

SEPTEMBER 2019

# Chair Chat

with Prof. David Gilchrist



## Planning and Renewal

In the Chair Chat article of March 2019, I discussed the progress and outcomes of the first six months of the implementation of the Strategic Plan (2018 - 2023). This month's article will focus on the outcomes from the past six months of the implementation process.

As you may recall, the original Strategic Plan contained a range of strategies to protect Nulsen's core disability related services ahead of the full introduction and implementation of the National Disability Insurance Scheme (NDIS), while at the same time developing new services to enable the organisation to develop and grow. Five potential areas for growth were identified, namely, the future provision of:

- housing services;
- services to children and young people;
- mental health services;
- justice services; and
- the investigation of mergers and/or acquisitions.

The Strategic Plan provided in March 2018 outlined an overview of the state of the implementation of the NDIS within Western Australia. Due to the delayed entry into the scheme it was clear that service providers in WA were shielded from the full impact of the NDIS processes, particularly the national pricing regime. These impacts are now evident and the 2019/20 and 2020/21 financial years will be crucial for the disability sector in Western Australia. The full implementation of the NDIS has been delayed in Australia until June 2021 and in WA it is delayed until June 2023.

The review of current actions and outcomes notes that progress is being made in most areas

### Key Points

- **Excellent progress is being made in key target areas of the current Strategic Plan, particularly in the area of mergers and acquisitions.**
- **Government stimulus and clear policy directions are required to foster the development of more appropriate social housing options.**
- **The incorporation of Outcare, combined with regular planning and renewal, will assist Nulsen Group to cope with the challenges of the volatile external environment.**

emphasised in the original plan, particularly in the area of mergers and acquisitions. A highlight being the acquisition of the Adventist Care services, involving five properties on two sites. This process was completed at the end of March 2019. This acquisition resulted in the transfer of 16 additional residents, one vacancy, 24 additional employees and an increase in recurrent revenue of approximately \$2.6 million for Nulsen Group. Since the planning reviews held with the national agency, an additional \$100,000 recurrent was added.

The merger with Outcare that is currently in progress is continuing with the majority of government contracts timed for transfer by the end of September. Board Directors receive regular updates on the progress of the merger that will eventually result in almost 900 clients, about 80 new staff with a wide range of skills and an additional \$12 million recurrent being added to the total turnover of Nulsen Group. By the commencement of the New Year, a permanent

Executive Director will be selected and appointed in Outcare.

There has been a hiatus in the development of mental health services, namely: the proposed tender processes of the Mental Health Commission originally timed to commence in January 2019 did not occur. Through the merger with Outcare, it will be more efficient and viable to progress with the development of these services utilising current staff and resources. The development of comprehensive disability justice services will also be enhanced by the merger.

I can report on the development of services to children with an initial focus on five siblings in the one house. This is an area of great potential, currently constrained by the lack of clear state government policy, a funding mechanism and the lack of appropriate housing options. There is significant unmet demand in this area and the service will be subject to ongoing monitoring and examination as to its sustainability.

The area of greatest disappointment continues to be the lack of progress with the formation of a comprehensive housing strategy. There has been little policy direction and no budget allocation from either the Federal or State Governments in their most recent budgets.

It is clear that substantial progress has been made, particularly in the area of diversification to increase the range of service offerings and the addition of new well located service points. A revised Strategic Plan, fully incorporating Outcare's services, will be presented to Board members in February 2020. The

strategic planning process will also endeavor to provide a number of Key Performance Indicators (KPI) that can be applied across all the service areas of Nulsen Group to better inform the Board as to ongoing progress.



**Professor David Gilchrist** BA BBus PhD FCA FAIC is a chartered accountant and a historian. He holds a PhD in economics from the University of Notre Dame Australia and is currently a Professor at the University of Western Australia as well as the Public Sector Accounting and Disclosure Research Cluster. Over his 25-year career, David has held many senior roles in the not-for-profit, commercial and public sectors. He has taught at several universities across the globe, sits as Chairman on multiple boards and has published several key national reports. Achievements include: working as the Assistant Auditor General WA, the Associate Dean of the School of Business, University of Notre Dame Australia, Chairman to Nulsen Disability Services, and the Kimberley Individual and Family Support Association. [See David's full profile here.](#)