

Your child, supported by our village.

sdn
children's services

SDN Children's Services

Annual **20** Review **22**

Zineera

would like to be a doctor like her
mum and dad when she grows up.



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sdn

is a not-for-profit organisation that has been offering
quality children's services **since 1905.**

What we believe:

SDN's philosophy

We believe that every person and every living thing has inherent worth, and is owed respect and care.

We believe that we live in an inter-dependent world, where we all belong and are enriched by each other's contributions.

We have always believed, since our beginnings in 1905, that the world can be a better and more equitable place, and that we can help to make it so.

We believe that potentials and possibilities are realised when everyone offers and experiences care, connection and challenge.

Our Vision

is for an equitable world where all children thrive

Our Purpose

is to promote and enhance children's wellbeing, learning and development, in inclusive environments



Trustworthy
+ Reliable

Inclusive +
Respectful

Creative +
Innovative

Our Values

In carrying out our purpose we
commit ourselves to these values.



who we are

SDN is a not-for-profit organisation that has been delivering quality services since 1905.

We are proud of our long history of working with children and their families and supporting the development of practitioners and children's services. With more than 700 staff across 33 sites in Sydney, regional NSW and the ACT, we are one of **Australia's most respected children's services organisations.**

we provide

Early childhood education and child care

for children from birth to six years, across 27 centres.

Therapies for children

from birth to sixteen years of age, including services provided under the National Disability Insurance Scheme.

Family support services

that help children and young people to thrive by promoting strong, functional and well-supported families.

20

22

in review

COVID lockdowns and restrictions continued to limit our ability to open services to visitors and be able to share events with staff and families, however we had a number of **highlights and achievements** through the year.





News and highlights

SDN Woolloomooloo turns 100

SDN Woolloomooloo marked 100 years on 27 October 2021. While we would usually have had a large celebration to mark such a milestone, we couldn't hold the event because of COVID. However our Patron, the Governor of NSW the Hon Margaret Beazley took the time to record a birthday video message which you can watch at <https://youtu.be/1QcmCORbi9k>.

SDN Woolloomooloo was designed by the NSW Government Architect and was opened on in 1921 as the Welfare Centre for Mothers and Babies. The multipurpose service combined SDN's Woolloomooloo Day Nursery, a kindergarten, a Baby Health Centre clinic, and a milk depot providing access to sterilised milk from government farms.

Other centre anniversaries throughout the year

Another significant anniversary was SDN North Sydney, which turned 95 on 11 December 2021. Children and staff at the centre celebrated with colourful decorations, delicious food and a big cake. Children from every room contributed to the feast, creating their own dishes to bring to the party, from fruit skewers to fairy bread.

On 4 December, SDN Bluebell at Belconnen in the ACT turned 25. SDN Ultimo and SDN Crookwell Preschool both turned 20 in January 2022, and on 20 January SDN Riverwood marked 75 years since it opened at its original location at Herne Bay.



Dec 2021 - SDN North Sydney Celebrations

SDN wins Good Design Award

In September 2022, SDN was presented with an Australian Good Design Award under the category of service design strategy, for work SDN has done in partnership with the Customer Experience Company to better understand and improve the experience of families in our early learning centres. You can read more about this on page 38.

First SafeCare accreditation for Family Preservation team

As well as launching the Thriving Families Framework, SDN's Family Preservation team achieved our first successful accreditation for the SafeCare program in September 2022.

SafeCare is a structured program offered by Family Preservation, and is a practical, evidence-based parenting program delivered one-to-one in the home and is suitable for families with children aged birth to 5 years.

The accrediting agency noted that SDN's standard of delivery to fidelity was exceptional and were impressed with the additions SDN had made to the program such as SafeCare agency flyer, a parent expectation document and a new staff orientation recording on the SafeCare program.



Two successful NDIS audits

SDN's Children's Therapies underwent two NDIS external audits during the year. One was the scheduled mid-term audit that we are required to do as a registered NDIS provider, while the other was to add to our registration so we can deliver behaviour supports for children and young people.

As with any external audit, there was a significant amount of preparation work needed. Both audits were successful, with only some minor non-conformities to be addressed. SDN has begun recruiting for new behaviour support staff, and expects to be able to begin delivering these new services soon.



For exceptional improvements in work practices and employee engagement.

SDN as Change Champions

SDN runs a survey of employees every year, conducted on our behalf by independent researchers The Voice Project. In March 2022 the Voice Project announced that based on the positive changes seen in our 2021 employee survey results as compared with our 2020 results, SDN had won a Voice Project 2021 Change Champion Award.

The Change Champion Award recognises organisations that have made exceptional improvements in work practices and employee engagement. Only a small number of Voice Project clients meet the Change Champion criteria, and feedback from SDN employees showed a significant improvement in survey scores from 2020. It was particularly pleasing that the improvements centred on some of the more challenging priority areas that SDN had put effort and time into addressing.

SDN Riverwood awarded Excellent rating

In October 2021 we were advised that SDN Riverwood was awarded the Excellent rating by ACECQA (the Australian Children's Education and Care Quality Authority). The Excellent rating is the highest rating achievable under the National Quality Framework, and services can apply for an Excellent rating only if they have been rated as Exceeding in all seven National Quality Standard areas. This is a significant achievement and acknowledges the exceptional standard of education and care SDN Riverwood provides. It is currently one of only 35 services in the country to hold an Excellent rating.

SDN launches Thriving Families Framework

A significant piece of work over the past few years has been the development of the Thriving Families framework for our Family Programs, including Family Preservation (formerly Brighter Futures). Family Preservation is a NSW Government-funded voluntary family support program for families with children and young people who are at risk of harm.

The Thriving Families framework puts coaching at the centre of SDN's work, supporting the team to build the capacity of families and acknowledge their unique strengths. You can read more about this on page 22.





SDN's Aboriginal playgroup:

benefitting children and families now and into the future

SDN's Ngara Nanga Mai Aboriginal Playgroup is supporting the participation of Aboriginal children and families by developing a sense of cultural connection and safety that ensures the cultural identity of children and families is accepted and nurtured.

The playgroup, which runs on the grounds of Glebe Public School, is staffed by qualified Aboriginal early childhood education practitioners and creates opportunities for children and families to connect with culture through educational experiences for children and the completion of projects.

Over the past year, the playgroup has focussed on connection through cooking and weaving. Aunty Kathryn Dodd Farawell, who regularly visits the playgroup, has also invited families to contribute to her artwork.

These experiences support participation, strengthen connection to culture and build skills for future workforce participation.

Playgroup provides a whole of community approach that nurtures children through the

transition to school process. The Aboriginal Liaison Officer from Glebe Public School attends playgroup to facilitate transitions, and children build an ongoing relationship with her into their school years. Children who have attended playgroup in early childhood come back and visit as they continue to feel welcome and safe in the playgroup space.

The playgroup team provides opportunities for caregivers who attend playgroup to increase their capacity and confidence. The impact of this is that families promote the playgroup through word of mouth in the local community and return to the playgroup over time with their younger children.

The sense of connection between Playgroup's Aunty Tania and the families means that families feel safe to take a break when they need and return when they can.

The playgroup is well established within Glebe Public school, and SDN's partnership with the school and Glebe Treehouse ensures SDN staff feel secure and can promote safety and security for children and families.

— our —
strategic
plan



*Wellbeing, learning and
development in inclusive
environments*

As we come to the end of the fourth year of our five year strategic plan, we've already started to think ahead to 2024 and beyond.

COVID has not just had an immediate impact on our operations. There have been fundamental changes to the way we work, and the services that children and families are wanting and expecting.

Workforce

For our office-based staff, the expectation is a hybrid model of working, with staff being able to work remotely for a few days a week while expected to be in the office for the remainder. During 2022 SDN's shared services teams moved from our office at Bay Street in Broadway, around the corner to a new, purpose designed office space in Greek Street at Glebe. We now have a light filled, airy hub that works not only for our shared services staff but also for training sessions, meetings, and just passing by.

A lot of thought and consultation went into the design of this space, with many discussions about how our people want to work into the future.

We also wanted the space to reflect who SDN is, with activity-based design and the opportunity to invite children into the space.



The single biggest change has been the shift in mindset for our workforce as a whole. The early learning sector has been particularly hard hit with staff shortages, with ongoing impact on our operations as we struggle to meet strict staff to child ratios.

Workforce issues are not just affecting our early learning services. We continue to have strong demand for our children's therapies services, including our new behaviour support therapies, however allied health workforce shortages and difficulty recruiting in certain areas mean that we have long waitlists. Our government funded programs including Family Preservation are similarly affected by staffing issues.

Workforce shortages across all of our sectors will be a major challenge to our ability to grow, as well as being operationally challenging.

You can read more about the profile of our staff on page 34.



Families

For many families, as well as our own staff, their change in working patterns has meant a change in the pattern of demand for our early learning services in particular. Utilisation dropped during COVID, and we are only now beginning to slowly increase enrolments and waitlist applications.

Keeping in touch with families and ensuring we get their feedback continues to be vital. SDN regularly conducts surveys of families using our services. As part of these surveys we track our net promoter scores (NPS) in our centres, which is a measure of whether families say they would actively promote our services to others.

Since we began this work, we have year on year increased our NPS from 53.9 in 2018, where 50 is considered to be the benchmark for a good result.

We reached a peak in 2021 with an NPS of 73.6, which dropped to 68.3 in 2022. This is still a very strong result, and is almost identical to our 2020 NPS of 68.4.

We don't just ask families what they think of us once a year. Our feedback program includes year round feedback on our orientation and first week experience, and feedback when a child and family leaves a centre. Our NPS for orientation is 81.8, while our NPS as families leave is 71.1.

While these are very positive results, it's the detail that sits behind them that informs our next improvement projects. With changing family needs and expectations, we need to be sure we are working in partnership with families and continue to support them to be confident, capable and connected.



Sustainability

The financial impact of COVID was felt particularly strongly during the 2021-22 financial year. During the early months of COVID in 2020, the Australian Government provided a relief package for the early childhood education and care (ECEC) sector, in addition to JobKeeper. Our disability and family support programs also received some relief, however the ECEC sector makes up the largest proportion of our revenue.

With many families keeping their children at home through the various waves of COVID, we waived the gap fee for those families in our centres accessing the Child Care Subsidy (CCS) and introduced a special COVID relief rate for families not eligible for CCS. Revenue in our centres was dramatically affected by these fee reductions. Although we received a small amount of support from the Australian Government for

centres where attendance dropped below 50%, unlike 2020 there was no additional government support package and we weren't able to reduce our expenses in line with revenue by reducing staff hours. As a result we are reporting a significant deficit for 2021-22.

As a not-for-profit, we're conscious that we need to use our resources carefully and for the best overall outcomes for children. We continued with the development of our long term property masterplan for the next 20 years, and began planning for our first major renovation, at SDN Linthorpe St in Newtown. As the ECEC market shifts following COVID, it is more important than ever that we manage our property assets effectively. We are lucky to have these assets that have been accumulated over our long history, and need to steward them responsibly.

The coming year

Despite these pressures, we continued during 2021-22 to progress our strategic projects. A number of our successes are profiled in the *News and Highlights* section on page 12 and elsewhere in this publication.

We have several major projects on the agenda, in particular IT and property, as will continue to do more work on the priority projects outlined in our 2019-23 strategic plan. During 2023 we will be working to review our current strategic plan and consult on and develop our 2024-28 plan.

thriving families

humanising the family support system

SDN's Family Preservation team (formerly Brighter Futures) has reframed their work and adapted their practices to ensure the work they do makes a difference to the lives of children and families, by developing a new framework that guides their work.

Our Family Preservation program is funded by the NSW Government Department of Communities and Justice. It's a voluntary program that works to strengthen the ability of parents to respond to their children's needs and to create a safe and nurturing home.

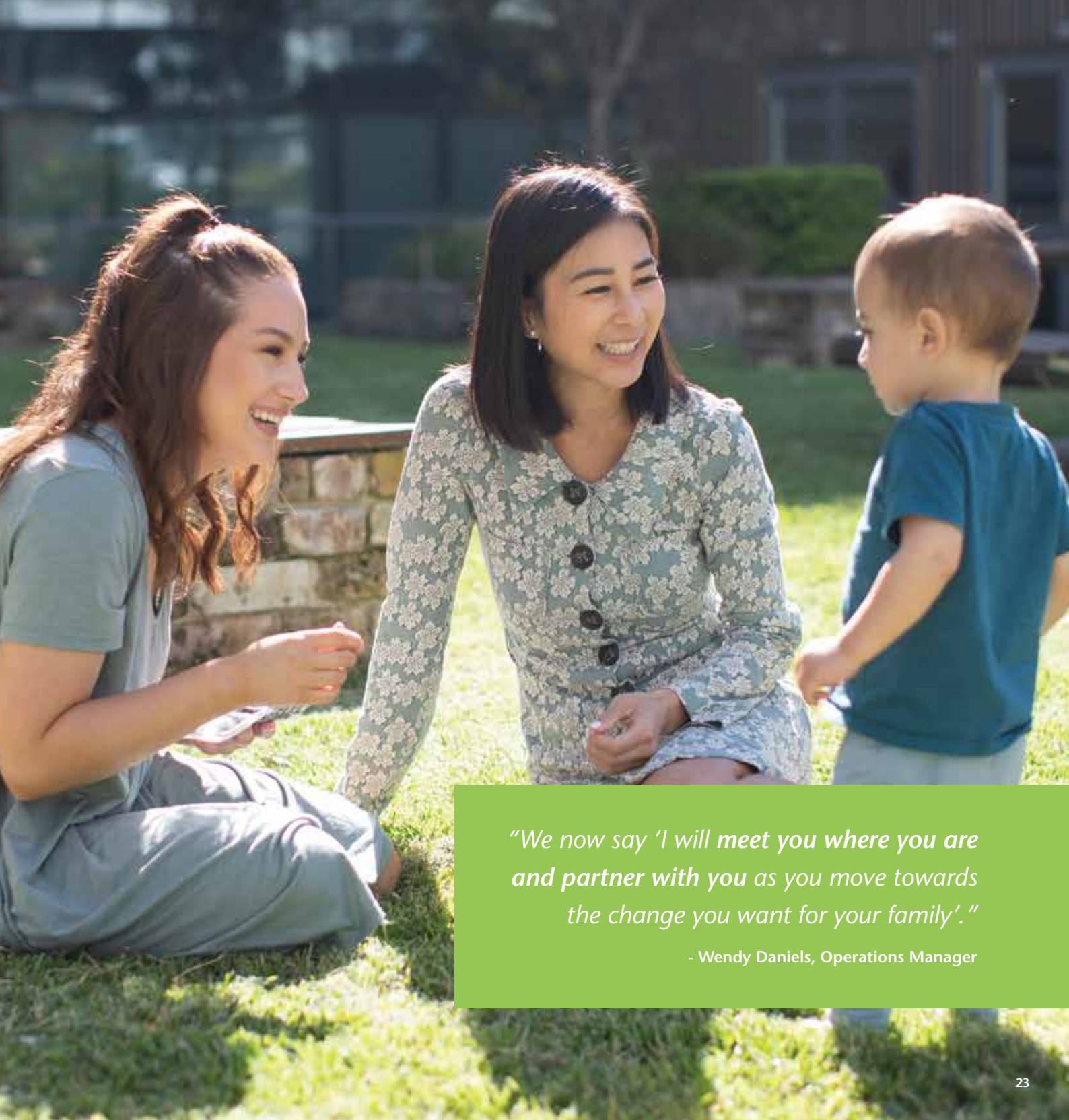
SDN recently launched the Thriving Families framework, which puts coaching at the centre of SDN's work, supporting our team to build the capacity of families and acknowledge their unique strengths. Instead of telling families what to do, which further disadvantages and creates feelings of powerlessness, the framework encourages SDN staff to ask questions with curiosity and empathy.

Operations Manager *Wendy Daniels*, who heads SDN's family programs, explains the change. "Rather than saying to vulnerable families 'I'll meet you in the middle', we now say 'I will meet you where you are and partner with you as you move towards

the change you want for your family'. The curious mindset, which sits at the heart of the framework, involves our team members asking thoughtful and visionary questions, creating a shared focus, and decreasing any feelings of vulnerability."

Maree Lauricella, a member of the Thriving Families design team, says that trust is at the centre of the new framework. "This is a particular way of working that allows us to put the folder away and show respect for people and their parenting," Maree said. "It's a new way of working for many staff but it is what needs to be done to support families in the best way we can. We may just have one chance to make a difference, and this could be it."

One family member who benefited said: "Due to my trauma, I find it hard to acknowledge my strengths. The work I've completed with SDN has reassured me that I am strong and resilient. I fight really hard to get my kids the best possible outcomes. I will continue to try and build a safe and stable home for my kids where they feel comfortable to talk about their feelings and help to strengthen our bond."



“We now say ‘I will meet you where you are and partner with you as you move towards the change you want for your family’.”

- Wendy Daniels, Operations Manager

our *outcome measures*

SDN works with children and families across three main streams: our early childhood education and child care services, children's therapies, and family support programs, including Family Preservation), Playlinks and our Child and Parenting Support program. Despite COVID lockdowns and restrictions, we were able to increase the number of children, young people and families we worked with.

We are now working with more young people up to the end of high school. We are registered under the NDIS to offer services to children up to sixteen years of age, and the recommissioning of Brighter Futures into Family Preservation requires us to work with young people up until they finish high school.



How much did we do?

For children and young people

Across all of 2021-22, we worked with a total of **4,803** children, young people and families (up from 4,579 in 2020-21):

3,121 children

were provided with high quality early childhood education and care through our 27 centres

(an increase from 3,049 in 2020-21)

123 children

facing challenges were supported to be enrolled in mainstream settings

(the same as the previous year)

566 children

with disabilities were provided with specialised early intervention

(steady when compared with 527 children in 2020-21)

23 children

were provided with supported playgroups and activities

(down from 27 children in 2020-21)

For families

In 2021-22, **750** families facing challenges were strengthened through our playgroups, family programs and our Family Preservation programs
(up from 588 in 2020-21)

For other children's services providers

SDN is active in supporting the children's services sector to be more inclusive of children. In 2021-22 we supported **239** other services (compared with 264 in 2020-21), through the following programs:

Family Preservation: **112 services**
(129 last year)

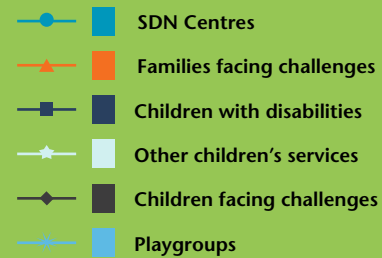
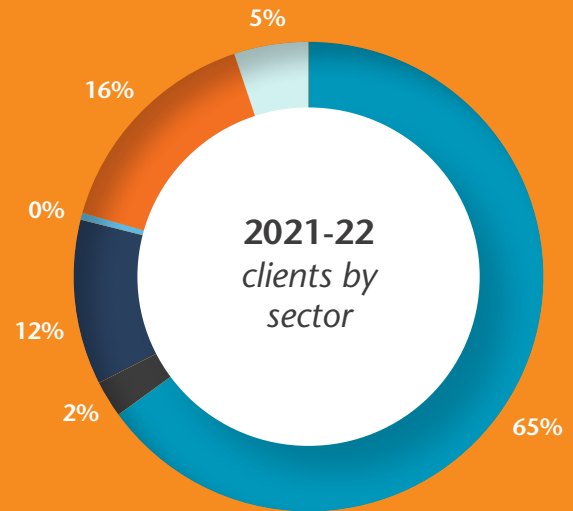
Child and Parenting Program: **15 agencies**
(23 last year)

Start Strong - Pathways: **9 agencies**
(33 last year – the focus shifted to working with families in 2021-22)

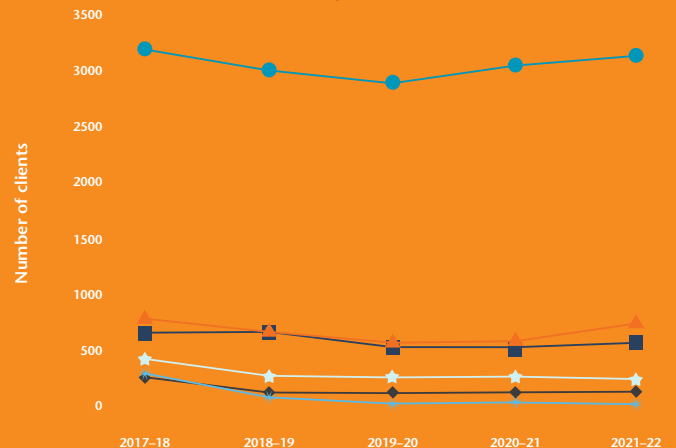
Inner and Eastern Sydney Child and Family Interagency: **82 agencies**
(80 last year)

Playlinks: **21 agencies**
(nil last year)

The pattern of support offered to children and families continues to change as a result of changes in funding streams and their objectives.



Sectors we work in Five year overview



restructuring service teams

for family impact

SDN has restructured the family facing SDN Enquiry Team, to ensure that families with children with disabilities are better supported to feel confident, capable and connected throughout their journey with SDN.

The restructure involved identifying two team members to be personally responsible for supporting a group of families and their therapists, ensuring that that each family has a personal contact within the team.

“Instead of families calling a general number to have their enquiries answered, we provided families with our mobile numbers,” said Nicole Lawrence, Family Engagement Officer with SDN’s Enquiry team. “It seems like a small change, but it has had a big impact on how families relate to us.”

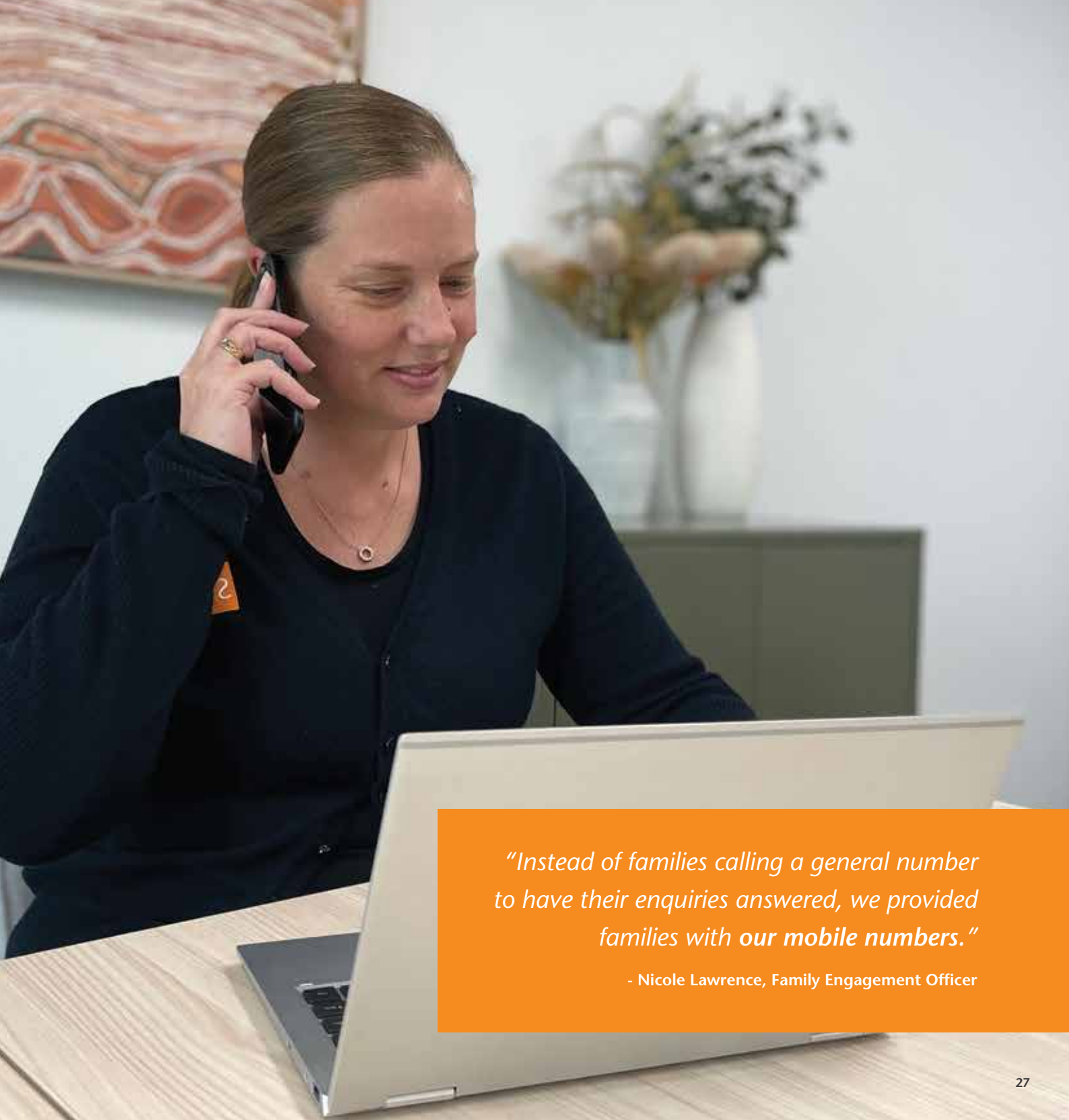
The change, which enabled the Family Engagement Officers to create safe and trusting spaces for families to engage with them has meant a better, more proactive service for families, and helped

them to better navigate their sometimes-complex NDIS journey.

“We can now proactively plan for any hurdles the family might be coming to.” Nicole said. “For example, it’s common for a family’s NDIS funds to run out before their plan is due for renewal. We see this coming, and let the therapist know, so they can make plans that ensure as little disruption as possible to the child’s therapy.”

One example of a small change with a big impact has been the use of SMS to communicate with families, making it more convenient for busy families to contact SDN and SDN to contact families.

One family wrote, “I want to let you know that our experience with your family engagement officer who has not only been professional but has also shown interest in my child as a person. They have not only heard my concerns but helped me to understand my rights. In my conversations with the Family Engagement Officer, she has been empathetic and supportive.”



*“Instead of families calling a general number to have their enquiries answered, we provided families with **our mobile numbers.**”*

- Nicole Lawrence, Family Engagement Officer



our staff

Our people are the key enablers of our strategy and our ***biggest annual investment.***

The quality of our workforce has the most influence on our ability to keep our commitments to children and families. Our strategy specifies that we attract and retain a well-educated, appropriately rewarded quality workforce who:

- ▶ have foundational knowledge of child wellbeing, learning and development, family wellbeing and functioning, inclusion and relevant service system
- ▶ have access to specialist skills to address barriers to access, participation and inclusion
- ▶ are aligned, engaged and accountable
- ▶ have opportunities for career progression.



National Workforce Shortage

We work in highly regulated sectors and our capacity to deliver services is dependent on having the required number of employees with specific qualifications to match the number of clients. National workforce shortages, that were starting to become evident prior to 2020, eased somewhat during the COVID-19 pandemic in 2020 and 2021. However in 2022 these workforce shortages have become extreme, and now impact our centres, our Children's Therapies and, to a lesser extent, our family support programs and shared services.

The national workforce shortage has been exacerbated by increased sick and personal leave due to staff isolating with COVID or other contagious illness, or to care for a dependent who was ill. This has placed significant pressure on the whole of SDN's workforce, and particularly in centres where adult to child ratios and mix of qualifications present 'on the floor' are strictly regulated. This is impacting utilisation and financial performance, with an increased likelihood of negatively impacting on staff wellbeing and quality of our services.



Snapshot of our *staff*

Our workforce is diverse, qualified and experienced and complies with the Workplace Gender Equity Act.

As at 30 June 2022 we employed **690 staff**.

Of these, 75% are permanent, 10% are on maximum term contracts (in line with our funded programs), and 15% are casual. This profile is in line with 2020-21.

Staff retention for three or more years continues to be above SDN's target of 40%, with staff retention currently sitting just under 48%. Annualised staff turnover was 22.62% for the year to 30 June 2022, just over SDN's target of 20% and an increase on 2020-21. This is a trend across the entire sector.

■ Centres

■ Shared Services

■ Family Support

■ Children's Therapies

Learning and development

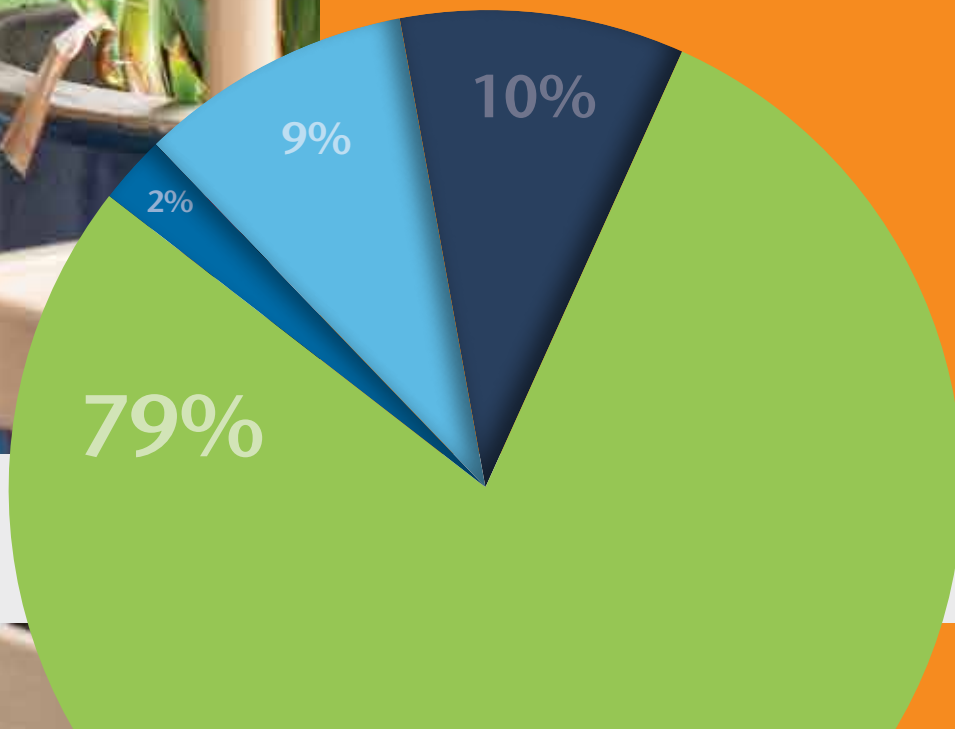
Learning and education is fundamental to SDN's vision, purpose and values, and we encourage and support our staff to do further studies by giving them flexibility of working hours and study leave.

With COVID impacting engagement with and attendance at scheduled foundational SDN programs and Professional Development our focus turned to providing key workshops and programs that would engage staff with their own self-development and curated ones that supported or guided them to manage their current circle of influence.

We continued our traineeship program with a total of 10 trainees – 7 Cert III trainees, 2 Diploma trainees and one (SBAT) school-based trainee. The majority of trainees are now employed with SDN on an ongoing permanent full-time basis.

During 2021-22 we introduced a new incentive to support our own educators with completing further study to combat an ongoing recruitment shortage for diploma qualified educator roles and to combat the cost barrier for educators wanting to progress their education. In total there were 10 educators who were successful in receiving financial support to cover the cost of their diploma study.

We delivered a total of 7,434.05 hours of training and learning and development, down from 8,941.97 hours in 2019-20. This reflects the ongoing impact of COVID, and the pressures of workforce shortages impacting on staff availability to attend training.



SDN Learning and Development Awards

Each year SDN offers the Learning and Development Awards in recognition of staff who continue to develop themselves, both professionally and personally, by undertaking further studies whilst working. These awards recognise an employee's endeavours in developing their skills, knowledge and experience, and their ability to bring this professional development back into the workplace.

Staff engagement

SDN values staff's opinions. Our 2021 staff survey conducted in November had a response rate of 59%. Staff scored 80% in engagement, which represents the level of job satisfaction and staff commitment at SDN. Staff scored 81% in progress which reflects staff perceptions about organisational performance. Both of these were increases on the previous year's results.

SDN scored highest in the following 5 questions:

Topic	Question	%
Safeguarding	I am confident that I could identify a reportable incident (such as abuse or neglect)	99%
Safeguarding	I am aware of the procedure for reporting incidents of abuse or neglect of children and young people	96%
Safeguarding	I would be comfortable reporting a serious matter to my supervisor	93%
Values	I believe in the values of SDN	92%
Values	I believe in the overall purpose of SDN	92%

The results indicate that staff remain very engaged and believe in SDN's values, vision and purpose. Staff are also conscious of the importance of safeguarding children and their responsibilities in doing so.

Safety and wellbeing

The safety and wellbeing of all staff and children has always been a priority for SDN. We have continued to invest in training staff in safe work practices including online training in manual handling, harassment and bullying and duty of care. We have also added a mental health online course.

Training continues in Emergency Response supporting staff to accurately assess the risk of all evacuations and respond accordingly. Training on identifying preventive controls following an incident, risk assessments and injury management has been rolled out. This includes opportunities for consultation with staff about safety and promotes a safety culture. Compliance tasks are regularly reviewed, and improvements made to the lockdown and evacuation process, ensuring a more robust process.

SDN partnered with Icare to perform a WHS diagnostic review on SDN's safety culture which included the following:

- ▶ Duty of Care workshop with SLT, WHS and Operations Managers
- ▶ WHS audits and Psychosocial Risk Assessments of centres and programs
- ▶ Mental Health First Aid completed by WHS and Head of People and Organisational Development

Although the number of workers compensation claims increased, the number of paid days lost and the cost of claims significantly decreased. SDN continues to work to ensure a safe and quick return to work.

Supporting students and trainees

Students are an important recruitment and career progression pathway for SDN.

We limited the number of external student placements during 2020 and 2021 to keep everyone safe from COVID-19 and manage families' expectations, and many planned student placements were postponed or cancelled.

	2019-20	2020-21	2021-22
<i>Students</i>	55	41	57
<i>Funds generated</i>	\$19,338	\$6,052	\$7776

In 2021-22 the total number of external student placements in our centres increased but continued to be impacted by COVID as some planned student placements were postponed or cancelled. Students studying their Certificate III qualification remained the highest number of placements supported by the centres. The reduced number of requests from tertiary student placements continued with many students being given leniency from their tertiary institution to complete placements in their own place of employment.



our staff as at 30 June 2022

180	Educators (Certificate III)	8	Program Administrators and Project Officers
164	Senior Educators (Diploma)	8	Finance staff
70	Early Childhood Teachers	6	Trainees
60	Social Workers, Practitioners, Other Family Support Workers, Team Leaders and Area Managers	6	Operations Managers
40	Room Leaders (Diploma and Certificate III qualified)	6	SDN Enquiry Team members
29	Centre Directors	6	Administration support (including 2 casuals)
28	Centre Administrators	5	Professional Practice staff
26	Cooks and Assistant Cooks	5	Specialist Business Professionals
11	HR, Payroll and WHS staff	4	IT staff
10	Allied Health Professionals	4	Members of the Executive
11	Communications and Marketing specialists	3	Property staff
		2	Directors of Shared Services functions
		1	CEO



staff service

30+
years

Fiona Redwood SDN Marrickville

David Farrell SDN Linthorpe Street

25+
years

Carol Muldoon SDN Hamilton Street

Helen Price SDN Crookwell

Kay Turner CEO

Michelle Briscoe SDN Woolloomooloo

Behrooz Arzani SDN Ngallia

Louise Casey SDN Ultimo

Rama Sama SDN Marrickville

Mini Kaur SDN Riverwood

20+
years

Joka Milicevic SDN Riverwood

Janelle Collins SDN Lady McKell

Niba Samantaray SDN Lois Baker

Elleni Diaz SDN Linthorpe Street

Micheline Azar SDN Hurstville

Carol Soleymanbik SDN Paddington

Glynis Chang Organisational
Development

Marian Achkar SDN Ultimo

Farida Khan SDN Ultimo

Jing Zhang SDN Marrickville

Amanda Brown SDN Pyrmont

Akhtari Khan SDN Ultimo

Lorraine Smart SDN Lady McKell

Lili Guo SDN Hurstville

Karen McIntosh SDN Crookwell

Myint Sein SDN Linthorpe Street

Ann Halliday SDN Lady McKell

Reeta Koirala SDN Riverwood

Piyasa Barua SDN Erskineville

Min Zhang SDN Riverwood

Georgette Khalil SDN Riverwood

Jane Anable SDN Lady McKell

15+
years

Michelle King SDN Bluebell

Kerry Stephenson SDN Lady McKell

Emerena Marsh SDN Bluebell

Jini Outschoorn SDN Bluebell

Nasrin Islam SDN Surry Hills

Jenny Wang SDN Woolloomooloo

Connie Blake SDN Paddington

Olena Odnostalchenko SDN Lois Baker

Lyn Li SDN Riverwood

Christina Skiadopoulos SDN Erskineville

Lindy Church SDN Hamilton Street

15+
years

Farzana Ambareen SDN Surry Hills

Maree Friend SDN Lady McKell

Catherine Anderson Services

Ann Wai Wing Cheung SDN North Sydney

Julie Watson SDN Hurstville

Anna Lamarra SDN Lady McKell

Amanda Santos SDN Hurstville

Alex Kaewpijit SDN Redfern

Tracey Brunton SDN Hurstville

Rita Haider SDN Linthorpe Street

Margo O'Connor SDN Lady McKell

Cathy Cao SDN Ultimo

Laura Sultana SDN Ultimo

Insha Shakya SDN Ngallia

Taryn Heffernan SDN Paddington

Trent Browne SDN Hamilton Street

Asma Parveen SDN Ultimo

Ernie Chang Finance

Tina Nigro SDN Ultimo

Leanne Dematos SDN Mosman

Ai Liu SDN Ngallia

10+
years

Joanne Evans SDN Lady McKell

Crystal Zheng SDN Ngallia

Sara Sheekey SDN Lady McKell

Tania Lever Aboriginal Playgroups

Rey Canoy Finance

Olivia Liva SDN Surry Hills

Manisha Raj SDN Beranga

Christina Americano SDN Paddington

Nina Williams SDN Linthorpe Street

Linda Maclean Communications

Olga Michalopoulos SDN Surry Hills

Gordana Skopelja SDN Ngallia

Leanne Citra SDN Lady McKell

Oznur Teke SDN Ngallia

Xiuling Wang SDN Marrickville

Paw Bway Ler SDN Bluebell

Alison Collins SDN Crookwell

Ruth Wilson SDN Erskineville

Stephanie Riemer SDN Woolloomooloo

Tahira Anjum SDN Bluebell

Margaret Kelly SDN Marrickville

Afroza Sultana SDN Riverwood

Miguel Rivera SDN Northern Suburbs

Debra Morrison Communications

Genaro Capistrano Property & Facilities

Jing Liu SDN Hurstville

Sabreena Karunakalage SDN Milperra

Min Zhang SDN Marrickville

Sally Nicholson SDN Crookwell

Sabina Shakya SDN Marrickville

Yingying Zhang SDN Surry Hills

Sulu Sanele Patelesio SDN Glebe

Hu Li SDN Marrickville

Anu Giri SDN Paddington

Elly Jones SDN Lady McKell

Rosie Walker Organisational
Development

Nirmala Kalva SDN Ngallia

Narelle Anderson SDN Crookwell

Kateryna Prykhodko SDN Surry Hills

Ana Montanez SDN Ultimo

Subrin Subrin SDN Riverwood

Christine Zuvela Children's Therapies

Janice Arcia Alejos SDN Paddington

Jessica Ford SDN Hurstville

Melissa Cama SDN Milperra

Wendy Du SDN Ngallia

Helen Howarth Family Preservation
Metro

Jina Park Family Preservation
Interdisciplinary Innovation

Hue Lac SDN Marrickville

Jo Roh SDN North Sydney

Dianne Speakman Communications

Andrew McFarlane Family
Preservation Eurobodalla

Alicia Malis SDN Riverwood

Habiba Sultana SDN Milperra

Jackie Grant SDN Pyrmont

Nazira Nazneen SDN Linthorpe Street

Koom Ferdausi SDN Lois Barker



From left to right - Kay Turner (CEO), Smrit Narang (Marketing Manager), Fernanda Brarda (Customer Experience & Data Insights Specialist), Dianne Speakman (Head of Communications and Corporate Affairs).

SDN wins Good Design Award

SDN has won a 2022 Australian Good Design Award under the category of service design strategy.

The Awards are one of the longest-running international design awards in the world, promoting excellence in design and innovation since 1958.

The winning entry was for the work SDN has done in partnership with the Customer Experience Company on better understanding and improving the experience of families in our early learning centres.

The award-winning project was in three parts:

1. Understanding what families value and need from SDN in the context of changing parenting and life circumstances. This understanding helps SDN to engage with them in a way that is consistent with our values and purpose.
2. Understanding and supporting the complex and changing needs of the educators who deliver SDN's services by forming meaningful and lasting family relationships.
3. Leading the organisation to ensure that an empathetic, family-focussed service is delivered and sustained over time.

The tools and frameworks developed as part of the project have equipped centre teams to design services unique to the needs of our families. Kay Turner, CEO

said of the win, "Working with families is important to SDN, because we know that confident, capable and connected families are needed for a child's wellbeing to be truly supported."

"We've intentionally invested in the way we design our everyday services to families, to ensure we provide them with the support they need in their role as a parent. While it's great to get validation of our strategy through this award, it's even better to hear the feedback we get from our families about the quality of the services we provide."

The award recognised SDN's engagement of a cross-section of the organisation, from executives to the frontline staff in centres, to raise understanding of family needs and empower and equip our teams to ensure services are delivered with empathy.

To date, the service design work led by the SDN customer experience team has seen a 20-point rise in net promoter score in SDN's centres, improved consistency between centres, and significant increases in measures associated with communications and interactions with families. This award also reflects the innovative ways SDN approaches partnerships with families, aiming to go above and beyond quality frameworks used by all providers in the sector.

Financial

Position

2021-22

The SDN group maintained a **strong financial position** over a challenging year.

Net Assets
2021-22

\$42,547,598

2020-21 - \$47,413,323

Cash Equivalents
2021-22

\$13,229,751

2020-21 - \$15,514,708

Operating Result for 2021-22

The SDN group delivered an after-tax deficit, driven by the impact on revenue of COVID lockdowns in NSW and the ACT. When the Australian Government eased the rules to allow us to do so, we made the decision to **waive the out-of-pocket fee** (known as the gap fee) for children not attending centres, and we introduced a **special COVID relief rate** for children not attending who were not eligible for the Child Care Subsidy. This loss of revenue, which was out of our control, was only able to be partially mitigated through the **strong management of staffing** and other costs to maintain our service delivery requirements.

The consolidated deficit includes **SDN Child and Family Services Pty Limited**, which reported a deficit of (\$421,175) compared with a surplus of \$335,750 in 2020-21.

2021-22

(\$4,865,725)

2020-21 - \$1,725,519



Revenue

Revenue remained flat when compared with prior year performance, despite a full year with the University of NSW centres in the SDN portfolio and ongoing child and family engagement strategies. **The impact of COVID and the federal and state response to the pandemic** stifled anticipated revenue growth in our centres. **Our decision to waive the Child Care Subsidy gap fee once the Government eased the rules** had a significant revenue impact over a number of months. Revenue from our Children's Therapies services was similarly negatively impacted, whilst our government funded programs remained steady.

Expenditure

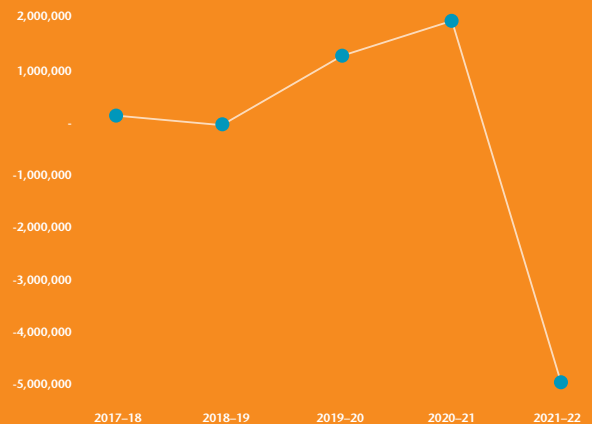
Expenditure was tightly controlled throughout the year especially during the period of the gap fee waiver which saw a significant reduction in revenue, however unlike the previous year, **we were not able to manage costs by temporarily reducing staff hours**. With attendance levels maintained, the waiver provided reduced revenue without the scope for a corresponding reduction in expenditure at an organisational level. **Staffing challenges continue to be experienced sector-wide** as services compete in a tightening job market, and along with increased personal leave requirements this put additional upwards pressure on expenses.



5-year Consolidated Revenue & Expenditure (\$m)



Consolidated Surplus / (Deficit) over 5 years



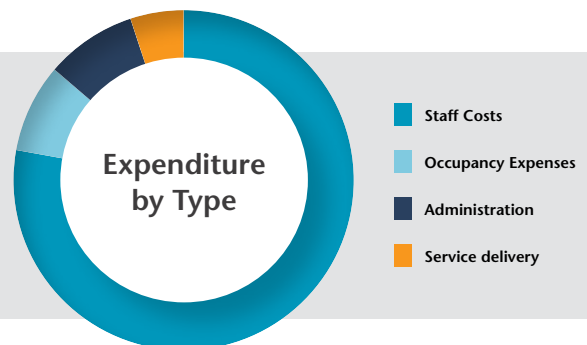
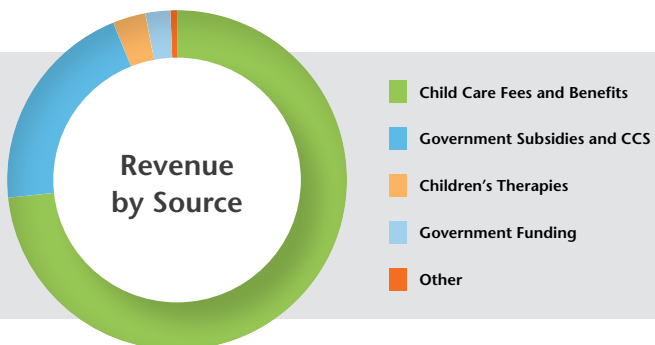


Revenue & Expenditure

Fees from our Children’s Education and Care Centres continue to be **our largest source of revenue**. Unlike the prior year where our revenue was supplemented by the Federal Government-funded JobKeeper and Early Childhood Education and Care Relief programs, our revenue this year **was negatively impacted by the waiving of the CCS gap fee** which was only partially offset by Federal Government pandemic-specific support. We were restricted in our ability to reduce costs accordingly.

During 2021–22, revenue from our fee-for-service therapies for children with a disability or developmental delay **declined with the lack of availability of an experienced workforce** in this sector continuing to be a major factor **inhibiting growth**.

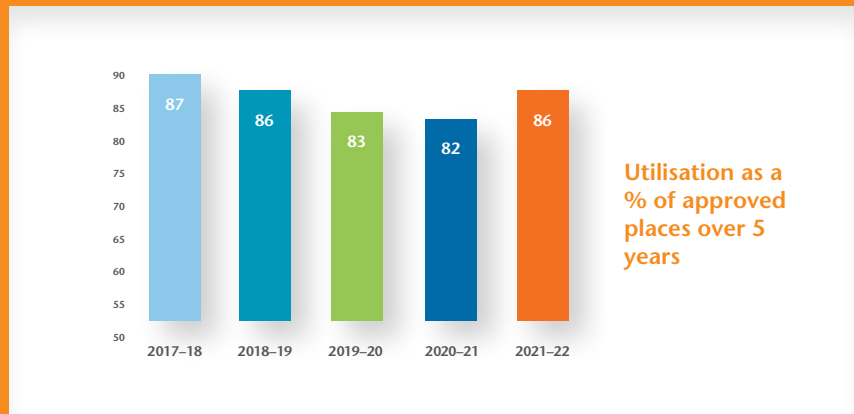
Federal and state government funding is for the delivery of specific programs and projects that are the result of successful tenders and grant applications. In 2021–22 this included **funding for our delivery of the Family Preservation program for families**.



Children's Education and Care Centres

Revenue has increased over the previous year as we have moved past the initial phase of the pandemic.

We maintained utilisation in our centres despite the ongoing impact of the pandemic and in the face of increased supply and competition. Pandemic response initiatives have, however, meant that improvements in utilisation have not translated directly to increased revenue levels.





Children's Therapies

Fee-for-service revenue for our children's therapies including revenue through the National Disability Insurance Scheme has **decreased**. This reflects the **challenges of recruiting and retaining experienced staff** and the reduced ability to deliver services through the COVID lockdowns, rather than a reduction in demand for services.



Family Support Programs

We have sustained our level of support for families and continue to be a trusted adviser. Our largest government-funded contract is for the NSW Family Preservation program. This was recommissioned for another three years from 1 July 2021 to provide the replacement to the previous NSW Brighter Futures program. Funding for our other programs was maintained during the year.

our supporters

Aboriginal and Torres Strait Islander Scholarships

Mrs Elizabeth Albert
Mrs Kirsty Albert
Mrs Ruth Armytage AM
Mrs Linda Cassidy
Mrs Angela Donohoe
Mrs Barbara Fewings
Dr Joy Goodfellow
Estate of Alfreda Henry
Dr Leone Huntsman
James N Kirby Foundation
McEwen Family Foundation
Mrs Coral Miller
Mrs Sue Perdriau
Mrs Susan Salter
Mrs Marion Taylor
Mr George Turgoose
Mrs Ginie Udy
Mrs Beth Vernon
Mrs Barbara Wise

**Plus contributions from 135
SDN staff and families**

SDN Access and Inclusion Scholarships

Ms Nancy Butterfield
Mrs Linda Cassidy
Mrs Hillary Hannam
Jenour Foundation
Mrs Nancy Lefmann

Building Fund

Mrs H.E. Fairfax
Prudence Finlay
Mrs Mary Hill
Mrs Alice Killen AM
Mr Ian Philip
Mr Tom Taylor
Mrs Marina West

Life members

Ruth Armytage AM
Effie Bland OAM
Mary Hill





Congratulations Alice Killen AM

SDN congratulations former Board director and Member Dr Alice Killen on being appointed as a Member of the Order of Australia (AM) in the 2022 Australia Day Honours.

Alice was given the award for her significant service to medical administration and to health care delivery.

As well as being a Member of SDN, Alice has served as Vice President of the SDN Board and served on several Board committees including the Governance and Strategic Planning committees, and chairing our Research Ethics Committee.

Vale Bill Locke

It is with great sadness that we write about the passing of one of our long-term supporters, Bill Locke.

Bill was a committed champion of and contributor to our Aboriginal and Torres Strait Islander Scholarships. He was also active in encouraging further support from fellow members of the congregation at Killara Uniting Church in Sydney's north, which has collectively contributed to supporting 10 scholarships over the years.

We were delighted when Bill agreed to become a Member of SDN, and he will be greatly missed.





be involved

SDN's vision is for an equitable world where all children thrive. We believe in it is the right of all children to access high quality early childhood education, child care, and early intervention, regardless of economic circumstances, developmental status or cultural background. Our purpose is to promote and enhance the wellbeing, learning and development of children, in inclusive environments. As a not-for-profit organisation, we earn much of our

revenue through fee-for-service activities, as well as government funding. However we do need to find additional funds to extend our work to those who are particularly vulnerable and who otherwise might fall through the gaps.

SDN thanks all of our supporters, including staff, members, government, local businesses, donors, families, and other generous supporters.

Support from our families

Many of our children's education and child care centres are supported by **volunteer fundraising committees run by the families who use the centre**. The funds raised are used to buy additional equipment for the centre, or for special excursions.

Many of our families also donate to our annual '**Families helping families' fundraising campaign**, which funds scholarships for Aboriginal and Torres Strait Islander children and children with disabilities in our centres.

If you would like to support a local centre, **please contact us** to find out how.

Support from the community

We receive grants from **philanthropic trusts and foundations** to support our two early childhood scholarship programs, for Aboriginal and Torres Strait Islander children, and for children with disabilities or developmental delays.

We also receive donations from **corporations, trusts and foundations** to buy equipment for specific programs, such as our supported playgroups and our preschool for children with an autism spectrum disorder, SDN Beranga.

Support from our staff

SDN established its **Staff Giving program in July 2012** to support our Aboriginal and Torres Strait Islander Scholarships. In 2015 we extended it to include our Access and Inclusion Scholarships for children with a disability or development delay. It is a voluntary regular payroll giving program, and to date the program has contributed to a total of **28 scholarships**.

make a donation

We accept donations from philanthropic foundations, businesses and individuals for our work with our priority areas, including:

- ▶ our Aboriginal and Torres Strait Islander Early Childhood Scholarships
- ▶ our Access and Inclusion Scholarships for our early childhood centres

- ▶ our work with children and families facing challenges
- ▶ the SDN Building Fund.

Our subsidiary company, SDN Child and Family Services, is endorsed by the Australian Tax Office as a Deductible Gift Recipient, and donations greater than \$2 are tax deductible.

SDN Aboriginal and Torres Strait Islander Scholarships

In 2007 SDN established its Aboriginal and Torres Strait Islander Early Childhood Scholarships as it was apparent that **many Aboriginal children were not accessing mainstream child care and preschool** due to cultural barriers and costs.

These scholarships are one of the few funded education scholarship programs in Australia offered to **Aboriginal children in the early years before school**. They cover the cost of a child attending an SDN Children's Education and Care Centre, two days a week for one year. The scholarships aim to give Aboriginal and Torres Strait Islander children **access to high-quality early education and lay the foundations for lifelong learning**, ensuring more Aboriginal and Torres Strait Islander children can start school on an equal footing.

Since 2007, we have provided **scholarships to 136 children**, which has only been made possible thanks to donations from philanthropic foundations and individuals. You can see our list of supporters on page XX of this report.

SDN Access and Inclusion Scholarships

In 2015 SDN established its Access and Inclusion Scholarships to help to **reduce financial barriers and increase participation for children with disabilities or developmental delays** by covering the cost of a child to attend an SDN Children's Education and Care Centre, up to two days a week for one year. Our inaugural scholarships were awarded thanks to funding from long term supporters the Jenour Foundation. We have now provided **scholarships to 32 children**.

SDN Building Fund

In 1992 SDN set up a tax deductible Building Fund to assist with the upkeep and repair of SDN's buildings. This Fund is supported by donation only.

more information

To find out how you can be involved, call us on 1300 831 445 visit our website www.sdn.org.au, email us on info@sdn.org.au, or follow us on Facebook or Twitter [@sdnchildren](https://www.facebook.com/sdnchildren).



Mona Wilson Bequest

The Mona Wilson Bequest was given by Mona in memory of her sister Hilda Antill, who worked at SDN for 34 years from 1949 to 1983. The bequest was specifically to be used for the “Woolloomooloo Day Nursery” (now SDN Woolloomooloo).

Over the past year, the upstairs toddler play area at SDN Woolloomooloo was earmarked for upgrading, and in keeping with the bequest’s intent, SDN’s design team developed a brief in conjunction with the Centre Director and her team. This came to life in the hands of landscapers Puddleton Gardens, who have worked with SDN for a number of years

on our playground upgrades.

The building that now houses SDN Woolloomooloo was originally built in 1921 as a multipurpose site combining SDN’s Woolloomooloo Day Nursery, a kindergarten, a Baby Health Centre clinic, and a milk depot that provided access to sterilised milk from government farms. Over the years, the building has been adapted to now be entirely a long day care centre, and the **Mona Wilson Bequest has enabled SDN to maintain and upgrade this huge site** to keep pace with modern standards and requirements.



SDN Children's Services

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PO Box 654, Broadway, NSW 2007

View our full Annual Review at www.sdn.org.au/corporate-publications

Produced by SDN's Communication Unit | Photography by Anna Zhu | November 2022

Joint Vice-Regal Patrons: The Honourable Margaret Beazley AO KC, Governor of New South Wales and Mr Dennis Wilson