



Hume Community Housing Association  
Annual Report 2016







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*Hume's Executive and Board of Directors*

# CEO and Chair Report

At Hume, 2016 has been another award-winning year of growth, implementing efficiencies, quality assurance and outstanding service provision, all achieved through excellent collaboration, strong partnerships and commitment to our Vision and Values.

Yet again we have concentrated our efforts on ensuring that our customers are at the heart of everything we do; that they have high quality and appropriate homes, as well as access to services that are pivotal in enhancing their quality of life and providing opportunities for them to reach their potential. **We have succeeded.** This Annual Report is full of examples of where we have done so.

In 2016, Hume has made significant progress against our objective to grow the supply of new affordable housing. Throughout the year we have commenced or continued construction on 111 new social and affordable housing properties. In addition, we continued to deliver on our NRAS program allocating 55 properties within the year through Hume owned, leased or managed arrangements.

Hume's commitment to continuous improvement ensures that the governance of our organisation keeps abreast with the growing complexity and risk profile of our work. In 2016, a significant element of this was to introduce an improved Enterprise Risk Management system, informed by extensive collaboration with the whole Hume team. We now regularly 'stress and scenario test' our future financial outlook and the impact of any new opportunities on our sustainable business principles. This activity now meets one of our key priorities to be a risk savvy organisation. The outcome has been to give confidence to our investors, stakeholders and commercial partners that Hume is a 'good bet'.



## Future Directions for Social Housing in NSW

In 2016,<sup>b</sup> the NSW Government released the Future Directions Social Housing Strategy. The strategy recognises the value of Community Housing Providers and commits to the transfer of new and existing properties to the sector. This will occur through a variety of different programs, with the objective to increase the supply of social housing, reduce the social housing waiting list and provide opportunities for social housing tenants to move out of the social housing system.

Hume welcomes the strategic approach and clear priorities set by the NSW Government through both the Future Directions Social Housing Strategy and the Premier's 12 Priorities. Hume's own strategy is aligned with NSW Government ambitions and, as such, positions us well to meet the NSW Government's objectives. Hume looks forward to working with the Government to co-design the delivery of the Future Directions Strategy.

## Customers at the heart of everything we do

Ensuring that our organisation is commercial and business savvy, without straying from our commitment to our vision and values, is a balance that Hume achieves exceptionally well.

**One of the ways we do this is to create an environment where our customers desire our services, not just need them.**

Hume chooses to use the term 'customer' for its tenants and applicants. The terminology recognises the role of customers in directing services, influencing policy and having a genuine role in determining practice. It embeds respect and engenders Hume's front line workers with an ethos of customer choice, ensuring the provision of high quality customer service. This approach has many benefits not least for our customers achieving better outcomes in their own lives but it also ensures we have outstanding performance results in many areas, such as low rent arrears and low void and vacant turn around times. This year the front line teams at Hume have concentrated their efforts and have achieved some exceptional performance outcomes.

What our customers think matters to us, which is why we have also introduced a number of new customer participation initiatives and mechanisms. This included utilising our own customers to act as 'mystery shoppers' and the launch of Hume's redesigned and highly accessible website. These new initiatives, mystery shoppers, digital inclusion activities for young people and the launch, mean that we are receiving more feedback on our services than ever before and they provide our customers with genuine opportunities to influence our service delivery.

Putting the customer at the heart of everything we do has meant that we have applied for and had a number of achievements in tender applications in 2016 that will enhance our service and property provision. These include the HEP – Energy Efficiency Project, the Domestic and Family Violence Response Enhancement Fund, the Social Housing Community Improvement Fund – The Shed Project Claymore and Communal Open Space Area Improvements in Liverpool. Again these successes have been led by Hume's front line team.

## The year to come

Hume's Board and executive are moving into 2017 with a refreshed outlook on our role where governance and people management are equal partners. New Board and Executive members have brought a new wave of enthusiasm and expertise and the overall feeling is we have a responsive and effective Board and Executive team.

Our big news will be the completion of the new Hamilton Road headquarters and residences along with several other innovative developments presently well under construction.

In 2017, we will use our expertise to take advantage of the tender opportunities that the Future Directions strategy creates for our sector, as well as continuing to implement a strategic plan that also focuses on creating our own destiny and diversifying income streams. Both allowing us to ensure our quality service provision for our customers will be sustainable for years to come.

Our overall strength continues to grow and our reputation of being "that little bit better" drives us further and higher.

We look forward to sharing a feast of achievements and seeing 2017 as the peak of our esteemed history.

With thanks,

Nicola Lemon  
**Chief Executive Officer**

Robert Vine  
**Chair**



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2016 saw changes in some key personnel at Hume and both Bob and Nicola would like to thank and congratulate the following people for their outstanding contribution:

Tony Conides, formally Chair, now in well-deserved retirement. Tony's commitment and length of service was a credit to his determination and achievements in his time as Hume Chair.

Estelle Ehmann, formally Director, now deceased. The untimely loss of Estelle's wisdom, tenacity and enormous skill set will be felt by Hume for years to come.

Mark Connolly, formally CFO and company secretary, now enjoying a quieter life. Mark's unwavering commitment to ensuring value for money across Hume has had lasting benefits.

Frank Lyons, Executive Assets Growth, retired back in his mother land, Scotland. Frank set up our development and construction team and secured our current property development pipeline. Thanks to Frank there will be new affordable housing provided to our customers for years to come.

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# The housing environment

## The increasing need for affordable/secure housing

Hume chooses to operate in areas of most need, in communities where sourcing and supplying homes that are affordable and financially sustainable is very challenging.

According to the NSW Government, the waiting list for social housing in NSW is now 60,000 households.

The below table from Housing Pathways NSW shows the social housing waiting list times in the Local Government Areas (LGAs) that Hume operates in.

	1 bedroom	2 bedroom	3 bedroom	4 bedroom
Ashfield	5–10 years	10+ years	10+ years	10+ years
Bankstown	5–10 years	10+ years	10+ years	10+ years
Campbelltown	5–10 years	2–5 years	5–10 years	10+ years
Fairfield	10 years	10+ years	10+ years	10+ years
Holroyd	5–10 years	10+ years	10+ years	10+ years
Liverpool	5–10 years	10+ years	10+ years	10+ years
Parramatta	5–10 years	10+ years	10+ years	10+ years

## Decreasing housing affordability<sup>1</sup>



- 40 per cent of Australians are locked out of rental affordability
- First home buyers are at a record low of 10 per cent
- Rental affordability has declined, with rent increasing by over 45 per cent
- Home ownership in Australia is falling, with Sydney being the least affordable city
- Household average weekly income is currently \$1,499.30 (Nov 2015)
- In March 2015 an average of 31.5 per cent of household income was spent on home loan repayments
- In March 2015 the average rent was 24 per cent of a household's income

*“Housing affordability has continued to cycle between 20 and 30 per cent and is currently well below previous peaks.” – Reserve Bank*

<sup>1</sup> Information from National Shelter, <http://www.shelter.org.au/>, Rental Affordability Index 2016, [www.sgsep.com.au/publications/rental-affordability-index](http://www.sgsep.com.au/publications/rental-affordability-index)

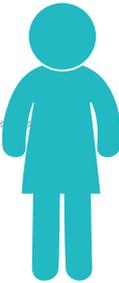


## Increasing homelessness<sup>2</sup>

More than 100,000 Australians are considered homeless — that's 1 in every 200 Australians

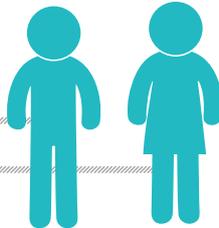


44% of homeless people are women



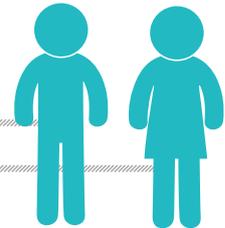
Of all people staying in boarding houses:

- 75% are men
- 25% are women



Of all people sleeping rough:

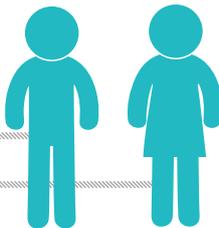
- 68% are men
- 32% are women



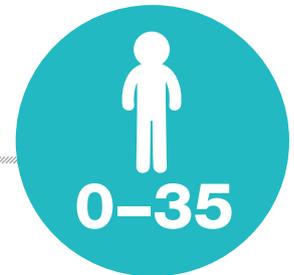
25% of homeless people are Aboriginal and Torres Strait Islander people

Of all people staying in supported accommodation:

- 49% are men
- 51% are women



60% of homeless people are under 35 years old



## Where are homeless people staying?<sup>3</sup>

- Improvised dwellings, tents or sleeping rough — 6 per cent
- Supported accommodation for the homeless — 20 per cent
- Staying temporarily with other households — 17 per cent
- Boarding houses — 17 per cent
- Other temporary lodging — 1 per cent
- Severely overcrowded dwellings — 39 per cent

<sup>2</sup> Information from Homelessness Australia, [www.homelessnessaustralia.org.au/index.php/about-homelessness/homeless-statistics](http://www.homelessnessaustralia.org.au/index.php/about-homelessness/homeless-statistics)

<sup>3</sup> Figures obtained from ABC FactCheck, [www.abc.net.au/interactives/homeless/](http://www.abc.net.au/interactives/homeless/)

# Hume's Vision, Values, Guiding Principles and Strategic Focus

The decisions and actions taken by the staff at Hume are directed by Hume's Vision, Values, Guiding Principles and Strategic Focus. Hume staff are proud to be part of a values-led organisation that is striving to achieve its Vision through a very clear, articulated Strategic Focus.

## Our Vision

*We create vibrant, sustainable and cohesive communities through the delivery of outstanding homes and equitable services.*

## Our Values

### **We are champions of change**

- Advocate for those who are marginalised
- Create freedom through choice
- Drive continuous improvement
- Develop through self-reflection
- Inspire others to action and change

### **We are creators of connectivity**

- Are passionate about people, families and communities
- Bring people together
- Support and encourage community empowerment
- Practise social justice
- Enable social inclusion
- Celebrate diversity

### **We are determined to succeed**

- Do what is right
- Are dynamic, resourceful and efficient
- Deliver positive social, environmental and financial outcomes
- Get results
- Rigorously deliver value for money
- Make decisions that ensure longevity

### **We are builders of resilience**

- Step up to the challenge and make a positive impact
- Strive for balance and perspective
- Enjoy a laugh
- Take time to be grateful



## Our Guiding Principles



### Housing continuum

We acknowledge the need for appropriate accommodation at every stage of life's journey. For this reason we offer our customers a broad range of accommodation choices.



### Housing Plus

We coordinate support and opportunities that create the concept of choice, allowing our customers to achieve their full potential.



### Valued customers

We recognise, listen to and acknowledge our customers individually. Our customers are at the heart of everything we do. We adhere to social justice principles and our customers have a genuine opportunity to influence and shape the services we deliver to meet their needs.



### Community anchor

We promote a village approach to community living, providing incentives and opportunities for connecting, learning and employment. We build self-sufficiency and community wealth, which enables communities to achieve their full potential. We increase our knowledge of our communities through good research and consultation.



### Value for money

We are a professional, properly supported and efficient organisation. We transparently manage resources, growth, procurement, financial stability and risk.

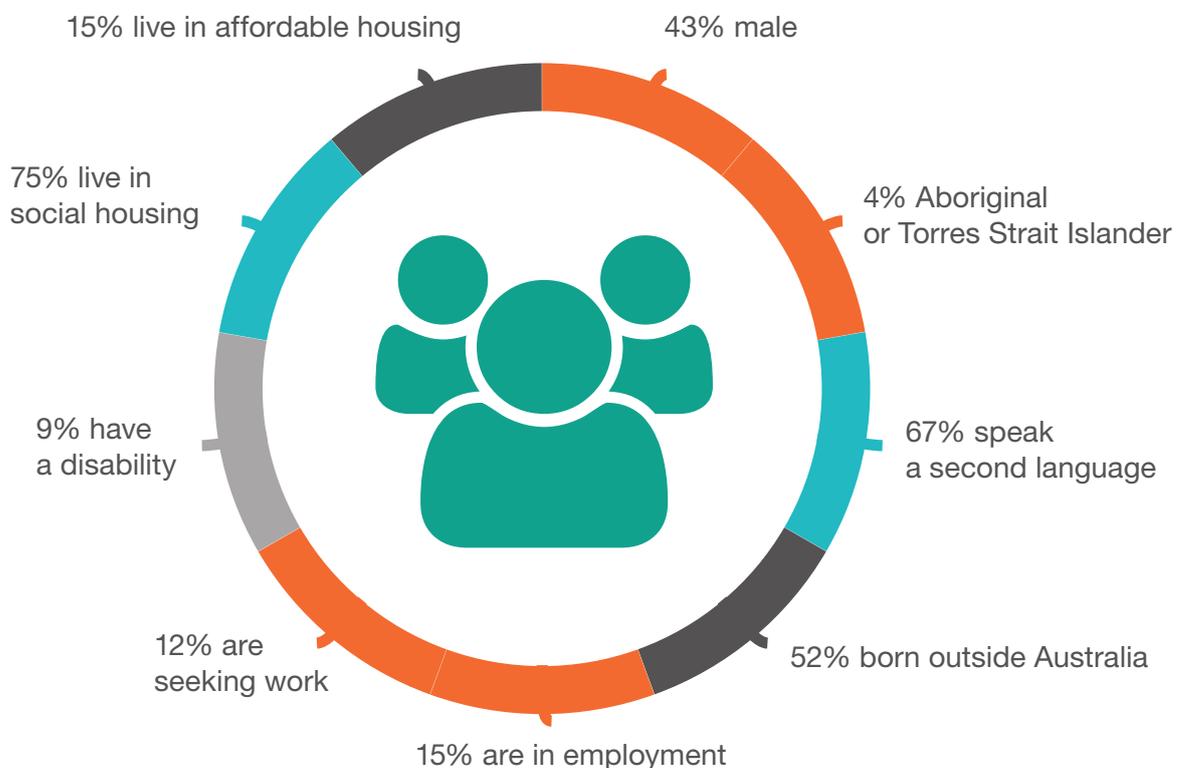
## Our Strategic Focus

Hume is achieving against the Strategic Focus documented in its strategic plan 2013–2018. This focus provides direction to the organisation through the strategic period and informs the robust planning, budgeting, delivery and reporting processes utilised at Hume.



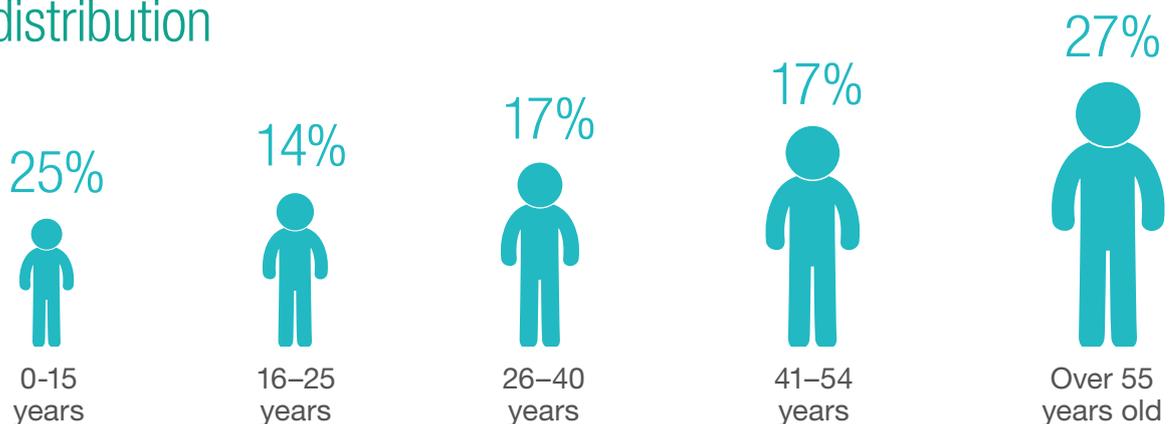
# Hume's customers and housing portfolio

## Hume's diverse customers



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## Age distribution



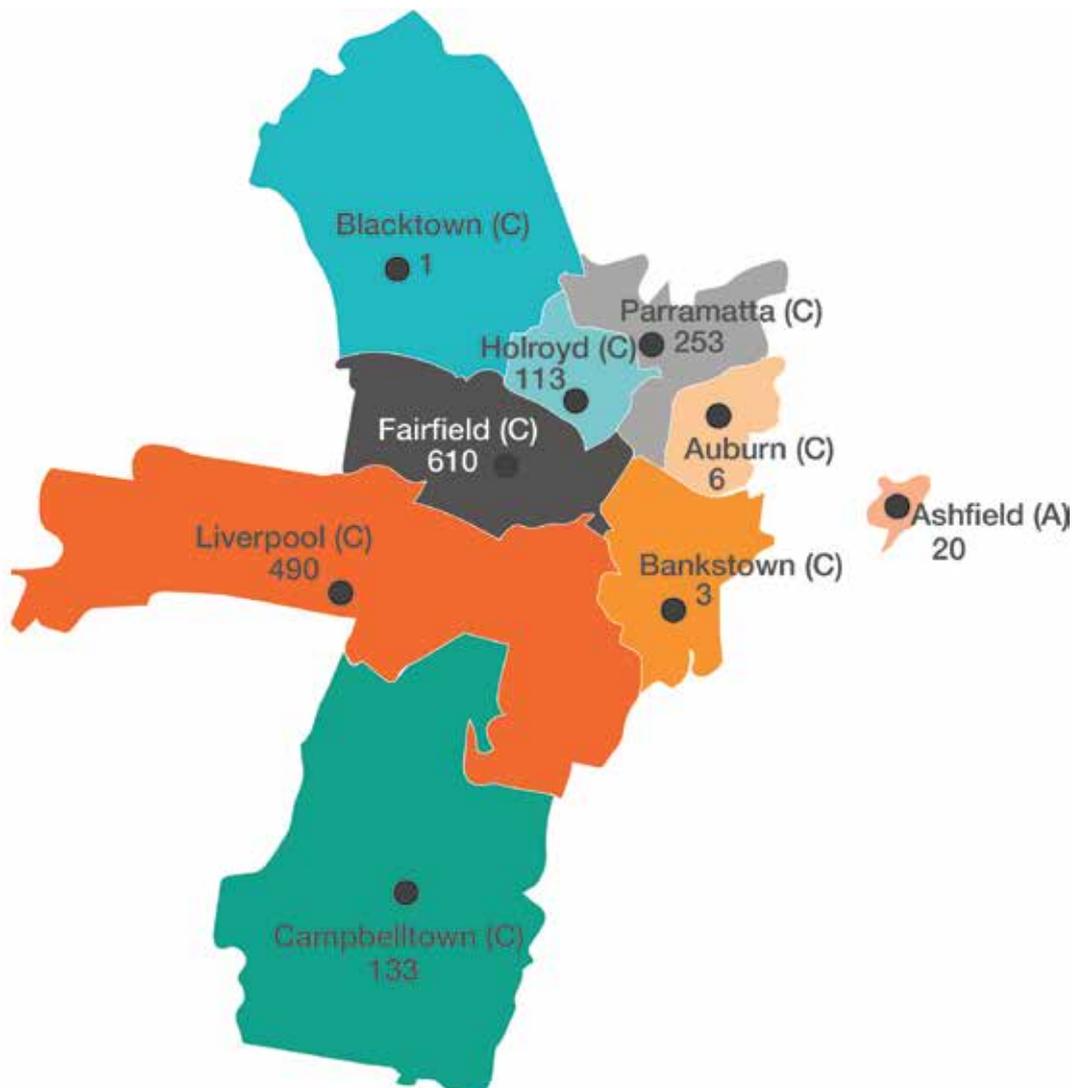


## Tenancy length

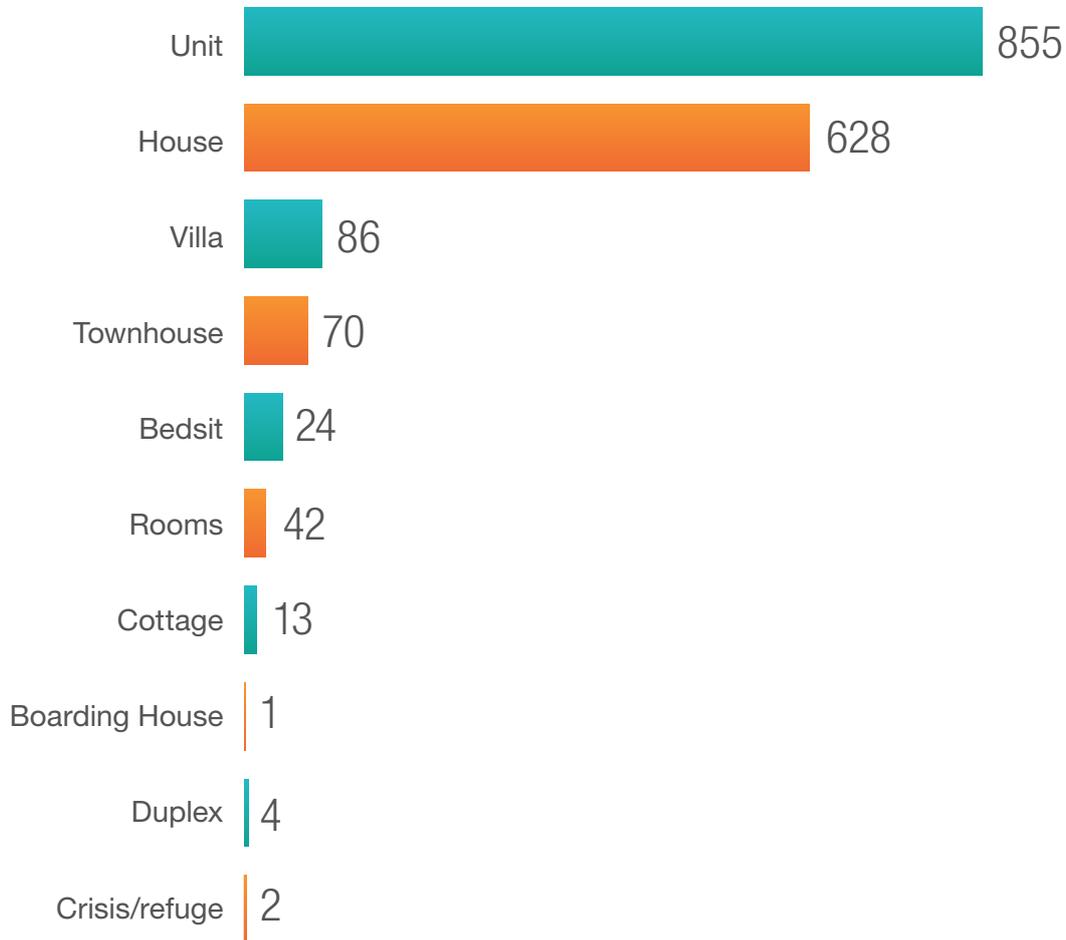


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## Hume's presence by LGA

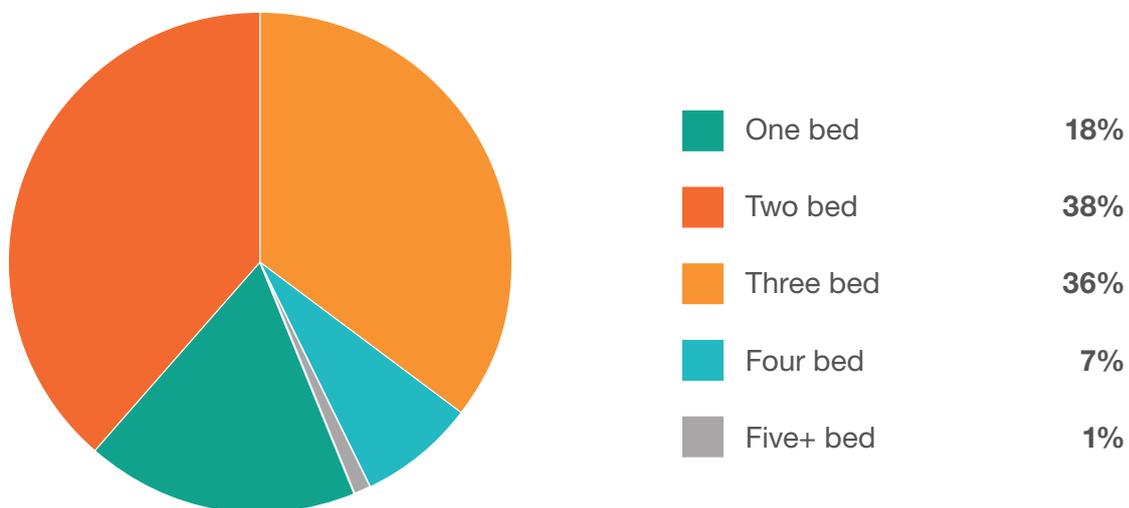


## Types of properties




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## Number of beds per property





Shortland St, Telopea

# Hume's services

Hume combines effective and robust tenancy and asset management with a suite of innovative services that respond to its customers' goals and needs. This provides real outcomes for customers and communities.

The organisation has a particular focus on education, training and employment supports to increase social and economic participation and enable movement across the **housing continuum**. Hume provides support and services to help individuals and communities, build independence and choice of destination and reach their full potential.

The Guiding Principle of **valued customers** is demonstrated in every interaction. Hume chooses to use the term 'customers' for its tenants and applicants. This terminology recognises the role of customers in directing services, influencing policy and having a genuine role in determining practice. It embeds respect and engenders Hume staff with an ethos of customer choice — ensuring the organisation provides high quality customer service. This 'customer at the heart' ethos is a point of difference that Hume is particularly proud of.

Hume takes a **Housing Plus** approach recognising that once housed, customers may need extra support. This support encourages choice, enabling customers to increase their social and economic participation and achieve their full potential throughout their life journey.

Hume promotes a village approach to community living, building independence and choice to enhance community wealth. As a **community anchor** Hume brings together individuals, groups, support services, agencies and local businesses to provide opportunities for self-empowerment so that community goals and needs can be met.

# Moving through the

# Housing continuum

  
Crisis and rapid re-housing

NEXT EXIT VIA  
-Security  
-Reconnection  
-Family  
-Services  
-Support

  
Social housing

  
- Stability  
- Connection  
- Ageing in place  
- Community

NEXT EXIT VIA  
-Stability  
-Goals  
-Training and education  
-Employment  
-Aspirations  
-Support  
-Capacity

  
Affordable housing

NEXT EXIT VIA  
-Stability  
-Financial literacy  
-Capacity

Social housing      Affordable housing      Private rental





Affordable housing      Supported home ownership

Private rental      Home ownership






Private rental      Supported home ownership      Home ownership







## Real outcomes for customers – Housing Independence Program

The Housing Independence Program (HIP) demonstrates Hume's ability to support customers to maintain their tenancies from point of entry, driven by a crisis or trauma situation, through to their exit into the private rental market – a capacity-based decision. With the growth of the affordable housing portfolio, Hume can then support them to transition into a rent subsidised affordable property. The HIP allows for an intensive support and capacity building program to be undertaken. This often reduces the burden on the social housing waiting list by transitioning customers into housing that they can sustain.

The HIP directly contributes to the NSW Government priority of creating sustainable housing by:

- increasing the number of households transitioning out of social housing/not relying on social housing as the destination
- ensuring the safety net is in place for those most vulnerable
- offering alternative sustainable housing options
- supporting customers to exit the cycle of homelessness and disadvantage.

Hume has expanded the HIP to include temporary accommodation support services. Hume staff provide daily case planning and management to help customers create pathways to re-enter the housing market. This includes assisting customers to:

- identify appropriate rental opportunities
- get the required documentation for rent applications
- get referrals to support agencies
- manage their finances
- complete education initiatives such as Rent It Keep It.

In 2016, 121 customers exited crisis housing to sustainable, safe housing. 31% of exits were into the private housing market.

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## Our customers staying connected



**Guiding Principles:** Housing continuum and Housing Plus

**Strategic Focus:** Supporting customers and maximising individual potential

In early June 2016, a single father caring for four children due to the incarceration of his partner entered Hume's Temporary Accommodation Program (TAP). They had been evicted from their rental property due to it being sold. The children, aged 11, 9 and 5-year-old twins, were heavily involved in local sports that required weekly training. It was important that this community involvement was not jeopardised by relocating out of the area. The family had three dogs which had become the children's main companions, so a pet-friendly rental was also an important requirement.

During his time in the TAP the customer demonstrated his capability to sustain a tenancy. However, he needed help to find a suitable property due to the size of the family.

Hume liaised with the NSW Government Family and Community Services (FACS) by updating Pathways and explored housing options through various real estate agents. Hume also helped the customer with property viewings, submitting rental applications and advocacy and negotiations in regards to the acceptance of pets. Hume staff worked closely with support partner, Doorways For Men With Children, in order to find a suitable and affordable place for the family.

**Impact:** Two months after entering the TAP the customer had successfully exited the program into the private rental market. The property was affordable and well located. It is expected that the tenancy will be sustainable as wraparound support has been extended.

**Outcome:** Safe, secure and sustainable housing for the family, enabling connections to be maintained with minimum disruption to children's schooling and family life. Intense support at the time of need, done well, helps customers to secure housing outside of the social housing system.

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## Seniors housing

Hume's programs aim to ensure that people have equal access to support at every stage of life's journey. As such, Hume is committed to making sure that senior customers (aged 55 years and over) are linked to the support they need to live fulfilling and active lives. To achieve this Hume has collaborated with senior customers, their families and support networks to design a customised tenancy management and support program.

Hume is committed to improving levels of engagement, delivering tenancy sustainability initiatives and allocating suitable housing to meet current and, where possible, future accommodation needs for its customers. The organisation's ethos is focused on active ageing principles — removing the barriers of social isolation and making sure customers receive core services and support, as and when required. The introduction of Hume's dedicated Senior Housing Coordinator provides tailored assistance and services beyond tenancy management including active ageing activities. This has allowed Hume to successfully deliver on its aims.

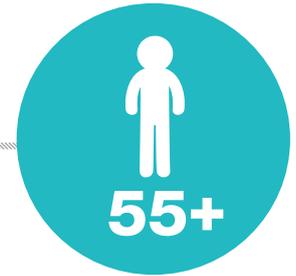


## Seniors statistics

Eight dedicated seniors complexes



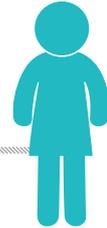
26% of Hume tenants are aged 55 years and over



20% of Hume senior customers speak another language



62% of Hume senior customers are female



## Our customers living life to the full

**Guiding Principles:** Housing Plus, valued customers and community anchor



**Strategic Focus:** Customer focused, customer driven, supporting customers and maximising individual potential

Many seniors become isolated in their homes and are not aware of the support available to them. Social inclusion and connection as well as practicable support are an important part of assisting seniors to live happily and healthily in their homes. In collaboration with UnitingCare, Hume sought to increase the opportunities for support and social inclusions for this particular group of seniors. A morning tea was organised for Hume customers to meet UnitingCare. Since then UnitingCare has begun supporting customers and using the community room for recreational activities on a fortnightly basis. UnitingCare also provides a Chinese interpreter.

UnitingCare conducts aged care assessments with Hume customers. This allows UnitingCare staff to identify those in need of support services in their home and provide them with the level of care needed to live in a healthy, happy and sustainable tenancy.

*“UnitingCare values its partnership with Hume Community Housing, including working closely with Hume to provide their older customers with information, care and support services such as Home Care Packages and our Healthy Living for Seniors program.”*

–UnitingCare

UnitingCare liaises with Hume for any customer needs that requires further support or referral.

**Impact:** Through this initiative and the collaboration with UnitingCare, Hume has been able to tailor solutions to individual needs and support its senior customers to maximise their enjoyment of life. The collaboration continues to provide assistance to customers and their families with chores, home and property care and connections with available support services. This has resulted in:

- a happier environment
- improved health
- a sustainable community within the Seniors Housing Complex and the seniors in the surrounding area.

## Social housing

Social housing is for people on low to moderate incomes who can't afford to rent in the private market. Rent for these homes is based on household income.

Social housing is managed by community organisations like Hume, as well as by Housing NSW.

## Affordable housing

Hume is one of the largest providers of affordable housing in NSW with 290 owned or managed properties and is currently developing and delivering 69 new properties in collaboration with investors and developers.

Affordable housing programs are designed to support people on low income to access modern housing, conveniently located to areas of high employment, support services, efficient transport, health and education facilities.

**National Rental Affordability Scheme** – Hume delivers affordable rental housing for low to moderate income households (individuals and families) under the National Rental Affordability Scheme. At least one member of the household must be working and the rent is discounted by up to 20 per cent. This enables individuals and families to afford other essential living expenses and the potential to save for a home purchase.

Compliance to this scheme is audited on an annual basis and for the third year, Hume has been found to be 100 per cent compliant.

### Affordable housing statistics

- 50 per cent of Hume customers transitioned to the private rental market
- 28 per cent of Hume customers transitioned to larger accommodation or a property with higher rent, in their desired location, due to increased household income. The period in the affordable housing program allowed this choice to occur.





Senior customers at the Seniors Gala Concert

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## Our customers choosing independence from social housing



**Guiding Principles:** Housing continuum, Housing Plus and community anchor

**Strategic Focus:** Supporting customers, maximising individual potential and generational change

Valentina and Alfredo spent their childhoods in social housing with their parents, which built in them a desire to be independent from the social housing system.

Valentina and Alfredo have proactively sought out opportunities through their studies, training and employment to equip themselves for independence and creation of their own journey and future destinations.

Valentina is in her third year of a double degree in criminology and law while working part-time for Mecca Cosmetics (Australia's largest cosmetics company). Valentina also tutors primary and high school students. Most importantly, Valentina's commitment to her work has meant that she is coming close to achieving one of her life goals — purchasing a property of her own.

Alfredo is currently completing his apprenticeship in mechanics. Alfredo is the handyman of his community and anybody who has car issues or is looking to buy a car comes to him for advice.

Their mother, Khalida, has made lots of friends through her involvement and participation in Hume's customer representative committee – Tenant's Voice, and credits the group for encouraging her to learn English. Khalida's husband, Zaya, is an active member of his community through his beekeeping and recent completion of 100 blood donations at the Red Cross.

**Outcome:** Social housing has provided the family with safe, stable and sustainable housing, enabling them to maximise the potential of themselves and their children. Through community connection, education and building of individual capability, the next generation have the ability to create their own journey and future destinations independent of the social housing system.

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# Housing Plus

Hume supports a housing first approach with Housing Plus wraparound services to support customers to build independence, choice and their own destination.

## Reaching potential through employment and learning services

Employment plays a vital role in reducing social and economic disadvantage. Hume provides a holistic approach, through Housing Plus, to address homelessness and achieve improved housing outcomes for its customers. More specifically, the organisation recognises the social and economic impact employment can have on:

- Health and wellbeing
- Strong and cohesive communities
- Safer communities and reduced crime
- Financial security and independence
- Economic growth
- Living standards
- Education outcomes
- Housing options

Hume recognises the important role it can play in having an impact on improving employment outcomes for its customers and communities through the delivery of its core business functions such as construction and development, asset management and community cohesion activities.

Hume's Employment Opportunities Framework has been developed to guide its understanding of the role Hume plays in creating employment opportunities. The framework encourages strategic thinking on services, programs, support, partnerships and resources that can be connected to enhance the lives of Hume's customers and improve local neighbourhoods through the creation of improved employment outcomes.

The Employment and Learning Opportunities Program, led by the Community Cohesion Team, starts with understanding the individual customer's goals, interests and needs. The team then works with customers to build their capability to realise their employment and learning goals via access to opportunities.

Hume builds relationships with potential employers, training and education providers who can provide opportunities for customers, based on their interests and goals.

The Employment and Learning Opportunities Program supports the achievement of the NSW Government's Future Directions for Social Housing in NSW policy, particularly the strategic priority:

**“More opportunities, support and incentives to avoid and/or leave social housing.”**



## Our customers building capability

**Guiding Principles:** Valued customers



**Strategic Focus:** Customer focused, customer driven and maximising individual potential

*“I sent my resume to the manager and got the interview for a casual position. Sarithya offered me some tips before I went to the interview. I was excited to be offered the casual position and can’t wait to start my work.” — Amal*

Amal learned of Hume’s Employment and Learning Opportunities Program via a customer meeting held by Neighbourhood Services Team in Liverpool. After the meeting Sarithya Tuy, Community Cohesion Officer, followed up with Amal to talk about the program and talk about her aspirations of working as a library technician.

With assistance from Sarithya, Amal improved her resume and widened her search for roles through different online job sites. Amal was able to secure an interview at Fairfield Library after submitting her resume and being introduced to the manager by Sarithya. Sarithya was able to give Amal some interview tips and advice and as a result, Amal was successful in securing a casual position at the library. She started the training for her new role in August 2016.

Hume is an active participant of the Fairfield Multicultural Interagency meeting, convened by Fairfield City Council and CORE Community. Through participation in this network Hume has built an understanding of the Council’s structure, services and staff — helping Hume to link customers with opportunities in the area.

**Outcome:** Customer secured employment which will enable her to build her capability and capacity to choose her own destinations in life.

*“I would like to thank Hume community officers who did their best to assist me in taking the first step into doing the job I have always dreamt of doing.” — Amal*

## Youth Housing Options Project



Youth Housing Options Project (YHOP) provides multi-layered support to young people through building their ability to make housing choices that are best suited to their needs, limitations and future goals.

In consultation with young people from CORE Community Services, three training workshops were developed around key issues and in the preferred format for participants.

Hume discovered that language and workshop content were important factors for engaging with young people. As such, YFoundations was brought on board to co-develop and co-facilitate the training workshops with Hume. YFoundations is an established leader in youth homelessness policy development and a promoter of youth leadership through the education sector.

The training workshops encourage young people to bring their expertise, knowledge of their strengths and limitations and housing experience into the conversation. The workshops guide their ideas and goals through discussion that unpacks housing options, sustainable housing and healthy living. Additionally, participants are supported to name and expand their support networks.



*YHOP workshop participants*

After the training, young people take part in a case conference with their referring support service. Their achievements are celebrated and their goals are articulated. Participants are also given the opportunity to utilise the professionals in the room to help them integrate their housing goals into their existing case plan in a way which is motivating and practical to them.



Young people stated that they would like to continue to access support and information like that delivered in YHOP training workshops, post-engagement. As a result, the Youth Housing Options Project Facebook page was created [www.facebook.com/Youth-Housing-Options-Project](https://www.facebook.com/Youth-Housing-Options-Project)

The page intentionally reflects the casual and approachable tone applied in the YHOP training workshops. The page also creates a private space for young people to access tailored support when issues arise in the first six months of a new tenancy. It engages them while they are still practising the skills introduced in the training workshops and navigating new issues associated with sustaining stable and independent accommodation.

The YHOP partnership with CORE Community Services is supported by both organisation's mutual investment in young people in transitional housing. CORE also provided funding to support the development and implementation of YHOP.

**YFoundations** — a leading body and policy driver in the youth homelessness sector. When engaging with young people it is crucial that the training is youth focused and the language of young people is used.

*“We are confident that this work will spark other training initiatives. We have also enjoyed the opportunity to connect with the young people we represent – along with staff from Hume and CORE, the young people's openness and candour has been invaluable in crafting training that is both effective and engaging.” – YFoundations*

**Western Sydney University** — understanding of location, demographics and complexity of issues facing young people who are homeless in Western and South-Western Sydney. Hume felt that a pilot program evaluation would be most credible as a body of work if it was assessed by an educational institution that is familiar with the issues Hume is addressing and reputable to the people Hume supports.



## “ Evaluation through direct feedback

*It was more insightful than I was expecting and offered great information about youth housing options. It was well thought out and very organised. It's definitely something helpful to those who aren't sure about their tenancy rights and their options for housing. And the pizza was great too! – Naua age 17*

*It gives you the knowledge what to look for when you apply for a house, and make sure you do your research for when you inspect a house. I had so much fun with Alison, Colin and fellow class mates and I will do it again. – Jennifer age 21*

*It was worth waking up early for the workshops as they were awesome. They are fun and serious all at the same time and fun activities to participate in... It was extremely helpful and wouldn't say no to going again. – Shantelle age 22*

## Mental health programs

Hume recognises that mental health issues and illnesses are common amongst the communities it works in. Mental illness has a substantial impact on individuals and their families as well as the wider community. Due to successful grant applications to Partners in Recovery, Hume has been able to fund the implementation of the Mental Health Business Project (MHBiz) over the past 14 months. The identified outcomes are:

- supporting positive impacts on individuals and neighborhoods
- sector capacity in the areas of supporting and understanding those with mental health issues and illness
- building respect and inclusion.

MHBiz is a sector-first project. It aims to increase the knowledge and skill base of both customers and staff to support people affected by mental health issues. MHBiz promotes acceptance and inclusion of people experiencing mental health issues as well as supporting their family and friends. The program is a two-way communication process that lets customers provide feedback and suggestions on Hume's:

- service delivery
- management of community conflict
- proactive measures to help customers maintain their tenancies during periods of mental health episodes or hospitalisation.





*Mental Health First Aid Training*

There is an ownership, pride and learning journey underway and it is transforming Hume's approach to customer service and how its team members respond to complex situations compounded by mental health issues. This transformation is flowing into our communities and building social capital and cohesion.

MHBiz is sustainable because customers are long-term advocates and drivers of service improvements. They are also developing and leading peer support programs.

MHBiz has been developed and evaluated in line with the outcome measurements of the Hume Evaluation Framework and in preparation for the outcome measures required through the Future Directions policy.

### **Outcome 1: Impact on individuals**

- The achievement of a recognised qualification is a starting point for customers who want to expand their educational attainment levels. It builds their confidence and capacity to potentially re-enter the workforce in an identified future employment growth area of personal care.
- Customers identify personal care strategies to ensure their own wellbeing while supporting others with mental health issues.
- Customers engage with others and participate in community activities. They take on responsibility for events which are capacity building activities for themselves and contribute to a community's social capital.

*Through MHBiz 23 customers and 16 staff members  
are accredited Mental Health First Aid Officers.*



## Outcome 2: Impact on neighbourhoods

- Build the capacity of Hume customers to be good neighbours.
- Connect people to their neighbours, relatives and broader community.
- Facilitate links between customers and local services.
- Encourage community-led networking and community building.
- Encourage and facilitate participation in existing neighbourhood events.
- Build skills and capacity of customers to engage in and lead neighbourhood-based activities.
- Facilitate customers to lead the decision making and delivery of activities.

## Outcome 3: Impact on sector capacity

- The training and project measures Hume has in place have expanded its capacity to meet the challenges of delivering housing and wraparound support services.
- 90 per cent of staff reported that the information provided during the training was relevant and could be applied to their work.
- 94 per cent reported that they have an improved understanding of mental illness and mental health as a result of the training.
- 77 per cent reported that the training challenged their thinking about mental illness and those experiencing it.
- 89 per cent reported that the training was helpful to their work with customers.



## Project Uncover – hoarding and squalor



Project Uncover has incorporated customer participation and inclusion from the outset.

Hume contracted experienced mental health peer worker and consumer consultant, Douglas Holmes. His role is to engage with people who have a personal experience of hoarding and living circumstances where there are health and safety risks. Douglas established the Lived Experience Leadership Group, which has been chaired by Judy Nicholas since September 2015. Judy is well known for publicly sharing her experience with hoarding disorder and the ups and downs of her recovery.

The group is made up of core members who meet once a fortnight. The group recently held a Lived Experience Consultation. As a result the group has grown significantly. The group has called themselves the 'Collectives' and meet once a month with a view to helping others by contributing their hard-earned learnings and wisdom.

Priorities identified by Project Uncover include:

- Supporting service providers to:
  - understand the role of language in addressing the stigma associated with problematic hoarding and squalor
  - engage people experiencing this problem in support, care and treatment as early as possible
  - understand and implement trauma informed care and strengths based practice when seeking to assist a person with problem hoarding and/or health and safety risks at home.
- Enabling service providers to learn from people with personal experience of problem hoarding to identify what helps and what hinders people seeking help and embarking on a journey of recovery.
- Working together to research, identify and promote helpful approaches and resources for working with people with problem hoarding and/or health and safety risks at home.
- Exploring how professional practice and service delivery with people experiencing problem hoarding can be improved and developed.





The Collectives

The Collectives developed a statement of purpose, group rules, priorities and a work plan.

The Collectives focus on promoting awareness of problem hoarding and promoting the health and wellbeing of people experiencing and impacted by problem hoarding.

In essence, the Collectives have become a volunteer working group of people bringing together lived experience and professional expertise to:

- support people experiencing problem hoarding
- promote awareness and understanding of problem hoarding — its signs, symptoms and impacts and the range of care, support and treatment that is available to assist people to change and recover
- reduce stigma around hoarding.

Key priorities of the Collectives are to:

- prepare and distribute information throughout the community about problem hoarding from the perspective of lived experience
- prepare and distribute resources outlining self-help and personal recovery strategies for people experiencing problem hoarding
- prepare and give advice to service providers, family and friends about how to best help and support people experiencing problem hoarding.





Fairfield Family Fun Day

# Community anchor

Hume's Community Cohesion Strategy was developed to guide its understanding of the role it plays in communities.

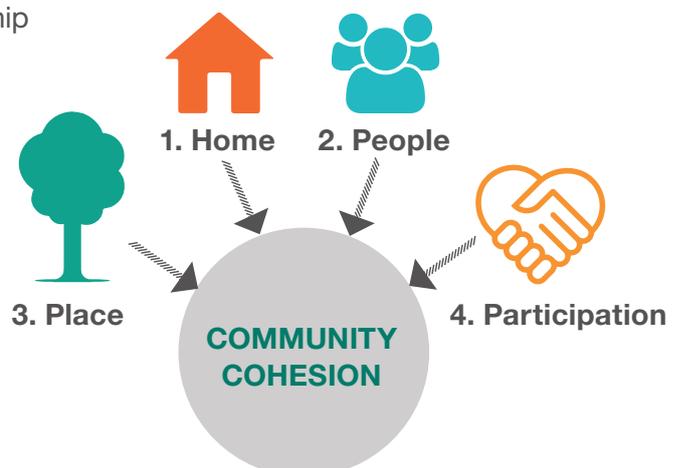
The strategy encourages strategic thinking on services, support and resources that can be connected to enhance the lives of Hume's customers and improve local neighbourhoods — respecting the unique people and place characteristics in the eight LGAs within the Hume portfolio.

Hume aims to achieve community cohesion by:

- building capacity and resilience in its customers
- facilitating community-led change and leadership
- building partnerships with customers and local services.

These partnerships have four outcome areas:

1. Sustaining home
2. Connecting people
3. Creating place
4. Facilitating participation





# Community cohesion in action – Seniors Active Ageing Program

Hume’s Seniors Active Ageing Program is an initiative under the Community Cohesion Strategy. By focusing on the key outcomes of the strategy, the following activities and outcomes have been achieved.

## 1. Connecting people

**Social clubs** — A sub-committee of 12 senior customers plan a series of six social outings each year.

**Seniors specific events and festivals** — Hume staff link customers, their families and neighbours into existing senior focused activities. During 2016, Hume cooperated with local services in Liverpool and Dundas so customers and their neighbours could attend the Liverpool Seniors Concert and Seniors Week Expo and Gala Concert at Homebush.

**Monthly morning and afternoon teas** — Hume began hosting monthly morning and afternoon teas for customers in the community rooms in Telopea. The hour-long informal sessions are an opportunity for customers to socialise and provide feedback to Hume. Between five and 12 customers usually attend.

## 2. Sustaining home

**Self-defence** — During 2016 Hume, in cooperation with Dundas Community Centre and FACS, hosted a series of weekly seniors personal safety workshops in Rydalmere and Dundas. The workshops were facilitated by a self-defence, martial arts and personal safety instructor and expert. They were designed to build the confidence of customers so they can protect themselves physically and take control.





**Aqua aerobics** — Over four terms, between five and 10 senior customers attended weekly aqua aerobics classes at Cabravale Leisure Centre.

**Mental health training** — More than 50 Hume customers attended and graduated from a two-day, community delivered Mental Health First Aid Training course.

### 3. Facilitating participation

Hume regularly seeks feedback from customers and involves them in key areas to develop and improve service delivery and customer engagement and capability.

During 2016, senior customers:

- participated as recruitment panel members, selecting Hume's workforce
- chaired the Tenant's Voice Customer Representative Committee
- provided input in to the development of an over occupancy strategy, rent review and sub-letting policies
- were integral in the planning of successful End of Year celebrations.

**Computer Club** — Access to the computers, supported by formal and informal training, creates the opportunity for customers to build their digital literacy skills and have equitable access to information and services.

The computer lab is frequented regularly and well utilised.

### 4. Creating place

**Community Gardening** — In partnership with community gardening organisation, Seed Harvest Spoon, Hume is hosting weekly gardening workshops. Customers learn about healthy soil, composting and worm farming and are planning how to use the garden space around Hume properties. This includes activating disused garden beds with lavender and mint, establishing a sensory garden and building a garden wall for herbs and edible flowers.



# Developing housing stock

Hume currently has a pipeline of four social and affordable development projects totalling \$50 million.

These projects will provide 111 units and construction has been progressing throughout the 2016 financial year. In the 2017 financial year Hume will deliver:

- 42 social housing properties
- 9 affordable housing properties.

Hume is proud to deliver additional affordable housing to the Western Sydney market, where housing affordability is a growing challenge.

A important aspect of Hume’s Vision is the delivery of outstanding homes. For this reason Hume has worked in collaboration with McLachlan Lister Pty Limited to develop Hume’s exclusive Design Guidelines.

The Design Guidelines have been established to provide a set of defining principles that constitute a ‘Hume home’ for the design and delivery of new developments and the refurbishment of existing assets. The guidelines have been developed to exceed the *NSW Land and Housing Corporation Design Standards 2014* and supplement some of the existing Australian building codes and standards. This will further enhance the distinction of the accommodation that Hume provides for its customers.

*“Over the years we have built a valued relationship with Hume. It is a privilege to work side by side with Hume in delivering projects which deliver homes to people requiring support.” – Jasara*



You can watch the progress of Hume’s developments at [www.humecha.com.au/buildingnewhomes.html](http://www.humecha.com.au/buildingnewhomes.html)



# People, culture, communication and IT

This year Hume has focused on the application of its values, making sure the customer is at the heart of everything it does. This includes the implementation of Hume's plans and the evaluation of its progress.

## Build Capability

Increasing the capability of Hume staff is approached through many different approaches. Hume staff learn, develop new skills, challenge themselves and reflect. They continuously build on their professional and life experience, stay resilient and deliver ever improving services and outcomes to Hume's customers.

Hume recognises that the individual and collective resilience of staff is closely linked to their physical health, so they work hard to keep themselves healthy. Their progress is measured each year by participating in a physical health check. This year the results were awesome! The average Health Risk Factors of Hume staff has more than halved over the three-year period, going from 2.90 in 2013 to 1.23 in 2016.

*In 2013, 31 per cent of Hume staff were in the high risk health category – in 2016 this number has reduced to zero per cent.*

The group of staff involved in this tracking has been relatively stable throughout the period and Hume is extremely proud of this result.

A measure of Hume's increasing capability is the ability to promote from within, based on a market merit selection process. Hume congratulates Chantelle Woodridge, Rachel Roe, Annah Sorresson-Cox and Karen Norris on their promotions within the organisation.

Staff also completed training throughout the year that focuses on supporting customers.

Alison Ora and Jason Newton were accredited to deliver MATE training, which explores bystander intervention and violence prevention techniques. These techniques empower individuals and community members to stand up for, and take ownership in, their community around the issue of violence and gender-based stereotyping.



Hume staff

Developing Hume’s capability and understanding of supporting those with mental health issues was a key priority for the year. Hume congratulates Jason Newton, Julie Davenport and Kimberley Tomsen on being accredited as trainers in Mental Health First Aid. This enables them to train others both internal and external to Hume in Mental Health First Aid.

To further support the capability building within the organisation and to strengthen Hume’s working relationship with FACS, staff from FACS were hosted on secondment within the Hume Assets Team. This project was mutually beneficial as skill and knowledge were transferred in both directions through the secondment.

It is important to recognise and reward staff and it is a way in which Hume measures performance and outcomes. Hume congratulates the annual Employee Recognition Award winners:

## People’s Choice Award

The People’s Choice Award, Champion of Champions, is decided by Hume staff. It recognises an individual or team for their tireless effort towards the achievement of Hume’s Vision and strategies through the consistent demonstration of Hume Values.

**Winner – Anna Nguyen**



## Leadership Award

The Leadership Award is decided by taking into consideration:

- the demonstration of leadership
- proactively creating a positive and long lasting effect across the organisation through innovation and growth
- supporting customers and the organisation to reach their potential.

In 2015–2016 there was one Winner and one Highly Commended:

**Winner – Kimberley Tomsen, Highly Commended – Leanne Craze**

## CEO Award

The CEO Award is given in recognition of an individual’s outstanding commitment to the achievement of Hume’s strategic objectives. The individual will have consistently demonstrated:

- Hume Values
- diligent pursuit of business improvement and quality assurance
- excellence in customer service.

In 2015–2016 there was one Winner and one Highly Commended:

**Winner – Karen Norris, Highly Commended – Charlie Taouk**



## Build Capacity

Hume built its capacity in a number of ways this year.

The number of staff has grown by nine per cent and part of this has been the employment of specialist skills in the area of community cohesion.

Another important area with increased capacity is communications, with the employment of Hume's first dedicated Communications Specialist. This has enabled the organisation to vastly improve its communication with customers, partners and key stakeholders. In the short time this communications resource has been available, the organisation has:

- had a formal Communication Strategy finalised and approved
- launched a new website
- significantly increased its presence and communication through various social media channels, making the organisation more accessible and visible to its customers.

With equity and access at the forefront of the design principle, the new Hume website was designed according to the Web Content Accessibility Guidelines (WCAG). These standards were developed by the W3C Accessibility Working Group and are widely accepted around the world as the benchmark for the accessibility of online content for people with a range of physical and/or sensory disabilities. The Hume website was WCAG 2.0, Level AA compliant upon launch and the organisation is committed to maintaining this level of accessibility.

Technology, and the use of technology, has been a challenge for the organisation in the past and an area that needs improvement. The development of Hume's Digital Transformation Strategy is key to the organisation making sure it is ready for the future. After extensive due diligence the Digital Transformation Strategy was adopted by the Board. This strategy is now being



implemented with almost immediate efficiency benefits in data analysis and reporting for the more efficient management of the organisation. The implementation will continue into 2016–2017, providing compounding efficiencies and effectiveness.

## Measure Performance

Evaluation and performance measurement are vital to the process of continuous improvement. Each year Hume conducts an Employee Engagement Survey, facilitated by The Voice Project. Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organisation and put discretionary effort into their work. Organisations with high levels of engagement out-perform those with low levels of engagement.

The results of this year’s Employee Engagement Survey attest to the consistency of leadership and constant drive for performance and improvement by the organisation.

In the past The Voice Project has described Hume’s results as “*extremely positive*”, “*extraordinary*” and “*phenomenal*”. This year Charlie Zhang Morg, Senior Consultant, The Voice Project, stated:

*“...given the staff growth, maintaining a high level of engagement and culture is a significant feat.”*

## 100% of the Hume Team are aligned with Hume’s Vision and Values

There are a number of areas in this performance measurement tool to be proud of. All 100 per cent of Hume staff agree with the organisation’s Mission and Values and of those, 95 per cent strongly agree with them. This result means Hume remains a sector leader.

## Cross unit cooperation

In 2012, cross unit cooperation was considered to be an opportunity for improvement. Hume tackled this area strategically by implementing various cross unit opportunities. This included focusing on project areas that would improve both Hume customer and staff experiences and had a strong focus on the organisation’s Values, consultation and communication.

Hume’s result in this area is 29 per cent above the sector average. This is a real demonstration of Hume’s ability to deliver outcomes both internally and externally.

Hume considers itself to be a champion of change and the Hume team advocate for those who are marginalised. One way the team does this is by fundraising. As individuals the team has raised more that \$12,000 in 2016, donating to a range of causes locally and internationally.

This is measured, in part, by the organisation's charitable contributions to others. The majority of Hume staff contribute to a Workplace Giving Program, raising more than \$2,000. Through this program Hume sponsored a child and made donations to Tents for Nepal, Child Fund and Motor Neurone Disease.

Hume's overall strategies of capability, capacity and measurement will remain in place during 2016–2017.



## Hume Strengths Employee Engagement Survey 2016



## Employee Focus – Jason Newton

**Time at Hume:** Eight years

**Starting role:** Temporary work as a Supported Housing Officer

**Current role:** Sustainable Communities Coordinator and Community Development Coordinator/Mental Health First Aid Instructor

I started my career at Hume as a Supported Housing Officer, supporting social and affordable housing customers. In my current role as the Sustainable Communities

Coordinator I am responsible for engaging customers to genuinely influence and direct Hume services to support them in their chosen destinations. I work with customers to develop and implement agreed Neighbourhood Plans. I also actively seek funding for the initiatives identified.

During the past 14 months I have been heavily involved in the planning and development of Hume’s Mental Health Business Project (MHBiz). I am currently involved in the project as a Mental Health First Aid Instructor. MHBiz has allowed me to increase my personal understanding of mental health issues and, through Hume, given me the opportunity to become a mental health first aid instructor. The learning that I have undertaken has benefited my friends, family and co-workers. It has allowed me to challenge their misconceptions, provide them with clear facts and change the way they think. To date I have been involved in facilitating six customer courses and have instructed over 50 Hume customers.

During my time at Hume I have had many learning experiences and memorable moments. Highlights include:

- **St Johns Park Club Grant** — This was the first Club Grant I wrote for Hume. In 2009 the organisation was awarded \$58,000 to purchase the Hume bus. The bus has been used to transport customers to tenant meetings, social activities and special events.
- **Parramatta Club Grant** — In 2012 the organisation was awarded \$10,000 by Parra Leagues that contributed to the renovation of the Shortland Learning Centre.
- **Mental health/MHBiz** — The idea for MHBiz originally came from a grant submission where I pitched the idea to my manager (at the time) to employ a mental health professional. This person could either work or train Hume to better support, address and refer its customer living with mental health issues.
- **Social Club** — I work with the Tenant’s Voice group to organise activities for the Hume Social Club. The highlight has been organising and transporting 350+ customers to Jamberoo Water Park.
- **Reinvigorating the Tenant’s Voice group** — I recruit new members to the group along with providing training in meeting facilitation.
- **Working with Alen Greenwood (customer)** — After the death of his wife in 2014 I kept in regular contact with Alen, ensuring he was still being active in customer projects. I was also able to assist him with his application to Cancer Council NSW where he now transports patients to and from their treatments.
- I was incorporated in the **Community Cohesion Team** in 2016.
- **2016 Whitelion Bail Out** — I coordinated a Hume team to attend the White Lion Charity Sleep-out that raised \$10,000 for youth at risk services.

I look forward to sharing many more highlights with Hume customers in the coming years and continuing to support and assist people to reach their full potential and housing goals.



# Performance measurement

Hume strives for excellence through performance measurement and continuous improvement.

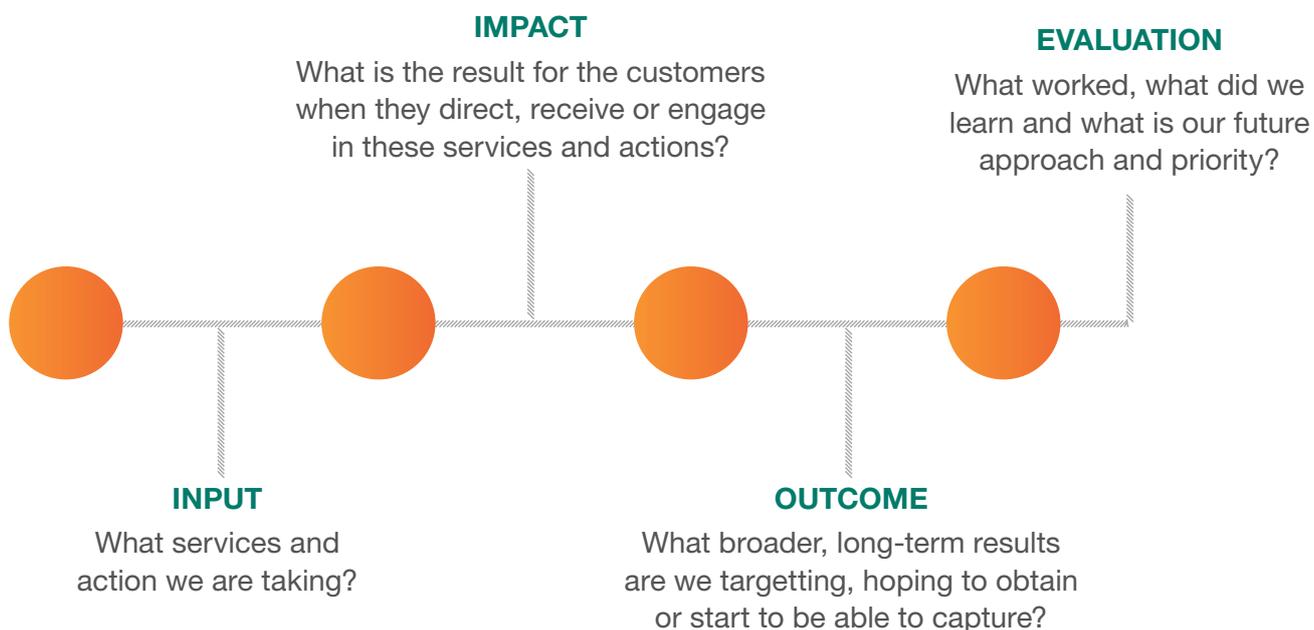
Assessing the organisation's inputs, impact, outcomes and evaluations are vital to the process of improvement and moving towards increasing its positive contribution.

During 2016, Hume invested effort and technology in the collection of data and analysis. This data was reported for the purpose of:

- measuring the organisation's impact
- informing the future effort, resources and capabilities needed to achieve the most positive social outcomes for customers and their communities.

Hume's sophistication and capability in performance measurement and reporting is rapidly increasing in preparation for future opportunities and requirements for both the organisation and the sector.

## Achieving positive outcomes





Mitra and Katrina

# Value for money

Value for money is an intricate balance between not only saving money, but improving the way Hume conducts its business.

This is done with the constant aim of understanding the organisation, its drivers and costs and striving to improve the quality of service outcomes for customers. Doing so enables Hume to continuously become more efficient and effective.

Benchmarking the organisation against others in the sector, and more broadly, is integral to Hume in the understanding of costs of outcomes and ensuring value for money.

Hume was, and continues to be, instrumental in supporting the NSW Housing Federation in the development of House Keys Operations and Workforce, a sector benchmarking tool.

Hume continues to drive a value for money ethos internally through all operations via:

- a strategic and robust approach led by the Board
- having an in depth understanding of cost and performance of all resources and assets
- investing wisely for future growth
- developing ready access to data and business intelligence to inform and demonstrate performance
- a keenly developed sense of accountability throughout the organisation, supported by clear KPIs from organisational to individual level
- reporting widely across the organisation and to all shareholders, encouraging a process of reflection and evaluation to inform continuous improvement.



## Value for money demonstrated through achievement

From an operational perspective, Hume's value for money ethos can be seen in the consistent achievement of leading results across many sector key performance benchmarks.

Task	Benchmark	FY2016 achievement	FY2015 achievement	FY2014 achievement
Re-let of vacant properties	No benchmark for total of all program types	Re-let 944 properties including 445 tenancies in short-term (TAP) accommodation	✓	✓
Streamline property assessment, void and re-let times	No sector benchmark	Average days 12.39	✓	✓
General social housing voids – minor works	14 days	Average 3 days	✓	✓
General social housing voids – major works	28 days	Average 26 days	✓	✓
Overall customer satisfaction with service provided	75%	77%	✓	✓
Rent outstanding	<2%	1%	✓	✓
Rent foregone	6%	5%	✓	✓
Rent debt written-off	<1%	1%	✓	✓



# Hume's Executive Team



## Nicola Lemon

### Chief Executive Officer

Nicola is passionate about social justice and facilitating long-term positive change within communities through the delivery of quality housing and services. She is driven by the pursuit of implementing best practice and driving innovation for change and has positioned Hume as a leader in the housing sector.

During her eight years at Hume, Nicola has led the organisation through a period of significant change. As a strategic partner to the board, Nicola is responsible for:

- driving and managing the organisation's growth
- developing and delivering the strategic plan
- developing and implementing continuous improvement programs
- ensuring compliance regulation
- maintaining stakeholder management and corporate partnerships
- upskilling Hume's workforce so that the organisation reaches its full potential.

As a result of operational and functional programs implemented under Nicola's leadership, Hume has achieved Tier 1 Registration status while focusing on its social missions and commitment to customers. Nicola champions a customer-oriented organisation which continuously consults and engages with customers and stakeholders to deliver quality, relevant, value for money homes and services.

Nicola's comprehensive business and community housing career has been accomplished through a variety of associations in the UK and Australia, ranging from associations managing 4,500 to 70,000 properties.

Nicola has also been responsible for large-scale estate renewal programs, property development programs and setting up robust risk management systems and group procurement practices.

Nicola's practical work experience is complemented by her academic background in Business Law, Housing Management and Leadership and Training.

Nicola also serves as Chair of Powerhousing Australia.



## Julie Bojarski

### **Chief Operating Officer**

Julie commenced at Hume in July 2011 in the position of Chief Operating Officer. She is responsible for Asset Management, Sustainable Communities and Partnerships and Neighbourhood and Customer Services programs.

Julie has an extensive local government background with a focus on the management of community service programs. Julie has managed teams of up to 80 staff ranging from early childhood professionals, community development program officers and administration officers to asset and maintenance professionals. Julie has also managed contracts for utilities, building services and repairs and large scale recreation/leisure centre management.

Julie has expertise in tendering out services as well as completing tenders for services, funding and grants. Julie has developed annual budgets for a range of programs and generated income of over \$15 million in fees and charges. She has also managed expenditure for maintenance and capital works programs. Julie has experience in asset management and leasing of community buildings and partnership building, however, Julie's key strength is her advocacy for clients and the leadership of teams to provide high quality frontline customer service.

Julie has led the operations portfolio through a period of dynamic change and growth, resulting in improved customer service and collaboration with stakeholders and partners to ensure innovative services and programs are delivered to the most vulnerable community members. She has embedded a strengths based approach to challenging our customers and community to work together on social justice issues and community cohesion projects.



## Lisa Bonavia

### **Executive Manager, People, Culture, Communications and IT**

Lisa commenced as Executive Project Officer at Hume in September 2012. She is responsible for the development of organisational KPIs and performance measurement throughout the organisation, with a strategic and operational view of organisational performance. Lisa was appointed Executive Manager, People and Culture Development in July 2014.

Sitting as a member of the executive for the past 20 years, Lisa has extensive operational human resource and strategic people and culture experience across a range of sectors including IT, banking, professional services and not-for-profits. Her experience spans local, national and international organisations that range in size from 50 to 3,000 paid and unpaid workers.

Lisa has specific expertise in organisational development and performance, change management and communication supported by a Bachelor of Business with majors in Marketing and Human Resource Management. Lisa's key strength is her ability to influence organisations at both the strategic and operational levels, putting that strategy into action and supporting the resultant change. This achieves higher employee engagement, greater efficiency and improved customer service.



## Mark Connolly

### **Chief Financial Officer and Company Secretary**

Mark joined Hume in July 2009 as the Chief Financial Officer and Company Secretary. He is responsible for finance, risk and compliance and business services.

Mark is a CPA and holds a Bachelor of Business Degree from Sydney University of Technology. He has over 30 years' experience in senior accounting roles within the commercial and not-for-profit sector. Mark spent 20 years working in the commercial sector as an accountant, financial controller and financial manager for companies including Avon Products, Coca Cola Amatil (head office), DHL NZ and Ansett Airlines.

Mark made a decision in 2001 to give back to the community and work the rest of his career in the not-for-profit sector. Since then he has since worked as Finance Manager, Global Financial Controller, CFO and Company Secretary for not-for-profit companies including AIDS Council, Optometry Giving Sight and Hume.



## Frank Lyon

### **Chief Construction and Development Officer**

Frank is a professionally qualified practitioner with over forty years' experience in housing, town planning and social and economic regeneration. He began working at Hume in April 2014.

Frank has achieved a senior level of responsibility within a number of public and private sector organisations. A key achievement for Frank was leading, as Director, a community based housing organisation to achieve its strategic outcomes around growth, as well as increasing funding to deliver new products. As CEO of an urban regeneration company, Frank secured significant government funding to support the renewal of a community of over 70,000 people.

Frank has worked with government in both the UK and Australia to the develop policy initiatives and has supported the housing sector in the design and delivery of new initiatives.

In Australia, Frank's capacity and capability in the social housing sector has been focused on delivering outcomes around housing growth strategies. Specifically, Frank ensured efficient and effective program management while in a senior consultancy role delivering a \$135m Nation Building Economic Stimulus Plan in Sydney.

Hume Community Housing Association Co Ltd

## Directors' report

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**30 June 2016**

The financial statements cover Hume Community Housing Association Co Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Hume Community Housing Association Co Ltd's functional and presentation currency.

Hume Community Housing Association Co Ltd is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 September 2016.

The directors present their report, together with the financial statements, on Hume Community Housing Association Ltd (The 'registered entity' or 'Hume') for the year ended 30 June 2016.

### Directors

The following persons were directors of the registered entity during the whole of the financial year and up to the date of this report, unless otherwise stated:

Antony (Tony) Conides (resigned on 01/02/2016)

Brian Lomas FCPA

Lorraine Eddy

Robert Vine

Susan Holliday

True Swain

Vivek Prabhu (resigned on 17/03/2016)

Phillip Hepburn (commenced on 16/02/2016)

Estelle Ehmann (commenced on 15/03/2016 and deceased on 17/06/2016)



## Objectives and strategy for achieving the objectives

The short-term objectives of the registered entity during the year were expand tenancy and asset management services.

Long-term objectives are to increase the number of properties under management through property development, leveraging on vested properties and through new fee for services arrangements.

The registered entity achieves its objectives through its five year Strategic Plan. This plan has seven areas of strategic focus which are the key performance drivers. These are:

- Customer focused, customer driven
- Outstanding homes, quality refurbishment and maintenance
- Support customers, maximising individual potential
- Vibrant, sustainable and cohesive communities
- Governance and leadership
- Reaching our potential through an efficient and effective organisation
- Housing growth and service growth

The registered entity's activities resulted in the continuation of the registered entity's Tier 1 registration by the NRSCH and an operating surplus that will be used to further the registered entity's long-term objectives.

## Principal activities

During the financial year the principal continuing activities of the registered entity was the provision of community housing to low to moderate income earners.

## Performance measures

The registered entity measures its performance by meeting the objectives established in the annual business plan and departmental service delivery plans to deliver the strategic objectives.

## Information on Directors

### Robert Vine

**Director, Chair of the Board, Chair of the Recruitment and Remuneration Subcommittee, Member of Audit and Risk Subcommittee**

Dip Mngmt, Grad Dip HR, MAICD

Robert Vine has served nine years on the Hume Board. This includes two-years as Chairman before being appointed to the Director position in 2012 after a three-year break.

Robert has been involved in the management of not-for-profits since 1972, culminating in retirement as CEO of one of the state's largest groups of co-operative housing societies.

With tertiary qualifications in management, human resource planning, accounting and financial management, Bob brings an all-round raft of experience to Hume. Still serving on the NSW Government Co-operatives Advisory Board, he is actively involved in the provision of affordable housing.

## **Brian Lomas FCPA**

**Director, Deputy Chair, Treasurer, Chair of the Audit and Risk Subcommittee**

Dip A, AICD Residential Course, FCPA, MAICD

Brian Lomas is a Fellow of CPA Australia (FCPA) and a member the Australian Institute of Company Directors. Brian is currently an honorary Director and works part-time as the Company Secretary, Corporate Governance Advisor and mentor of the Gladstone Area Group Apprentices Ltd. Brian has also served as the Treasurer for Rosella Park Special School since 2011.

Brian has over 45 years' experience in financial and corporate management, specialising in healthcare, health insurance, corporate law, superannuation and executive management, with directorships in charity and welfare organisations in the not-for-profit sector.

Brian was a senior executive of the NSW division of the Health Insurance Commission when Medicare was introduced in 1984. He was also part of a special team that negotiated with Federal Treasury and the ATO to amend the *Income Tax Assessment Act* to recognise that the collection of audiovisual copyright income was tax exempt in the hands of copyright collecting societies until distributed to the rightful owner of the copyright.

Brian has held a position on the Hume Board since 2005.

## **Sue Holliday**

**Director, Deputy Chair, Member of Recruitment and Remuneration Subcommittee,  
Member of Development Sub Committee**

BA (Economics), MPhil (Town and Country Planning), FPIA, CPP, GAICD

Professor Sue Holliday is a city planner and economist. She is Professor of Planning Practice at UNSW and Managing Director of Strategies at Change, an urban strategy consultancy.

Sue had a long career in the public service and has demonstrated an outstanding commitment to affordable housing. She was Director General of Planning in NSW from 1997 to 2003. During that time the policy arm of NSW Housing and Landcom (prior to commercialisation) reported to her and she was instrumental in establishing the City West Housing Company to achieve ongoing affordability options in Pymont and Ultimo.

She was a member of the National Housing Supply Council from its inception to its closure in 2013.

Sue has held various Board roles since 1997. She was a Director of the Transport Infrastructure Development Corporation from 2004–10 and President of the NSW Building Professionals Board until June 2013. Sue is currently a Director of Consult Australia.



## **Tony Conides**

**Director, Chair (resigned 01/02/2016)**

JP, AREI, GAICD, MAICD, ISTM

Tony is a fully licensed and accredited Real Estate, Strata and Property Manager as well as Auctioneer and has been Managing Director of his own Real Estate and Strata Management Company since 1976. He has been a non-executive Director of BlueCHP Limited since 2010 and an active member of the Australian Institute of Company Directors. Tony has held a position on the Hume Housing Board since December 2006.

## **Lorraine Eddy**

**Director, Member of Audit and Risk Subcommittee**

JP

Lorraine Eddy holds a Certificate in Welfare as well as an Advanced Certificate in Working with Older People. Lorraine has over 20 years' experience working with older people and for the last 15 years has been advocating housing issues for the aged community through the Assistance with Care and Housing for the Aged Program in NSW.

Lorraine has held a position on the Hume Board since 2005 (Lorraine previously held a position on the Hume Board from 1998–2003) and is an active member of the Audit and Risk Subcommittee.

## **Estelle Ehmman**

**Member of Recruitment and Remuneration Subcommittee (commenced on 15/03/2016 and deceased on 17/06/2016)**

GradDipBusAdmin (Sydney) MComm (Swinburne)

Estelle was a strategy consultant partner, with a particular interest in organisational agility and sustainable strategies, and cultures that can change them quickly – from governance to operations and enterprise risk to performance frameworks, as well as the organisation's contribution to social capital.

Estelle had gained experience across banking and financial services, law and strategy and risk consulting, in Australia and internationally. Estelle also brought extensive knowledge and expertise in change readiness, people management, audit and compliance.

Estelle had previously held the position of director, and then chair, of Wentworth Community Housing.

## **Phillip Hepburn**

**Director, Member of Development Committee (commenced 16/02/2016)**

Grad Dip Company Secretarial Practice, B EC, LLB, LLM

Phillip has extensive experience in setting up legal, governance and compliance functions, advising boards on all aspects of legal and compliance issues. Phillip was previously General Counsel and Group Secretary at Stockland where his role included providing commercial and legal advice on business and property acquisitions and sales and on all aspects of property development and capital management activities undertaken by the organisation.

Phillip has been a director of subsidiary boards and has extensive experience in management across the property, banking, retail and agricultural sectors. Phillip has a strong interest in the areas of board governance, risk and compliance. He is also a member of the advisory board of Lexvoco.

## **Vivek Prabhu**

**Director, Member of Audit and Risk Subcommittee (resigned 17/03/2016)**

B Bus, F Fin MBA, FCA, AAICD

Vivek Prabhu is an accomplished financial services professional and experienced non-executive director. He is a Fellow of both the Financial Services Institute of Australasia (FINSIA) and the Institute of Chartered Accountants in Australia (ICAA) and a graduate member of the Australian Institute of Company Directors (AICD). He has over 22 years of experience across accounting, auditing, finance, investments, governance and risk management.

Vivek has managed multi-billion-dollar fixed income, credit and currency portfolios during his career in funds management, including previously at Macquarie Bank and currently at Perpetual as Deputy Head of Credit and Fixed Income. His roles in risk management at Macquarie Bank included Compliance Manager (Funds Management Group) and Internal Auditor (Risk Management Division). Before this he was an accountant in the audit division at Coopers & Lybrand (PwC).

Vivek also serves on the Perpetuals Diversity Council, FINSIA's Funds and Asset Management Industry Council and as an Elected Councillor of The Hospitals Contribution Fund of Australia (HCF).

He was awarded the 2011 FINSIA Hugh DT Williamson Performance Scholarship, an award that recognises professional accomplishment, social responsibility and leadership. In 2011 Vivek was also awarded a scholarship from the Australian Scholarship Foundation. This scholarship provides training for not-for-profit directors to improve their ability to lead and manage their organisations.

Vivek's board portfolio includes community-based not-for-profits striving for social justice and includes his service as a Non-Executive Director and Treasurer of The Deaf Society of NSW and Council of Social Service of NSW.

## **True Swain**

**Director, Chair of Development Subcommittee**

M Pro Dev, B CPM

True Swain is an experienced senior executive manager and director, who has a wealth of professional skills in strategic planning, risk management, corporate governance and stakeholder engagement in both the public and private sectors.

In his current position as Senior Executive Manager at Taronga Zoo Conservation Society, True is accountable for a \$270 million capital property development program across both metropolitan and regional sites. He is responsible for leading a multidisciplinary professional property team in the delivery of a diverse range of property development projects within complex live operational environments.

The above professional experience is underpinned by multiple tertiary qualifications, including Masters of Property Development, Graduate Certificate in Commercial Arbitration, Bachelor of Construction Project Management and graduate of Australia Institute of Company Directors course.

True was elected to the Hume Housing Board in January 2014.



## Information on key members

### **Patricia (Pat) Martin (OAM)**

#### **Patron**

Dip E, Dip ME, JP, MAHI, MOAA

Pat Martin has been involved with Hume's operations for the last 20 years, including serving a 16-year term as President of Hume Board before her appointment as Board Patron in 2007.

Pat has also served terms as President of the Fairfield Community Resource Centre and the NSW Federation of Housing Association.

Pat successfully owned and operated a busy travel study company, Cindela Consultants, which coordinated study visits to and from Japan for government officials in the areas of retirement, stock exchange, police and fire brigade. Pat is also a former secondary teacher with 15 years' teaching experience.

Pat specialises in governance and human resources administration, with the desire to assist minority groups within the community, and as a result has managed English classes for elderly migrants.

In 1982, Pat was awarded the Medal of the Order of Australia (OAM) for her service to youth welfare. Pat is a current member of the Australasian Housing Institute (AHI) and member of the Order of Australia Association (OAA).

## Meetings of directors

The number of meetings of the registered entity's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2016, and the number of meetings attended by each director were:

	Board Meeting (inc. Special Board Meetings)		Audit & Risk Sub Committee		Recruitment & Rem Sub Committee		Development Sub Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Tony Conides	5	3	-	-	-	-	4	3
Brian Lomas FCPA	8	8	4	4	-	-	-	-
Lorraine Eddy	8	6	4	3	-	-	-	-
Robert Vine	8	6	4	2	1	1	-	-
Susan Holliday	8	6	-	-	1	1	9	9
True Swain	8	6	-	-	-	-	9	9
Vivek Prabhu	7	5	3	2	-	-	-	-
Phillip Hepburn	3	2	-	-	-	-	2	1
Estelle Ehmann	2	1	-	-	1	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

### Contributions on winding up

In the event of the registered entity being wound up, ordinary members are required to contribute a maximum of \$20 each. Honorary members are not required to contribute.

The total amount that members of the registered entity are liable to contribute if the registered entity is wound up is \$520, based on 26 current ordinary members.

This report is made in accordance with a resolution of directors.

On behalf of the directors

  
 Robert Vine  
 Director

20 September 2016  
 Sydney

  
 Brian Lomas  
 Director

20 September 2016  
 Sydney



Hume Community Housing Association Co Ltd  
**Financial Statements 2016**

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*30 June 2016*

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## General information

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The financial statements cover Hume Community Housing Association Co Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Hume Community Housing Association Co Ltd's functional and presentation currency.

Hume Community Housing Association Co Ltd is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 September 2016.

Hume Community Housing Association Co Ltd

## Statement of profit or loss and other comprehensive income

As at 30 June 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>	3	27,252,329	25,885,005
Other income	4	4,789,178	58,892,146
<b>Expenses</b>			
Tenancy and property management expenses	5	(16,376,527)	(15,832,536)
Employee benefit expenses	5	(5,781,110)	(4,904,875)
Depreciation	11	(118,529)	(187,353)
Finance costs		(378,691)	(438,875)
Administration expenses	5	(2,779,591)	(2,328,839)
<b>Surplus before income tax expense</b>		6,607,059	61,084,673
Income tax expense	1	-	-
<b>Surplus after income tax expense for the year attributable to the members of Hume Community Housing Association Co Ltd</b>		6,607,059	61,084,673
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the members of Hume Community Housing Association Co Ltd</b>		6,607,059	61,084,673

The above statement of financial position should be read in conjunction with the accompanying notes



# Hume Community Housing Association Co Ltd

## Statement of financial position

As at 30 June 2016

	Note	2016 \$	2015 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	13,007,094	16,903,699
Trade and other receivables	7	3,713,475	2,143,976
Other assets	8	2,114,530	859,686
Other financial assets	9	–	961,746
<b>Total current assets</b>		<b>18,835,099</b>	<b>20,869,107</b>
<b>Non-current assets</b>			
Receivables	10	–	1,344,124
Plant and equipment	11	230,874	301,652
Investment properties	12	73,842,199	60,010,608
Other assets	13	1,449,618	2,523,366
<b>Total non-current assets</b>		<b>75,522,691</b>	<b>64,179,750</b>
<b>Total assets</b>		<b>94,357,790</b>	<b>85,048,857</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	4,975,146	4,071,779
Borrowings	15	–	24,975
Employee benefits		404,750	323,579
<b>Total current liabilities</b>		<b>5,379,896</b>	<b>4,420,333</b>
<b>Non-current liabilities</b>			
Borrowings	15	1,740,519	–
Employee benefits		109,918	108,126
<b>Total non-current liabilities</b>		<b>1,850,437</b>	<b>108,126</b>
<b>Total liabilities</b>		<b>7,230,333</b>	<b>4,528,459</b>
<b>Net assets</b>		<b>87,127,457</b>	<b>80,520,398</b>
<b>Equity</b>			
Retained surpluses		87,127,457	80,520,398
<b>Total equity</b>		<b>87,127,457</b>	<b>80,520,398</b>

The above statement of financial position should be read in conjunction with the accompanying notes

Hume Community Housing Association Co Ltd  
**Statement of changes in equity**

*For the year ended 30 June 2016*

	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
<b>Balance at 1 July 2014</b>	19,435,725	19,435,725
Surplus after income tax expense for the year	61,084,673	61,084,673
Other comprehensive income for the year, net of tax	–	–
Total comprehensive income for the year	61,084,673	61,084,673
<b>Balance at 30 June 2015</b>	80,520,398	80,520,398
<b>Balance at 1 July 2015</b>	80,520,398	80,520,398
Surplus after income tax expense for the year	6,607,059	6,607,059
Other comprehensive income for the year, net of tax	–	–
Total comprehensive income for the year	6,607,059	6,607,059
<b>Balance at 30 June 2016</b>	87,127,457	87,127,457

*The above statement of changes in equity should be read in conjunction with the accompanying notes*



## Hume Community Housing Association Co Ltd

# Statement of cash flows

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		25,217,834	24,216,712
Payments to suppliers (inclusive of GST)		(27,307,178)	(25,574,498)
Grants received (inclusive of GST)		4,606,811	4,787,111
Interest received		239,511	378,137
Interest and other finance costs paid		(329,415)	(438,874)
Net cash from operating activities		2,427,563	3,368,588
<b>Cash flows from investing activities</b>			
Payments for investment properties		(8,879,137)	(1,908,099)
Payments for plant and equipment		(48,548)	(97,207)
Net cash used in investing activities		(8,927,685)	(2,005,306)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		2,603,517	–
Net cash from financing activities		2,603,517	–
Net (decrease) / increase in cash and cash equivalents		(3,896,605)	1,363,282
Cash and cash equivalents at the beginning of the financial year		16,903,699	15,540,417
<b>Cash and cash equivalents at the end of the financial year</b>	6	13,007,094	16,903,699

The above statement of cash flows should be read in conjunction with the accompanying notes

# Hume Community Housing Association Co Ltd

## Notes to the financial statements

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30 June 2016

### Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **New, revised or amending Accounting Standards and Interpretations adopted**

The registered entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Accounting standards issued that have not yet been early adopted are discussed below:

#### **AASB 16: Leases**

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets); depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The adoption of any new, revised or amending Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the registered entity.



## Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the AASB and the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit oriented entities.

### Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of investment properties.

### Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the registered entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

## Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the registered entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

### Rental revenue

Rental income is recognised on a straight line basis over the term of the lease, except when an alternative basis is more representative of the pattern of services rendered through the provision of the leased premises.

### Grant revenue and NRAS incentives

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

### Fee for service revenue

Income from fees received for services is recognised when the service is provided.

### Interest income

Interest income is recognised as it accrues using the effective interest method.

### Other income

Other income is recognised when it is received or when the right to receive payment is established.

## Income tax

As the registered entity is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

## Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **Trade and other receivables**

Other receivables are recognised at amortised cost, less any provision for impairment.

### **Other assets**

Payments made for deposits and costs for the development of investment properties are recognised as other assets when the payments have been made.

### **Plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives using the following rates per annum:

Plant and equipment	20% - 40%
Motor vehicles	20%
Furniture and fittings	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the registered entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### **Investment properties**

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the registered entity. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.



## **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

## **Trade and other payables**

These amounts represent liabilities for goods and services provided to the registered entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

## **Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

## **Employee benefits**

### **Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

### **Other long-term employee benefits**

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### **Defined contribution superannuation expense**

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

## **Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### **Goods and Services Tax (GST) and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### **BlueCHP Venture**

The registered entity has made no further contributions during the year to BlueCHP. Contributions and all subsequent contributions to be made are approved by the Board as unsecured non-interest bearing long term loans to BlueCHP and are accordingly accounted in the financials. Refer to Note 21 for relevant events after the reporting period.

## **Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### **Estimation of useful lives of assets**

The registered entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.



### Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The registered entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the registered entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

### Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

### Fair value of investment properties

Critical estimates are made by the Directors in respect of the fair value of investment properties. The fair value of these investment are reviewed regularly by Directors with references to independent property valuations and market conditions existing at reporting date, using generally accepted market practices.

## Note 3. Revenue

	2016 \$	2015 \$
Rental revenue	20,163,325	19,113,514
Grants	4,208,322	4,195,117
NRAS incentives	1,558,204	1,351,550
Fee for service revenue	1,322,478	1,224,824
	27,252,329	25,885,005

## Note 4. Other income

	2016 \$	2015 \$
Interest income	239,511	378,137
Other income	13,667	40,009
Other grant income	–	5,660,000
Gain on vested properties	4,536,000	52,814,000
	4,789,178	58,892,146

## Note 5. Expenses

Surplus before income tax includes the following specific expenses:

	2016 \$	2015 \$
<i>Tenancy and property management expenses</i>		
Rent expenses	9,769,215	9,505,638
Repairs and maintenance expenses	3,016,014	3,177,796
Council and water rates	2,353,607	2,130,426
Other property expenses	1,237,691	1,018,676
	16,376,527	15,832,536
<i>Employee benefits expenses</i>		
Superannuation expenses	464,653	391,642
Salaries and wages expenses	5,046,633	4,196,946
Other employee benefits expenses	269,824	316,287
	5,781,110	4,904,875
<i>Administrative expenses</i>		
Insurance expenses	236,583	245,064
Office expenses	525,191	533,111
Office rent	233,628	202,060
Audit fees	43,012	44,400
Other administrative expenses	1,741,177	1,304,204
	2,779,591	2,328,839

## Note 6. Current assets – cash and cash equivalents

	2016 \$	2015 \$
Cash on hand	750	750
Cash at bank	2,276,474	5,419,590
Cash on deposit	10,729,870	11,483,359
	13,007,094	16,903,699

Cash amounts restricted, held as cash on deposit as security, amount to \$4,179,853 (2015: \$nil).



## Note 7. Current assets – trade and other receivables

	2016 \$	2015 \$
NRAS receivable	1,762,782	1,557,145
Trade receivables	106,800	186,844
Rental receivables	442,154	435,987
Related party receivable	1,344,124	–
Other receivables	225,897	–
	3,881,757	2,179,976
Provision for impairment of receivables	(168,282)	(36,000)
	3,713,475	2,143,976

The related party receivable is an unsecured, non-interest bearing long term loan. The receivable was recovered on 29 July 2016 through a transfer of property. Refer to notes 20 and 21 for further details.

## Note 8. Current assets – other assets

Prepayments	868,078	859,686
Deposits for investment properties	797,827	–
Deposits for development projects	448,625	–
	2,114,530	859,686

## Note 9. Current assets – other financial assets

Capitalised borrowing costs	–	961,746
	–	961,746

## Note 10. Non-current assets – receivables

Related party receivable	–	1,344,124
	–	1,344,124

The above receivable is an unsecured, non-interest bearing long-term loan.

## Note 11. Non-current assets – plant and equipment

	2016 \$	2015 \$
Plant and equipment – at cost	706,831	663,824
Less: Accumulated depreciation	(641,728)	(563,340)
	65,103	100,484
Furniture and fittings – at cost	492,519	488,983
Less: Accumulated depreciation	(390,193)	(351,260)
	102,326	137,723
Other assets – at cost	63,445	63,445
	230,874	301,652

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and equipment \$	Furniture and fittings \$	Other assets \$	Total \$
Balance at 1 July 2015	100,484	137,723	63,445	301,652
Additions	45,012	3,536	–	48,548
Disposals	(797)	–	–	(797)
Depreciation expense	(79,596)	(38,933)	–	(118,529)
Balance at 30 June 2016	65,103	102,326	63,445	230,874

## Note 12. Non-current assets – investment properties

	2016 \$	2015 \$
Investment properties – at independent valuation	58,220,000	53,684,000
Assets under construction – at cost	15,622,199	6,326,608
	73,842,199	60,010,608

### Reconciliation

Reconciliation of the fair values at the beginning and the end of the year are set out below:

Carrying amount at the beginning of the year	60,010,608	3,785,301
Transfer of deposits	391,956	–
Additions and development costs	8,903,635	55,211,307
Revaluation increments/(decrements)	4,536,000	1,014,000
Carrying amount at the end of the year	73,842,199	60,010,608



### Valuations of investment property

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. The investment properties are revalued when necessary based on independent assessments by a member of the Australian Property Institute.

## Note 13. Non-current assets – other assets

	2016 \$	2015 \$
Rental deposits	1,348,368	1,267,384
Deposits for investment properties	–	1,156,792
Other security deposits	101,250	99,190
	1,449,618	2,523,366

## Note 14. Current liabilities – trade and other creditors

Trade creditors	91,568	69,666
Rents in advance	632,242	489,449
Grants in advance	136,490	156,802
Other creditors and accruals	4,114,846	3,355,862
	4,975,146	4,071,779

## Note 15. Borrowings

### Current

Bank borrowings	–	24,975
	–	24,975

### Non-current

Bank borrowings	1,318,890	–
Other borrowings	421,629	–
	1,740,519	–

The other borrowing is a loan from Sirius Consolidated Pty Ltd in connection with the development of 5–9 Hamilton Road, Fairfield. The loan is repayable on practical completion of the development project and is interest bearing.

The bank borrowings are secured by first mortgages over the registered entity's land and buildings.

## Note 16. Fair value measurement

### Fair value hierarchy

The following tables detail the registered entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2016				
<b>Assets</b>				
Investment properties	–	–	58,220,000	58,220,000
Total assets	–	–	58,220,000	58,220,000

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2015				
<b>Assets</b>				
Investment properties	–	–	53,684,000	53,684,000
Total assets	–	–	53,684,000	53,684,000

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

## Note 17. Key management personnel disclosures

### Compensation

The aggregate compensation made to directors as key management personnel of the registered entity is set out below:

	2016 \$	2015 \$
Aggregate compensation	77,920	80,665



## Note 18. Contingent liabilities

There is a security deposit guarantee of \$47,000 in respect of the Parramatta office (2015: \$47,000) and a security deposit guarantee of \$45,000 in respect of the Pembroke Street Boarding House (2015: \$45,000).

The registered entity has unrecognised capital commitments of \$6,595,200 for the final settlement of land purchase relating to the Bankstown project.

## Note 19. Commitments

	2016 \$	2015 \$
<b>Lease commitments – operating</b>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	232,423	140,369
One to five years	248,423	336,133
More than five years	–	–
	480,846	476,502

## Note 20. Related party transactions

### Key management personnel

Disclosures relating to key management personnel are set out in note 17.

### Transactions with related parties

Under the agreement with BlueCHP, the amounts paid in respect of headleases, rent collection refunds and other property costs amounted to \$1,380,953 for the year ended 30 June 2016 (2015: \$1,317,875). The registered entity also received \$269,580 from BlueCHP for the management fee and reimbursement of maintenance services for these properties for the year ended 30 June 2016 (2015: \$311,393).

### Receivable from and payable to related parties

As at 30 June 2016, the registered entity held \$89,807 in prepaid headlease rent (2015: \$81,942) and \$34,797 of trade payables in respect to the BlueCHP arrangement (2015: \$37,427).

### Loans to/from related parties

As at the reporting date, there was a related party loan receivable from BlueCHP of \$1,344,124 (2015: \$1,344,124). The loan is non-interest bearing and has no fixed repayment date. Refer to note 21 for further details.

## Note 21. Events after the reporting period

On 29 July 2016, Hume Community Housing Association Co Ltd (Hume) recovered the related party receivable from BlueCHP through a transfer of property title. On settlement, Hume received three property titles at a value of \$2,053,333, being the market value considering a social housing return on the investment properties. The difference of \$124,000 was payable by Hume to BlueCHP. Hume will continue the management arrangements for all other BlueCHP properties currently under management until June 2018.

No other matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the registered entity's operations, the results of those operations, or the registered entity's state of affairs in future financial years.



# Hume Community Housing Association Co Ltd

## Directors' declaration

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**30 June 2016**

In the directors' opinion:

- the attached financial statements and notes comply with the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Accounting Standards - Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Regulation 2013* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the registered entity's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the directors



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Robert Vine  
Director

20 September 2016  
Sydney



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Brian Lomas  
Director

20 September 2016  
Sydney

# Hume Community Housing Association Ltd

## Independent Auditor's Report

30 June 2016



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Australia

### INDEPENDENT AUDITOR'S REPORT

To the members of Hume Community Housing Association Co Ltd

#### Report on the Financial Report

We have audited the accompanying financial report of Hume Community Housing Association Co Ltd, which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities declaration.

#### Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the responsible entities' preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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# Hume Community Housing Association Ltd

## Independent Auditor's Report

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30 June 2016



### Opinion

In our opinion the financial report of Hume Community Housing Association Co Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**BDO East Coast Partnership**

BDO

**Ian Hooper**  
Partner

Sydney, 20 September 2016

# Our partners

Hume values the expertise, resources and leadership of its partners, in providing holistic services to Hume customers. Hume thanks the following organisations for enhancing its services and helping customers to achieve their goals throughout the different stages of their housing journey. These partners also support Hume's capacity to address housing affordability, service growth and expansion.

Argyle Community Housing  
Bankstown Community  
Mental Health  
Blacktown Hot Water  
Bonnie Women's  
Support Services  
Brewster Murray Architects  
Brolou  
CatholicCare  
Century 21 Liverpool  
Cerebral Palsy Alliance  
Civic Valuations  
Claymore Action Network  
Coleman Greig Lawyers  
Community First Step  
CORE Community Services  
Corrs Chambers Westgarth  
Creative Planning Solutions Pty  
The Deaf Society of NSW  
Department of Family and  
Community Services – Land  
and Housing Corporation  
DLA Piper  
Doorways for Men with  
Families – UnitingCare  
Burnside  
Drug and Alcohol Multicultural  
Education Centre (DAMEC)  
First National  
Real Estate Westpoint  
Frasers Property  
Fresh Living Strata Solutions  
Graffiti Removals

Impact Group  
inCorporate  
Organisational Strategy  
Infoxchange  
Jacob Electrical  
Jasara Constructions  
Life Consultancy Services  
Life Without Barriers  
LJ Hooker Fairfield  
Macarthur Disability Services  
MAX Solutions  
McLachlan Lister  
Hill International  
Mission Australia  
MLC  
Mono Constructions  
Nasar Group  
NEAMleami  
New Horizons  
Northcott  
NSW Federation  
of Housing Associations  
Pacific Capital  
City of Parramatta Council  
Department of Family  
and Community Services  
(FACS) Parramatta  
Partners in Recovery  
South Western Sydney  
Plenary Group  
PowerHousing Australia  
Priority Fire Services  
Ray White Liverpool

Red Cross  
Royal Rehab  
Sirius Constructions  
Smoke Alarm Testing Services  
South Western Sydney  
Local Health District Mental  
Health Service  
SR Construction  
St Vincent de Paul Society  
NSW  
Steve the Handyman  
Stove Doctor  
Sydney Locksmiths  
TAFE NSW Western Sydney  
Institute Outreach Unit  
Target Solutions  
The Benevolent Society  
UnitingCare  
UpFront Consortium  
Wayback Ltd  
Wesley Mission  
Western Sydney Business  
Chamber  
Western Sydney Local  
Health District  
Western Sydney Partners  
in Recovery  
Western Sydney Partners  
in Recovery – Went West  
Whitelion  
Women's Housing  
Company Ltd  
Yourtown  
Youth Care Links Industries





Hume Community Housing Association  
[www.humecha.com.au](http://www.humecha.com.au)

