

Annual Report 2018



CHALLENGE
Community Services

Celebrating 60 years 1958-2018



Introduction

For 60 years Challenge Community Services has supported, and been supported by, our local communities.

From our roots as a small but determined group of parents of children with disabilities in Tamworth, we have expanded to a team of over 700 dedicated staff providing foster care and mental health services, as well as employment, accommodation, activities, advocacy, and one-on-one support to people living with a disability across NSW.

Our organisation has grown and strengthened consistently throughout the years and with our revenue increasing by 11.8%, the past 12 months have been no exception. In this time, we have also:

- Expanded our mental health housing to 12 group homes, in response to an initial request to investigate a lack of services for those deemed ready to transition back into the community.
- Opened three new Connexions locations providing community-based activities for active young people with disabilities to socialise with their peers and gain life skills to increase independence.
- Opened two new Therapeutic Services offices and provided specialist counselling services to various communities.
- Facilitated over 100 new foster care placements and six open adoptions were granted as part of the NSW Government's revitalised Foster Care system.

Challenge Community Services believes the entire community benefits and is strengthened by the inclusion of people living with a disability. We believe in a community where everyone belongs and has the opportunity to grow and contribute.

We exist today because of the hard work of those first parents who wanted to create a better future for their children. We continue that tradition through the dedication of Challenge's staff, our carers and the families who share the same vision.

2018 may mark 60 years of history for Challenge Community Services, but we are looking to the future. And that future is bright.

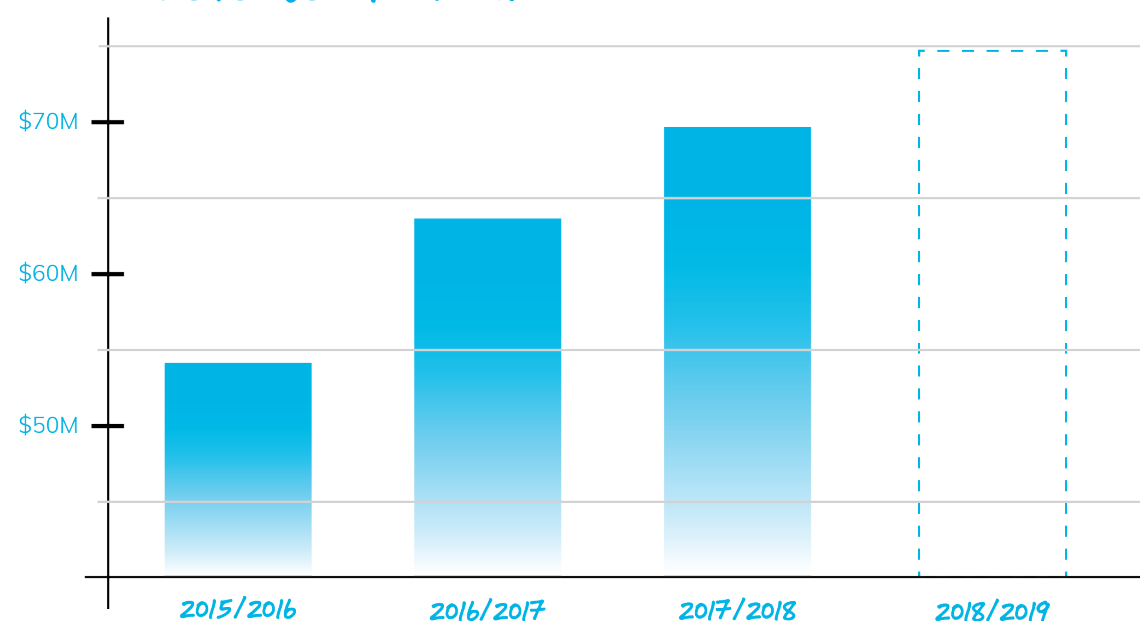
**EVERYONE BELONGS, EVERYONE GROWS
AND EVERYONE MAKES A CONTRIBUTION.**

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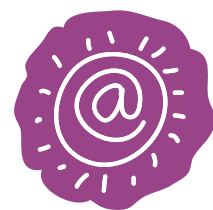
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Challenge Snapshot

REVENUE GROWTH



**ESTABLISHED 60
YEARS AGO**



**68 SITES
ACROSS NSW**



**13,000+ FOLLOWERS
ON SOCIAL MEDIA**



**684 STAFF & 86
WITH A DISABILITY**

Chairman Report

In the movie 'Field of Dreams', they say "build it and they will come". Our accommodation services have proven this to be the case.

With the introduction of the NDIS, funding is now available for mental health assistance. After a successful trial of a residential home for mental health clients, we now have 12 across NSW. We are seeing a reduction in accommodation waiting times for all people with a disability, as we open group homes across our areas of operation, including a brand-new group home in Brisbane.

New guiding principles, introduced by the NSW Government in 2017, has shifted the focus of foster care to providing children in need with a permanent, safe home within the first two years of out of home care. While our Foster Care division has always strived for restoration, the new system calls for a greater emphasis in this area and in guardianship as well as reducing adoption red tape, which has simplified the process and lowered wait times for all involved.

Our Therapeutic Services team started as a small group of psychologists, providing assistance to our Foster Care division. Five years later, our Therapeutic team has grown to provide a range of services to our children in Foster Care, as well as a number of our clients covered by the NDIS.

Furthermore, the team now has clients from outside of Challenge, in areas where specialist services were traditionally difficult to access. Our Business Services continue to employ nearly 100 people with disabilities who, without

Challenge, would find it difficult to maintain employment.

Despite roadblocks to their success, we are making huge inroads to reduce the cost of providing these vital employment opportunities due to the ongoing efforts of our Business Services managers.

I believe our ongoing success can be attributed to our stable leadership over the years. Thank you to those who have made significant sacrifices to play a meaningful role in the governance and leadership of this wonderful organisation. My congratulations to Barry and his team for another great result and for continually looking forward.

It has been my absolute privilege to serve as a Board member for Challenge. In 2019, I will take pride in handing the leadership to another talented Board member to continue the great work of this organisation.

**TED WILKINSON,
CHAIRMAN**



CEO Report

Another year of change. Looking over my previous annual reports, I see a pattern of commencing with "We appear to be in a continual mode of change". This year is no different.

With our annual turnover now touching \$70 million and our staff numbers exceeding 700, we have earned the label 'one of the largest community service providers in NSW'. But this means little if the cost is a decline in the quality of service we provide. From the beginning of the NDIS, Challenge has chosen to position ourselves as a provider of 'quality' services. Worries that participants and their carers may look to cheaper providers have proven unfounded, with the majority still opting for quality services. Our current challenge is to ensure we continue to provide high-quality services at the lowest possible price point, without cutting any of our programs. The digitisation of back-of-office processes has assisted in meeting this goal.

The success of an organisation is the result of the people who work there. Our frontline support workers, caseworkers, case managers, supervisors and regional managers supply the services for which we receive funding. While office staff are essential for frontline services, in the end, our growth and community recognition of our quality can only come through the 'coalface'. Our marketing division is excellent but our best marketing is still a result of the actions of our frontline staff. My thanks to the excellent people who have made and continue to make a wonderful contribution to our success.

A large part of our ongoing success can be attributed to our stable, creative, and energetic Board. Ted Wilkinson is our third chairperson in 60 years. He has indicated that, although he

will remain on the board if reelected, he will step down as chairperson in February. I personally thank Ted for his guidance and advice, not only during his seven years as chairperson but also in the 40 years he has served the Board. I am very pleased he will continue on the 'backbenches' of the board, with fellow previous chair Kevin Kelly.

We continue to receive wonderful support from the various funding bodies both in NSW and Federally. The various local councils in which we operate, along with their communities, provide support and assist us to provide these valuable services.

When I was young, my mother took me to the Sydney Symphony Orchestra. The Conductor arrived on stage and started waving his wand around. The music erupted; I was mesmerised. At the end, the audience stood and applauded the conductor. I remember thinking "That silly bloke thinks he made the music." While my appreciation of a conductor's role has matured, I firmly believe a CEO without an 'orchestra' of dedicated, talented staff is just a bloke waving a stick in the air. My thanks to everyone at Challenge for their contribution to our ongoing success.



**BARRY MURPHY,
CHIEF EXECUTIVE
OFFICER**

Deputy CEO Report

The past 12 months has been an extraordinary time for Challenge. We introduced our new Strategic Plan with a continual focus on delivering quality services, ensuring we develop our workforce, and expanding our services across New South Wales and Queensland.

We have seen growth within every division of Challenge this past year. There have been greater employment opportunities for people with a disability; more people accessing our Therapeutic Services; increased number of children being restored or entering into open adoption through our Foster Care department; an increase in our accommodation services; and, more people accessing the National Disability Insurance Scheme.

Challenge has made a significant investment in streamlining our services with a focus on the digitisation of our organisation. With the introduction of new systems, we have been able to have better visibility across the organisation and provide greater resources to frontline services.

A key feature of the past year is our emphasis towards innovation and excellence. Challenge has designed a number of new initiatives and partnered with several universities to develop Best Practice Frameworks and evaluate the effectiveness of these initiatives.

As we have seen an increasing demand for our services, we have been able to offer greater employment opportunities for our staff. Our staff are remarkable people, with an extraordinary passion for the people they serve. It is only because of them that Challenge is able to provide quality services for our clients.

Finally, across all areas of the organisation, we have seen remarkable achievements. We look forward to continuing to be a part of our people's journey.



**STEPHEN DOLEY,
DEPUTY CEO**

Finance Report

The 2017/2018 financial year saw Challenge Community Services continue its trend of strong service growth. The organisation's total revenue increased from \$62.5 million to \$69.6m, representing an increase of 11.8%.

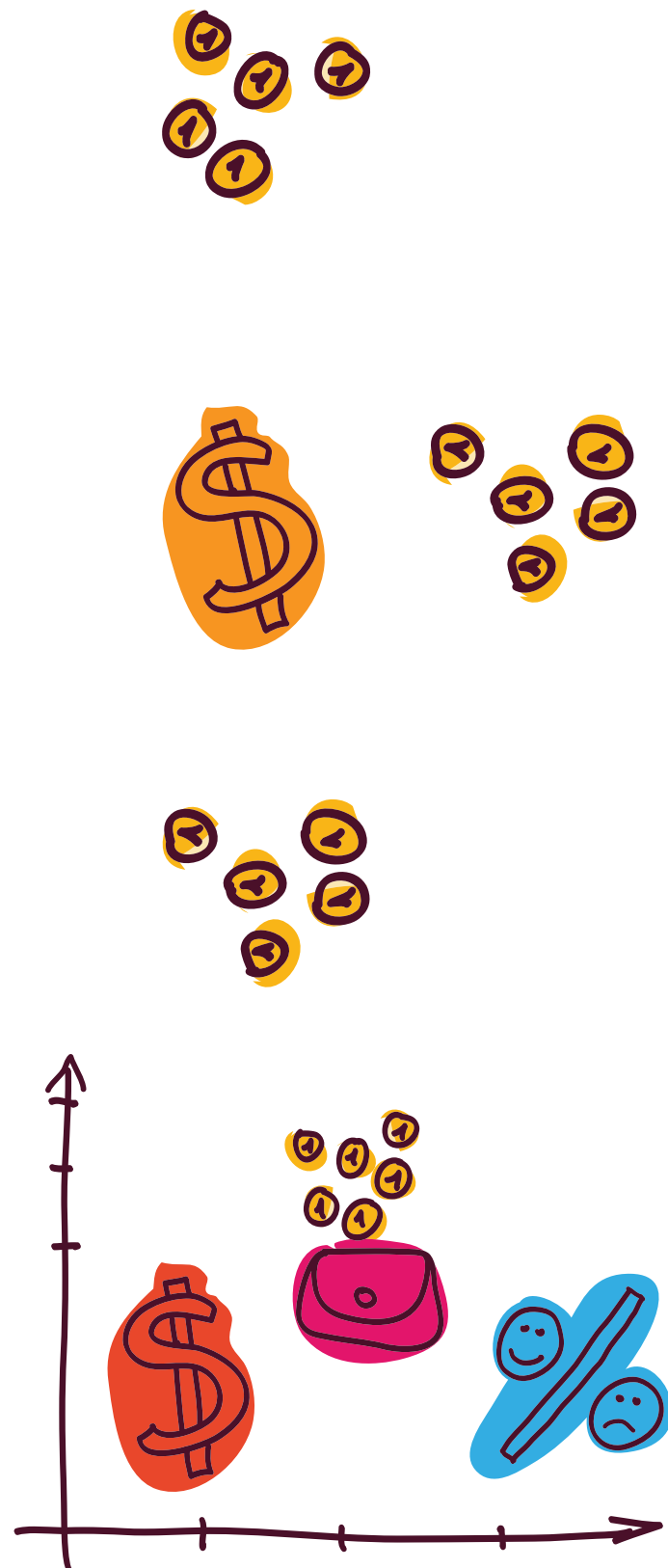
Staff and employment costs accounted for 58.5% of expenditure and direct out of home care expenses accounted for 23%.

The past year also saw Challenge Disability Services funding transition completely from the Department of Ageing Disability and Home Care to the National Disability Insurance Scheme. Over the last three years, Challenge has developed and implemented systems to efficiently respond to the NDIA's requirements. Encouragingly, Challenge is observing customers use their market power to purchase innovative new services and products.

The sales performance of Challenge's Australian Disability Enterprises improved despite the closure of key international markets. Funding streams from both Federal and State Governments have continued.

We are thankful for the support we receive from them and from the local councils in which we provide services.

**DEAN BOWMAN,
GENERAL MANAGER
CORPORATE SERVICES**



Human Resources Report

It has been an exciting and busy year in Human Resources, as we roll-out initiatives to increase the support provided to Challenge's managers and staff across all levels of the organisation. Our HR initiatives included:

- Reviewing all HR and WHS policies and procedures with a view to ensuring they meet the needs of a modern business.
- Guiding supervisors through the transition to the industry award.
- Progressively undertaking a review of internal HR processes to provide a more positive impact on the business.
- Initiating a new WHS strategy to create a proactive safety culture.

Our goal is for Challenge to become an 'employer of choice.' We want to promote a culture where staff are happy and engaged in their work. This will be a large undertaking, and work has commenced on many of the steps needed to complete the project.



**OUR GOAL IS
FOR CHALLENGE
TO BECOME
'AN EMPLOYER
OF CHOICE'**



Disability Services



NUMBER OF CLIENTS:

517 → 737

June 2014 June 2018



NUMBER OF STAFF:

260 → 386

June 2014 June 2018



**NUMBER OF SUPPORTED
ACCOMMODATION HOMES:**

10 → 29

June 2017 June 2018



**NUMBER OF CLIENTS IN
OUR CONNEXIONS PROGRAM:**

41 → 87

June 2017 June 2018

We believe in empowering people with disabilities to pursue the goals of their choice to increase their independence and expand their horizons.

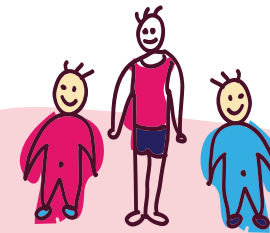
As a team, we are dedicated to providing person-centric care, ensuring our clients are respected and encouraged to participate in the community and build their skills.



ELIZA'S ON TRACK TO ACHIEVE HER GOALS

Tamworth Connexions client Eliza has spent her time since school adding job skills and work experience to her resume. In just four years she has completed a hospitality traineeship at TAFE, works at Connexions Café, and studies for a hair and beauty certificate. The future is bright for Eliza and we're so excited to see what's next for her.

Foster Care



**NUMBER OF CHILDREN
IN CARE:**

116 → 512

June 2013 June 2018



NUMBER OF CARERS:

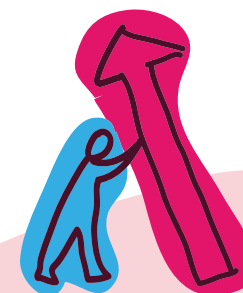
82 → 717

June 2013 June 2018



6 ADOPTIONS

As of June 2018



12 OFFICES ACROSS NSW

While the foster care framework has changed, our mission remains the same: to find loving homes for children of all ages and provide extensive support to their carers. By helping carers through their fostering journey, we believe we can improve the lives of vulnerable kids. We ensure our carers have the training and support they need to really make a difference for children in need.

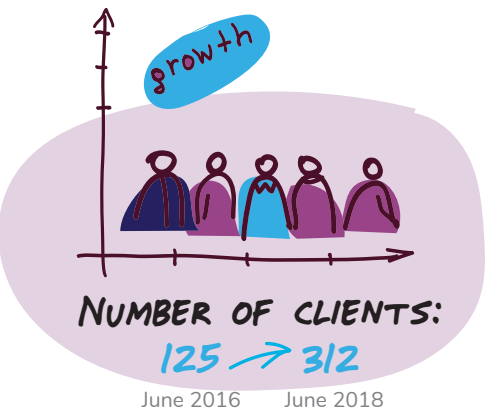


A HELPING HAND FOR A TRAUMATISED CHILD

Caring for a young girl with multiple psychological challenges hasn't been easy, but after four years of providing a safe and caring home for Stella, Harry and Liz say there is no greater reward.

The couple had their open adoption order granted this year and believe this stability for Stella will help her to thrive well into the future.

Therapeutic Services



We have built a solid foundation of providing professional counselling and therapeutic tools for Challenge clients and carers to ensure they are supported in their journey. These services have been successfully expanded to the wider community, and we are now providing specialist care in areas where they previously did not exist.



PLANNING TO ENJOY LIFE

Our Therapeutic Services Team is on hand to help people with a disability further develop social skills, relationship skills as well as manage their emotions.

Leanne and her carer Lyn worked with one of our experienced psychologists to develop a Positive Behaviour Support Plan as part of her NDIS therapeutic support funding. This plan, since implemented, has really helped both of them understand the link between emotions and behaviours and how to plan to manage their impact.



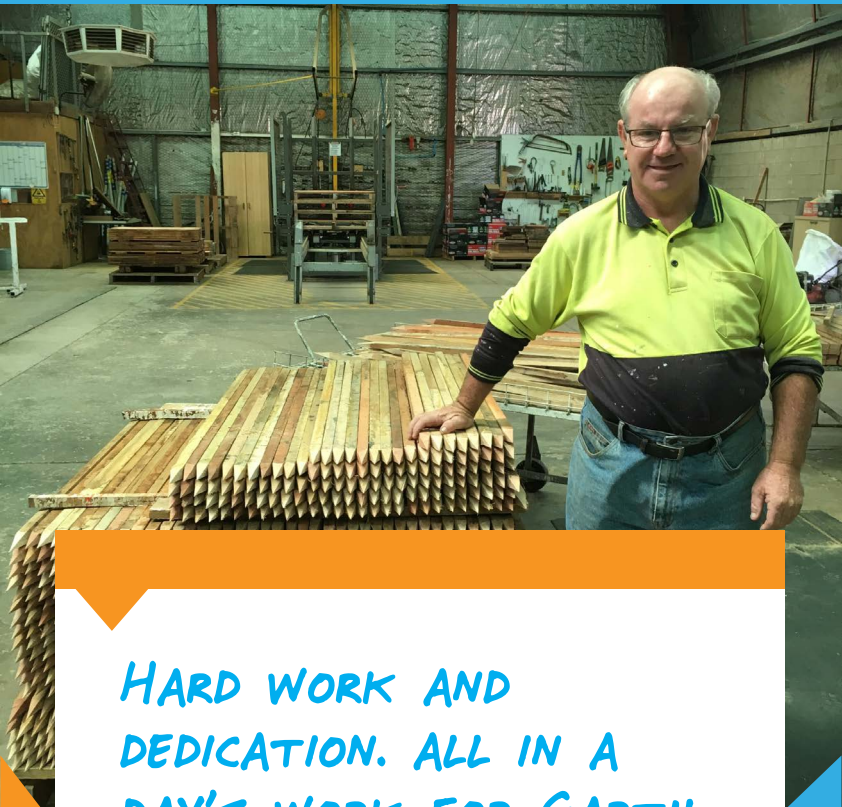
Business Services



4 BUSINESS UNITS IN THE NORTH WEST AND HUNTER REGIONS



Everyone benefits when we provide meaningful employment to our clients and much-needed services to our community. Our supported employment staff are able to take the skills they learn on-the-job and the confidence they gain by putting these skills into action to improve their lives and the lives of others.



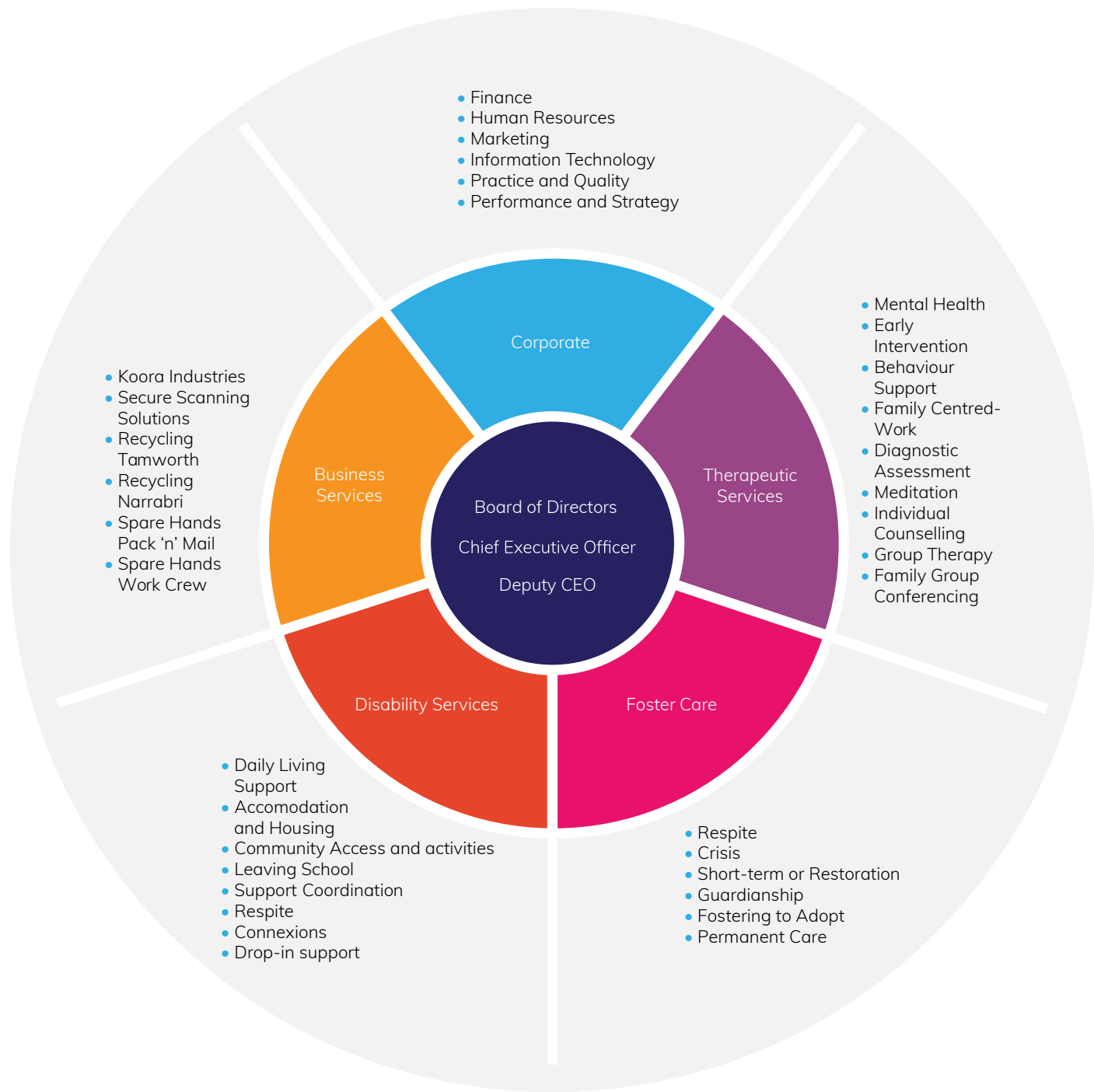
HARD WORK AND DEDICATION. ALL IN A DAY'S WORK FOR GARTH

For 35 years, Garth Hutchinson has been a model employee for Koora Industries, a supported business unit in Muswellbrook run by Challenge Disability Services.

Garth has worked as a Timber Assistant since leaving school in the early 80's and is continually making waves on the workshop floor, pointing more stakes in a shift than ever seen before.



Organisational Chart



Thanks & Acknowledgements

- 1879 Bistro
Acacia medical
Allcoast Locksmiths North Gosford
An Indian Affair
Arcadian Consulting
Armidale K-Mart
Armidale Massage Centre
Armidale Nail and Beauty
Armidale Pet Shop
Armidale Sport & Recreation Centre
Belgrave Twin Cinema
Blackwoods Tamworth
Boggabri Coal
Bourke Street Butchery
Bullimbal School Tamworth
Bunnings Warehouse Armidale
Bunnings Warehouse Tamworth
Cascades Car Wash
Chaffey's Black Belt Academy
Chris Kelly Psychologist
CK Massage
Club Synergy
Coles Armidale
ComServ Consulting
Dancing Devils: Line Dancing Tamworth
Dandelion Café
Danielle Northey
Delroy Park Woolworths Dubbo
Department of Health
Domino's Pizza Armidale
Donut King Armidale
Easy as Coffee
Everingham Solomons Solicitors
F45 Fitness Edgeworth
Face to Face
Fat Goose Crossing
Flourish Australia
Gloria Jean's Armidale
Good2Give
Gordon Barry & Co Pty Ltd
Greater Bank Armidale
Halo Hair Design
- Hennessy Real Estate
Hillside Pastoral Company Pty Ltd
Hovell Tree Inn Albury
Inland Café
Jennifer Gale
Jump Up Tamworth
Kev's Handyman Services
Kirkwoods Singleton
Mandarin Restaurant
Mun Hing Restaurant
Namoi Valley Motors
National Disability Services
Quality Services Consulting
Rebecca Wolfgang Occupational Therapist
Reflections Hair Studio
Regional Australia Bank
Richardson's Hardware
Riding for Disabled Association Tamworth
RuralCo Property Gunnedah
Sandy Rawson Psychologist
Singleton Archery Society
Singleton PCYC
Singleton Rugby Club
South Tamworth Bowling Club
Sports Power
Stan Ray
Tamworth & District Antique Motor Club
Tamworth Hydrotherapy Pool
Tamworth Public School
Tamworth Regional Council
Tamworth Regional Gallery
Tamworth Sports Dome
Taronga Western Plains Zoo -
Walanmarra Program
Tenterfield Bowling Club
The Beauty Spot
The Coughing Gherkin
The Good Guys
The Place - Charlestown Community Centre

- The Rockpool Foundation Ltd
Uncle Pete's Dubbo
University of Newcastle - Tamworth Campus
Warialda Rural Fire Service
Wonder Chinese Restaurant
- FEDERAL GOVERNMENT**
Department of Education
Department of Health
Department of Social Services
National Disability Insurance Agency
- NSW STATE GOVERNMENT**
NSW Department of Family and Community Services
Housing NSW

EVERYONE BELONGS,
EVERYONE GROWS AND
EVERYONE MAKES A
CONTRIBUTION.