	824,715
Finance Costs	3d	133,921	96,371
Total Expenses		19,716,848	17,292,794
Operating Surplus / (Deficit)		(1,201,584)	(261,333)
Asset Disposal & Fair Value Adjustments	4	(4,114)	(3,403)
Net Surplus / (Deficit) ¹		(1,205,698)	(264,736)
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	-	4,903,315
<i>Amounts which will be reclassified subsequently to operating result</i>			
Nil			
Total Other Comprehensive Income		-	4,903,315
Total Comprehensive Income		(1,205,698)	4,638,579

¹ Transferred to Statement of Changes in Equity

Alwyndor Aged Care

Statement of Financial Position as at 30 June 2018

\$	Notes	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	20,421,789	18,923,398
Trade & Other Receivables	5b	765,559	983,701
Total Current Assets		21,187,348	19,907,099
Non-Current Assets			
Infrastructure, Property, Plant & Equipment	7a	40,174,718	40,733,910
Total Non-Current Assets		40,174,718	40,733,910
TOTAL ASSETS		61,362,066	60,641,009
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	34,829,344	32,940,743
Provisions	8b	1,504,745	1,432,663
Total Current Liabilities		36,334,088	34,373,405
Non-Current Liabilities			
Provisions	8b	128,440	162,370
Total Non-Current Liabilities		128,440	162,370
TOTAL LIABILITIES		36,462,528	34,535,775
Net Assets		24,899,537	26,105,234
EQUITY			
Accumulated Surplus		9,414,526	10,723,474
Asset Revaluation Reserves	9a	9,070,657	9,070,657
Other Reserves	9b	6,414,354	6,311,103
Total Alwyndor Equity		24,899,537	26,105,234

Alwyndor Aged Care

Statement of Changes in Equity for the year ended 30 June 2018

\$	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2018					
Balance at the end of previous reporting period		10,723,474	9,070,657	6,311,103	26,105,234
a. Net Surplus / (Deficit) for Year		(1,205,698)	-	-	(1,205,698)
b. Other Comprehensive Income					
Nil					
Total Comprehensive Income		(1,205,698)	-	-	(1,205,698)
c. Transfers between Reserves		(103,251)	-	103,251	-
Balance at the end of period		9,414,526	9,070,657	6,414,354	24,899,537
2017					
Balance at the end of previous reporting period		10,988,210	4,167,342	6,311,103	21,466,655
a. Net Surplus / (Deficit) for Year		(264,736)	-	-	(264,736)
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	4,903,315	-	4,903,315
Other Comprehensive Income		-	4,903,315	-	4,903,315
Total Comprehensive Income		(264,736)	4,903,315	-	4,638,579
Balance at the end of period		10,723,474	9,070,657	6,311,103	26,105,234

Alwyndor Aged Care

Statement of Cash Flows

for the year ended 30 June 2018

\$	Notes	2018	2017
Cash Flows from Operating Activities			
<u>Receipts</u>			
User Charges		2,918,359	3,385,832
Grants, Subsidies and Contributions (operating purpose)		10,272,010	9,870,415
Investment Receipts		463,464	381,007
Reimbursements		2,201,012	1,927,495
Other Receipts		3,422,122	3,399,930
<u>Payments</u>			
Payments to Employees		(13,127,334)	(12,357,711)
Payments for Materials, Contracts & Other Expenses		(4,943,244)	(3,930,759)
Finance Payments		(133,921)	(96,371)
Net Cash provided by (or used in) Operating Activities	11b	1,072,469	2,579,839
Cash Flows from Investing Activities			
<u>Receipts</u>			
Sale of Replaced Assets		37,458	31,501
<u>Payments</u>			
Expenditure on New/Upgraded Assets		(556,564)	(533,125)
Net Cash provided by (or used in) Investing Activities		(519,106)	(501,624)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Aged Care Facility Deposits		9,416,274	10,790,684
<u>Payments</u>			
Repayment of Aged Care Facility Deposits		(8,471,246)	(7,719,570)
Net Cash provided by (or used in) Financing Activities		945,028	3,071,114
Net Increase (Decrease) in Cash Held		1,498,391	5,149,329
plus: Cash & Cash Equivalents at beginning of period	11	18,923,398	13,774,070
Cash & Cash Equivalents at end of period	11	20,421,789	18,923,398

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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n/a - not applicable

Alwyndor Aged Care

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Alwyndor in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Alwyndor's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

2 The Reporting Entity

Alwyndor Aged Care reports under the Australian Charities and Not-for-profits Commission Act 2012 and has its principal place of business at 52 Dunrobin Road, Hove. These financial statements include the Alwyndor's direct operations and all entities through which Alwyndor controls resources

to carry on its functions. In the process of reporting on the Alwyndor as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Alwyndor obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Alwyndor's operations for the current reporting period.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Alwyndor's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

5 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

All assets are initially recognised at cost.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Alwyndor includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Alwyndor for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$2,000
Other Plant & Equipment	\$2,000
Buildings - new construction/extensions	\$10,000

5.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

5.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Alwyndor, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Alwyndor, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

5.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Alwyndor were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

6.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Alwyndor assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Alwyndor experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Alwyndor does not make payment for untaken sick leave.

7.2 Superannuation

The Alwyndor makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Alwyndor's involvement with the schemes are reported in Note 15.

8 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

9 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

10 New accounting standards and UIG Interpretations

In the current year, Alwyndor adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Alwyndor's accounting policies.

Alwyndor Aged Care has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Alwyndor will implement them when they are effective.

11 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 2. Income

\$	Notes	2018	2017
(a). User Charges			
Aged Care Residential Fees and Rentals		2,912,359	3,380,832
Total User Charges		2,912,359	3,380,832
(b). Investment Income			
Interest on Investments			
- Local Government Finance Authority		65,732	46,386
- Banks & Other		397,732	334,621
Total Investment Income		463,464	381,007
(c). Reimbursements			
Other		2,201,012	1,927,495
Total Reimbursements		2,201,012	1,927,495
(d). Other Income			
Sundry		1,786,217	1,093,810
Aged Care Facility		972,858	475,720
Other		7,345	-
Total Other Income		2,766,420	1,569,530
(e). Grants, Subsidies, Contributions			
Other Grants, Subsidies and Contributions		10,172,010	9,772,597
Total Grants, Subsidies, Contributions		10,172,010	9,772,597
(i) Sources of grants			
Commonwealth Government		9,672,008	9,272,595
State Government		500,002	500,002
Total		10,172,010	9,772,597

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 3. Expenses

\$	Notes	2018	2017
(a). Employee Costs			
Salaries and Wages		11,742,779	10,793,808
Employee Leave Expense		38,152	262,700
Superannuation - Defined Contribution Plan Contributions	15	49,453	58,748
Superannuation - Defined Benefit Plan Contributions	15	995,593	891,267
Workers' Compensation Insurance		376,291	379,814
Total Operating Employee Costs		13,202,268	12,386,336
Total Number of Employees (full time equivalent at end of reporting period)		164	155
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		13,887	11,115
Operating Lease Rentals - Non-Cancellable Leases	14		
- Minimum Lease Payments		12,610	13,356
Subtotal - Prescribed Expenses		26,497	24,471
(ii) Other Materials, Contracts and Expenses			
Contractors		3,256,274	2,386,515
Professional Services		239,875	-
Sundry		321,491	659,194
Materials		1,462,339	915,192
Subtotal - Other Material, Contracts & Expenses		5,279,979	3,960,901
Total Materials, Contracts and Other Expenses		5,306,476	3,985,372
(c). Depreciation and Amortisation			
Buildings & Other Structures		781,693	583,333
Plant & Equipment		173,607	140,033
Furniture & Fittings		118,884	101,349
Total Depreciation and Amortisation		1,074,184	824,715
(d). Finance Costs			
Interest on Accommodation Bonds		133,921	96,371
Total Finance Costs		133,921	96,371

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 4. Asset Disposal & Fair Value Adjustments

\$	Notes	2018	2017
Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		37,458	31,501
Less: Carrying Amount of Assets Sold		<u>(39,784)</u>	<u>(34,904)</u>
Gain (Loss) on Disposal		(2,326)	(3,403)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		-	-
Less: Carrying Amount of Assets Sold		<u>(1,788)</u>	<u>-</u>
Gain (Loss) on Disposal		(1,788)	-
Net Gain (Loss) on Disposal or Revaluation of Assets		<u>(4,114)</u>	<u>(3,403)</u>

Note 5. Current Assets

(a). Cash & Cash Equivalents

Cash on Hand at Bank	1,236,866	293,419
Deposits at Call	2,961,190	4,215,984
Short Term Deposits & Bills, etc.	<u>16,223,733</u>	<u>14,413,995</u>
Total Cash & Cash Equivalents	<u>20,421,789</u>	<u>18,923,398</u>

(b). Trade & Other Receivables

Accrued Revenues	185,545	288,215
Debtors - General	137,950	114,300
GST Recoupment	89,764	41,186
Aged Care Facility Deposits	<u>352,300</u>	<u>540,000</u>
Total Trade & Other Receivables	<u>765,559</u>	<u>983,701</u>

Note 6. Non-Current Assets

Nil

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 7a (i). Infrastructure, Property, Plant & Equipment

	Fair Value Level	as at 30/6/2017						as at 30/6/2018									
		At Fair Value		At Cost		Accumulated Impairment		Carrying Value		At Fair Value		At Cost		Accumulated Impairment		Carrying Value	
\$																	
Land	2	5,288,840	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,288,840
Buildings & Other Structures	3	39,920,070	-	7,150,588	-	32,769,482	-	8,800	-	-	(781,693)	-	-	-	-	-	31,986,589
Plant & Equipment		-	2,743,256	1,163,066	-	1,580,190	116,219	125,732	(40,537)	(173,607)	-	-	-	1,607,997	-	-	1,607,997
Furniture & Fittings		-	1,961,402	866,003	-	1,095,399	190,041	115,771	(1,035)	(118,884)	-	-	-	1,281,292	-	-	1,281,292
Total Infrastructure, Property, Plant & Equipment		45,208,910	4,704,658	9,179,657	-	40,733,910	306,250	250,303	(41,572)	(1,074,184)	-	-	-	2,889,289	-	-	40,174,718
Comparatives		40,629,266	4,208,598	8,680,775	-	36,157,089	213,224	319,900	(34,904)	(824,715)	4,903,315	-	-	4,704,658	9,179,657	-	40,733,910

Note 7a (ii). Investment Property

Nil

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$

Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

Valuation techniques used to derive Level 2 and Level 3 fair values recognised in the financial statements

The following table sets out the valuation techniques used to measure fair value within Level 2, including a description of the significant inputs used.

Description	Valuation approach and inputs used
Land	Direct comparison of market evidence approach. This method seeks to determine the current value of an asset by reference to recent comparable transactions involving the sale of similar assets. The valuation is based on price per square metre.

The following table sets out the valuation techniques used to measure the fair value within Level 3, including details of the significant unobservable inputs used and the relationship between unobservable inputs and fair value.

Description	Valuation Approach	Unobservable Inputs	Range of Inputs	Relationship between unobservable inputs and fair value
Buildings & Other Structures	Depreciated replacement cost approach. This is the current replacement cost of an asset less, where applicable accumulated depreciation calculated on a basis to reflect the already consumed or expired service potential.	Replacement Cost	\$5,844 to \$2,854,414	The higher the replacement cost the higher the fair value
		Remaining Useful Life of Assets	30 years to 150 years	The shorter the remaining life the lower the fair value

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$

Valuation of Assets (continued)

Other Information

At 1 July 2004 upon the transition to AIFRS, Alwyndor elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

All of Alwyndor's non financial assets are considered as being utilised for their highest and best use.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land & Land Improvements

Land and Land improvements, with an assessed unlimited useful life, were valued at 30 June 2017.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2017
- Valuer: Maloney Field Services

Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2017

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2017
- Valuer: Maloney Field Services

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Residential Bed Licences

Alwyndor holds 134 bed licenses. These have not been brought to account as they do not meet the recognition criteria of AASB 138 Intangible Assets.

All other Assets

These assets are recognised at cost.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 8. Liabilities

\$	Notes	2018		2017	
		Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods & Services		958,590	-	523,779	-
Payments Received in Advance		-	-	32,482	-
Accrued Expenses - Employee Entitlements		175,624	-	58,842	-
Accrued Expenses - Other		92,081	-	80,073	-
Aged Care Facility Deposits		32,563,848	-	31,618,820	-
Other		1,039,201	-	626,747	-
Total Trade and Other Payables		34,829,344	-	32,940,743	-

(b). Provisions

Employee Entitlements (including oncosts)	1,504,745	128,440	1,432,663	162,370
Total Provisions	1,504,745	128,440	1,432,663	162,370

Note 9. Reserves

\$	1/7/2017	Increments (Decrements)	Transfers	Impairments	30/6/2018
Land	4,943,268	-	-	-	4,943,268
Buildings & Other Structures	4,127,389	-	-	-	4,127,389
Total Asset Revaluation Reserve	9,070,657	-	-	-	9,070,657
Comparatives	4,167,342	4,903,315	-	-	9,070,657

\$	1/7/2017	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2018
General Reserves	6,311,103	103,251	-	-	6,414,354
Total Other Reserves	6,311,103	103,251	-	-	6,414,354
Comparatives	6,311,103	-	-	-	6,311,103

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 10. Assets Subject to Restrictions

\$	Notes	2018	2017
<p>The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Alwyndor, or for which the revenues were originally obtained.</p>			
Receivables			
Accommodation Bonds		352,300	540,000
Total Receivables		352,300	540,000
Total Assets Subject to Externally Imposed Restrictions		352,300	540,000

Note 11. Reconciliation to Statement of Cash Flows

(a). Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Total Cash & Equivalent Assets	5	20,421,789	18,923,398
Less: Short-Term Borrowings		-	-
Balances per Statement of Cash Flows		20,421,789	18,923,398

(b). Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus/(Deficit)		(1,205,698)	(264,736)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		1,074,184	824,715
Net (Gain) Loss on Disposals		4,114	3,403
		(127,400)	563,382
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		218,143	1,504,739
Change in Allowances for Under-Recovery of Receivables		-	28,954
Net (Increase)/Decrease in Other Current Assets		-	(57,908)
Net Increase/(Decrease) in Trade & Other Payables		943,573	435,930
Net Increase/(Decrease) in Unpaid Employee Benefits		38,152	104,741
Net Cash provided by (or used in) operations		1,072,468	2,579,839

Alwyndor Aged Care

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 12. Financial Instruments

\$

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 2.52% and 2.77% (2017: 2.52% and 2.82%). Short term deposits have an average maturity of 180 days and an average interest rate of 2.06% (2017: 145 days and 2.21%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Fees & Other Charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Unsecured, and do not bear interest. Alwyndor is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Alwyndor's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 12. Financial Instruments (continued)

\$

Recognised Financial Instruments

Receivables

Retirement Home Contributions

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Liabilities

Creditors and Accruals

Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Alwyndor.

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Retirement Home Contributions

Accounting Policy:

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & Conditions:

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying Amount:

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements

for the year ended 30 June 2018

Note 12. Financial Instruments (continued)

\$	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2018					
<u>Financial Assets</u>					
Cash & Equivalents	20,421,789	-	-	20,421,789	20,421,789
Receivables	765,558	-	-	765,558	765,559
Total Financial Assets	21,187,347	-	-	21,187,347	21,187,347
<u>Financial Liabilities</u>					
Payables	35,095,344	-	-	35,095,344	34,829,344
Total Financial Liabilities	35,095,344	-	-	35,095,344	34,829,344
2017					
<u>Financial Assets</u>					
Cash & Equivalents	18,923,398	-	-	18,923,398	18,923,398
Receivables	983,702	-	-	983,702	983,701
Total Financial Assets	19,907,100	-	-	19,907,100	19,907,099
<u>Financial Liabilities</u>					
Payables	32,940,743	-	-	32,940,743	32,940,743
Total Financial Liabilities	32,940,743	-	-	32,940,743	32,940,743

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Alwyndor.

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Alwyndor is the carrying amount, net of any allowance for doubtful debts. All Alwyndor investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Alwyndor's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Alwyndor's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Alwyndor will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Alwyndor also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Alwyndor has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 13. Commitments for Expenditure

\$	Notes	2018	2017
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Lease Payment Commitments of Alwyndor

Alwyndor has entered into non-cancellable operating leases for various items of office equipment.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Other	52,339	5,869
	<u>52,339</u>	<u>5,869</u>

These expenditures are payable:

Not later than one year	11,816	5,869
Later than one year and not later than 5 years	35,448	-
Later than 5 years	5,075	-
	<u>52,339</u>	<u>5,869</u>

Note 14. Operating Leases

Leases Providing Revenue to the Alwyndor

Alwyndor owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	11,816	5,869
Later than one year and not later than 5 years	35,448	-
Later than 5 years	5,075	-
	<u>52,339</u>	<u>5,869</u>

Alwyndor Aged Care

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 15. Superannuation

\$

The Alwyndor makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2017/18; 9.50% in 2016/17). No further liability accrues to the Alwyndor as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Alwyndor makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2016/17) of "superannuation" salary.

In addition, Alwyndor makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Alwyndor does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Alwyndor's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Alwyndor also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Alwyndor.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 16. Interests in Other Entities

\$

Alwyndor has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

Note 17. Non-Current Assets Held for Sale & Discontinued Operations

Alwyndor does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Note 18. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

Alwyndor does not have any Contingencies & Asset/Liabilities Not Recognised in the Balance Sheet.

Note 19. Events after the Balance Sheet Date

Alwyndor is unaware of any material or significant "non adjusting events" that should be disclosed.

Note 20. Related Party Transactions

\$

2018

2017

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Alwyndor include the Alwyndor Management Committee, and General Manager - Alwyndor under section 112 of the *Local Government Act 1999*. In all, 10 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	140,645	94,425
Payments to Alwyndor Management Committee	36,301	31,324
Total	<u>176,946</u>	<u>125,749</u>

Amounts paid as direct reimbursement of expenses incurred on behalf of Alwyndor have not been included above.

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 21. Segment Reporting

\$	2018	2017
Alwyndor operates in the aged care industry within South Australia and within 3 primary business segments:		
- provision and management of residential aged care accommodation		
- aged care services to the community,		
- rehabilitation and support services (day therapy)		
Residential Aged Care		
Income Statement		
for the year ended 30 June 2016		
Care Income		
Subsidies & Supplements (Commonwealth)	7,429,149	7,087,673
Resident Fees - Means Tested Care Fees	617,171	566,892
Total Residential Care Income	8,046,320	7,654,565
Accommodation Income		
Subsidies & Supplements (Commonwealth)	801,234	848,494
Resident Accommodation Payments and Charges	321,422	397,336
Accommodation Bond Retention amounts	34,264	78,384
Total Residential Accommodation Income	1,156,920	1,324,214
Other Resident Fee Income		
Basic Daily Fee	2,322,278	2,317,690
Total Other Residential Fee Income	2,322,278	2,317,690
Financing Income		
Interest Income	463,464	366,781
Total Financing Income	463,464	366,781
Other Income		
Donations and Fundraising	6,568	-
Other Income	55,333	198,764
Total Other Income	61,901	198,764
Total Revenue	12,050,883	11,862,014

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 21. Segment Reporting (continued)

\$	2018	2017
Residential Aged Care		
Income Statement (continued) for the year ended 30 June 2016		
Care Expenses		
Labour Costs	8,328,589	7,063,186
Other Expenses	198,774	133,554
Total Care Expenses	8,527,363	7,196,740
Accommodation Expenses		
Labour Costs	195,696	134,143
Property Repairs, Maintenance and Replacement	310,570	180,114
Other Accommodation Expenses	401,868	399,526
Total Accommodation Expenses	908,134	713,783
Hotel Services Expenses		
Labour Costs	528,769	468,925
Contracted Services - External Service Organisations	1,372,150	374,732
Other Hotel Services Expenses	116,476	866,722
Total Hotel Services Expenses	2,017,395	1,710,379
Administration Expenses		
Labour Costs	1,034,220	654,436
Management Fees	54,965	70,950
Other Administration Expenses	390,538	317,157
Total Administration Expenses	1,479,723	1,042,543
Capital and Financing Expenses		
Depreciation	1,069,731	824,716
Interest Expenses	108,262	96,370
Total Capital and Financing Expenses	1,177,993	921,086
Other Expenses		
Loss on Sale of Assets	4,114	3,403
Other Expenses	-	97,447
Total Other Expenses	4,114	100,850
Total Expenses	14,114,722	11,685,381
Net Profit (Before Tax)	(2,063,839)	176,633

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 21. Segment Reporting (continued)

\$	2018	2017
Residential Aged Care		
Statement of Financial Position		
as at 30 June 2016		
ASSETS		
Current Assets		
Cash	20,421,789	18,923,398
Trade & Other Receivables	765,558	983,701
Total Current Assets	21,187,347	19,907,099
Non-Current Assets		
Property, Plant & Equipment	40,174,718	40,733,910
Total Non-Current Assets	40,174,718	40,733,910
TOTAL ASSETS	61,362,065	60,641,009
LIABILITIES		
Current Liabilities		
Trade & Other Payables	1,238,339	695,177
Employee Provisions	945,379	1,120,226
Accommodation Bonds	32,563,848	31,618,820
Total Current Liabilities	34,747,566	33,434,223
Non-Current Liabilities		
Employee Provisions	71,963	101,701
Total Non-Current Liabilities	71,963	101,701
TOTAL LIABILITIES	34,819,529	33,535,924
Net Assets	26,542,536	27,105,085

Alwyndor Aged Care

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 21. Segment Reporting (continued)

\$	Rehabilitation and Support Services	Consumer Directed Care	Other Home Care	Total
2018				
Revenue	939,928	4,084,483	1,439,971	6,464,382
Expenses	849,811	3,464,380	1,292,049	5,606,240
Surplus/(Deficit)	90,117	620,103	147,922	858,142
Assets	-	-	-	-
Liabilities	187,809	1,377,729	77,461	1,642,999
Total Equity	(187,809)	(1,377,729)	(77,461)	(1,642,999)
2017				
Revenue	837,983	2,961,732	1,369,730	5,169,445
Expenses	946,017	3,202,660	1,462,137	5,610,814
Surplus/(Deficit)	(108,034)	(240,928)	(92,407)	(441,369)
Assets	-	-	-	-
Liabilities	71,163	911,820	16,870	999,853
Total Equity	(71,163)	(911,820)	(16,870)	(999,853)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY OF HOLDFAST BAY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Holdfast Bay - Alwyndor Aged Care (the registered entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of City of Holdfast Bay - Alwyndor Aged Care, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink that reads 'G K Edwards'.

G K Edwards
Director

Adelaide, 26 October 2018

**DECLARATION OF INDEPENDENCE
UNDER SECTION 60-40 OF THE ACNC ACT 2012
BY G K EDWARDS
TO THE MEMBERS OF CITY OF HOLDFAST BAY**

As lead auditor of the City of Holdfast Bay - Alwyndor Aged Care for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



G K Edwards
Director

BDO Audit (SA) Pty Ltd

Adelaide, 26 October 2018

Item No: **7.6**

Subject: **REVIEW OF ITEMS HELD IN CONFIDENCE**

Date: 20 November 2018

Written By: General Manager, Mr R Kluge

General Manager: Alwyndor, Mr R Kluge

SUMMARY

Items held in confidence should be reviewed every 12 months.

This report recommends that of the 38 items reviewed, 16 be released from confidence, and 22 be retained in confidence.

RECOMMENDATION

That the Confidential Items presented be released from or retained in Confidence as outlined in Attachment 1 to Report 75/18.

COMMUNITY PLAN

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Local Government Act 1999, Section 90 (3).

BACKGROUND

Alwyndor Management Committee shall review annually the items held in confidence.

REPORT

Underpinning transparent decision making is the principle that unless there is good reason, as defined by Section 90 (3) of the *Local Government Act 1999*, all of the material presented to, and discussed at Alwyndor Management Committee as well as its decisions, should be public.

Although it is recognised that the Alwyndor Management Committee and Council will have cause from time to time to retain some items in confidence, it is also best practice that these decisions be regularly reviewed to determine the earliest opportunity to release them for public scrutiny. This is done with a view to keeping as few matters in confidence as possible.

A review of the confidential items has been undertaken to determine, given the nature of the information contained therein, if the reasons cited at the time of each confidentiality order are still current. There remain a number of items which it is recommended should continue to be retained in confidence and these will be reviewed in accordance with the usual cycle.

A summary of the 38 items being considered for release from, or retention in confidence is presented in Attachment 1

Refer Attachment 1

The status of confidential documents, will continued to be reviewed in light of the progress of various items of business, the passing of time and the conclusion of critical projects; honouring its commitment to make the basis of its decisions public whilst also recognising that retaining certain matters, as permitted by the *Local Government Act 1999*, in confidence is in the best interest in of the community of Holdfast Bay.

The next scheduled review will be tabled for Alwyndor Management Committee's further consideration in November 2019.

BUDGET

There are no budget implications.

LIFE CYCLE COSTS

There are no Life Cycle costs.



Attachment 1

Attachment 1 – Documents to be released from or retained in Confidence

Date	Subject	Report No:	Reason	Recommendation
21/03/2017	Catering Contract – Renewal	08/17	(d) Commercial Advantage not a trade secret	Retain in Confidence Until end of contract.
21/03/2017	General Manager's Report Attachment 1 – Industrial Issues Up-date	06/17	(h) Legal Advice (i) Litigation	Retain in Confidence Review in 12 months.
18/04/2017	Legal Advice on Alwyndor Trust Deed	16/17	(h) Legal Advice	Retain in Confidence Review in 12 months.
16/05/2017	General Manager's Report Attachment 2 – ACFI Report and Workhours Analysis	19/17	(d) Commercial Advantage not a trade secret	Retain in Confidence Until named individual is no longer at Alwyndor. Under reason (a) Personal Affairs
16/05/17	WHS Management System Gap Analysis – Action Plan	20/17	(d) Commercial Advantage not a trade secret	Release from Confidence Action plan predominately complete.
16/05/2017	Leadership Team Restructure	22/17	(e) Members or Employee security or safety	Retain in Confidence Review in 12 months.
20/06/2017	General Manager's Report Attachment 3 – ACFI Report and Workhours Analysis	25/17	(d) Commercial Advantage not a trade secret	Release from Confidence Information is from previous financial year.
20/06/2017	Leadership Team Restructure Update	27/017	(a) Personal Affairs	Retain in Confidence Review in 12 months.
18/07/2017	SMT Update Attachments 1 to 4	21/17	(d) Commercial Advantage not a trade secret (i) Litigation	Retain in Confidence Review in 12 months.
15/08/2017	Therapy Services Update	36/17	(d) Commercial Advantage not a trade secret	Release from Confidence
19/09/2017	Energy Efficiency Assessment	43/17	(k) Tender	Retain in Confidence

Date	Subject	Report No:	Reason	Recommendation
				Until matter resolved.
17/10/2017	Residential Services Update	48/17	(d) Commercial Advantage not a trade secret	Release from Confidence
17/10/2017	Risk Register Review	52/17	(d) Commercial Advantage not a trade secret	Retain Attachment 2 in Confidence. Until end of confidential order (March 2019).
17/10/2017	Investment Management Strategy	51/17	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year.
21/11/17	Monthly Financial Report – October 2017	54/17	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
21/11/17	Leadership Team Restructure	53/17	(a) Personal Affairs	Retain in Confidence Review in 12 months.
19/12/17	Monthly Financial Report – November 2017	65/17	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
16/01/18	Monthly Financial Report – December 2017	02/18	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
20/02/18	Monthly Financial Report – January 2018	09/18	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
20/03/18	Monthly Financial Report – February 2018	15/18	(d) Commercial Advantage not a trade secret	Release from Confidence

Date	Subject	Report No:	Reason	Recommendation
				Information from last Financial Year and Financial Statements Published.
20/03/18	Cessation of Contract with Resthaven	16/18	(e) Members or Employee security or safety	Release from Confidence Staff and customers advised and contract has ceased.
20/03/18	Confidential Correspondence Regarding Business Proposal	20/18	(d) Commercial Advantage not a trade secret	Retain in Confidence Until released from confidence by Council (Council Report No: 39/18)
17/04/18	Monthly Financial Report – March 2018	21/18	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
17/04/18	Clinical Incident Evaluation October to December 2017	24/18	(d) Commercial Advantage not a trade secret	Retain in Confidence Review in 12 months.
17/04/18	Uniquity Review Update	26/18	(e) Members or Employee security or safety	Retain in Confidence Until released from confidence by Council
17/04/18	Confidential Business Proposal	28/18	(d) commercial information (not being a trade secret)	Retain in Confidence Until released from confidence by Council (Council Report No: 39/18)
15/05/18	Uniquity Report Update – detailed cost proposal for implementation of action plan	33/18	(e) affecting security of Alwyndor, staff, property or safety of any person	Retain in Confidence Until released from confidence by Council
15/05/18	CCTV Upgrade	36/18	(k) Tenders	Release from Confidence Tender completed.
15/05/18	Energy Efficiency Assessment	37/18	(k) Tenders	Retain in Confidence Review in 12 months

Date	Subject	Report No:	Reason	Recommendation
19/06/18	CCTV Upgrade – Revised Business Case	41/18	(k) Tenders	Release from Confidence Tender completed.
19/06/18	Monthly Financial Report – April and May 2018	43/18	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
17/07/18	Monthly Financial Report – June 2018	47/18	(d) Commercial Advantage not a trade secret	Release from Confidence Information from last Financial Year and Financial Statements Published.
17/07/18	Residential Services Update	48/18	(a) Personal Affairs	Retain in Confidence Review in 12 months.
21/08/18	Monthly Financial Report – July 2018	53/18	(d) Commercial Advantage not a trade secret	Retain Attachments and Minutes in Confidence Review in 12 months.
18/09/18	Monthly Financial Report – August 2018	56/18	(d) Commercial Advantage not a trade secret	Retain Attachments and Minutes in Confidence Review in 12 months.
16/10/18	Monthly Financial Report – September 2018	68/18	(d) Commercial Advantage not a trade secret	Retain Attachments and Minutes in Confidence Review in 12 months.
16/10/18	Review of Forecast Budget	69/18	(d) Commercial Advantage not a trade secret	Retain in Confidence Review in 12 months.
16/10/18	Results of the 2018 Alwyndor Staff Survey	72/18	(e) Members or Employee security or safety	Retain in Confidence Review in 12 months.

Item No: **7.7**

Subject: **ANNUAL REVIEW OF INVESTMENTS**

Date: 20 November 2018

Written By: General Manager

General Manager: Alwyndor, Mr R Kluge

SUMMARY

It is a requirement of the Local Government Act that Council (Alwyndor Aged Care) formally reviews the performance of its investments on an annual basis. This report identifies; the process for investing funds, the amount of funds invested during 2017/18, average interest rate earned, interest rate movements and investment interest performance against budget.

It is also a requirement of the Aged Care Act that Council (Alwyndor Aged Care) make a declaration that it complies with all Prudential Standards which in past years has been provided via a separate Compliance Statement which is attached to this report.

This report attempts to outline the compliance requirements of Alwyndor, the current process and documents related to ensuring compliance and suggests that the process and relevant documents be reviewed and improved.

RECOMMENDATION

That the Alwyndor Management Committee:

- 1. Receive and note the details in this report.**
 - 2. Endorse a review of the process and reporting to ensure compliance with the relevant legislation in regard to the investment of funds.**
-

COMMUNITY PLAN

Community: Building a healthy, active and resilient community

Community: Providing welcoming and accessible facilities

Culture: Providing customer-centred services

Culture: Enabling high performance

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Alwyndor Treasury Management Policy

Council Treasury Management Policy

STATUTORY PROVISIONS

Local Government Act 1999,
Aged Care Act 1997

BACKGROUND

The LGA Act requires Councils, to review the performance of its investments annually. Alwyndor invests its funds in accordance with Council's Treasury Management Policy ensuring funds are preserved and invested within legislative requirements and sound prudential requirements.

REPORT

Investment Strategy

All investments are made in accordance with Council's Treasury Management Policy. The policy ensures funds are preserved and invested in accordance with legislative requirements and common law responsibilities. The current policy states that the Local Government Finance Authority (LGFA) and the "Big 4" banks are the preferred financial institutions.

Investment rates are compared to receive the best interest rate per investment. At Alwyndor 12% of investments were placed with the Local Government Finance Authority (LGFA), 7% with National Australia Bank (NAB) and 81% with Westpac due to higher term deposit interest rates currently being offered.

Types of Investments

This report deals with cash investments resulting from the investing of day-to-day surplus funds (operating funds account) and specific purpose cash backed reserve funds.

Investment Placement

When investment opportunities present, quotes are obtained from the LGFA and banks. Other non-quantifiable factors are also taken into account including transaction processing efficiency and the level of service provision. The LGFA is given the opportunity to at least match or exceed the best quote. For a large proportion of the year, Westpac were able to offer more competitive rates until April 2018 where LGFA commenced matching the Westpac rates.

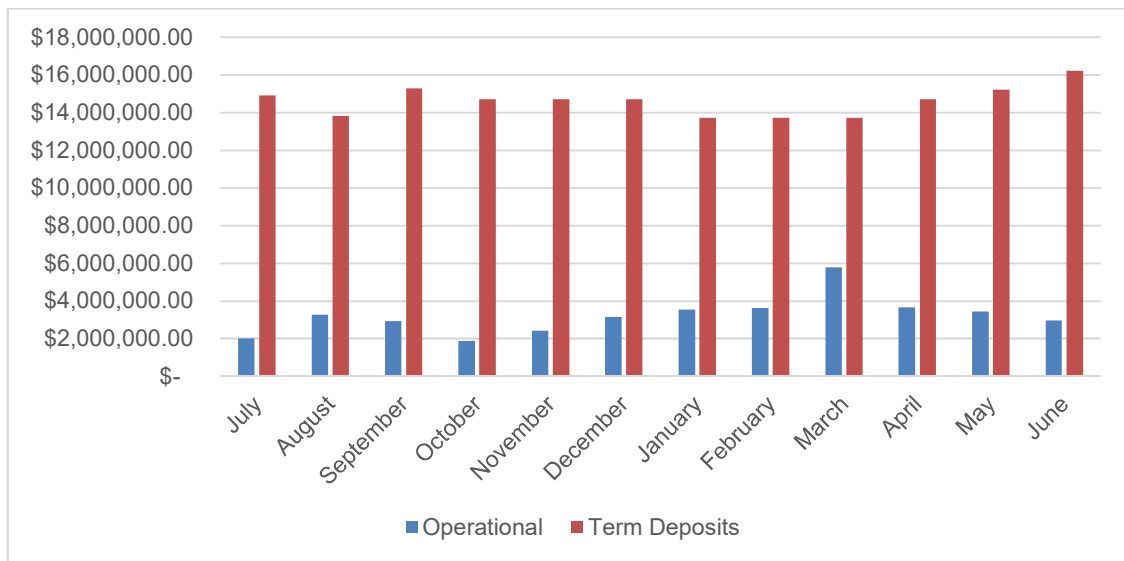
Investment Period

In determining the period of time for investment, consideration is taken of Alwyndor's cash flow obligations as well as prevailing interest rate market forces. Currently no investment is placed for a period greater than 12 months.

Level of Investments

As at 1 July 2017 a total of \$14.414mm in cash funds were invested. As at 30 June 2017 the level of Alwyndor invested funds increased to \$19.185m. The movement in the level of investments reflects the change in Accommodation Bond liability. There was no capital expenditure in relation to Redevelopment, a permitted use of accommodation bonds under the Aged Care Act Prudential requirements, within the financial year. In 2017/18, individual investments ranged from \$1m to \$3m. The following chart highlights the level and nature of investments held during 2017/18 for Alwyndor funds.

Alwyndor Funds - Investments Held 2017/18



Investment Performance

2017/18 interest rate movements

During 2017/18 official interest rates remained unchanged by the Reserve Bank of Australia (RBA)

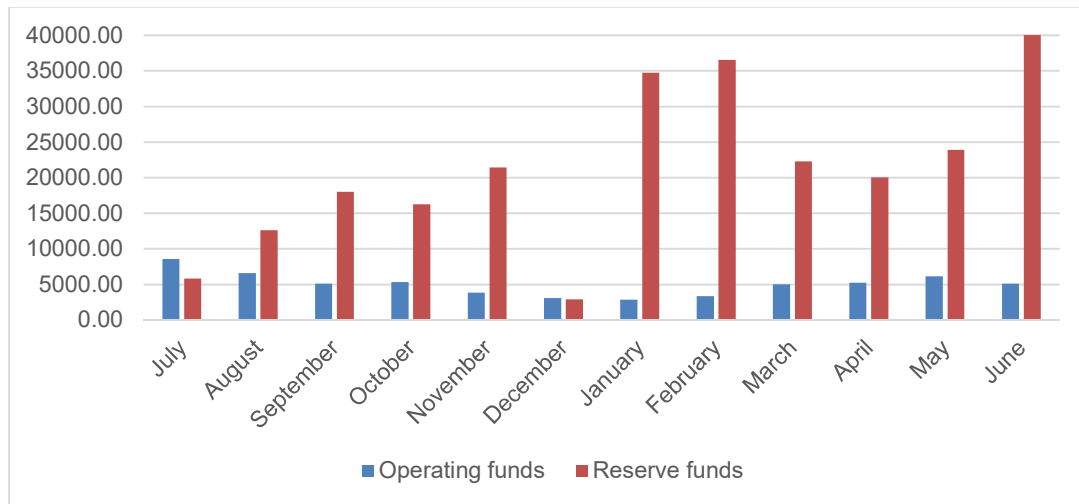
Weighted Average interest rate earned

The following table compares the overall weighted average interest rate earned on investments for 2017/18.

Funds	RBA Cash rate	Operational Funds – at call investments	Reserve funds
Alwyndor	1.50%	1.50%	2.36%

Interest received during 2017/18

Interest received from the LGFA was paid quarterly until April 18. LGFA now pay interest at the end of the investment. Interest received from the NAB and Westpac are paid at the end of the investment term. The following chart indicates the movement in available cash invested in operating funds, compared with interest rates and amounts earned from the more stable reserve funds. Note that the LGFA Bonus Interest was received in November and therefore explains the spike.

Alwyndor Funds – Interest earned 2017/18***Compliance with Prudential Standards***

The 'Annual Prudential Compliance Statement' (APCS) is a form completed by approved providers of Residential aged care. Approved providers are required in accordance with Part 5 of the Fees and Payments Principles 2014 (No.2) to demonstrate their compliance with the Prudential Standards on an annual basis by submitting a completed APCS to the department.

The APCS form contains questions about the number and value of the refundable deposits, accommodation bonds and entry contributions held, whether refunds were paid on time, and whether they complied with Prudential Standards. This allows the department to collect information about an approved provider's compliance with the four Prudential Standards:

1. Liquidity Standard
2. Records Standard
3. Disclosure Standard
4. Governance Standard

This form is required to be complete by 31 October every year and this years competed form is attached for reference.

Refer Attachment 5

Process Review

In summary, the AMC are required to ensure that Alwyndor complies with:

1. the Local Government Act via the Treasury Management Policy; and

2. the Aged Care Act via compliance with the Prudential Standards.

There are currently 3 AMC 'owned' policies in relation to investments that are currently due for review. These are:

1. Investment Policy

I have updated the former Investment Policy to create a draft 'Investment Work Instruction' which is included at Attachment 2 for information. This document details the basic steps and business rules related to the investment of funds and hence should not be an AMC owned document.

2. Accommodation Bond Policy
3. Refundable Accommodation Deposit Policy

The Accommodation Bond Policy (Attachment 3) and Refundable Accommodations Deposit Policy (Attachment 4) are repetitive and almost a direct copy out of the relevant legislation.

In past years the AMC have been provided with a Prudential and Liquidity Compliance Statement that outlines the actions taken by Alwyndor to comply with the Prudential Standards and analysis of cash balances to determine an appropriate minimum cash on hand balance as part of our Liquidity Management Strategy. I am not convinced of the relevance of this document as much of the information is repeated in other reports (including this one) hence I believe that this document maybe be able to be removed or replaced by specific strategies or Work Instructions. This year's statement is attached for reference.

Refer Attachment 6

I recommend that the process and reporting mechanisms to ensure compliance with the Treasury Management Policy and the Prudential Standards be reviewed and a new processes implemented.

BUDGET

The 2017/18 original budget for interest on investments for Alwyndor funds totaled \$373,852 from all sources. The total actual amount earned was \$494,612 equating to an increase of \$120,760. This was predominately due to the increase in Accommodation Bonds held during the year.

The 2018/19 budget has been set after taking into consideration treasury management policy, interest rate environment, level of reserve requirements and surplus operational funds. The budget has been set at \$423,861.

LIFE CYCLE COSTS

This report deals with 2017/18 investment performance, it does not have any full life cycle cost implications.



Attachment 1

Classification:	Statutory Policy.
Trim Container	B3292
Trim Document Number:	DOC/16/31769
First Issued / Approved:	14/4/2011
Last Reviewed:	9/06/2015 C090615/129
Next Review:	1/06/2019
Responsible Officer:	Manager Finance
Date Placed on Web:	9/06/2015

1. PREAMBLE

1.1 Background

This policy establishes a decision framework to ensure that:

- (a) Council is able to meet its financial obligations as they fall due and to provide appropriate funding capacity to meet unforeseen events as they arise;
- (b) Council procures funds at the lowest overall cost and with minimal impact of adverse movements in interest rates;
- (c) Council’s investments are with credit-worthy institutions to minimise the risk of loss.

1.2 Purpose

The purpose of this policy is to provide clear direction to management, staff and Council in relation to the treasury (funds) management and is designed to actively support Council’s commitment to financial sustainability.

1.3 Scope

This policy applies to all Council activities.

1.4 Definitions

“Treasury Management” means managing borrowings, investments and cash flows.

“Financial Sustainability” means meeting long term service and infrastructure levels and standards without unplanned increases in rates or disruptive cuts to services.

TREASURY MANAGEMENT POLICY

“Long Term Financial Plan” means the primary financial document linked to the Strategic Plan and informed by the Asset Management Plan expressing activities over at least 10 years providing guidance to formulate a financially sustainable business plan and budget.

“Net Financial Liabilities” means total liabilities less financial assets, where financial assets for this purpose include cash, investments, receivables and prepayments, but excludes inventories and land held for resale.

“Net Financial Liabilities Ratio” means Net Financial Liabilities as a percentage of Operating Revenue.

“Interest Cover Ratio” means the extent to which operating revenues are committed to net interest expense.

“Inter-generational Equity” means resources and assets do not belong to one generation but are administered and preserved for future generations.

“LGFA” means Local Government Finance Authority, being an authority established under the Local Government Finance Authority Act 1983. Under the Act the South Australia Government guarantees all of the Authority’s liabilities, including monies accepted on deposit from clients. The Authority develops and implements borrowing and investment programs for the benefit and interests of Local Government.

“S&P” means Standard & Poors global credit rating agency which is independent and expresses an opinion about the ability and willingness of an institution such as a corporation or government, to meet its financial obligations in full and on time. An AA rating means the institution has a very strong capacity to meet financial commitments.

“Reserve Funds” means funds set aside in an account to meet any unexpected costs that may arise in the future costs of asset renewal or replacement.

1.5 ***Strategic Reference***

Our Place Community Plan 2012-2015. A place that provides value for money.

2. **POLICY STATEMENT**

2.1 **Treasury Management Strategy**

Finances will be managed holistically in accordance with overall financial sustainability strategies and annually reviewed targets. This means that Council will:

- (a) Maintain target ranges for Net Financial Liabilities and Net Financial Liabilities Ratio;
- (b) Maintain target range for Interest Cover Ratio;

TREASURY MANAGEMENT POLICY

- (c) Not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties;
- (d) Borrow funds in accordance with the requirements set out in its Long Term Financial Plan;
- (e) Maintain a minimum amount of liquidity.

2.2 Liquidity

Council will maintain a minimum amount of cash on hand or at call to meet projected cash needs and maintain a \$1million standby credit facility with the LGFA which can be accessed immediately on the approval of the Chief Executive Officer (or delegate) should the need arise.

Any funds that are not immediately required to meet approved expenditure or minimum liquidity will be applied in the following order of priority:

1. reduce existing borrowings where it is cost effective to do so;
2. defer the timing of new borrowings;
3. invest in accordance with this policy.

2.3 Borrowings

Council recognises the prudent use of borrowings to spread costs over time in support of the principle of intergenerational equity.

Borrowings will be managed in accordance with overall financial sustainability strategies and legislative requirements. This means that Council will:

- (a) approve borrowings having regard to the annual budget, long term financial plan and financial targets;
- (b) borrow in accordance legislative powers pursuant to section 44(3)(c) of the Local Government Act 1999;
- (c) not attach borrowings to specific expenditure commitments or assets;
- (d) maintain flexibility and capacity to borrowings comprising a mixture of:
 - (i) maturity dates;
 - (ii) variable and fixed interest rates;
 - (iii) interest only and amortising loans;
 - (iv) cash advance debentures that enable principal draw down and repayment without penalty;
- (e) borrow from the LGFA (being the preferred financial institution) or the Commonwealth Bank, ANZ, NAB or Westpac;
- (f) not borrow directly from any retail market through the issue of bonds or other debentures.

TREASURY MANAGEMENT POLICY

- (g) not deal in swaps and derivatives without Council approval.

Loans to community organisations must be approved by Council and will be funded by borrowings in accordance with this policy and Council's "Borrowing Guidelines for Community Organisations".

2.4 Investments

Council funds that are not immediately required for operational needs and cannot be applied to either reduce existing borrowings or to avoid raising new borrowings will be invested.

When investing funds Council will select the investment type which delivers the best value having regard to investment returns, transaction costs, future funding needs and other relevant factors. This means that council will invest surplus funds with:

- (1) the LGFA (being the preferred financial institution);
- (2) SA or Commonwealth Government Bonds;
- (3) interest bearing deposits or bank accepted/endorsed bills with banks with:
 - (i) short term credit rating from S&P of not less than A1 for investments of not more than 12 months;
 - (ii) long-term credit rating from S&P of not less than AA- for investments greater than 12 months.

Investments will be made in accordance with this policy by the Chief Executive Officer (or delegate) in accordance with section 139 of the Local Government Act. Council approval is required for investments with a maturity date greater than 12 months.

2.5 Reserve Accounting

Council will not maintain cash-backed reserves unless required to by legislation or agreement with third parties.

Existing cash-backed reserves will be managed as follows:

- (1) provisions for future capital expenditure will be included in Council's long term financial plan;
- (2) existing cash reserve funds will be applied to reduce borrowings or to avoid raising new borrowings.

2.6 Reporting

Council will receive the following reports:

- (1) annual long term financial plan projections including financial targets;
- (2) annual review of borrowing and investment performance pursuant to section 140 of the Local Government Act;
- (3) summary of the level of borrowings, investments and net financial liabilities at each budget review;

TREASURY MANAGEMENT POLICY

- (4) as required a schedule of borrowings and cash when considering new borrowing or investing surplus cash for greater than 12 months.
- (5) as required, in instances of a breach of policy, an audit report to the CEO, chair of the Audit Committee and Internal Auditor.
- (6) as required a report on adherence to treasury management internal controls including liquidity, borrowing and investing of surplus funds.

3. REFERENCES

3.1 Legislation

For borrowings:

- (1) Local Government Act, 1999, sections 44, 122, 134.
- (2) Regulations 5 and 5B of the Financial Management Regulations under the Act.

For investments:

- (1) Local Government Act, 1999, sections 47, 139, 140.

3.2 *Other References*

Nil.



Attachment 2

1. Safety Alert

2. Purpose [Brief statement re overall purpose of the work instruction and the outcome the work instruction is intended to achieve]

To ensure the investment of funds are made:

1. exercising care, diligence and skill that a prudent person of business would exercise in managing the affairs of another; and
2. in accordance with the provisions of the Local Government Act, with particular attention to Sections 139 and 140.

3. Scope [Brief statement that identifies to whom and to which parts of the organisation the work instruction applies. Specify exclusions to clarify scope if needed.]

This policy applies to Alwyndor staff that have delegated authority to manage and/or approve investments.

4. Consideration [Include special circumstances or specific risks/hazards.]

- The Alwyndor Management Committee review the Accommodation Bond/Refundable Accommodation Deposit liability of Alwyndor on a monthly basis;
- Independently audited annual statements, including compliance with the prudential management of accommodation bonds and RAD's, are reviewed by the Alwyndor Management Committee and endorsed by the City of Holdfast Bay Council;
- No investments are to be made in financial products that require an Investment Management Strategy (IMS);
- Accommodation Bonds/Refundable Accommodation Deposits are to be invested in permitted financial products as identified within the Aged Care Act 1997 and User Rights Principles 1997.
- Under the power pursuant to Section 139(5) of the Local Government Act, the Alwyndor Management Committee may obtain and consider independent and impartial advice about the investment of funds and the management of funds from a person whom the Alwyndor Management Committee reasonably believes to be competent to give the advice.

5. Requirements [what tool/equipment/other do we need to achieve this task]

N/A

6. Steps: [Simple step by step instructions on how to achieve the task in a safe, timely and professional manner]

- For each transaction (deposit or withdrawal) there should originate a document evidencing what has occurred and providing accountability
- The document so created should be filed chronologically to comply with the audit procedures in place
- Signatories to documentation of investments must comply with current Delegations as approved by the Alwyndor Management Committee
- All transfers are to be countersigned by two of the designated signatories
- All funds must be categorised and identify the source and intended application
- A register of investments must be maintained including: sum invested, term of investment, maturity date, interest rate applicable and interest payment frequency
- All individual funds shall be accounted for separately and reported to the Alwyndor Management Committee at each of its meetings

- Investment register transactions must be updated at the time of the transaction and reconciled with the General Ledger monthly
- All interest earned by Investments shall be accounted for annually into the respective accounts
- Quotes must be obtained on all potential investments in excess of 120 days;
- Each year a report will be tabled at the Alwyndor Management Committee which summarises the performance of each investment and the performance of investments as a whole

After the Audited Financial Statements for Alwyndor are published each year (usually in October), Alwyndor will provide each resident and/or their representative with:


- A copy of the resident's entry in the Bond / RAD Register
- A written statement explaining what other information is available on request, including:
 - a summary of the permitted uses that accommodation bonds and RAD's have been used for in the previous financial year;
 - a copy of the independent audit opinion on our compliance with the prudential requirements for accommodation bonds and RAD's; and
 - the organisations most recent audited accounts.

7. Reference Source

- 7.1 Treasury Management Policy (City of Holdfast Bay)
- 7.2 Aged Care Act 1997
- 7.3 User Rights Principles 1997
- 7.4 Local Government Act



Attachment 3

 <p>Alwyndor AMC POLICY ACCOMMODATION BONDS</p>	<p>DATE OF ORIGIN: January 1995</p> <p>LAST DATE REVIEWED: October 2016</p> <p>NEXT REVIEW DATE: October 2018</p>
	<p>ISSUE NO: 2</p>

Statement

This Policy is only applicable to residents who entered residential low level care prior to 1 July 2014.

The Alwyndor Management Committee set the level of Accommodation Bond that was charged to eligible applicants who sought low care accommodation prior to July 1 2014.

Until they are repaid, Accommodation Bonds can only be used for approved purposes under the Aged Care Act 1997.

All residents shall receive an annual audited statement of their accommodation bond transactions for the prior twelve month period and the resulting balance.

Rationale

Accommodation Bonds are an integral part of the capital funding mechanism provided to aged care operators and its application is validated within the Aged Care (1997) Act, which is monitored by the Commonwealth Department of Social Services.

Application

1. Twice yearly, in March and September, the Department of Health and Ageing calculated the value of the Accommodation Bond that incoming residents could pay to a provider without penalising the incumbent's access to rental assistance.
2. The Alwyndor Management Committee operates within the legislation provided for under the Aged Care Act 1997 noting that the minimum Accommodation Bond previously payable by incoming residents was the minimum amount set by the Department of Health & Ageing, as varied in March and September of each year, prior to 1 July 2014.
3. The Management Committee authorised the General Manager or his/her delegate to negotiate higher levels of Accommodation Bonds than the standard referred in paragraph 2 above, provided that the incoming resident and/or their authorised financial guardian has so requested and agreed for this to occur, and where the arrangements ensured no financial detriment to Alwyndor Aged Care.
4. Alwyndor Aged Care will comply at all times with Commonwealth Accommodation Bond Legislation and its Prudential Requirements and repay all Accommodation Bond balances due, plus interest. To departing residents, a refund will be forwarded to the resident within 14 days of the date of exit, or in the case of a deceased resident a refund will be forwarded to their estate within 14 days of granting of Probate or a Letter of Administration being received.
5. Alwyndor Aged Care must have in place an appropriate Accommodation Bond Register as required by the Aged Care Act 1997 and User Rights Principles 1997.
6. Alwyndor Management Committee has delegated authority for the purposes of reviewing this policy, monitoring and controlling any delegated or outsourcing of responsibilities in the maintenance of Alwyndor Aged Care Accommodation Bond Register.
7. Alwyndor Aged Care must report annually, and on request from residents or their representatives, on their Accommodation Bond balance and any deductions/interest charged as required by the Aged Care Act 1997 and User Rights Principles 1997.

8. Alwyndor Aged Care ensured that a written guarantee to refund the resident's accommodation bond balance was provided to the resident within seven (7) days of them signing the accommodation bond agreement (contract) in accordance with the Aged Care Act 1997 and User Rights Principles 1997.
9. The General Manager has delegated authority to provide the letter of guarantee.
10. Alwyndor Aged Care must adhere to the disclosure requirements as specified within the Aged Care Act 1997 and User Rights Principles 1997.
11. Alwyndor Aged Care has ensured that all deductions from Accommodation Bonds were agreed in writing with residents, or their representatives, on their entry or as their circumstances change, in accordance with the Aged Care Act 1997 and User Rights Principles 1997.
12. The General Manager has delegated authority for the purposes of signing resident agreements on behalf of Alwyndor Aged Care.
13. The General Manager has delegated authority for the purposes deducting agreed deductions from residents' accommodation bonds.
14. Alwyndor Aged Care must provide a Disclosure Statement which includes the following

DISCLOSURE STATEMENT

Since 1 October 2011 the Disclosure Standard contained within the User Rights Principles has required that residents paying accommodation bonds must receive a statement that the approved provider will provide certain information within seven days of a request (refer section 23.42(1)(c) of the User Rights Principles).

The City of Holdfast Bay is the approved provider for Alwyndor Aged Care. Under the Aged Care Act 1997 (the Act), residents and prospective residents or their representatives are entitled to receive particular information from their approved provider on request.

This includes, in relation to the previous financial year:

- A summary of the permitted uses for which we have used accommodation bonds.
- Information about whether we complied with the requirements for permitted uses of accommodation bonds and with the prudential requirements for accommodation bonds.
- Information about the number of accommodation bond balances (if any) that were not refunded in accordance with the timeframes set by the Act. For entry contributions (payable before 1997), information about the number (if any) that were not refunded in accordance with the entry contribution agreement.
- A copy of the independent audit opinion on our compliance with the prudential requirements for accommodation bonds.
- Our most recent statement of audited accounts.

We must also provide:

- If you have already paid an accommodation bond, a copy of your entry in the bond register.
- If we invest accommodation bonds in particular kinds of permitted financial products, our investment objectives and the asset classes we may invest in.

Residents, prospective residents or their representatives may request any or all of the available information. We must provide the information within seven days of the request, and the information must be correct at the time of the request.

Refund of the Accommodation Bond wholly or partly paid to us by way of a lump sum

As outlined in the Residential Care Service Agreement that we have provided you, we guarantee repayment of the Accommodation Bond Balance to you in accordance with the following criteria.

The Accommodation Bond Balance will be refunded if:

- You die; or
- You cease to be provided with Residential Care in the Care Facility; or
- The Care Facility ceases to be certified under the Act.

The Accommodation Bond Balance will be refunded within the following time frames:

- If you die - within 14 days after the day on which a certified true copy of the grant of probate or letters of administration of your estate is produced to us;
- If you enter another residential care service and:
 - ❖ We have been notified more than 14 days before the day on which you cease to receive care at the Care Facility – on the day on which the care ceases; or
 - ❖ We are notified within 14 days before the day on which you cease to receive care at the Care Facility - within 14 days after your notification; or
 - ❖ We are not notified of your intentions - within 14 days after we cease to provide care to you; or
- In any other case - within 14 days of the happening of any of the circumstances set out above.

At the time the Accommodation Bond Balance is refunded, we must also pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for the period from the day after the occurrence of that event until the date on which the Accommodation Bond Balance is refunded in full.

If any of the events referred to above occur and the Accommodation Bond Balance is refunded to you after 14 days from the occurrence of that event, then, at the time the Accommodation Bond Balance is refunded, we must:

- For the first 14 days after the relevant event has occurred, pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for a period 14 days; and
- Thereafter pay to you interest on the outstanding Accommodation Bond Balance calculated at the applicable Maximum Permissible Interest Rate until the date the Accommodation Bond Balance is refunded in full.



Attachment 4



AMC POLICY
REFUNDABLE ACCOMMODATION DEPOSITS (RAD)

DATE OF ORIGIN:
LAST DATE REVIEWED:
NEXT REVIEW DATE:

October 2014
October 2016
October 2018

ISSUE NO: 2

Statement

This policy is only applicable to residents who entered residential care post 1 July 2014.

The Alwyndor Management Committee sets the level of RAD that will be charged to eligible applicants seeking aged care accommodation, within the parameters set by the Aged Care Finance Authority.

Until they are repaid, RAD's can only be used for approved purposes under the Aged Care Act 1997.

All residents shall receive an annual audited statement of their RAD transactions for the prior twelve month period and the resulting balance.

Rationale

RAD's are an integral part of the capital funding mechanism provided to aged care operators and its application is validated within the Aged Care (1997) Act -as amended, which is monitored by the Commonwealth Department of Social Services. *The extract from the Aged Care Legislation is attached to this policy.*

Application

1. The Alwyndor Management Committee operates within the legislation provided for under the Aged Care Act 1997 as amended, noting that the maximum RAD payable by incoming residents shall be the maximum amount approved by the Aged Care Finance Authority for the facility (currently \$550,000).
2. Alwyndor Aged Care will comply at all times with Commonwealth RAD Legislation and its Prudential Requirements to repay all RAD balances due, plus interest. For departing residents, a refund will be forwarded to the resident within 14 days of the date of exit, or in the case of a deceased resident, a refund will be forwarded to their estate within 14 days of the granting of Probate or a Letter of Administration being received.
3. Alwyndor Aged Care must have in place an appropriate RAD Register as required by the Aged Care Act 1997 and User Rights Principles 1997, as amended.
4. Alwyndor Management Committee has delegated authority for the purposes of reviewing this policy, monitoring and controlling any delegated or outsourcing of responsibilities in the maintenance of Alwyndor Aged Care's RAD register.
5. Alwyndor Aged Care must report annually, and on request from residents or their representatives, on their RAD balance and any deductions/interest charged as required by the Aged Care Act 1997 and User Rights Principles 1997, as amended.
6. Alwyndor Aged Care must ensure that a written guarantee to refund the resident's RAD balance is provided to the resident within seven (7) days of signing the Resident Agreement in accordance with the Aged Care Act 1997 and User Rights Principles 1997, as amended.
7. The General Manager has delegated authority to provide the letter of guarantee to an incoming resident within seven (7) days of signing a RAD agreement.
8. Alwyndor Aged Care must adhere to the disclosure requirements as specified within the Aged Care Act 1997 and User Rights Principles 1997, as amended.

9. Alwyndor Aged Care must ensure that all deductions from RAD balances are agreed in writing with residents, or their representatives, on entry or as their circumstances change, in accordance with the Aged Care Act 1997 and User Rights Principles 1997 (this refers to those residents that have entered into a RAD / DAP agreement)
10. The General Manager has delegated authority for the purposes of signing Resident Agreements on behalf of Alwyndor Aged Care.
11. The General Manager has delegated authority for the purposes of deducting agreed amounts from a residents RAD balance (this refers to those residents that have entered into a RAD / DAP agreement)
12. Alwyndor Aged Care must provide a Disclosure Statement within 7 days of receipt of the Residential Care Service Agreement and Schedule 12. This is provided in the form of a letter as follows:

Re Disclosure Requirements

Since 1 October 2011 the Disclosure Standard contained within the User Rights Principles has required that residents paying accommodation bonds must receive a statement that the approved provider will provide certain information within seven days of a request (refer section 23.42(1)(c) of the User Rights Principles).

The City of Holdfast Bay is the approved provider for Alwyndor Aged Care. Under the Aged Care Act 1997 (the Act), residents and prospective residents or their representatives are entitled to receive particular information from their approved provider on request.

This includes, in relation to the previous financial year:

- A summary of the permitted uses for which we have used accommodation bonds.
- Information about whether we complied with the requirements for permitted uses of accommodation bonds and with the prudential requirements for accommodation bonds.
- Information about the number of accommodation bond balances (if any) that were not refunded in accordance with the timeframes set by the Act. For entry contributions (payable before 1997), information about the number (if any) that were not refunded in accordance with the entry contribution agreement.
- A copy of the independent audit opinion on our compliance with the prudential requirements for accommodation bonds.
- Our most recent statement of audited accounts.

We must also provide:

- If you have already paid an accommodation bond, a copy of your entry in the bond register.
- If we invest accommodation bonds in particular kinds of permitted financial products, our investment objectives and the asset classes we may invest in.

Residents, prospective residents or their representatives may request any or all of the available information. We must provide the information within seven days of the request, and the information must be correct at the time of the request.

Refund of the Accommodation Bond wholly or partly paid to us by way of a lump sum

As outlined in the Residential Care Service Agreement that we have provided you, we guarantee repayment of the Accommodation Bond Balance to you in accordance with the following criteria.

The Accommodation Bond Balance will be refunded if:

- You die; or
- You cease to be provided with Residential Care in the Care Facility; or
- The Care Facility ceases to be certified under the Act.

The Accommodation Bond Balance will be refunded within the following time frames:

- If you die - within 14 days after the day on which a certified true copy of the grant of probate or letters of administration of your estate is produced to us;

- If you enter another residential care service and:
 - ❖ We have been notified more than 14 days before the day on which you cease to receive care at the Care Facility – on the day on which the care ceases; or
 - ❖ We are notified within 14 days before the day on which you cease to receive care at the Care Facility - within 14 days after your notification; or
 - ❖ We are not notified of your intentions - within 14 days after we cease to provide care to you; or
- In any other case - within 14 days of the happening of any of the circumstances set out above.

At the time the Accommodation Bond Balance is refunded, we must also pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for the period from the day after the occurrence of that event until the date on which the Accommodation Bond Balance is refunded in full.

If any of the events referred to above occur and the Accommodation Bond Balance is refunded to you after 14 days from the occurrence of that event, then, at the time the Accommodation Bond Balance is refunded, we must:

- For the first 14 days after the relevant event has occurred, pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for a period 14 days; and
- Thereafter pay to you interest on the outstanding Accommodation Bond Balance calculated at the applicable Maximum Permissible Interest Rate until the date the Accommodation Bond Balance is refunded in full.



Attachment 5

Annual Prudential Compliance Statement

At any stage during your financial year did you hold one or more refundable deposit, bond or entry contribution balances? <i>If you answered 'NO', you have completed all that is required for the Annual Prudential Compliance Statement (APCS).</i>	Yes
Total value of refundable deposits and bond payments received in 2017-18	\$9,416,275.00
Total amount deducted from all refundable deposit and bond balances in 2017-18	\$34,264.00

Compliance with Prudential Standards

Compliance with the Liquidity Standard

Did you comply with all requirements of the Liquidity Standard for the full financial year? <i>If you answered 'NO' you must submit a separate statement explaining why you have not complied with the standard</i>	Yes
◦ Reason:	
What was the last date your Liquidity Management Strategy was reviewed, updated or replaced	10/10/2018
What is the minimum liquidity level identified in your Liquidity Management Strategy for the next 12 months?	\$2,000,000.00

Compliance with the Records Standard

Did you comply with all requirements of the Records Standard for the full financial year? <i>If you answered 'NO' you must submit a separate statement explaining why you did not comply</i>	Yes
◦ Reason:	

Compliance with the Governance Standard

Did you comply with all requirements of the Governance Standard for the full financial year? <i>If you answered 'NO' you must submit a separate statement explaining why you did not comply</i>	Yes
◦ Reason:	

Compliance with the Disclosure Standard

Did you comply with all requirements of the Disclosure Standard for the full financial year?	Yes
<i>If you answered 'NO' you must submit a separate statement explaining:</i>	
<ul style="list-style-type: none">• the total number of occasions on which you did not comply with the Standard;• the reasons or reasons for your failure to comply with the Standard; and• in respect of each reason provided - the total number of occasions of non-compliance attributable to the reason.	
◦ Reason:	

Compliance with Refundable Accommodation Payments

Compliance with rules around charging refundable deposits

Was there any period during the financial year when you were not permitted to charge Refundable Deposits and/or Bonds for one or more of the services operated by you?

No

If you answered 'YES' you must submit a separate statement explaining:

- the period or periods during which you were not permitted to charge a Refundable Deposit and/or Bond
- the aged care service in respect of which each period specified applies

◦ Statement:

Compliance with rules around charging bonds

For each **Bond** entered into, did you enter into a **Bond** agreement with the care recipient before, or within 21 days after the care recipient entered into the service as required under the Transitional Act?

N/A

Only answer 'N/A' if you did not enter into any bond agreements

Compliance with rules around Accommodation Payments

For each accommodation payment (refundable deposit or daily payment) charged, did you make publicly available the required pricing and descriptive information about rooms in your services including, but not limited to, key accommodation features, extra service fees, and pricing of the maximum accommodation payment amount as a refundable deposit amount, equivalent daily accommodation payment and as a combination payment, by:

Yes

- providing to the Secretary to publish on the My Aged Care website;
- including in written materials given to prospective residents; and
- publishing on your own website, if relevant.

If you answered 'NO' you must submit a separate statement with details:

- What dates did you not comply with this rule i.e. My Aged Care Website, written material for prospective residents, and/or Approved Provider website
- The reason or reasons for failure to comply with this rule
- What processes are now in place to ensure future compliance

◦ Statement:

For each accommodation agreement entered into, did you ensure that the accommodation price was published at the time the agreement was entered into and was not more than the amount published at the time the agreement was entered into?

Yes

If you have answered 'NO' you must submit a separate statement with details:

- How many accommodation agreements did you enter into that did not comply with this rule
- The reason(s) for failure to comply with this rule
- What processes are now in place to ensure future compliance

◦ Statement:

For each accommodation agreement entered on or after 1 July 2016, did you comply with Division 1 of Part 4 of the Principles - accommodation agreements?

Yes

For each accommodation agreement entered into, was the maximum amount agreed in writing before the care recipient entered the service as required under the Act?

Yes

Did you enter into an accommodation agreement with each care recipient who first entered care on or after 1 July 2014, before or within 28 days, after the person entered your service?

No

Compliance with the Provision of Other Care and Service Fees

During the current financial year did you enter into an agreement where you charged (or intended to charge) additional fees for activities or services that:

- do not or did not provide a direct benefit to the care recipient; or
- the care recipient was not able to make use of; or
- were part of the normal operation of an aged care home and fall within the scope of specified care and services.

No

If you answered 'YES' you must submit a separate statement explaining:

- The total value of each such fee received during the financial year
- The reason for charging or the intended use of these fees or charges
- What steps have you taken or are taking to refund these fees or charges
- What processes are now in place to ensure future compliance

◦ Statement:

Compliance with Refunding Responsibilities

Refund of refundable lump sum balances

During 2017-18 did you refund all refundable deposit and accommodation bond balances in accordance with section 52P-1 of the Act?

Yes

If you answered 'NO' you must submit a separate statement with the following details for each instance:

• the total number of refundable deposit balances and/or accommodation bond balances that were not refunded in accordance with subsection 52P 1(4) of the Act;

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for non-compliance
- in respect of each reason provided - the total number of instances of delay attributable to the reason
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

◦ Statement:

For each Refundable Deposit and Bond balance that was refunded during 2017-18, was the correct amount of interest paid at the time and to the care recipient required by section 52P-3 of the Act?

Yes

If you answered 'NO' you must submit a separate statement with the following details for each instance:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for non-compliance
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

◦ Statement:

Refund of entry contribution balances

During 2017-18 did you refund all Entry Contribution (EC) balances that became payable in accordance with each formal agreement with each care recipient?

N/A

If you answered 'NO' you must submit a separate statement with the following details:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- the rate of maximum permissible interest rate paid in the time and to the person required by section 52P-3 of the Act
- The reason or reasons for non-compliance
- The total number of instances of delay attributable to the reason
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance
- The total amount of interest paid on all entry contributions where the refund was delayed

◦ Statement:

For each entry contribution balance that was refunded after the last day for it to be refunded under the formal agreement, was the correct amount of interest paid in the time and to the person required by section 57-21B of the Aged Care (Transitional Provisions) Act 1997?

N/A

If you answered 'NO' you must submit a separate statement with the following details:

- Client Number
- Care Recipient name
- Reason for refund i.e. death, transfer or left service
- Date refund was due
- Date of refund
- The reason or reasons for failure to comply
- When was the noted non-compliance(s) remedied
- What processes are in place to ensure future compliance

◦ Statement:



Attachment 6



ACCOMMODATION
BONDS & RADS
GOVERNANCE STANDARDS

ANNUAL PRUDENTIAL
COMPLIANCE & LIQUIDITY
STATEMENT

Author: General Manager
Service: Corporate Services
Date: November 2018

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1. GOVERNANCE STANDARDS

1.1 General Requirements

- Alwyndor Aged Care's (Alwyndor) Delegations Instrument is reviewed annually by the Alwyndor Management Committee (AMC) and any changes endorsed by the City of Holdfast Bay Council, including individual officer responsibility and their limit of authority;
- Senior Managers have delegated authorities via Sub-Delegations register which is reviewed annually or as needed;
- The AMC review the Bond / Refundable Accommodation Deposit (RAD) liability and balance sheet position of the organisation on a monthly basis;
- Independently audited annual statements, including compliance with the prudential management of accommodation bonds and RAD's are reviewed by the AMC and endorsed by the City of Holdfast Bay Council annually.

1.2 Investment Management Strategy (IMS)

- Alwyndor invests solely in deposit taking facilities provided by an Authorised Deposit Taking Facility;
- The above, relieves Alwyndor from the requirement to implement and maintain an IMS (under the Act).

2. DISCLOSURE STANDARDS

2.1 Disclosure to residents, prospective residents or their representatives

Within seven (7) days of entering into a residential Aged Care Contract, Alwyndor provides:

- residents and/or their representative with a copy of the RAD agreement;
- a written guarantee of refund of the accommodation balance; and
- a statement explaining what other information is available on request (See Section 6)

After the Audited Financial Statements for Alwyndor are published each year (usually in October), Alwyndor will provide each resident and/or their representative with:

- A copy of the resident's entry in the Bond / RAD Register
- A written statement explaining what other information is available on request, including:
 - a summary of the permitted uses that accommodation bonds and RAD's have been used for in the previous financial year;
 - a copy of the independent audit opinion on our compliance with the prudential requirements for accommodation bonds and RAD's; and
 - the organisations most recent audited accounts.

2.2 Disclosure to the Department

Table 1 - Annual Prudential Compliance Cash Flow Statement

A	B	C	D	E	F	G	H	I
AS AT	PERMITTED USE BALANCE	BONDS / RAD's RECEIVED	BONDS / RAD's REFUNDED	RETENTION AMOUNTS	PERMITTED USES	CLOSING PERMITTED USE BALANCE	BALANCE SHEET CASH & CASH EQUIVIVANTS	VARIANCE (H - G)
30/06/2012						\$8,593,024		
2012/2013	\$8,593,024	\$5,992,342	(5,270,193)	(215,350)	(6,854,773)	\$2,245,050	\$10,176,387	\$7,931,337
2013/2014	\$2,245,050	\$9,010,000	(5,528,730)	(215,730)	(2,807,822)	\$2,702,768	\$10,070,039	\$7,367,271
2014/2015	\$2,702,768	\$6,647,054	(5,847,482)	(187,566)	(1,825,536)	\$1,489,238	\$9,226,454	\$7,737,216
2015/2016	\$1,489,238	\$10,189,827	(6,725,719)	(131,797)	(41,634)	\$4,779,915	\$13,774,070	\$8,994,155
2016/2017	\$4,779,915	\$11,349,570	(8,200,072)	(78,384)	0	\$7,851,029	\$18,923,398	\$11,072,369
2017/2018	\$7,851,029	\$9,416,275	(8,461,109)	(34,264)	0	\$8,771,931	\$20,421,789	\$11,649,858

2.3 Permitted Use

- 1 An approved provider must not use a * refundable deposit or * accommodation bond unless the use is permitted.

Permitted use--general

- 2 An approved provider is permitted to use a * refundable deposit or * accommodation bond for the following:
 - (a) for capital expenditure of a kind specified in the Fees and Payments Principles and in accordance with any requirements specified in those Principles;
 - (b) to invest in a financial product covered by subsection (3);
 - (c) to make a loan in relation to which the following conditions are satisfied:
 - (i) the loan is not made to an individual;
 - (ii) the loan is made on a commercial basis;
 - (iii) there is a written agreement in relation to the loan;
 - (iv) it is a condition of the agreement that the money loaned will only be used as mentioned in paragraph (a) or (b);
 - (v) the agreement includes any other conditions specified in the Fees and Payments Principles;
 - (d) to refund, or to repay debt accrued for the purposes of refunding, * refundable deposit balances, * accommodation bond balances or * entry contribution balances;
 - (e) to repay debt accrued for the purposes of capital expenditure of a kind specified in the Fees and Payments Principles;
 - (f) to repay debt that is accrued before 1 October 2011, if the debt is accrued for the purposes of providing * aged care to care recipients;
 - (g) for a use permitted by the Fees and Payments Principles.

Table 2 - Permitted Uses List 2017/2018

Item	Value	Detail
Building and Construction	\$0.00	Nil
TOTAL	\$0.00	

3. ALWYNDOR LIQUIDITY MANAGEMENT STRATEGY

3.1 Legislative Requirements

Requirement to implement, maintain and comply with liquidity management strategy under Division 3 Prudential Standards.

- 1 An approved provider that holds one or more bond / RAD balances must implement and maintain a written liquidity management strategy that sets out:
 - (a) the amount (expressed as an amount of whole dollars) required to ensure that the approved provider has sufficient liquidity for the purposes of section 23.36 (the minimum level of liquidity);
 - (b) the factors that the approved provider had regard to in determining the minimum level of liquidity;
 - (c) the form in which the approved provider will maintain the minimum level of liquidity

- 2 An approved provider must:
 - (a) maintain, in the form specified in the provider's liquidity management strategy, the minimum level of liquidity;
 - (b) ensure that the provider's liquidity management strategy is up to date and complies with the requirements set out in subsection (1); and
 - (c) modify, or replace, its liquidity management strategy if the provider becomes aware that the liquidity management strategy no longer complies with the requirements set out in subsection (1).

3.2 Strategy Statement

Alwyndor will at all times, retain sufficient liquidity to maintain a "day to day" capability to meet its obligations to repay bond / RAD balances as legislated under the User Rights Principles of the Aged Care Act 1997. The amount of this "at call" cash minimum liquidity will be determined annually through a review by the AMC of the Independantly Audited financial statements of Alwyndor (including the bond / RAD liability position).

The AMC will review the historical bond / RAD liability performance for the preceding 5 years in determining the minimum liquidity required going forward, considering:

- opening and closing bond / RAD liability balances per financial year;
- the maximum monthly repayment experienced;
- annual averages, calculated by using the weighted average of end of month balances. For the purpose of this calculation any bonds / RAD's classified as receivable at financial year end are excluded;
- All reports are to account in accordance with the provisions of Accounting Standards;
 - AASB7 Financial Instruments: Disclosures;
 - AASB 132 Financial Instruments: Presentation; and
 - AASB 139 Financial Instruments: Recognition and Measurement.

4. ALWYNDOR LIQUIDITY MANAGEMENT STATEMENT 2017/18

Table 3 - Historical performance review:

As at 30 th June	Bonds / RAD's Received	YOY Bond / RAD Movement %	Bonds / RAD's Repaid	Bonds / RAD's Repaid as a % of Bonds / RAD's Received	Annual Bond / RAD Liquidity Requirement	Annual Bond / RAD Liquidity as % of Bonds / RAD's Received	Bond / RAD Liability	YOY Bond / RAD Liability Growth	"At-Call" Cash Account Balances
2013	5,992,342	(20%)	(5,270,193)	88%	722,149	(12%)	19,316,736	3%	3,000,000
2014	9,010,000	33%	(5,528,730)	61%	3,481,270	(39%)	22,582,595	14%	3,000,000
2015	6,647,054	(36%)	(5,847,482)	88%	799,572	(12%)	23,194,964	3%	3,000,000
2016	10,189,827	35%	(6,725,719)	66%	3,464,108	(34%)	28,547,706	19%	3,000,000
2017	11,349,570	10%	(8,200,072)	72%	3,149,498	(28%)	31,618,820	10%	2,000,000
2018	9,416,275	(21%)	(8,461,109)	90%	955,166	(10%)	31,078,820	(2%)	2,000,000
6yr Average	8,767,511		(6,672,217)	76%	2,095,294	(24%)	26,056,607		2,666,667

NOTES: Bond / RAD Liability excludes all retentions retained by Alwyndor as per the Aged Care Act

Upon review of the data, it is evident that Bond / RAD liability is increasing annually, with Bond / RAD repayments remaining less than new Bond / RAD receipts. Within the historical review period, Bonds / RAD's received has exceeded Bonds / RAD's repaid by an average of 24%.

Bond / RAD liability growth during the 2018/2019 financial year is forecast to be less than the returns from the 2017/2018 year. It is predicted that the growth will increase by only 5% or an additional \$1,553m. This increase is based on the maximum RAD amounts permissible to charge versus the old Bond amounts received.

The ability to repay any month by month spike is managed through maintaining a minimum at call contingency. The peak monthly repayment in the review period occurred in July 2018 at \$1,570m. Alwyndor will at all times throughout the 2018/2019 financial year, maintain an additional \$2,000,000 minimum contingency (or 6% of total Bond / RAD Liability as at 30th June 2018), in the form of "at-call" cash funds.

5. ANNUAL BALANCE SHEET

5.1 Alwyndor Funds Statement as at 30th June 2018

The following Funds Statement demonstrates Alwyndor capability to refund the organisations total Bond / RAD liabilities if / when required.

Table 4 – Funds Statement

	2014	2015	2016	2017	2018
Cash & Investments	10,070,039	9,226,454	13,774,070	18,923,398	20,421,789
Debtors/Creditors	(301,887)	670,374	(391,978)	(819,379)	(1,676,613)
Long Service Liability	(1,214,138)	(1,260,536)	(1,490,292)	(1,595,033)	(1,633,185)
Infrastructure, Property, Plant & Equipment	37,810,609	39,264,501	36,157,089	40,733,910	40,174,718
Accommodation Bonds 100%	(22,582,960)	(24,069,014)	(26,527,276)	(31,078,820)	(32,211,548)
Annual Leave Liability	(45,967)	(49,863)	(54,958)	(58,842)	(175,624)
NET ASSETS	23,735,696	23,781,916	21,466,655	26,105,234	24,899,537

The Bond / RAD Liability owed by Alwyndor as at 30 June 2018 is \$32,211,548. Alwyndor is, based on its net asset position, able to repay its total Bond / RAD liability. If a catastrophic event were to occur that resulted in Alwyndor having to cease providing Residential Services, it should be able to fully refund all liabilities due to its net asset position of \$24.899m. However, it should be noted that Alwyndor may need time to realise on those assets.

6. DISCLOSURE STATEMENT

6.1 Accommodation Bonds

The following disclosure is included in the annual advice to all Customers of the status to Alweyndors Bond/RAD position.

Since 1 October 2011 the Disclosure Standard contained within the User Rights Principles has required that residents paying accommodation bonds must receive a statement that the approved provider will provide certain information within seven days of a request (refer section 23.42(1)(c) of the User Rights Principles).

The City of Holdfast Bay is the approved provider for Alwyndor Aged Care. Under the Aged Care Act 1997 (the Act), residents and prospective residents or their representatives are entitled to receive particular information from their approved provider on request.

This includes, in relation to the previous financial year:

- A summary of the permitted uses for which we have used accommodation bonds.
- Information about whether we complied with the requirements for permitted uses of accommodation bonds and with the prudential requirements for accommodation bonds.
- Information about the number of accommodation bond balances (if any) that were not refunded in accordance with the timeframes set by the Act. For entry contributions (payable before 1997), information about the number (if any) that were not refunded in accordance with the entry contribution agreement.
- A copy of the independent audit opinion on our compliance with the prudential requirements for accommodation bonds.
- Our most recent statement of audited accounts.

We must also provide:

- If you have already paid an accommodation bond, a copy of your entry in the bond register.
- If we invest accommodation bonds in particular kinds of permitted financial products, our investment objectives and the asset classes we may invest in.

Residents, prospective residents or their representatives may request any or all of the available information. We must provide the information within seven days of the request, and the information must be correct at the time of the request.

Refund of the Accommodation Bond wholly or partly paid to us by way of a lump sum

As outlined in the Residential Care Service Agreement that we have provided you, we guarantee repayment of the Accommodation Bond Balance to you in accordance with the following criteria.

The Accommodation Bond Balance will be refunded if:

- You die; or
- You cease to be provided with Residential Care in the Care Facility; or
- The Care Facility ceases to be certified under the Act.

The Accommodation Bond Balance will be refunded within the following time frames:

- If you die - within 14 days after the day on which a certified true copy of the grant of probate or letters of administration of your estate is produced to us;
- If you enter another residential care service and:
 - We have been notified more than 14 days before the day on which you cease to receive care at the Care Facility – on the day on which the care ceases; or
 - We are notified within 14 days before the day on which you cease to receive care at the Care Facility - within 14 days after your notification; or
 - We are not notified of your intentions - within 14 days after we cease to provide care to you; or
- In any other case - within 14 days of the happening of any of the circumstances set out above.

At the time the Accommodation Bond Balance is refunded, we must also pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for the period from the day after the occurrence of that event until the date on which the Accommodation Bond Balance is refunded in full.

If any of the events referred to above occur and the Accommodation Bond Balance is refunded to you after 14 days from the occurrence of that event, then, at the time the Accommodation Bond Balance is refunded, we must:

- For the first 14 days after the relevant event has occurred, pay to you interest on the outstanding Accommodation Bond Balance calculated at the Base Interest Rate for a period 14 days; and
- Thereafter pay to you interest on the outstanding Accommodation Bond Balance calculated at the applicable Maximum Permissible Interest Rate until the date the Accommodation Bond Balance is refunded in full.

7. APPENDICES - REFERENCE

Item No: **7.8**

Subject: **STRATEGIC PLANNING APPROACH**

Date: 20 November 2018

Written By: AMC Member, Mr K Cheater

General Manager: Alwyndor, Mr R Kluge

SUMMARY

This report provides an overview of the approach AMC should take for its strategic planning.

RECOMMENDATION

That the Alwyndor Management Committee agree to proceed with its strategic planning as outlined in this report.

COMMUNITY PLAN

Culture: Enabling high performance

Culture: Being financially accountable

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

On 9 November 2018, the AMC Chairperson Ms Aukett, AMC Member Mr Cheater, and General Manager Mr Kluge met to discuss the process and approach for the AMC to take in relation to its strategic planning.

REPORT

The following approach to strategic planning is proposed:

1. Strategic Context (Nov/Dec '18)
 - Management to compile relevant context information (review by TA/KC and then dissemination)
 - External environment
 - ✧ Aged care reforms (opportunities and risks)

- ◇ Aged care regulations (opportunities and risks)
 - ◇ Impact of NDIS (opportunities and risks)
 - ◇ Aged Care/ Health dynamics & trends
- Industry trends
- Competitor analysis
- Current performance
 - ◇ Key capabilities of organisation
 - ◇ Current position in market (or different business)
 - ◇ State of assets
 - ◇ State of employees
 - ◇ Current operating performance (including financial performance)
- Risks (both industry and Alwyndor)
- High level stakeholder expectations/needs
- TA/KC/RK meeting with Council re: purpose, expectations, Council strategy, strategic opportunities.

2. Strategic Directions Workshop (Jan '19)

- AMC and Executive staff
- Clarity on purpose
- Businesses we are in/ fields of play
- Clarity on what success looks like (growth/ range of services/ community impact/ customer impact/ sustainability, etc)
- Key risks (and risk appetite) – both industry and Alwyndor
- Synthesise AMC/ Management perspectives on strategic options/choices/ what creates competitive advantage for Alwyndor
- Agree strategic principles (including options assessment)
- Agree clear statements of strategic intent.

3. Strategic plan – phase 1 (Feb/Mar '19)

- Management develop high level response to strategic directions
- Identification of resource implications
- Risks related to choices
- Review/ test/ challenge with AMC (workshop).

4. Strategic plan – phase 2 (Mar/Apr '19)

- Management refine based on phase 1 workshop
- Develop relevant KPIs/KRIs (including relevant financial measures)
- Develop budget to support (both opex and capex)
- Agree timeline for development of business plans to execute strategy
- AMC review and approve.

BUDGET

Not Applicable.

LIFE CYCLE COSTS

Not Applicable.