

# NDS Industry Vision Community of Practice

“Disability Employment  
Transitioning to Social  
Enterprise”



Bedford



# Bedford Purpose and Mission

**Purpose** – “We exist to support people with disability to live the life they choose”

**Mission** – “To provide people with disability a diverse range of programs from social experiences, accommodation, to open employment.”

# WHY - Change in Policy

The policy shift aimed at removing segregation has brought about a focus on the individual...



## Group Supports

- Large group congregate settings
- Limited outcomes for the individual
- Low intensity more frequent supports
- Lower individual cost
- Focus on group or task needs
- High volume low margin
- Low direct supports



## Individual Supports

- Focus on understanding individual
- No ownership of employment
- High intensity low frequency direct support
- Client outcomes focus
- Service delivery model/ direct relationship
- Low volume high margin
- Skilled staff

# WHY - Current Influences

Externally there is a lack of coordination between agencies and internally the old business model no longer works...

## External

- NDIA/NDIS – Employment not a focus or a good fit – immature contract
- FWC – Wages and Assessment Tools
- DRC – Likely disadvantageous to ADEs
- Centrelink – DSP – current position not to lift thresholds if wages increase – results in less hours worked
- DSS – Different employment model - \$67M of transition funding not yet allocated
- Political – NDIS cost exceeding all estimates
- Market – Resistance to change, lack of incentive

## Internal

- Transition to NEM incomplete, costly and cumbersome
- Mindset still in old business model
- Rising cost of compliance
- Admin growing – 1100 new customers, 1100 individual debtors accounts, service agreements, employment contracts, credit risks
- Inadequate systems
- Strong balance sheet
- Management and Board open to change

# WHY – The Macro/Micro Environment

There are many internal and external forces shaping the future of Bedford...



# WHY - Strategic Design Criteria

Based on the prevailing changes in the policy, social and disability environments, Bedford has new priorities...

## Independence Creation

- Focus on individual capacity development for all aspects of life with a focus on vocations
- Provide a continuum of opportunities needed given shortfalls in market and needs of people
- Respond to lack of real opportunities for employment for people living with a disability

## Funding Independence

- Diversify and create new revenue beyond core dependence on NDIS
- Align business unit purpose to core line of revenue e.g. Commercial → Customer revenue etc
- Ensure new lines of revenue are sustainable by achieving core purpose of primary funder

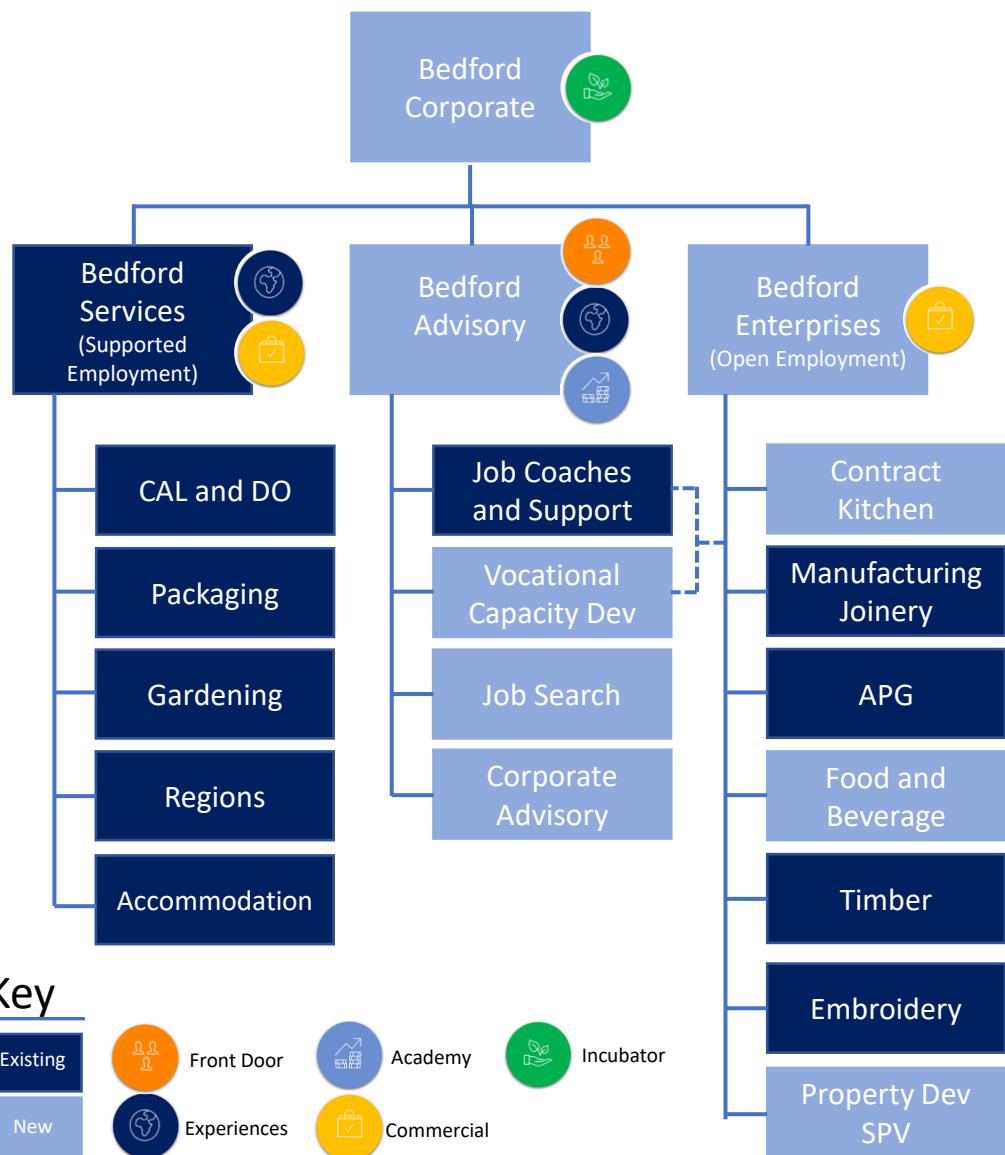
## Social Expectation Alignment

- Create well paid jobs of meaningful purpose and quality as well as the means to get there
- Create an environment that truly reflects the equity principles of inclusion and accessibility
- Ensure no one is left behind by considering both intelligent congregate and individualised support

## Self Sustaining

- Create businesses that are autonomous, able changes in their micro environment
- Limit mechanisms that create dependence, focus on throughput and capacity development
- Focus on services to deliver outcomes for individuals that meet their current and future needs

# WHAT - New Corporate Model

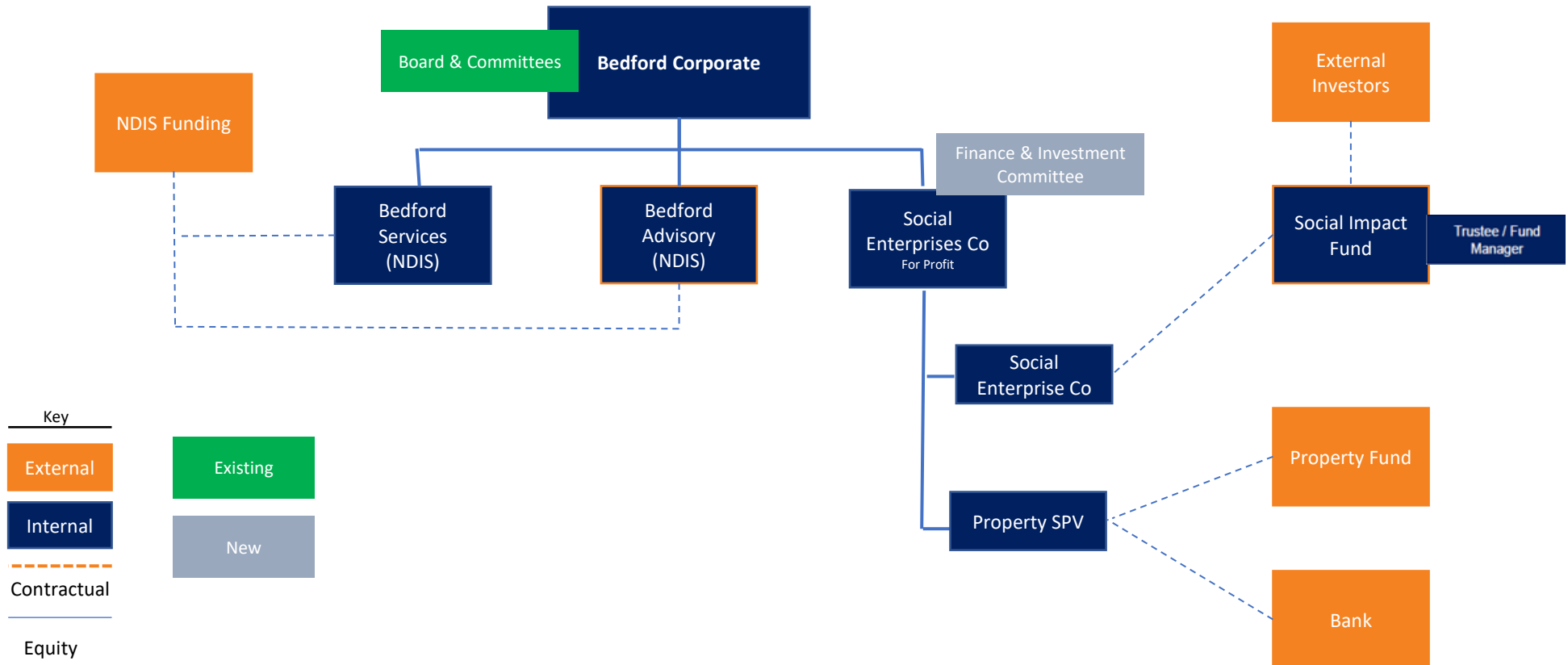


The proposed structure meets the criteria...

- **Bedford Services** – Provides Experiences, SIL and Supported Employment in appropriate congregate settings. Meets self sustaining criteria
- **Bedford Advisory** – Provides Front Door, Experiences and Academy. Meets all four design criteria
- **Bedford Social Enterprises** – Provides Open Employment services. Meets all four design criteria
- **Bedford Corporate** – Provides an incubator and meets Self Sustaining criteria. Lotteries and fundraising to cover corporate overheads.

# WHAT - New Corporate and Governance Model

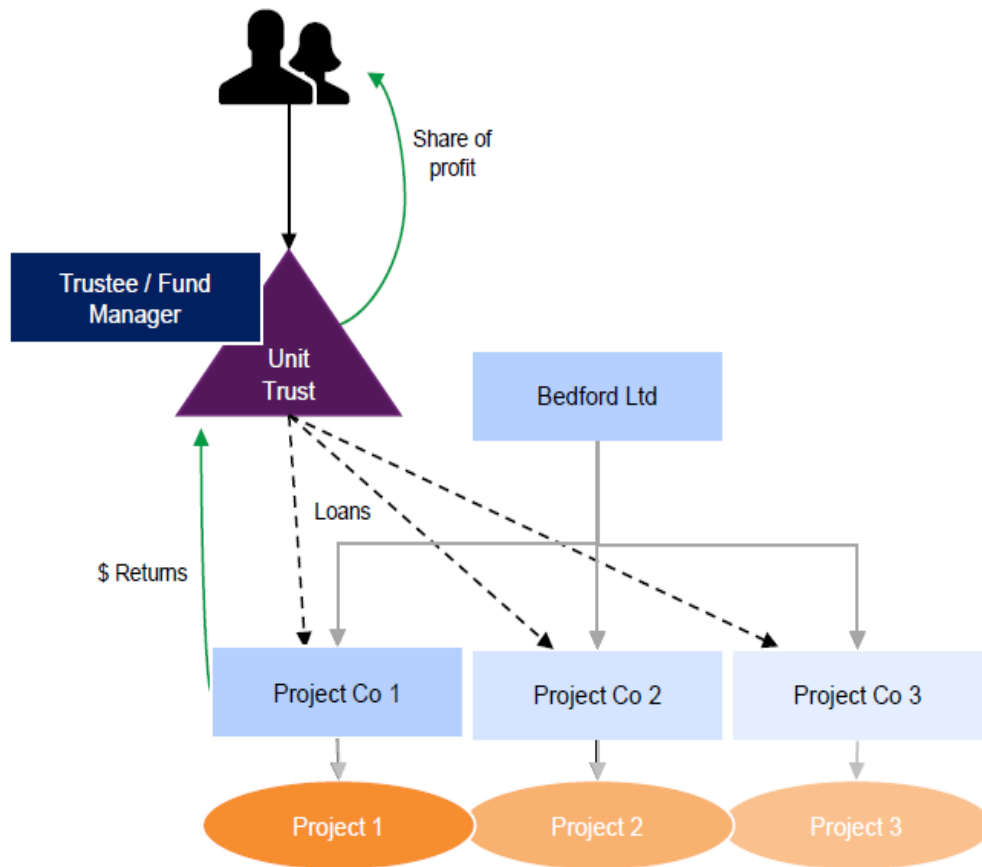
This model proposes new committees and structures aimed at improving and streamlining decisions...





# HOW - Establishment of SII Fund

The model connects external capital with Bedford projects, allowing the monetisation of a Social Dividend...



## Social Bonds

Investment will be driven by a combination of each project's capital needs as well as those of the investor. We can provide investor entry points via:

- Equity
- Debt
- Convertible Note
- Unit Trusts (SIF)

Recommendation is to undertake a low-risk cost effective pathway to rollout a pilot to prove we can bring external capital into Bedford, deploy the capital within a Bedford subsidiary business, measure the social impact, report to external investors and meet financial hurdles.

# Questions

## Brooklyn Park Kitchens Our first true social enterprise



Bedford



# Social Enterprises 🍀 Brooklyn Park Kitchens





Strategy Overview  
Strategic Evolution  
Impact Investment  
Brooklyn Kitchens

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# THE BEDFORD GROUP HAVE BEEN WALKING ALONGSIDE THE DISABILITY COMMUNITY NOW FOR OVER 75 YEARS



Bedford's Purpose is to support people with a disability live the life they choose. This is achieved by providing a diverse range of skill building opportunities from social activities to being a market leader in building social enterprises that provide true open employment.



We need to be progressive, bold, courageous and **act as a leader** in our sector.



People in our care, and those we employ, need to do more than just get by, we need to **provide everyone with the opportunity to learn, grow and make the most of their lives.**



This is **why Bedford will invest \$51m over the next 5 years** to achieve its strategic goals to further enhance its support to the Disability community.



 **75year+**  
History

 **\$50m+**  
Masterplan

 **1,500+**  
Clients

 **\$80m**  
Net Assets

 **18**  
Sites

 **230,000+**  
Hours of support

 **\$90m+**  
Annual Revenue

 **\$25m**  
Investment Fund

## STRATEGIC EVOLUTION

### **Bedford is becoming the market maker, investing in building social enterprises that will provide more pathways to Open Employment**

- Employment has always been part of Bedford's DNA.
- Unfortunately, there are limited industries today that currently provide open employment opportunities to people with a disability.
- For this reason, Bedford is now evolving by establishing new social enterprises whose purpose will be to provide open employment.
- The social enterprises will be run as “profit for purpose” entities that will generate a financial return for shareholders along side delivering a social impact
- Bedford's social enterprises will not rely on any NDIS or government funding to be financially sustainable.
- All people employed by the social enterprises will be given the platform to earn a full award wage with increased learning and development opportunities.





# IMPACT INVESTMENT OPPORTUNITY

Bedford is bringing its first social enterprise investment opportunity to the ESG capital market - a Commercial Contract Kitchen helping food manufacturers scale production.



The central commercial focus of Bedford's Contract Kitchen facilities is to manufacture meals and their components with a view to partnering with customers operating in the thriving ready-made meal market.



The Contract Kitchen can support food manufactures to scale by providing a fit for purpose site, cutting edge equipment, highly skilled labour, a full supply chain from procurement, storage to logistics, with potential for marketing and co-branding opportunities.



The social purpose of the Contract Kitchen is to provide an open employment platform to train and develop staff, so they have the skill to be employed in any kitchen across Australia.



Bedford's internal Investment Fund has provided seed capital for the establishment of the first pilot site at Brooklyn Park.



Bedford is now raising \$3.0 million through it's social impact fund to facilitate the growth of the business through the establishment of new sites with funds allocated towards purchasing new equipment, site fit out and working capital.



# BROOKLYN KITCHEN

## Brooklyn Kitchen is Bedford's first Social Enterprise



### SITE SELECTION

The Brooklyn Park commercial kitchen was carefully selected due to its proximity to existing Bedford sites, transport corridor access, safety access, and on-site co development opportunities with a canning line, brewery and restaurant in the same industrial complex



### EQUIPMENT

Equipment is state of the art, Australian manufactured, inclusive of local support and parts network. The majority of the facilities equipment can be programmed to specific recipe and process requirements allowing for accurate compliance to food safety programs including enabling 24hour operating hours.



### ENVIRONMENTAL IMPACT

Our EWater solution replaces 95% of the facility's chemical requirements. The site will be striving towards a zero-waste policy partnering with Foodbank and donating meals to homeless shelters.



### STAFF

Our facility's focus is to employee people in an open employment setting. There will be a social charter to employ a minimum of 20% of the workforce with a disability. The facility will employ up to 40 staff and will be a training ground producing some of Australia's best Chef's and Hospitality workers.



### TRAINING

Bedford will become a Host Employer partnering with a RTO to provide specific training programs and a continued pipeline of apprenticeships and trainees. The RTO will provide world class training solutions including specific tailored programs for people with a disability.



### QUALITY

The Brooklyn Park facility is governed by the Bedford Group food safety management plan. The plan ensures the facility is meeting and delivering on HACCP legislative requirements as well as state and local government regulations to ensure high levels of safe food handling practices





## BROOKLYN KITCHEN


**180 sqm  
Kitchen**

**80 Pallet  
frozen  
storage**


**125 Pallet  
cold storage**



### Capability Snapshot

 **2 x 8 hour shifts  
per day per  
kitchen**

 **Ready Made  
Meals - 1700  
per 8 hour shift**

 **900kg Raw  
protein into  
finished  
product per  
kitchen per  
shift**

 **Food Safety plan  
designed to  
facilitate  
vulnerable  
community  
capability**

## BROOKLYN KITCHEN Performance Pillars



## BROOKLYN KITCHEN Social Enterprise Focus – Capacity Building

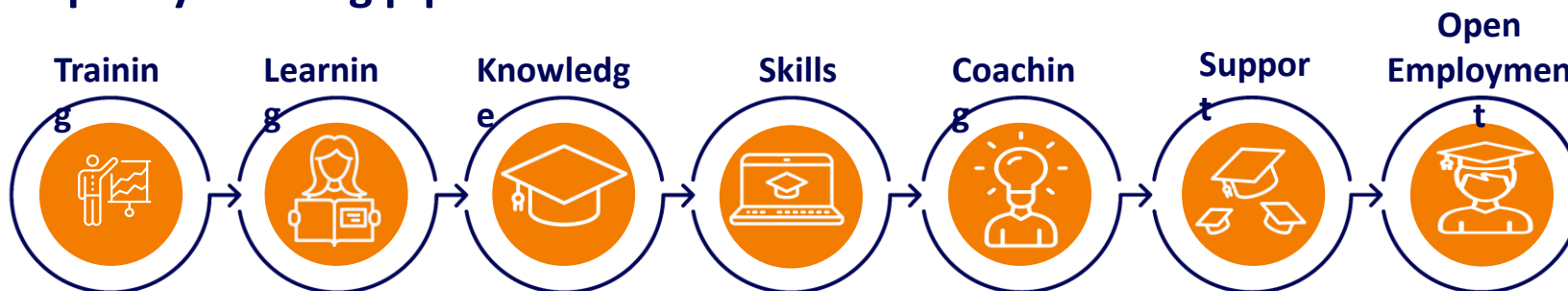
**Social Traders** are an advocate group dedicated to promote the skills and capabilities of social enterprise to the broader procurement community within private enterprise and government



**Adelaide Institute of Hospitality** a strategic partnership that delivers tailored learning packages designed to suit individuals inclusive of the disability sector. Employment offered to participants at award rates, training within our facility and focus on high quality, industry specific contemporary outcomes.

**ADELAIDE  
INSTITUTE OF  
HOSPITALITY**

### Capacity Building pipeline



## BROOKLYN KITCHEN Innovation, Environmental & Sustainability Approach

**Innovation, Environmental impact & Sustainability** are key areas of focus within our operation. Focus on emerging issues within this space greatly assists in supporting our mission, helps maintain competitive advantage and allows for proactive discovery opportunities within practice and procurement.



All equipment has a QR code, this allows our employees to return regularly to the safe operating procedure of each piece of equipment

### Enviro Focus

- Fully recyclable packaging, high % of biodegradable
- Dedicated food wastage / recycling process & policy
- Paperless focus

### E – Water system

A disinfectant, Sanitiser, all purpose cleaner that is able to wash food and replaces the use of 90% of daily kitchen chemical use

### Smart Equipment

- Ability to cook overnight
- One dial controls
- Fully programmable to recipe
- HACCP recording capable
- Dishwasher recirculate steam to heat water reducing hot water costs



# Bedford

## FIND OUT MORE.

Changing lives together.

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