

# SILC Annual Report 2016-17



SILC gives us the right type of support to develop our housing plan for the future.

We get good information so we make a choice about how to set up a house and what's going to work best for our family.

We have hope for the future.

We feel in control.

## **Purpose**

SILC's purpose is to create family-governed homes for people with disabilities using NDIS packages of support.

## **Support for Members**

We support our members to:

- Understand what's possible with NDIS & housing funding
- Co-design a solution that is tailored to the families' needs
- Broker specialist advice including legal, financial, building design

## **Chairperson's Report**

In our first year of operations, SILC has worked hard to lay down the foundation for a bright future. SILC has two full time staff and a Board of five (5) SILC members, who not only have children with disabilities, but are also actively involved in setting-up, running and designing family-governed homes. Because of this depth of experience, I believe SILC is well placed to successfully bring more families together to create family-governed homes. We aim to create a home away from home, where choice and control comes directly from the parents and can empower our children to live happier lives.

SILC is able to assist our members to create their own homes and in turn help parents get back to living their lives, knowing that their children are cared for and that they can be actively involved in their lives. For our children, a family-governed home will create a greater opportunity to learn new skills and work towards a more independent life, they will have long term relationships with their house mates creating a family-like unit.

I am looking forward to creating many more family-governed homes with the help of our dedicated staff and our Board.

## **CEO Report**

I am pleased to present the 2016-17 Annual Report for SILC. SILC was formed as a non-distributing Co-operative on 29 September 2016 and since then has grown to support people with disabilities and their families in navigating the NDIS and beginning the pathway towards setting up a family-governed home. We know how important it is for people with disabilities and their families to remain in control of their lives and have good quality information when making big life decisions.

We've built our operating model by listening to our members and respecting their right to choose who their loved ones live with; the location of the home; the staff they will employ; and what services they wish to purchase from SILC and what they want to do themselves.

SILC continues to fill an important gap in the NDIS market for family-led models of support. By drawing on the early experience of PaRA, and taking the structure, governance and learnings to scale, SILC is now supporting 48 members and operating 4 homes. We have supported our members by assisting them through the First Plan process; working with

them to understand their NDIS funding and how to use it in the most flexible way; and the benefits of self-management.

SILC has been an active contributor to the NDIS policy environment, making submissions to the Productivity Commission on NDIS pricing and NDIS transitional arrangements. Looking forward we will continue to advocate to governments to create the right conditions that are conducive to the establishment of family-governed models. For example, by ensuring funding flows quickly to NDIS Participants; allowing people to switch easily to Self-Management; and that good quality information is provided in a timely manner so people can make informed decisions about housing.

As we reflect on our first year, we realise that we couldn't have done this alone. SILC is indebted to its pro-bono supporters including BAL Lawyers; the Business Council of Co-operatives and Mutuals, Common Equity Housing Limited; Common Equity NSW; Giant Steps; Hurley & Co; MinterEllison; NRMA; and the PaRA Co-operative. Our partner testimonials are in Appendix 1.

### **Key outcomes in 2016-17**

**Education & peer-to-peer learning** – we have delivered monthly forums in Sydney and Melbourne to equip families and carers with the understanding and practical tools and resources needed to develop a family-governed housing model and how to make best use of the NDIS funding. A key outcome of the forums has been peer-to-peer learning amongst parents, who have been supporting each other with NDIS pre-planning and post-plan implementation; sharing documentation including staffing rosters; and expert advice from Occupational Therapists about how to decide who their children could live with, what areas and what home modifications might be needed.

**Resources for members** – SILC has developed key resources for its members and the broader community of people interested in family-governed housing. The SILC website has a plethora of information including frequently asked questions and case studies. SILC has developed a SDA tool that can be used to model different scenarios in terms of costing a house with staff and SDA funding; a SIL quoting tool that provides transparent costings around staffing and shifts; and we are currently building a Community Participation tool (daily activities) to adequately cost what it takes to operate a day program. Our Corporate Members are being supported with individualised approaches depending on their financial circumstances, including modelling SDA funding; building costs; and financial structuring of loans and other options including Special Disability Trusts.

**NDIS provider of services** – we chose to become a NDIS provider of specialist supports so we could support our members. In July 2017 we achieved registration in NSW for services including SIL (staffing in the homes) and Support Coordination.

## Performance Snapshot



- ✓ Supported 41 individual members, 4 corporate members and 3 pathway to corporate members



- ✓ Launched the SILC website with key resources & documents for setting up a home



- ✓ Appointed two employees, CEO (Melbourne) and Manager Operations (Sydney)



- ✓ Conducted 10 member information forums, 8 in Sydney and 4 in Melbourne



- ✓ Achieved provider registration for specialist NDIS supports, NSW



- ✓ Set-up a new home in Sydney (TKALC) for 2 house-mates and assisted 4 houses on the pathway towards establishment



- ✓ Built a SIL quoting tool to assist members prepare their SIL quotes for NDIS funding



- ✓ Modelled SDA scenarios to work out the best way to secure upfront investment and ongoing returns in SDA properties

## SILC Board & Committee Reports

### Board

The Board met 10 times during 2016-17. (See Chairperson's Report above).

*Fred Carollo, Chairperson*

### Property Committee

[Members include MinterEllison, Common Equity NSW, CEHL (Victoria) and SILC].

The Property Committee met 9 times during 2016-17. The primary aim of the Committee is to assist SILC to develop accommodation models that provide NDIS Participants with long-term/life-time tenancy, whilst making the best use of the 20-year NDIS funding for Specialist Disability Accommodation (SDA). The Committee provides expert advice to SILC on property matters including structuring & finance, legal, accounting, tenancy, Co-operatives and other matters most relevant to the built environment.

This year the Property Committee has achieved progress towards:

- An exemption from Land Tax in NSW for properties rented for use by people with a disability;
- Establishing a Fund that delivers returns for investors and assists NDIS participants with SDA funding the upfront cash / capital to start building;
- Developing a structure that sees ownership of SDA properties retained by an organisation such as Common Equity NSW that can utilise its exemption from stamp duty and land tax and deliver life-time tenancy and management beyond the 20 year SDA horizon or the life-time of the parents / carers;
- Modelling scenarios that provide for CENSW (or similar organisation) to recycle their balance sheet to provide suitable accommodation for multiple co-operative homes.

*James Brown – CEO, Common Equity NSW  
Chair, Property Committee*

### Advisory Committee

[Members include BCCM, BAL Lawyers, I-Care NSW, MinterEllison, Robyn Donnelly (expert advisor on Co-operatives' legal arrangements), Gillian McFee (expert advisor on Co-operative implementation, NRMA and SILC)].

The Advisory Committee was instrumental in the formation of SILC. The timeline below shows the key decision points that led to SILC becoming a registered non-distributing Co-operative in September 2016. The Committee members supported SILC with advice around organisational structure; operating model; building the member-value proposition; legal advice around SILC’s Rules (constitution); and support with the Sector Development Fund application in October 2016 that secured start-up funding. The Committee continues to support SILC with ongoing advice and support as required.

|                |                                                                                                                                                                                                                  |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2010           | PaRA was <b>formed</b> as a family-governed home for three young men with autism.                                                                                                                                |
| 2015           | PaRA became registered as a co-operative - with the families, housemates and workers active members and decision-makers.                                                                                         |
| 2016           | PaRA became an approved provider in NSW - achieved third party verification under the <b>NSW Disability Services Standards</b> .                                                                                 |
| 2015 - 2016    | Three more family-governed homes were formed as ‘spin-offs’ from the learnings of PaRA.                                                                                                                          |
| MARCH 2016     | Key <b>partners and family members</b> got together and decided to form a new organisation (SILC), that could take the success of the family-governed models to lots more families and people with disabilities. |
| SEPTEMBER 2016 | SILC was formed as a legal entity with registration as a non-distributing co-operative.                                                                                                                          |
| OCTOBER 2016   | <ul style="list-style-type: none"> <li>• Startup <b>funding received</b> under the Sector Development Fund.</li> <li>• SILC’s inaugural <b>CEO</b> was appointed.</li> </ul>                                     |

*Rohan Lund – CEO, NRMA  
Chair, Advisory Committee*

## **BOARD OF DIRECTORS**

### **MEMBER DIRECTOR (CHAIRPERSON) – FRED CAROLLO**



Fred is the father of 4 children, the youngest Julian, a 15 year old boy with autism. Julian currently attends Giant Steps school in Sydney.

Fred was instrumental in developing and establishing My House Oatlands(MHO) of which he is the Public Officer. MHO was established in 2013 a family-governed model that has created a 'home away from home' for Julian and two other teenage autistic boys in Oatlands, Sydney.

Fred has worked in the building industry for over 36 years and established his own successful construction company as a builder and property developer.

His knowledge in these two areas makes Fred a valuable member of SILC. Fred is passionate to help other families create a 'home away from home' just like MHO that has been life changing for Julian and his family.

### **MEMBER DIRECTOR (SECRETARY) – STEVE ANTHONY**



Steve is the father of Patrick, a 27-year-old man with autism. Patrick was one of the original 12 students at Giant Steps school when it opened in 1995. Steve was one of the parents who set up the school, which helps educate children and families experiencing autism, to alleviate associated stress.

Steve also helped establish PaRA Co-operative, a family-governed model for Patrick and his two housemates in Chatswood, Sydney. You can watch a clip about PaRA [here](#).

Upon seeing the success of the PaRA model, Steve was instrumental in establishing SILC. His aim for SILC is simple – to share what he’s learned so other people with disabilities can live in a home of their choosing, in their communities surrounded by friends and family. He is energetic, approachable and brings simplicity to the most complex of problems.

Steve is an executive coach with a background in teaching and banking.

#### **MEMBER DIRECTOR (TREASURER) – KATE HURLEY**



Kate is the treasurer of three not-for-profit organisations aimed at improving the lives of people with disabilities.

Kate started her career at Westpac working as an institutional derivatives dealer before going on to become a financial markets training manager. She then became a director of Partners in Finance, a firm delivering services in the financial products and risk management sector.

In 2002, Kate ceased work to concentrate full-time on her son William who was diagnosed with severe autism, navigating her family through the early intervention years.

In 2008 she commenced work again as an accountant at Hurley & Co.

#### ***Qualifications:***

- Bachelor of Business (UTS) double major in finance and accounting (1993).
- CPA (Certified practising accountant).



## MEMBER DIRECTOR – KIM KNOBLAUCH



Kim has a wealth of academic experience including;

- Bachelor of Business Health Administration (University of Technology. QLD),
- Graduate Diploma Applied Science Nursing Education, and
- Registered Nurse (Psychiatry & Emergency Med. Major).

Kim is also a registered Midwife and has worked in acute private and public hospitals, Justice Health Community and Aged Care sectors since 1980 including CEO of a number of private hospitals for 12 years 1991 - 2002 in QLD and Sydney's North Shore.

From 2002 - 2010 Kim held the position of Group Risk/Clinical Risk Manager of Ramsay Health Care Australia and Indonesia and later from 2010 - 2014 as the National Clinical Risk Manager Calvary Healthcare Australia. Since 2015 Kim has been the Operations Manager at North Sydney Retirement Trust ta. James Milson Village.

## Financial summary

# Statement of Cash Flows

Supporting Independent Living Co-operative Limited  
For the year ended 30 June 2017

2017

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### Cash flows from Operating Activities

|                                                   |                |
|---------------------------------------------------|----------------|
| Receipts from customers                           | 416,596        |
| Payments to suppliers and employees               | (246,011)      |
| Interest Received                                 | 343            |
| <b>Total Cash flows from Operating Activities</b> | <b>152,928</b> |

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### Cash flows from Investing Activities

|                                                   |          |
|---------------------------------------------------|----------|
| Other cash items from investing activities        | 0        |
| <b>Total Cash flows from Investing Activities</b> | <b>0</b> |

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### Cash flows from Financing Activities

|                                                   |          |
|---------------------------------------------------|----------|
| Cash flows from Financing Activities              | 0        |
| <b>Total Cash flows from Financing Activities</b> | <b>0</b> |

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**Net Cash Flows** **152,928**

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### Cash Balances

|                                                  |           |
|--------------------------------------------------|-----------|
| Cash and cash equivalents at beginning of period | 0         |
| Cash and cash equivalents at end of period       | 152928.23 |

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**Net change in cash for period** **152,928**

## **Appendix 1 - Partner Testimonials**

### ***BAL Lawyers***

BAL Lawyers is a progressive firm focused on using our collective business acumen and expertise to support innovative and useful initiatives to benefit the broader community. BAL are proud to be an ongoing partner of SILC.

From a personal perspective, Susan Proctor, along with a number of her BAL business partners, have family that are directly impacted by disability and see necessity and great benefit in family-governed models and the information provided by SILC, not only for themselves but also the wider community.

With the rollout of the NDIS, pathways forward are becoming an increasing necessity for our community. SILC is a unique platform that assists families living with uncertainty around the future of their dependents with disabilities. Government support of the growth of co-operative model in disability could see more holistic support for NDIS participants to assist with housing, healthcare and disability trusts.

BAL has significant experience in the areas of co-operatives, strata/community living arrangements and disability trusts. Given the legal complexities of those areas, the skilled services BAL provide has benefitted SILC and can benefit SILC members who require assistance.

### ***Business Council of Co-operatives & Mutuals (BCCM)***

The BCCM has supported SILC as a founding member of the Advisory Board from the organisation's inception seeing this authentic, self-help response from disability service consumers, thrive. The passion, professionalism and dedication of all involved is inspiring. SILC sets a new benchmark in the disability sector for community driven initiatives that leverage the consumer directed objectives of the NDIS and the name says it all - "Supporting Independent Living Co-operative". This is about doing with and by, not to and for, and it provides an opportunity for families and volunteers to become authentically involved in the direction of disability services. It disrupts the old, top down models. "Control" and "choice" made real for people living with disability.

The BCCM congratulates the Government for supporting the development of this community co-operative with seed funding. The aim of the co-operative is self-sufficiency as it is with all co-operatives, so ensuring a level playing field for co-operatives to start up and operate is the main role of Government. Education and awareness of Government stakeholders of the co-operative model is also vitally important. The Government supported the development of Pathfinder Case Studies of co-operatives in 2015, hosted on the Get Mutual website. Government should ensure that it captures the learnings from innovative community responses in disability through supporting more case studies including one about SILC.

## ***Common Equity NSW***

Common Equity is the peak body for Co-Operative Housing in NSW and applauds the fine work of SILC and values our ongoing partnership. SILC is delivering tremendous value to participants in the NDIS through advice, supports, building networks of expertise and connecting families. The focus on family-governed co-operative models is highly cost efficient, sustainable into the long term and also delivers better outcomes in many cases.

Governments at all levels can assist co-operative modes in disability by requiring agencies to act in ways that encourage diversity and choice in housing options. That means Governments should deliberately promote and draw attention to examples and benefits of co-operative models for both supports and also housing. This includes explicit consideration as part of policy formulation, tender specifications, industry engagement and information, seeking diversity and innovation from property developers and also promoting successes more broadly to the community when reporting on the roll out of the NDIS.

## ***Gillian McFee (Independent)***

Being a member of the SILC Advisory Board enables me to support the staff and members of SILC in growing this new approach to specialist disability housing. Family governed models like SILC matter because they are consumer co-operatives which means that families and carers are the members of the co-op and are responsible for setting up and governing the homes.

As an incubator enterprise co-operative, SILC supports these family governed member co-ops by providing services and support that enables them to run their co-ops more easily and to learn from the experience of others. Governments could support more co-operatives like SILC because they add choice and diversity in the market for disability services and they are more effective than other models in being responsive to consumer needs.

## ***MinterEllison***

MinterEllison is incredibly proud to support SILC, whose ethics and purpose sit squarely within our core values of collaboration, innovation and inspiration. MinterEllison considers its relationship with SILC to be a true partnership, from which we are fortunate to gain valuable consumer-focused experience and insight into the disability sector and the NDIS, while applying our expertise, skills, commercial acumen and networks to further SILC's aims and to assist with a solutions-focused approach to family-governed models and the specialist disability accommodation sector.

The shift from an institutional approach to family-run models can only be beneficial for all involved – it provides a far greater degree of choice for the disabled and their families and allows for deeper integration into communities and society as a whole. Families benefit from a greater sense of control and can enjoy more hands-on involvement in the care of their loved ones. This in turn will result in more competitive pricing for disability services, a greater range of accommodation options and a resulting benefit to the taxpayer. While the model is still in its infancy, MinterEllison is already seeing a huge amount of interest in this

sector across a number of our key clients and practice areas - from service providers, to housing providers to investors – the prospects are incredibly exciting and MinterEllison is thrilled to be at the forefront of innovation in this area.

There is great international precedent for the use of co-operative models, particularly in the social and affordable housing sector – further studies into the operation and success of these models (particularly US and German examples), case studies and support for similar structures in Australia could have a huge impact on the provision of disability accommodation and provide flexible ownership arrangements in the disability space. Likewise, the use of co-operatives as disability service providers offers a great solution for family-governed models and maintains the principle of being for the benefit of the members – promotion and encouraging greater awareness of the availability of these structures is key, as is maintaining their economic efficiency.

### ***Common Equity Housing Limited (Victoria)***

CEHL values our relationship with SILC as it is filling a key gap in the sector and will provide families with expertise that will help establish co-operative solutions that give people real choice and control. There needs to be a range of models available and for people who have families that can act in their best interests, a co-op model offers an ideal opportunity for them to do so and to ensure an enduring entity is in place after they have gone.