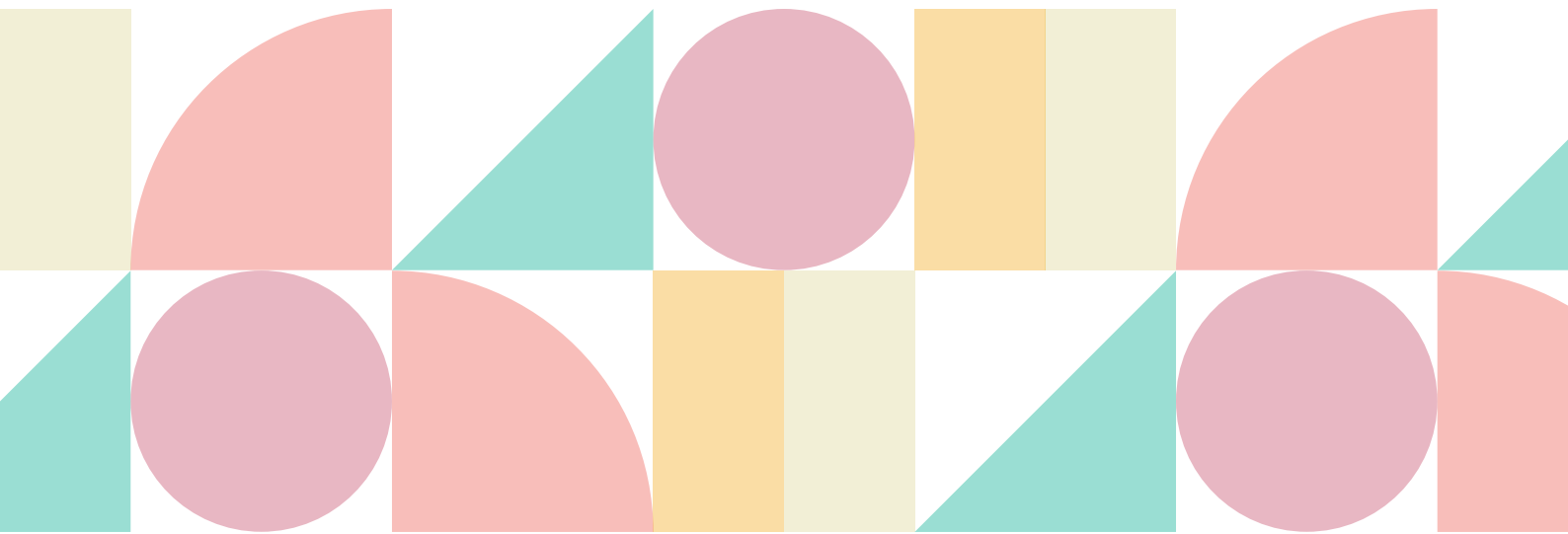


ANNUAL REPORT 2021-22



St Kilda
**Community
Housing**

Building housing communities in St Kilda

Contents

03	Chair report
04	CEO report
05	Our board
06	Farewell to Paul Madden
08	Partnerships with Alfred Mental and Addiction Health (AMAH)
09	Improving our properties in 2021-22
10	Our residents at a glance
11	Our very own talented artist
12	Financial report



Who we are

OUR MISSION: building stable communities, through sustainable housing, to assist socially disadvantaged people at risk of homelessness and improve their lives.

OUR AIM: provide affordable housing in a community setting, preserve and enhance singles' housing stock, improve housing and support programs for individuals on low-incomes that require additional assistance, and develop innovative models of housing provision.

OUR COMMITMENT: we are committed to ensuring that as an organisation we:

- provide affordable housing in a community setting;
- provide a safe and secure housing environment;
- give tenants a sense of having a home not just a tenancy;
- preserve and enhance singles' housing stock;
- improve housing and support programs for individuals on the lowest incomes, with histories of disadvantage, trauma and homelessness;
- develop innovative housing models.



Chair report

Our changes continue - for our Board, staff and organisation. This is an opportunity for renewal and to build the team and organisation for challenges ahead.

We farewelled Steve Peluso and Dale Ralph, who both continue their interest in our organisation and are available to provide support.

Peter Seamer, an Elwood local with experience in planning, engineering, government and management joined the Board, taking on the role of chair of the Housing and Development Committee.

Dr Mandy Leveratt also joined our Board. As a former SCH employee, an expert in housing policy, homelessness and the Melbourne service sector she is a welcome addition and has accepted the role of Chair of the Governance Committee.

We will continue to bring on new members and strengthen the skills around the Board table.

Our business environment is challenging - The Big Housing Build has been welcomed and is a significant policy initiative - hopefully the beginning of sustained, and overdue capital investment in social housing - for both maintenance and growth. New properties will be life changing for many people currently facing uncertainty and disadvantage in our community.

In St Kilda project opportunities are few. We face significant challenges to bring old rooming house stock up to contemporary standards. We commenced a detailed analysis of the maintenance and upgrade requirements that our old properties require.

Since inception we have managed state owned assets, leased homes for a peppercorn rent, and housed local, disadvantaged people. Our rental income is low. Other than grants, our income is limited to rents from our tenants - who often are on the very lowest statutory welfare incomes. Pensions and JobSeeker have failed to keep pace with costs for decades, and at the same time our costs and maintenance liabilities have increased - this is challenging for the Board and could prove unsustainable if not addressed strategically.

Our buildings require significant investment to bring them up to contemporary standards - a standard our residents deserve. We believe the most disadvantaged people in our community deserve to live in accommodation with good amenity. We need to increase maintenance and progressively upgrade our stock to maintain this essential community infrastructure and continue to support this vulnerable cohort - in the community they know, with the service system they need.

We are keen to work with other organisations to overcome this challenge.

The Board are incredibly proud and grateful for the work our staff do. When other groups were digging in, retreating, and working remotely, our staff (as did our sector) stepped up.

They have been exceptional and continue to go above and beyond. They maintained tenancies, ensured people had food, medicine, PPE, sanitiser, support and a kind word. Our cleaning, maintenance and gardening teams were flexible and did what had to be done - residents remained safe and largely COVID free. Our front-line housing staff were strongly supported by our corporate team - all have shown tenacity and passion.

We thank them and have no doubt that they have saved lives.

Liz Johnstone
Chair



CEO report

Welcome to our 2021-22 Annual Report.

The past year has been one of renewal, resetting and consolidation for St Kilda Community Housing. COVID, of course, has continued to impact our business, staff and residents.

Our ability to house people safely, support our residents to live, and live well, within their local community, while providing our staff with a fantastic place to work, has proven challenging - and I am proud of our results.

We welcomed two new impactful members onto our Board and have also recruited talented new people in our Housing and Maintenance teams.

We faced, and overcame several challenges within our housing portfolio and business this year, but, as always the structural challenges facing the community housing sector remain.

We have progressed our Wellington Street Common Ground development project despite various hurdles throughout the year. These are now largely resolved and we remain determined and optimistic that building will commence early next year.

We decided early in the year to sell our property on Barkly Street St Kilda. This proved a challenging decision for the organisation - a reduction in our overall portfolio reduces our ability to house and support additional people facing homelessness. As reported last year, our application under the Big Housing Build was unsuccessful, and when combined with

market fluctuations, a change of emphasis in our business focus was required. However, the sale was unsuccessful and we ultimately took the property off the market, and pleasingly are now progressing an innovative partnership with Alfred Health. Titled the 'Beacon Project', it will prevent homelessness for a particularly vulnerable cohort of people upon their discharge from the Alfred Hospital. More details about this project can be found inside this annual report.

Smaller agencies like St Kilda Community Housing cannot succeed without deep and effective partnerships and we are fortunate that we do our business in a uniquely well serviced and collaborative area of Melbourne.

Our partners in both State and local government continue to collaborate with us in an honest and constructive way.

Our strong partnerships with local agencies ensure that our cohort of vulnerable residents can access the supports that they require.

Our suppliers, trades and consultants understand and assist us to achieve our mission and are an absolute pleasure to work with.

But it is our staff and residents who deserve kudos. Our staff at SCH demonstrate passion, diligence, good humour and resident focus every day, day after day.

And finally, our residents deserve credit. This has been an extremely difficult period of time for everyone. We have faced new and multiple challenges. While we have enjoyed great support, our residents have shown understanding and a willingness to collaborate. Working together we have navigated a global crisis and built a stronger community.

Andrew D'Arcy
CEO

Our board



Liz Johnstone
Chairperson

Liz is Board Chair and has long term experience in public policy related to Public Policy in urban planning, building and sustainability at a local and state government level. Liz was appointed to the Board in 2015, providing professional input to the Board, Management & Finance, and Housing & Development committees.



Paul Madden
Treasurer

Paul is Chair for the Finance & Risk subcommittee and he has extensive experience in housing policy, research and senior management. He has worked in both not-for-profit and the public sectors which results in strong and sound leadership, governance and guidance to the organisation.



Dr Mandy Leveratt
Secretary

Mandy obtained a PhD in History from the ANU and then worked in policy and research in the not-for-profit sector for over twenty years. Her research areas covered housing, aged care, industrial relations and health workforce. She then spent 10 years working in community housing – eight of which were spent as a senior manager at St Kilda Community Housing.



Peter Seamer AM

Peter is Chair for the Housing and development committee and has been involved in the long term planning and growth of cities. He has worked in local Government and currently has advisory roles with both Government and non-Government organisations.



Greg Mundy FCHSM

Greg Mundy has held senior management and Chief Executive positions in a number of government and health and human services organisations. He has been a director and Board member of national bodies in health and aged services.



Carmel Collins LLB

After a decade at Office of Parliamentary Counsel, Carmel held senior management and directorship positions in Natural Resources, Infrastructure and Law departments of the state government. She was Manager of Tenancy Services in the Office of Housing.

We farewell both Steve Peluso and Dale Ralph from our Board this year.



Farewell to Paul Madden

After 22 years, Paul has resigned from the Board of St Kilda Community Housing (SCH). Paul's professional skills as both a researcher, advisor to government and experience at the level of board management, have been critical to the development of community housing in Victoria for over three decades.

He nurtured the survival and success of St Kilda Community Housing. As a long-term Board member and Chair he sought to deliver on its housing vision for low income single people.

When Paul joined the board of SCH in 1999 government was keen to develop opportunities for social housing providers to extend their role in the provision and management of the social/public housing sector. SCH was able to successfully demonstrate the expertise and governance skills at board level to deliver on this new vision.

At the core of this vision has been a commitment to provide secure, affordable and well-maintained housing to low income earners within a community setting where their individual lives are affirmed and respected. As Chair for over a decade Paul Madden embraced the challenge of guiding the organisation into new acquisitions, partnerships and new models. For the next decade Paul guided the acquisition and refurbishment of properties in Grey St, Jackson St and Alma Rd. By 2008 fifty per cent of rooming houses in the municipality were being managed by our organisation. These developments were never at the expense of the inclusiveness of the organisation and a relationship with tenants that goes beyond the commercial and contractual.

To this end Paul oversaw an initiative whereby each month residents come together in a



social meal program to share a meal, share stories and even share grievances. It's a great opportunity for the organisation to "break bread" and hear from the people Paul refers to as "our constituency". Again, to meet the objective of belonging to a community, Paul was an initiator and supporter of photography and art programs where professional practitioners instruct and encourage residents in their own chosen creative projects. As Chair, Paul made sure these initiatives were properly resourced. They have been enormously successful. Paul has been there on Opening Night to welcome residents and friends, congratulate the exhibitors and again resource the occasion so that everyone present gets to feel the glow of an opening and exhibitors get to see their work properly hung in a gallery space. This is affirmation in practice.

Paul has always been conscious of the political imperative that to be successful new housing projects that bring new faces, many of them defined as marginal, into new areas must consult with that wider community. To this end not only has he made sure these consultative meetings with neighbours happen, but that he was also present to introduce himself and field questions

on numbers, design cost and management. It has been a very successful strategy.

It is a measure of the organisation's success in this area that the City of Port Phillip has recently identified SCH as its preferred partner in a joint venture development to address homelessness in the city. It will be a first for the City of Port Phillip. Equally important has been Paul's experience in terms of negotiations with government. This experience brought across from his previous professional life was critical in making sure submissions "hit the mark".

Board positions within SCH are voluntary positions. They depend on a civic disposition to donate time, expertise and social capital back into the community. A contribution of two or three years is generous. Paul Madden's contribution extends to 22 years. He has steered the organisation over these years, providing support and mentorship to both staff and fellow board members. The integrity of SCH, its reputation, its record in delivering housing to a marginal and socially complex constituency is in large part due to Paul Madden.

John Broderick



Partnerships with Alfred Mental and Addiction Health (AMAH)

Alma Road Community Care Unit (ARCC)

AMAH continues to maintain strong partnerships with St Kilda Community Housing (SCH) through ARCC. ARCC provides long term support and treatment for clients of AMAH through a residential rehabilitation model of care. Once consumers feel ready to move from ARCC an important transition pathway for some has been through properties run by SCH. This has allowed for consumers to engage with the broader community and develop their own sense of independence in their recovery journey.

SCH has proven to be a key relationship to allow these transitions to occur. Many of the properties have a communal feel which is key to making people feel welcome when they enter a new home. SCH provides people the chance to access affordable housing once they no longer need the full support of the clinical team at ARCC.

The housing managers reflect the philosophy held by SCH and are always very contactable and flexible in their approach supporting consumers. There is always a great show of understanding for how mental illness can impact on people's ability to maintain housing, and this has played key role in many people's recovery.

Beacon Project

The Beacon Project is an exciting new collaboration between SCH and AMAH which is based in St Kilda. The building is owned by SCH and will provide accommodation and psychosocial support to female consumers of who currently are accessing mental health support through St Kilda Road Clinic. The property has fantastic communal areas and access to secluded garden spaces, making it a rare opportunity for consumers who would benefit from a period of housing security or stability in a gender specific environment.

The Beacon Project provides rooming house type accommodation comprising of individual bedrooms and shared bathroom, kitchen and living areas. Eligible consumers will be provided with an initial 12-month lease from SCH who provide ongoing tenancy management.

Treatment and case management will be provided through SKRC, with additional support psychosocial support from the EIPSR program.

Daniel Cartlidge

Improving our properties in 2021-22

In 2020, under their Building Works Maintenance Stimulus Programme the Victorian Government allocated \$998,730 to St Kilda Community Housing to undertake a maintenance and refurbishment programme and to address serious and significant infrastructure deficiencies of many of our premises and tenancies. Of this amount, \$123,380 was allocated to St Kilda Community Housing's two properties, with the balance to be spent of DoH properties.

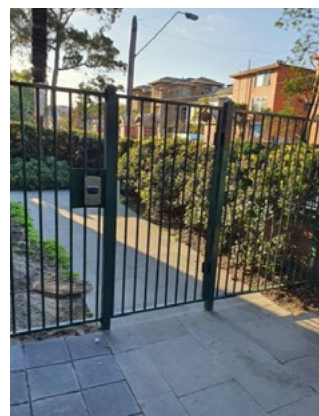
For our two St Kilda Community Housing premises, we undertook 9 projects of varying nature, including fire safety works, the installation of new heating and domestic hot water systems, a sewer replacement, structural repairs, the installation of new windows and the provision of weather protection to building entrances.

For DoH properties, the work was also of a wide and varying nature, and with 50 projects saw the upgrade and improvements to many

of the premises we manage. Along with bathroom and kitchen refurbishments, we attended to structural and roof repairs, as well as replacement of old steel framed windows with new energy efficient aluminium double glazed windows. In addition, we saw cosmetic improvements such as carpet replacements and fence repairs.

We instituted a programme of replacing many of our ageing boilers to ensure the ongoing supply of heating and hot water. Along with all this we saw of installation of state-of-the-art CCTV systems that facilitate remote monitoring which, through an efficient and effective monitoring of on-site activities, has positively improved tenant safety and security.

All in all, this Programme was extremely worthwhile, and whilst fully expended, could not address all of the deficiencies – continued and ongoing funding of this nature would be of tremendous value.



Carlisle St balcony repairs- almost completed – tenants can now safely use the balcony

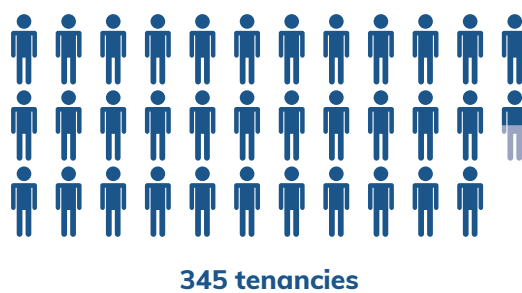
19 Brighton Rd – a refurbished disabled person's bathroom

77 Grey St – a new fence to create secure garden area for tenants

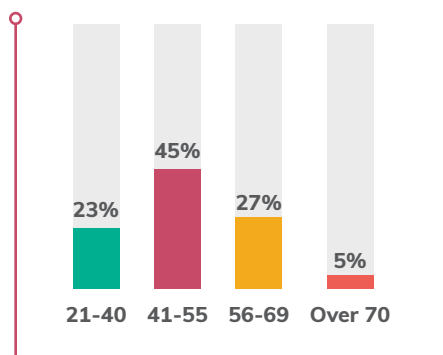
41-43 Jackson St – a new front fence.

Our residents at a glance

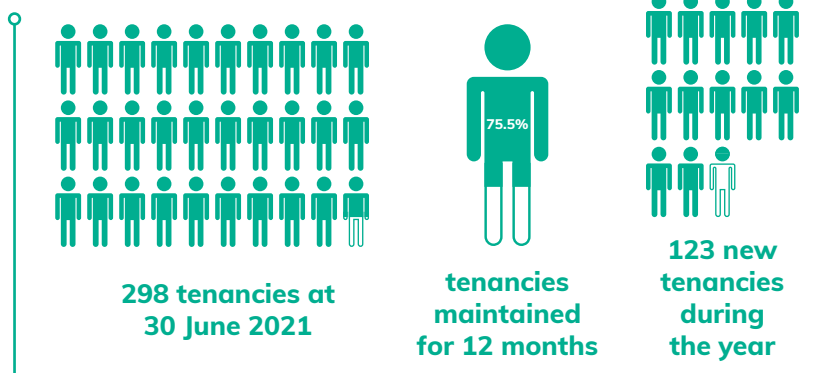
PROPERTY PORTFOLIO



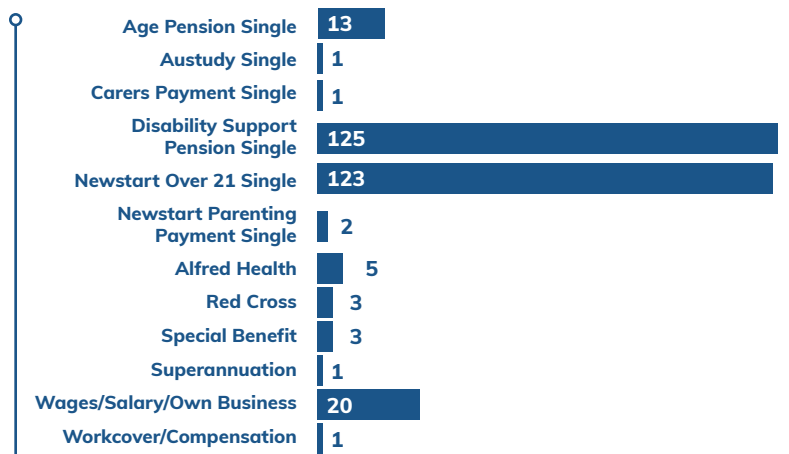
AGES



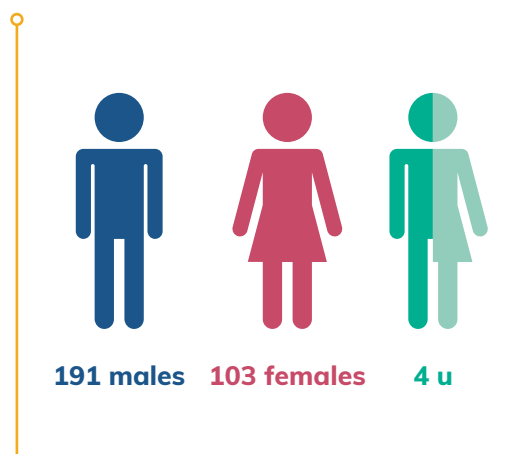
TENANCIES



INCOMES



RESIDENTS





Our very own talented artist

“Art is not what you see, but what you make others see.” -Edgar Degas

Scott is our very own talented artist who discovered his gift for painting six years ago. His journey started when he began to paint an old cubby house that he had found and before he knew it, he had painted a whole scene. His paintings are displayed at his home, and they create a warm and cosy atmosphere for our residents. Scott enjoys painting, and tells us that creating art is very calming. Recently, Scott was invited by Launch Housing Southbank to assist John Lowry, the well-known Australian artist, to paint the mural on their building, which was an amazing experience. In early 2020, Scott secured a stall at The Esplanade Markets in St Kilda to present his work. Unfortunately, COVID caused the market to close. With the market now reopening, Scott has plans to secure the spot again. In the meantime, he will continue to produce beautiful works of art.



Financial report

Income Statement

for the year ended 30th June 2022

	2022 \$	2021 \$
Revenue	3,025,486	2,908,605
Other Income	34,178	119,547
Administrative expenses	(128,997)	(162,878)
Bad and Doubtful Debts	(61,797)	(7,747)
Depreciation and amortisation	(293,762)	(296,778)
Employment Expenses	(1,338,833)	(1,317,450)
Finance charges	(160,328)	(144,318)
Property Management expenses	(482,741)	(267,244)
Tenancy Management and operational expenses	(687,568)	(679,690)
Other Expenses	(48,494)	(155,964)
	(3,202,520)	(3,032,069)
Deficit Before Income Tax Expense	(142,856)	(3,917)
Income tax expense	-	-
Deficit After Income Tax Expense	(142,856)	(3,917)
Other comprehensive income for the year (net of tax)		
Total Comprehensive Income for the year	(142,856)	(3,917)

St Kilda Community Housing Limited (SCH) continues to manage affordable accommodation options for 345 residents in 21 community houses in St Kilda and surrounds within our means.

The financial deficit for this financial year was \$143K. Unpaid expenses incurred on the Wellington St project stood at \$112,194 on July 1st 2021 and had grown to and remained unpaid a sum of \$462,419 at June 30th 2022. This development project placed financial challenges to SCH operational funds. Reimbursement of these costs were made in September 2022.

Expenses on Repairs & Maintenance and Refurbishment costs of properties increased and Operational costs on utilities and rates also increased compared to 2021.

Cash reserves at June 30th 2022 were \$260,894.

Total Equity on the Balance Sheet remains strong at \$6,355,205.

Balance Sheet

for the year ended 30th June 2022

	2022 \$	2021 \$
Current Assets		
Cash & cash equivalents	260,894	525,484
Trade receivables & other assets	179,951	179,528
Total Current Assets	440,845	705,012
Non-Current Assets		
Work in progress	462,420	181,993
Property, Plant & equipment	10,806,089	11,028,842
Total Non-Current Assets	11,268,509	11,210,835
Total Assets	11,709,354	11,915,847
Current Liabilities		
Trade & other payables	391,842	316,241
Rent received in advance	54,581	78,280
Borrowings	4,173,058	4,213,497
Provisions	131,331	129,916
Total Current Liabilities	4,750,812	4,737,934
Non-Current Liabilities		
Borrowings	603,337	660,289
Provisions	-	19,563
Total Non-Current Liabilities	603,337	679,852
Total Liabilities	5,354,149	5,417,786
Net Assets	6,355,205	6,498,061
Equity		
Accumulated Surplus	4,455,205	4,598,061
Asset Revaluation Reserve	1,900,000	1,900,000
Total Equity	6,355,205	6,498,061

The sale of 96 Barkly Street was planned but market conditions did not provide an optimal environment to facilitate this. With increases in the rates on borrowings, it will present challenges for SCH in 2023. Management has strategies in place to mitigate this increased cost to SCH.

The Board appointed a new auditor for the 2021-22 year. Stannards Accountants and Advisors provided their first independent audit report for SCH. Their report was favourable on accountability, controls and management within our organisation.

The Finance Committee met monthly in 2021-22 to prepare budgets and review financial performance. Dale Ralph who was appointed Treasurer in February 2020 resigned in March 2022. We thank him for his contribution. The Board will continue to be fiscally conservative ensuring long term organisational sustainability while continuing to investigate a range of opportunities to grow affordable housing stock.

Paul Madden
Treasurer

Note: These abridged financial statements are extracts of SCH as approved by the Board of Directors on October 2022. A copy of the audited Financial Statements is available on request from the registered office of St Kilda Community Housing Ltd.

Acknowledgements

We acknowledge the tremendous support of: Gibson Carpets, Minter Ellison Lawyers, Brendan & Lyndon, and Scott Christie.

Thanks to our partners



AlfredHealth



116 St Kilda Road, St Kilda, Vic 3182
Phone: (03) 9534 1809 | **Email:** admin@stkch.org.au
www.stkch.org.au

St Kilda Community Housing Ltd acknowledges that we are on the traditional land of the Boonwurrung and Wurundjeri people and offer our respects to the elders past, present and emerging.