

# Northern Region Co-operative Workshop;

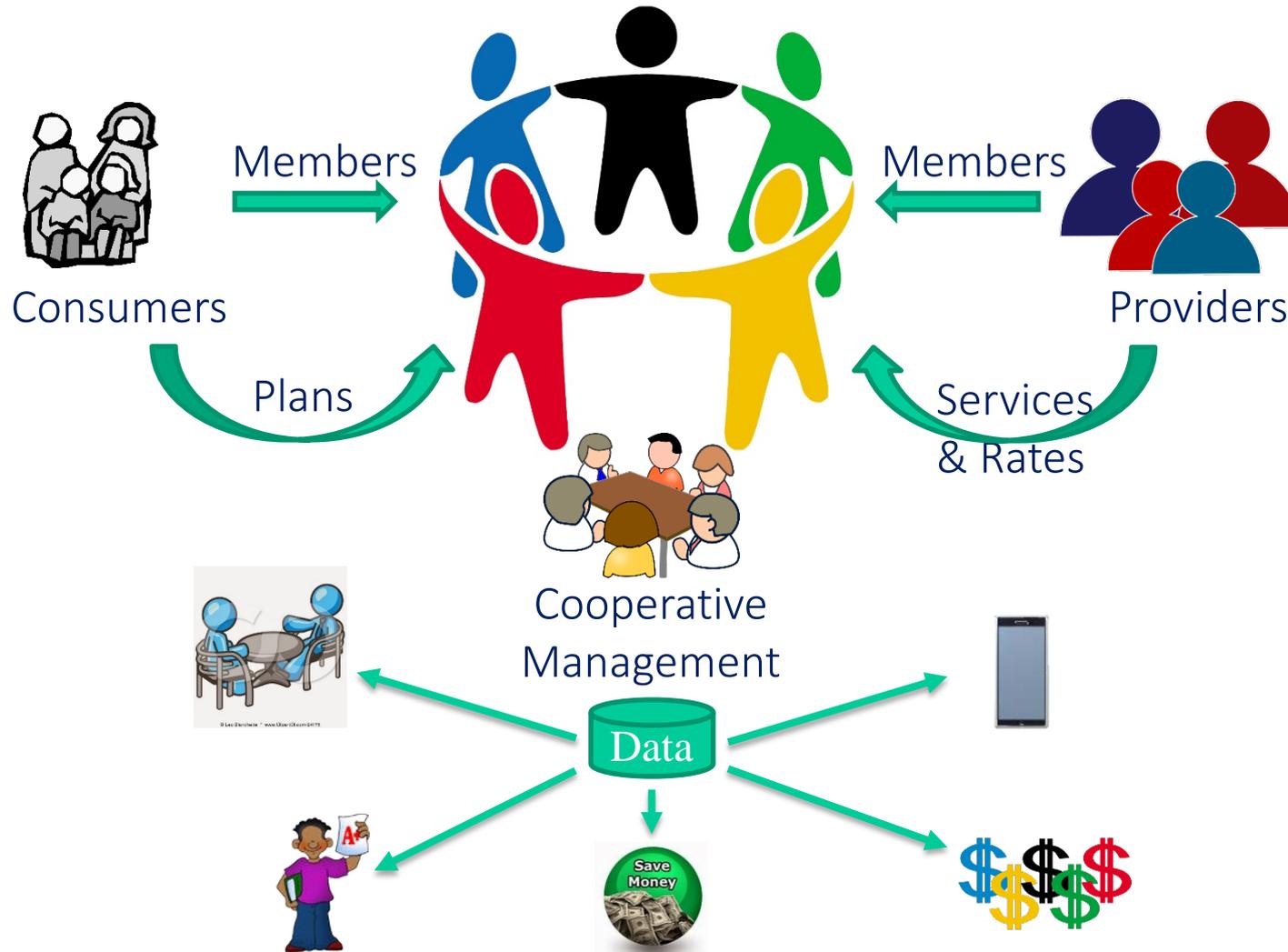
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# Northern-Region Care Cooperative



# Workshop Purpose

- Review ‘Where We Got Too’
- Progress Thinking From September Visit
- Establish A Northern Region Co-operative Pioneers Group
- Business Plan/Business Canvas
- Outline Funding Bid(s) To Establish JV C-op



# TEAM FOSTERING

Putting Children's Futures First

 **CO-OPERATIVE & COMMUNITY FINANCE**  
the lender for social purpose

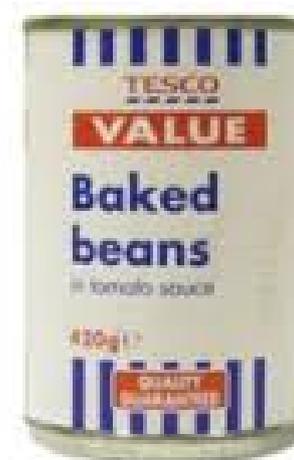
 **CASA**  
CARE AND SHARE ASSOCIATES



# Current Challenges In South Australia's Disability & Aged Care Space

- The 'Inevitably Of Demography'
- How will a Care Workforce be recruited, retained, engaged, and 'excited'
- NDIS Pricing Tariff vs Existing/Legacy Cost Base & Operating Model
- Consumer Choice & Control Sometimes Difficult To Articulate
- Under-utilisation of NDIS
- Where's The Spark For Transformation?
- A Sector Ready For 'Consolidation'/Privatisation – both public services and Not For Profit
- NDIS Raised Expectations Not Being Met

# Choice & Control



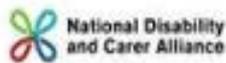
# Key Questions & Concerns

- What is wrong with **collective** provision?
- Who manages/shapes/stimulates the market?
- Who figures out whether it is working or not
- Who's responsible for workforce development
- Who captures market intelligence
- Etc!

# NDIS – where are we now?

## Every Australian Counts Campaign:

1. Make the system fit for participants
2. More training for Planners & LACs
3. Simplify language in Plans, more consistency
4. Longer Plans – stressful Plan reviews
5. Transport funding



# Key Co-operative Questions

- Who Owns
- Who Controls
- What's The Business Problem?
- What's The Co-operative Solution?

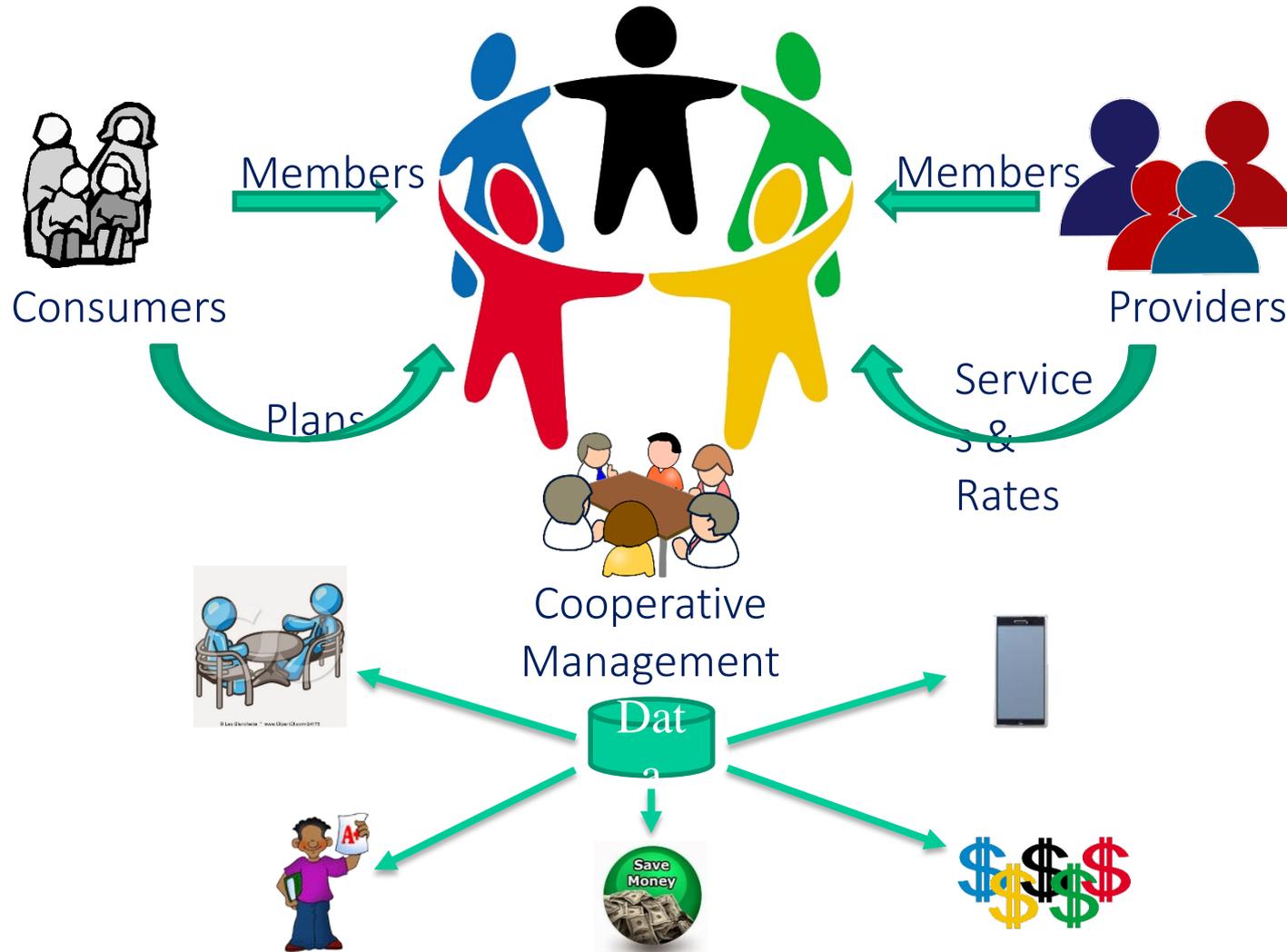


# Wrap The Co-Op Structure Around The Business Problem

# Co-producing A Co-operative Solution

- **Collective** provision – how can disabled people pool NDIS resources
- How can the NDIS market be shaped and stimulated?
- How can market intelligence be captured, by default
- How can gaps in provision be identified and filled
- How can workforce development be driven
- How can consumers find the ‘right’ provider
- How can providers find consumers
- Etc

# Northern-Region Care Cooperative



# Future Ideas;

## Time For Joint Venture Co-ops?

- Establish new consortia owned jointly by people with a disability and providers of support
- Clear quality assured membership criteria
- Business model – transaction skim finances overhead

# Key Consortia Services – NDIS

## Ecosystem For The Northern Region

- Data Capture/Shared Ownership Of Market Intelligence
- Commissioning channel for people with personal budgets
- Route to consumers for providers
- Brokerage to its provider members
- Hot Housing/Incubation of new services including developing self employment opportunities
- Pooling of NDIS payments for group activity
- Provision of back room services including:
  - Payroll, Record-keeping, Supported accounts service, Training
  - Quality Assurance, Police checks, etc

# Northern Adelaide Market

## Active participants in Northern Adelaide



**275**  
(4%)



**4,273**  
(64%)



**2,075**  
(31%)

**861**  
(13%)

aged 0-5

**3,525**  
(53%)

aged 6-17

**2,324**  
(34%)

aged 18+

**2,669**  
(40%)

autism  
spectrum  
disorder

**1,338**  
(20%)

intellectual  
disability

**715**  
(11%)

neurological  
disability

Main disability type (see figure 1)

## Access to supports (plan use)

**967** (14%) of 6,710 active participants have not yet accessed any supports.

**2,349** (35%) active participants are accessing less than one quarter of the support available on their plans.

**6,650** (99%) active participants have Capacity Building Daily Activity in their plans. 4,378 (65%) participants have used this funding.

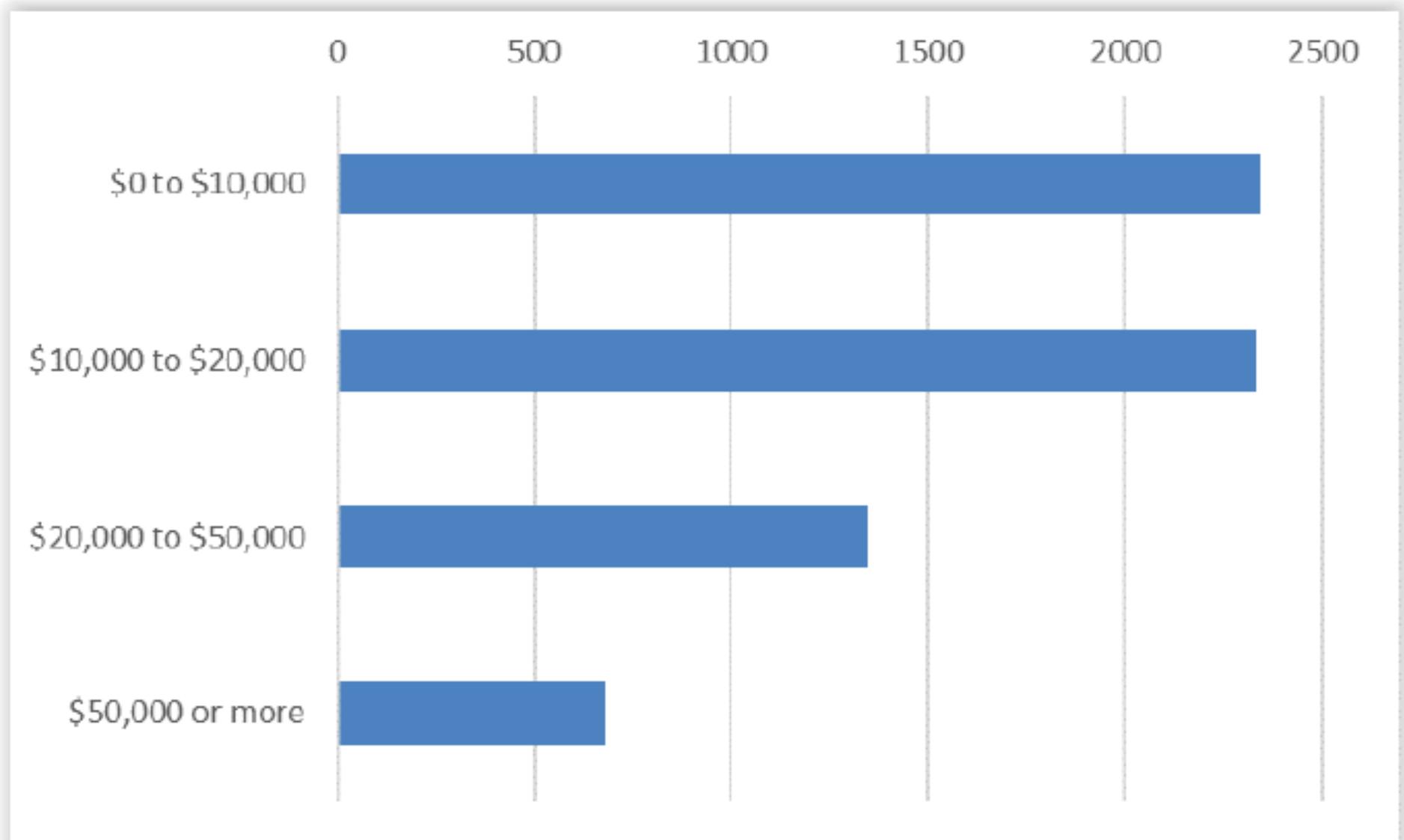
**6,595** (98%) active participants have Daily Activities in their plans. 2,008 (30%) participants have used this funding.

**2,344** (35%) active participants have Support Coordination in their plans. 1,031 (15%) participants have used this funding.

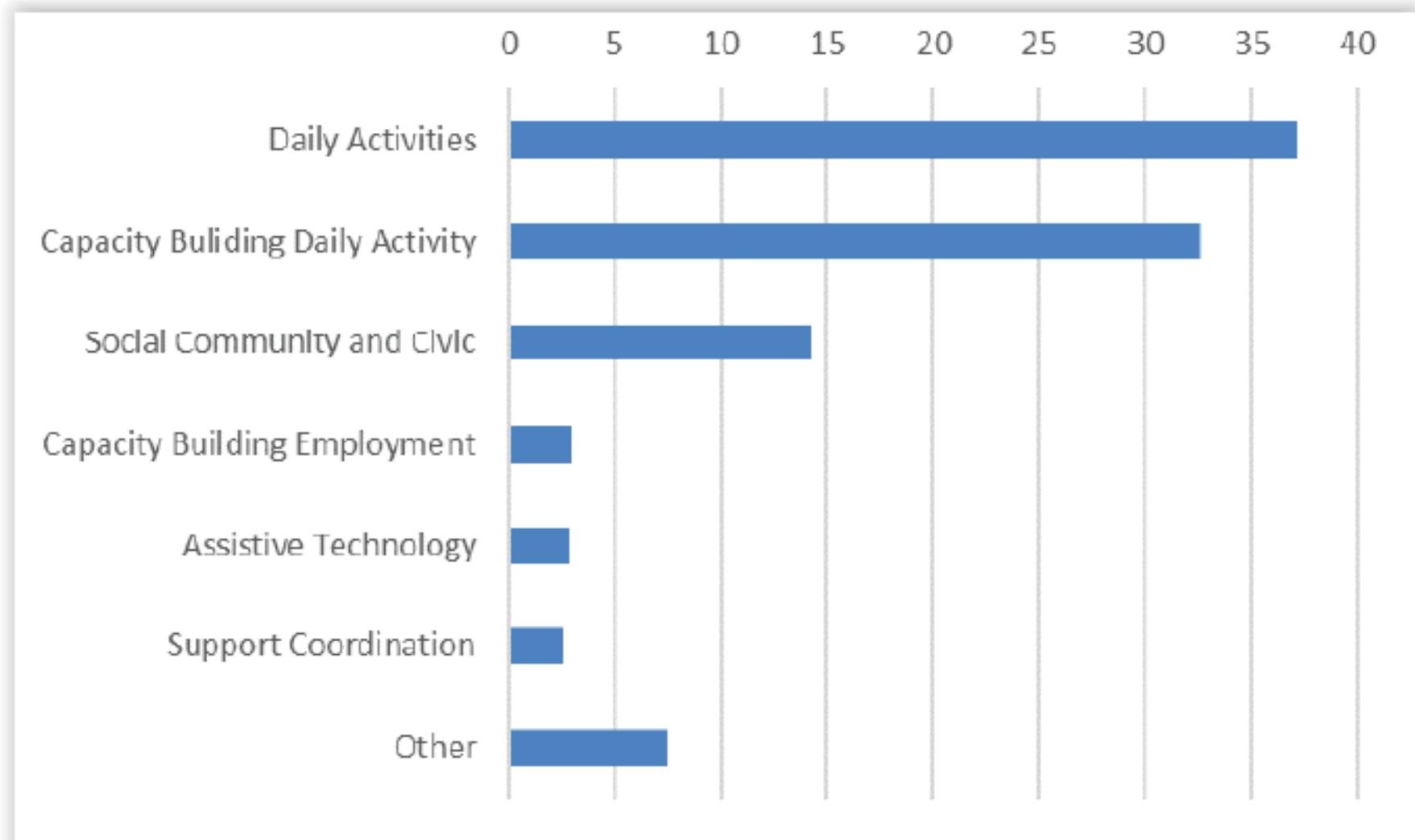
# Under-utilisation

- Only 60% Utilisation In 2017-18 financial year
- \$61.8m in cash supports claimed

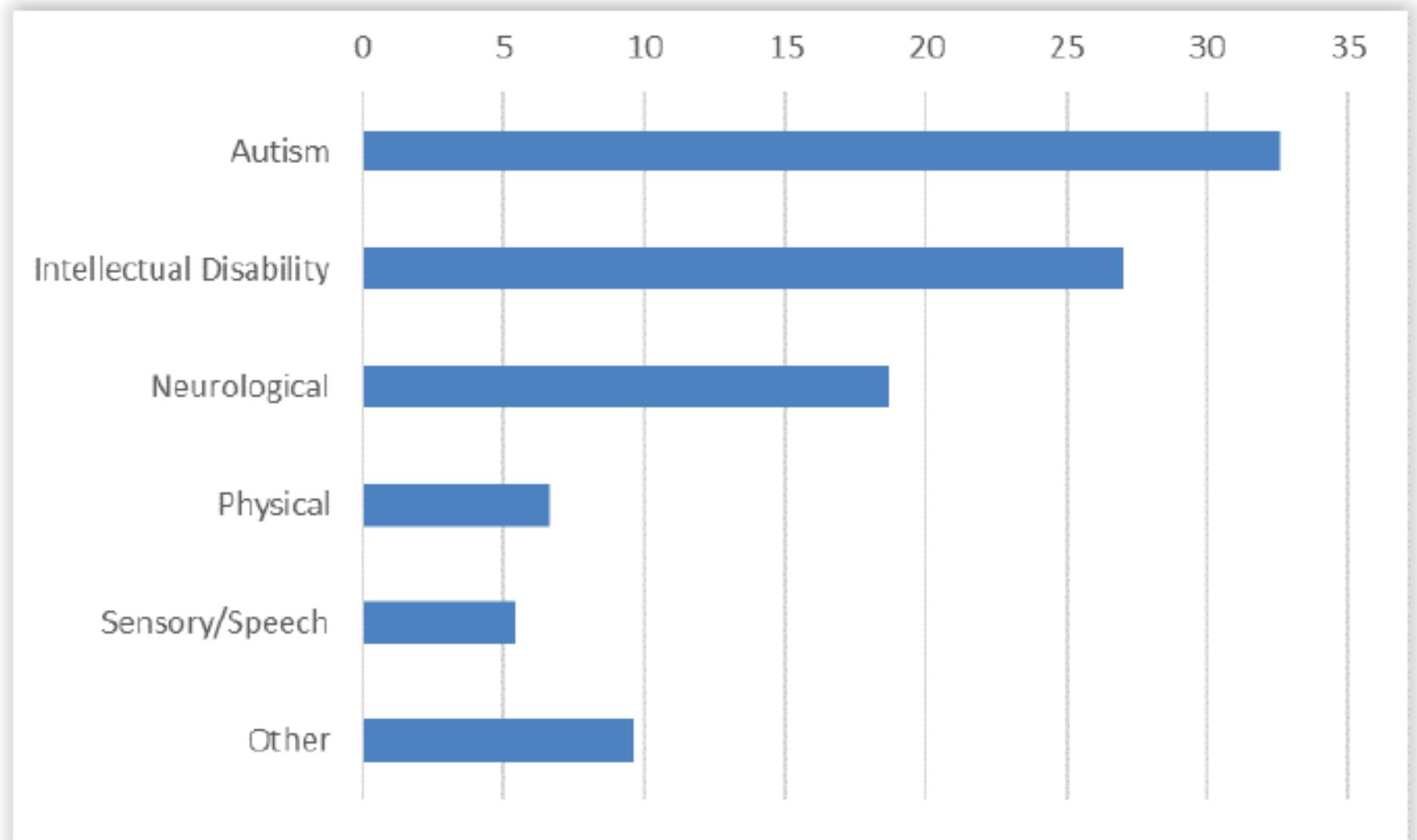
# Active Participants By Funding Support Band



# Proportion Of Overall Funds By Support Type



# Proportion Of Overall Funds By Disability



# An Optimistic Read Of The Data

- \$80 Million Market – 40% Under-utilisation – Why?
- Significant under-use of ‘Support Co-ordination’ (Only 15%) – Why?
- Decent distribution of package sizes
- 14% not active at all – why?

Business Model Canvas IDEA:

Author:

On:

Iteration:

Key Partners



Key Activities



Value Proposition



Customer Relationships



Customer Segments



Key Resources



Channels



Cost Structure



Revenue Streams



# Value Proposition

- The collection of products and services a business offers to meet the needs of its customers.
- USP/Point Of Difference
- Provides value through various elements such as newness, performance, customization, "getting the job done", design, brand/status, price, cost reduction, risk reduction, accessibility, and convenience/usability.
- The value propositions may be:
  - Quantitative – price and efficiency
  - Qualitative – overall customer experience and outcome

# Key Partners

- Who are your key partners?
- Who are your key suppliers
- Other Stake-holder Groups

# Key Activities

- The most important activities in executing a company's value proposition. An example for Bic, the pen manufacturer, would be creating an efficient supply chain to drive down costs.

# Key Resources;

- The resources/assets that are necessary to create value for the customer. They could be:
- human
- Financial
- Physical
- Intellectual

# Customer Segments

- Niche Market: Specialized needs and characteristics of clients.
- Segmented: Additional segmentation within existing customer segment. based on gender, age, income, etc
- Diversify: Multiple customer segments with different needs and characteristics.
- Multi-Sided Platform/Market: Serve mutually dependent customer segments. EG A credit card company provides services to credit card holders while simultaneously assisting merchants who accept those credit cards.

# Customer Relationships

- **Personal Assistance/Dedicated Personal Assistance:** The most intimate and hands-on personal assistance in which a sales representative is assigned to handle all the needs and questions of a special set of clients.
- **Self Service**
- **Automated Services**
- **Communities**
- **Co-creation**

# Channels

- Shop-front/SPOA/One Stop Shop
- Web-site
- etc

# Revenue Streams/Business Model

- Usage Fee – Money generated from the use of a particular service. e.g. UPS
- Subscription Fees – Revenue generated by selling access to a continuous service. e.g. Netflix
- Brokerage Fees – Revenue generated from an intermediate service between 2 parties. e.g. Broker selling a house for commission
- Advertising – Revenue generated from charging fees for product advertising.

# Cost Structure

Business Model Canvas IDEA:

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Revenue Streams



# World Cafe

- Break Into 8 Groups
- 10 Mins/Rotation
- 10 Minute Break
- Feed-Back Via 2 min Summary Clean Sheet

Business Model Canvas IDEA:

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On:

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Key Activities



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Cost Structure



Revenue Streams



# Next Steps; 6 Stages Of Co-Design

- Identification of the leadership group comprised of consumers / providers
- Raise interest in the consumer sector
- Workshop to articulate the Purpose & develop a Business Model
- Structure (potentially register as an Incorporated Association with members, then move to a Co-op)
- Developing a proposal for funding
- Enterprise commences