



HOUSING REGISTRAR REPORT 2015-16



Housing Registrar



Treasury
and Finance



Mail

NO JUNK MAIL

THE HOUSING REGISTRAR

OUR MISSION

To protect social housing assets and ensure quality services to tenants by regulating well governed, well managed and financially viable rental housing agencies.

OUR VISION

A robust, vibrant regulated housing sector that grows affordable housing for the Victorian community.

FOUR KEY OBJECTIVES

- > ensure all housing agencies are viable, well governed and properly managed;
- > protect and ensure accountable use of government assets managed by the affordable housing sector;
- > build confidence in the private sector to invest in and grow affordable housing; and
- > ensure quality and continuous improvement in service delivery and outcomes for tenants.

The regulatory framework supports and promotes best practice while identifying and addressing poor performance.

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MESSAGE FROM THE REGISTRAR



I am pleased to present the 2015-16 Housing Registrar Report, which is the ninth annual report since the Housing Registrar was established in 2005. The role of the Registrar of Housing Agencies was created following amendments to the Housing Act 1983, which provided functions and powers to register and regulate rental housing agencies in Victoria. The aim of the regulatory framework is to build viable and well governed housing agencies that effectively use government assets and attract further investment from both the public and private sector to provide quality service delivery outcomes for their tenants.

Sadly, a key figure in the development of the regulatory framework, Mr Anthony Hardy, passed away in June 2016. Anthony was appointed to the Housing Registrar in 2006 and led the team for most of the subsequent period. From mid-2011 Anthony was appointed Registrar of Housing Agencies in addition to his role as Director of the Housing Registrar.

We have a tribute to Anthony later in the report.

I would like to thank the Housing Registrar team for their hard work and commitment, particularly in the difficult time since Anthony's passing.

Under Anthony's leadership, the Registrar had a successful year in 2015-16, implementing a number of developments and improvements to the regulatory model. In June, an asset management good practice guide was completed to assist agencies in their management of housing assets and provide a guide for performance assessment by the Registrar. In February we released an update of Our Regulatory Framework. The update takes account of changes to the regulatory framework and consolidates the previous six individual booklets into one publication, eliminating duplication and improving readability.

An important development during 2015-16 was the introduction of a new regulatory IT system, CHIMES, which went live on 17 August 2015, using the same IT platform as the National Regulatory System. Our regulatory reviews for 2015-16 were completed using the system which enabled the reviews to be completed ahead of schedule with improved reporting and system validation functionality.

The Registrar continues to work closely with other State Registrar's in relation to the development of the National Regulatory System. While Victoria has

not signed up to the national system, we continue to look for opportunities for alignment and are working on a number of initiatives with our national colleagues.

Consistent with recent trends, overall growth in the sector was limited during 2015-16. The sector introduced just over 500 new properties into community housing. After accounting for losses in the transitional housing and NRAS programs, the net effect is an increase of two units. This brings the sector total to 19,286. However, in March 2017, the Government announced the Homes for Victorians initiative which contains a range of initiatives, many of which are designed to significantly increase the housing stock of affordable housing sector. These initiatives present exciting opportunities for the sector to improve the supply of affordable housing.

Yours sincerely
Bernard Gastin



THE YEAR IN REVIEW

REGULATION IN PRACTICE

A significant part of our ongoing work each year is direct engagement with all registered housing agencies. This engagement aims to assure agencies are complying with performance standards and other legislative requirements, as well as demonstrating continuous improvement in their operations and performance. Where this is not the case, we work closely with agencies to rectify any issues, and the Registrar of Housing Agencies (the Registrar) has considerable powers to intervene if required.

ANNUAL REGULATORY REVIEWS

Forty-one annual reviews were completed this year, all of which were delivered within internal timeframes.

Reviews are comprehensive and require the regulator to examine:

- > annual reporting received from agencies including results against 13 key performance measures (KPMs);
- > progress against improvement objectives determined from the previous year's review;
- > evidence of compliance, which agencies have uploaded in the Community Housing Information and Engagement System (CHiMES) – such as policies, procedures, and reports on outcomes of projects or improvement initiatives undertaken;
- > feedback from the Department of Health and Human Services (DHHS) on agency performance against leases held with the Director of Housing (DoH), progress of capital development projects in which the DoH has an interest and/or the agency's delivery of services under service agreements where these exist with an agency; and

- > any non-routine contact with the agency in the past year following up complaints, issues and other matters of concern, as well as the outcomes of these.

Agencies receive a one-page compliance and performance assessment, together with a list of KPMs and financial metrics. These compare an agency's results with its previous year results, and with peer agencies. Where an agency is assessed as not meeting a performance standard or a legislative requirement, an explanation of the reasons for the judgement is included as an attachment.

Further information regarding the annual review process is available in the updated *Our Regulatory Framework* publication, available on our website.



REGISTRATION CATEGORY UPGRADE

Aboriginal Housing Victoria (AHV) was registered as a housing provider in 2009. The Housing Registrar conducted a category upgrade assessment of AHV in anticipation of a potential transfer of title for more than 1500 properties. This potential transfer would be the result of DHHS and the Housing Registrar working with AHV over a number of years to affect the transfer to independence. During 2015-16, AHV was assessed as meeting the requirements for housing association status. The final status upgrade was completed simultaneously with the asset transfer in early July 2016.

DATA VALIDATION

To improve reporting quality to the Housing Registrar, we have initiated a process of checks of selected agencies through data validation. Agencies are selected using a risk based approach, identifying agencies experiencing issues completing the annual asset reconciliation process or finalising KPMs data during the latest reporting period.

In 2015-16, AHV volunteered to have the Housing Registrar undertake data validation on the organisation.

A final report with findings and recommendations will be issued in late 2016, and will focus on ways to improve reporting to the Housing Registrar. We will require AHV to develop an action plan that addresses all recommendations. Common issues in past years have included multiple systems being used for the one type of data (for example property assets), missing data fields required for reporting, reliance on one staff member's knowledge and expertise, lack of written instructions or guidelines and manual calculations with little or no records of these kept.

This work continues to lead to real improvements in data quality and accuracy.

REVIEW OF INTERVENTION PROCESS

Part VIII of the *Housing Act 1983* includes provision for the Registrar to investigate matters of concern in relation to registered housing agencies and a range of powers that may be exercised in specified circumstances, including failure to meet performance standards.

In 2014-15, the Registrar found it necessary to commission an investigation and, subsequently, to use intervention powers. Implementation of this action was informed by advice from both the Department of Treasury and Finance (DTF) legal services and external legal counsel, and from the Registrar's Advisory Panel.

This experience highlighted the complexity involved in respecting the independence of registered agencies and providing opportunities for internal remediation, while also taking regulatory action in a timely and effective manner. The importance of ensuring that due process was followed in reaching decisions to intervene was also highlighted.

The Registrar subsequently decided to review how issues had been managed within his office, and the communication that occurred with legal advisors and the board and management of the registered housing agency. This was to determine whether improvements could be made in any future scenarios involving (or potentially involving) regulatory action.

In late February 2016, PricewaterhouseCoopers was appointed to undertake a review of the escalation of regulatory involvement with an agency, the communication and decision making processes involved and the intervention that was ultimately implemented. The final report was submitted to the Registrar in May 2016.

The report recommended greater clarity in the regulatory escalation process and improvements to communications when powers were being used by the Registrar. It also recommended review of the existing Intervention Guidelines and suggested that additional information on escalation of regulatory involvement and communication with agencies could be considered for inclusion.

A review of the Intervention Guidelines and associated processes in regulatory escalation and intervention is being conducted by the Housing Registrar in the coming year.

NRSCH ALIGNMENT

This year the Housing Registrar has been heavily involved with the National Regulatory System for Community Housing (NRSCH) to continue our efforts to align with the national system. The Housing Registrar has been a key participant of the national registrar's forums held via video link, and in September 2015 participated in the face-to-face forum held in Melbourne. We have continually contributed to the national regulatory framework, despite Victoria not having formally signed up.

CHiMES

Housing Registrar staff spent a significant amount of time in the previous financial year working closely with our Salesforce Partner to design, develop and launch the new IT system CHiMES. All existing data and documents were successfully migrated from the old business system REGIS to CHiMES in early 2015-16. Following an extensive user training program, including the provision of detailed user manuals and frequently asked questions, CHiMES went live on 17 August 2015.

Our first round of reviews was completed in record time, despite an extension of one month to the August reporting deadline. This was mainly possible due to the enhanced functionalities in CHiMES including web-based reporting templates, in-built system validations and sophisticated work flow and audit trails.

We also tested the reporting functionalities and data analytic capabilities of CHiMES during the year, and were impressed with the output. Given the current structure of various datasets and objects, CHiMES allows users to translate data into meaningful information very effectively, saving significant time and the need for manual intervention. Both the Housing Registrar and the sector will benefit greatly from this reporting functionality. We have launched individual financial and service delivery dashboards as a first step in providing agencies with detailed insight into their performance. The dashboards are a powerful summary of historical performance, compared with the agency's peer group and the sector, and provide agencies with significant insight into their business and financial performance.

Like our registered agencies, we are committed to continuous improvement. Following the first round of annual reviews, we completed a post-implementation CHiMES review. This process highlighted improvements to provide better user experience. We incorporated various additional functionalities during the year, including in-built asset reconciliation, improved visibility of change requests, refinement to the application for registration/status upgrade and automatic linkage of agency profiles to our website. These additional functionalities will provide greater user efficiency in the upcoming review period.

The Housing Registrar will consult with the sector in the first quarter of 2016-17 to gain feedback on user functionalities, and experiences of these following the first round of annual reviews. This feedback will help us determine any enhancements we will need to make to further improve and refine the system.



SECTOR ENGAGEMENT AND COMMUNICATION

ASSET MANAGEMENT GOOD PRACTICE GUIDE

We completed a good practice guide for the Victorian housing sector during the year. PricewaterhouseCoopers researched national and international asset management practice and prepared a framework for good practice for our housing associations. The Housing Registrar used this information to draft a good practice guide for registered housing agencies of all sizes. The guide highlights good practice in asset management and agencies will be requested to assess current performance against the guide and, if required, outline a plan to improve performance.

The good practice guide will be used by regulators for the 2016-17 annual regulatory assessments onwards.

OUR REGULATORY FRAMEWORK UPDATE

The Our Regulatory Framework series was substantially revised to take account of changes to our regulatory environment over the past seven years. To eliminate duplication and improve readability, we also consolidated the six individual booklets into one user-friendly on-line document. Readers are now able to follow links to all relevant publications on the Housing Registrar website directly from the on-line document. Hard copies of the consolidated document are also available on request.

REGULATORY FORUMS

Biannual regulatory forums were held in November 2015 and May 2016.

The November forum covered a number of topics, including:

- > a progress update on the new Common Housing Register from a DHHS representative;

- > a PricewaterhouseCoopers presentation on their findings from an asset management review commissioned by the Housing Registrar; and
- > two presentations from the registered sector, including one from the Salvation Army Red Shield Housing (Victoria) on a training program that has been developed, and the other from EACH Housing on its latest innovative housing unit development.

The May forum included:

- > a discussion from the Housing Registrar on lessons learnt from the first round of agency reporting against the new Community Engagement Performance Standard;
- > a presentation from the Housing Registrar on the increased reporting capability now available to both the Housing Registrar and the sector through CHIMES, as well as the new Asset Management Good Practice Guide; and
- > a presentation from Housing Choices Australia on customer service.

NEWSLETTER

Our EQUIP newsletter was published in September and December 2015, and March 2016. Along with Housing Registrar news items, we sought input from registered housing agencies on new initiatives and developments. These included Australia's first full-service social enterprise real estate agency (a subsidiary of Victorian Women's Housing Association) and the redevelopment of an old school site into a 90-bed aged care facility with a community hub and 52 affordable housing units in Norlane (Baptcare Affordable Housing). Copies of past newsletters can be found on our website.





BUILDING INTERNAL CAPABILITY

OUR STAFF

We welcomed Emma Iacobaccio back from maternity leave in June 2016 and in the same month said farewell to Kai Chong, who accepted a permanent position at DHHS following his secondment there one year earlier. We also said farewell to Elise Corbin in May 2016, who had joined us to cover Emma's maternity leave, and to Kudrat Gill in June 2016 who was also with us for one year while Kai was on secondment.

TRAINING AND DEVELOPMENT

> Staff attended internal performance standards training to provide the team with greater understanding of the new NRSCH aligned performance standards, in particular the new community engagement standard.

- > Finance training was undertaken by staff not formally trained in this area as, with the restructure of the Housing Registrar in 2014-15, it is important all team members have an understanding of core financial issues.
- > Staff attended Community Housing Federation of Victoria training on the Residential Tenancies Act 1997 (RTA) and the Victorian Civil and Administrative Tribunal (VCAT), in order to provide staff with a deeper understanding of the impact of these for our registered agencies.
- > Internal training was held to improve the team's understanding of regulatory escalation, in particular investigations, so that a consistent approach can be maintained across individual regulators.
- > Other development opportunities included staff attendance at the annual Board Builder Conference and at a conference on financial models for affordable housing.

UPDATING INTERNAL GUIDES

The Housing Registrar has a range of internal guidelines for staff in carrying out their roles and responsibilities. We have created a more effective index of these guidelines within our filing system TRIM, and begun the process of updating as required. This will continue in the coming year.

The introduction of CHIMES has required the creation of new guidelines for capturing information on general enquiries we receive, complaints referred to us, and Ministerial correspondence which we advise and assist the Minister for Finance on. This CHIMES functionality has enabled us to quantify and monitor a significant aspect of our work, time and effort, which was largely hidden in the past.

We have created a number of reports in CHIMES to allow us to quantify work being completed, monitor progress on key tasks, and to track inputs from registered agencies. These reports are still being refined, but will over time become part of our normal routine and a very useful management tool.



COMMUNICATION WITH OTHER STAKEHOLDERS

REGISTRAR'S ADVISORY PANEL

The Registrar's Advisory Panel met twice during the year. The first meeting was to consider the voluntary merger of two agencies, and the second to assess the application of AHV to become a housing association. The panel recommended to the Registrar that he approve both items.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

As dictated by the information sharing protocol, the Registrar and DoH met monthly to exchange information regarding the performance of the registered sector, housing policy and potential growth opportunities for registered agencies. Bi-annual meetings were also held with the DHHS Performance, Regulation and Reporting Branch to exchange information about a number of registered agencies receiving operating grants from the Department. A similar protocol governs this relationship.

COMPLAINTS AND ENQUIRIES

We are regularly engaged in responding to enquiries from tenants, other social housing stakeholders and the public.

Some enquiries, such as those from people seeking affordable housing, are straightforward. We have an information sheet describing the different forms of affordable housing options and contact details for housing agencies. We email or post this information sheet where a person is unable to access it on our website.

Other enquiries, particularly those from a tenant of a registered agency or an advocate on their behalf, may take a period of several days or even weeks to resolve depending on the complexity of what is involved.

Where a tenant or prospective tenant has already formally complained to a registered agency about the agency's handling of, or unsatisfactory resolution to the issue and 30 days have passed, we can review and if appropriate investigate the complaint where this is requested.

Our experience shows it is not uncommon for the discussion of an issue with an agency to be viewed as a formal complaint by a tenant or other party communicating the issue. In these situations we refer the person back to the agency's formal complaints process in the first instance if they remain dissatisfied with the agency's response.

The summary of total enquires and complaints addressed by the Housing Registrar in 2015-16 is as follows:

Enquiry	205
Complaint	12
Ministerial correspondence	23
Total	240

Of the above, 136 (57 per cent) were not specifically related to a registered housing agency. They covered a wide range of topics, with the most common being people seeking affordable housing.

There were 104 registered agency enquiries and complaints (including those communicated via Ministerial correspondence) referred to the Housing Registrar in 2015-16. This compared to 78 in 2014-15 and 64 the prior year. As with previous years, a significant number of these matters were referred back to an agency's complaints process. One complaint resulted in a formal investigation being commissioned by the Registrar.

The summary of enquiries and complaints related to registered agencies is as follows:

Tenant enquiry/complaint still subject to agency's process – referred back to agency	61
Prospective tenant enquiry/complaint still subject to agency's process – referred back to agency	3
Neighbour enquiry/complaint – outside Registrar's jurisdiction – referred back to agency	26
Co-operative membership complaint – outside Registrar's jurisdiction – referred back to agency	0
Internal review – under Registrar's jurisdiction but not requiring formal investigation	13
Formal investigation	1
Total	104

Complaints data submitted by registered agencies within their KPMs data showed the following:

	2015-16	2014-15	2013-14	2012-13	2011-12
Total number of complaints	886	817	811	957	930
Total number from tenants/prospective tenants	333	305	361	339	386
Tenant/prospective tenant complaints resolved within 30 days (percentage)	87.4	83.6	87.3	86.1	85.7

The total number of complaints overall increased compared to the previous year, as did the number of complaints from tenants / prospective tenants. Despite the increased number of complaints, the resolution rate for complaints resolved by agencies within 30 days improved to 87.4 per cent. With current tenancies at capacity for the sector at more than 19 000, the number of complaints from tenants/ prospective tenants has remained very low at less than two per cent.



VALE ANTHONY HARDY



Anthony Hardy

This is the first Housing Registrar annual report since the sudden passing of Anthony Hardy, Registrar of Housing Agencies, in Victoria on 30 June 2016.

Anthony has been a larger than life figure within the social housing sector since his appointment to the office of the Housing Registrar in early 2006. From mid-2011 he took on the additional statutory role of Registrar of Housing Agencies.

Before he moved permanently to Australia in 2006, Anthony held a number of roles within the social housing sector in the UK in both not-for-profit agencies and government, with the English Housing Corporation. He was an enthusiastic supporter of community housing in both the UK and Australia.

The system of housing regulation introduced in Victoria in 2005 was the first housing regulatory framework in Australia. Anthony led Victoria's alignment with the National Regulation System for Community Housing

(NRSCH), adopting the national performance standards and implementing a regulatory IT system, CHiMES, on the same platform as the national system. Under Anthony's leadership, the Housing Registrar registered more than 40 agencies and oversaw more than four mergers – a clear sign of a maturing sector.

Whilst Victoria did not join the NRSCH, Anthony had an influential role in the development of the NRSCH and remained actively involved in the regular Registrar's Forum. Interstate registrars have determined to recognise Anthony's contribution to the NRSCH through a posthumous award to recognise the most meritorious contribution by a regulator within the NRSCH.

We, at the Housing Registrar, will miss his enthusiasm, humour and passion for the community housing sector. He will also be sorely missed by sector participants and stakeholders.

OUR TEAM



Susan Bell



Michael Forbes



Niraj Pau



Caroline Prodan



Emma Iacobaccio



Christine Witton



Doreen Arulanantham



Kai Chong



Yuki Bao



Elise Corbin



Kudrat Gill

THE REGISTERED SECTOR





THE REGISTERED SECTOR AS AT 30 JUNE 2016



HOUSING ASSOCIATIONS

Common Equity Housing Ltd
Community Housing (Vic) Ltd
Housing Choices Australia Ltd
Loddon Mallee Housing Services Ltd (trading as Haven; Home, Safe)
Port Phillip Housing Association Ltd
Rural Housing Network Ltd
Wintringham Housing Ltd
Yarra Community Housing Ltd

HOUSING PROVIDERS

Aboriginal Housing Victoria Ltd
Active Community Housing Ltd
Baptcare Affordable Housing Ltd
BAYSA Ltd (trading as Barwon Youth)
Centacare Housing Services Inc
EACH Housing Ltd
Eastcoast Housing Association
Eastern Suburbs Rental Housing Co-operative Ltd
Hanover Welfare Services*
HomeGround Services*
Inner East Social Housing Group Inc
Launch Housing Ltd
Mallee Accommodation and Support Program
Mission Australia Housing (Victoria)
Northcote Rental Housing Co-operative Ltd
Northern Geelong Rental Housing Co-operative
Prahran/Malvern Community Housing Inc
Servants Community Housing
South Port Community Housing Group Inc
SouthEast Housing Co-operative Ltd

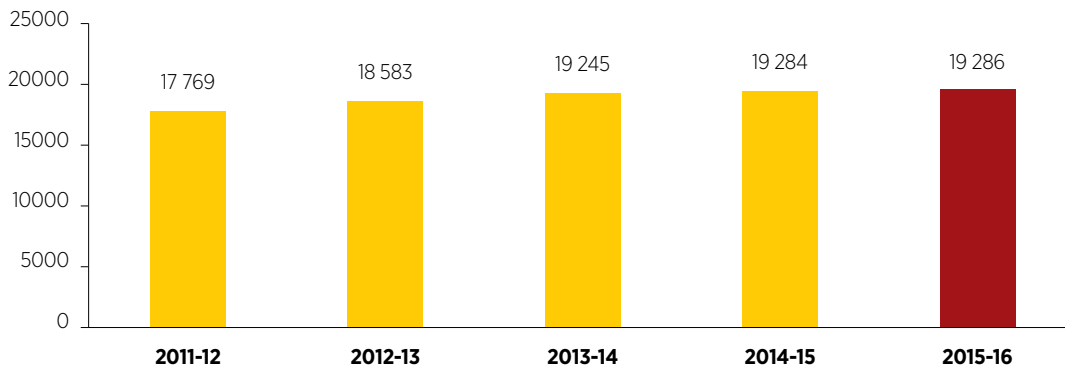
St Kilda Community Housing Ltd
Sunshine/St Albans Rental Housing Co-operative Ltd
The Haven Foundation Ltd
The Salvation Army Red Shield Housing (Victoria)
United Housing Co-operative Ltd
UnitingCare Housing Victoria Ltd (trading as Uniting Housing Victoria)
Urban Communities Ltd
Victorian Women's Housing Association Ltd (trading as Women's Property Initiatives)
VincentCare Community Housing
WAYSS Ltd
West Turk Housing and Elderly Services Co-operative Ltd
Williamstown Rental Housing Co-operative Ltd
Women's Housing Ltd
YWCA Housing

*These two agencies were deregistered on 30 June 2016 following their merger to create Launch Housing.

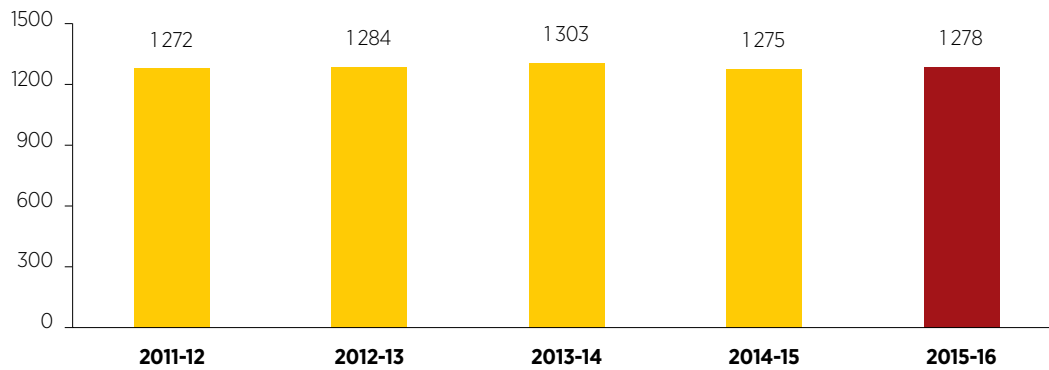
SNAPSHOT OF THE SECTOR



TOTAL NUMBER OF RENTAL HOUSING UNITS



TOTAL NUMBER OF STAFF



PROFILE OF TENANCIES 2015-16

Long term housing (including rooming house)			
	Housing associations	Housing providers	Total sector
Tenancies as at 1 July 2015	9 449	5 109	14 558
Exits	1 251	911	2 162
Vacancies	1 819	1 237	3 056
Percentage of tenancies maintained over entire 12 months (excluding rooming house)	89.6	85.4	88.3
Percentage of tenancies maintained over entire 12 months (for rooming house)	77.5	75.1	76.0
New tenancies (excluding transfers)	1 285	1 057	2 342
Tenancies as at 30 June 2016	9 517	4 969	14 486
Transitional housing			
	Housing associations	Housing providers	Total sector
Tenancies as at 1 July 2015	1 396	1 817	3 213
Exits	1 214	1 889	3 103
Vacancies	1 502	2 462	3 964
New tenancies*	1 169	1 838	3 007
Tenancies as at 30 June 2016	1 351	1 766	3 117

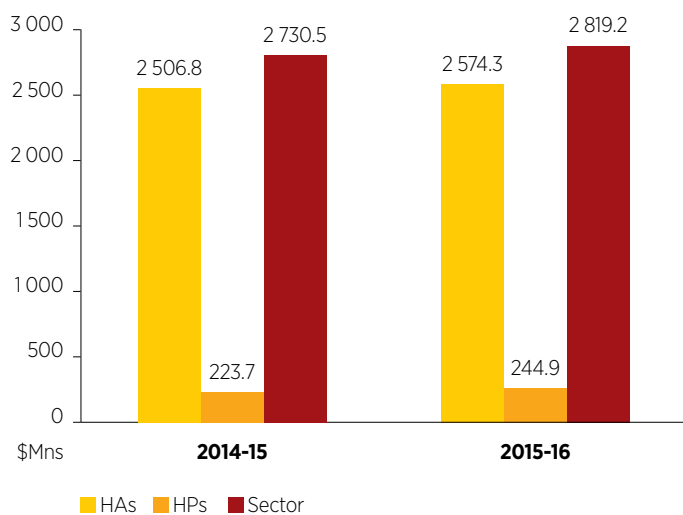
These figures were reported by registered agencies in the 2015-16 KPMs data collection (figures were reviewed, and updated as necessary, during this reporting period).

*This data is no longer reported by agencies and has been arrived at from calculations of the data supplied by agencies.

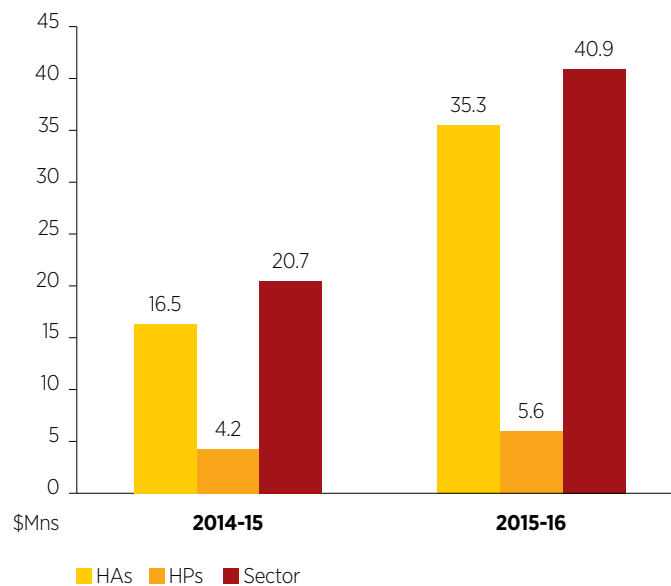
FINANCIAL DATA*



TOTAL ASSETS

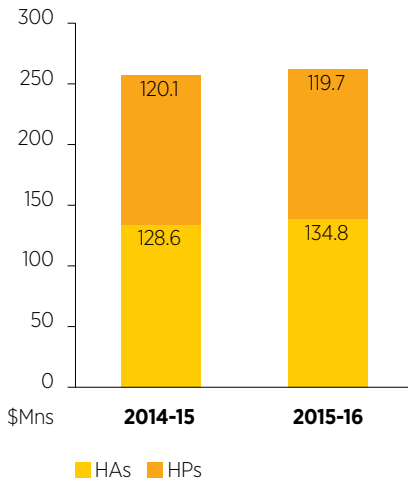


TOTAL CAPITAL GRANTS RECEIVED

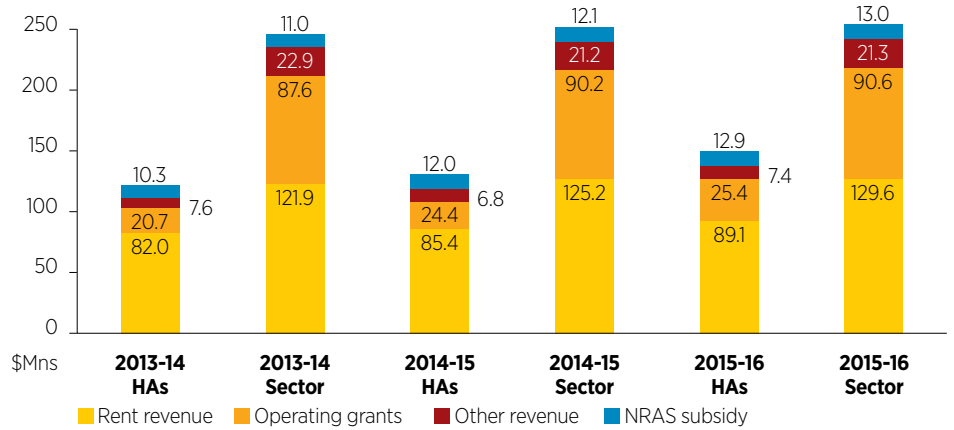


*Note: previous years figures have been adjusted to reflect new registration, de-registration and prior years accounting adjustments as per the audited accounts.

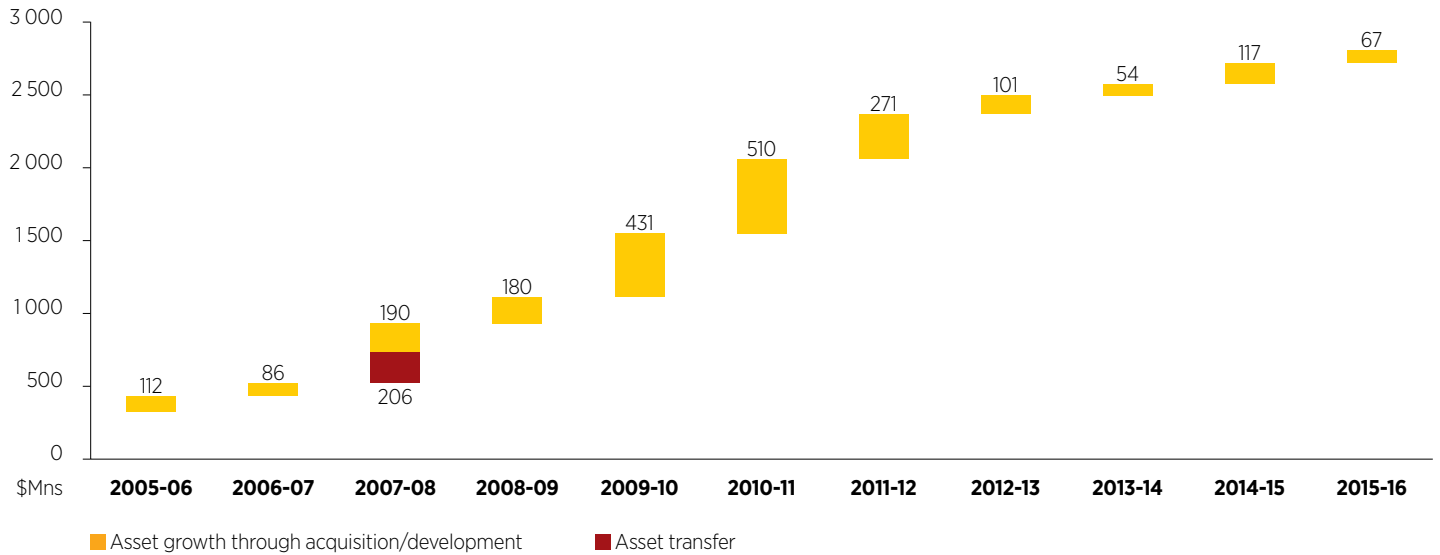
OPERATING REVENUE



OPERATING REVENUE BREAKDOWN



INCREMENTAL GROWTH IN HOUSING ASSETS OF HOUSING ASSOCIATIONS



SUMMARY FINANCIAL STATEMENTS*



	Housing Associations				Housing Providers				Sector			
	2012-13	2013-14	2014-15	2015-16	2012-13	2013-14	2014-15	2015-16	2012-13	2013-14	2014-15	2015-16
Income Statement (in \$millions)												
Rent revenue	75.7	82.0	85.4	89.1	38.2	39.9	39.8	40.5	113.9	121.9	125.2	129.6
Operating grants	18.8	20.7	24.4	25.4	63.0	66.9	65.8	65.2	81.8	87.6	90.2	90.6
NRAS subsidy	7.4	10.3	12.0	12.9	0.7	0.7	0.1	0.1	8.1	11.0	12.1	13.0
Other revenue	12.0	7.6	6.8	7.4	13.5	15.3	14.4	13.9	25.5	22.9	21.2	21.3
Total operating revenue	113.9	120.6	128.6	134.8	115.4	122.8	120.1	119.7	229.3	243.4	248.7	254.5
Admin & property expenses	73.7	78.3	83.0	91.7	100.3	105.7	107.5	107.4	174.0	184.0	190.5	199.1
Depreciation	17.3	13.7	13.4	13.6	3.5	3.3	3.7	3.4	20.8	17.0	17.1	17.0
Finance costs	18.7	17.4	16.8	15.0	1.8	1.5	1.1	1.0	20.5	18.9	17.9	16.0
Other expense	5.2	5.5	7.5	6.8	3.0	3.0	2.6	3.4	8.2	8.5	10.1	10.2
Total operating expense	114.9	114.9	120.7	127.1	108.6	113.5	114.9	115.2	223.5	228.4	235.6	242.3
Net operating surplus	-1.0	5.7	7.9	7.7	6.8	9.3	5.2	4.5	5.8	15.0	13.1	12.2
Capital grants	48.9	15.9	16.5	35.3	2.5	3.8	4.2	5.6	51.4	19.7	20.7	40.9
Other one-time items	41.5	25.4	64.5	30.8	5.4	0.0	2.7	2.8	46.9	25.4	67.2	33.6
Net surplus	89.4	47.0	88.9	73.8	14.7	13.1	12.1	12.9	104.1	60.1	101.0	86.7

*Note: previous years figures have been adjusted to reflect new registration, de-registration and prior years accounting adjustments as per the audited accounts.



	Housing Associations				Housing Providers				Sector			
	2012-13	2013-14	2014-15	2015-16	2012-13	2013-14	2014-15	2015-16	2012-13	2013-14	2014-15	2015-16
Balance Sheet (in \$millions)												
Cash and short term investments	471	50.0	56.7	66.0	48.7	51.7	52.8	58.0	95.8	101.7	109.5	124.0
Other current assets	21.5	19.6	24.3	28.5	5.9	6.4	7.5	6.1	27.4	26.0	31.8	34.6
Current assets	68.6	69.6	81.0	94.5	54.6	58.1	60.3	64.1	123.2	127.7	141.3	158.6
Housing assets	2,239.2	2,277.5	2,397.3	2,443.8	139.7	143.4	144.6	158.4	2,378.9	2,420.9	2,541.9	2,602.2
Other non-current assets	23.0	22.1	28.5	36.0	14.9	17.2	18.8	22.4	37.9	39.3	47.3	58.4
Total non-current assets	2,262.2	2,299.6	2,425.8	2,479.8	154.6	160.6	163.4	180.8	2,416.8	2,460.2	2,589.2	2,660.6
Total assets	2,330.8	2,369.2	2,506.8	2,574.3	209.2	218.7	223.7	244.9	2,540.0	2,587.9	2,730.5	2,819.2
Interest bearing loan liabilities	1.2	1.3	2.5	5.5	0.5	0.7	0.6	0.7	1.7	2.0	3.1	6.2
Other current liabilities	84.4	85.7	88.7	56.8	27.8	26.8	24.3	26.3	112.2	112.5	113.0	83.1
Current liabilities	85.6	87.0	91.2	62.3	28.3	27.5	24.9	27.0	113.9	114.5	116.1	89.3
Interest bearing loan liabilities	282.5	285.2	291.0	292.3	25.1	21.8	15.6	14.8	307.6	307.0	306.6	307.1
Other non-current liabilities	73.2	57.1	52.9	61.2	4.0	4.1	5.0	4.7	77.2	61.2	57.9	65.9
Total non-current liabilities	355.7	342.3	343.9	353.5	29.1	25.9	20.6	19.5	384.8	368.2	364.5	373.0
Total Liabilities	441.3	429.3	435.1	415.8	57.4	53.4	45.5	46.5	498.7	482.7	480.6	462.3
Net assets	1,889.5	1,939.9	2,071.7	2,158.5	151.8	165.3	178.2	198.4	2,041.3	2,105.2	2,249.9	2,356.9
Reserves	86.6	72.4	113.7	126.9	20.8	23.8	28.6	39.4	107.4	96.2	142.3	166.3
Earnings	1,803.1	1,867.3	1,958.0	2,031.5	130.7	141.5	149.7	159.2	1,933.8	2,008.8	2,107.7	2,190.7
Total equity	1,889.7	1,939.7	2,071.7	2,158.4	151.5	165.3	178.3	198.6	2,041.2	2,105.0	2,250.0	2,357.0

SPOTLIGHT ON A REGISTERED AGENCY – EASTCOAST HOUSING ASSOCIATION



Eastcoast Housing Association (EHA) was established as a public company in 1996 after the amalgamation of the Moe, Chelsea and Riviera rental housing cooperatives. The agency was registered on 22 December 2008. EHA manages 160 long-term houses (150 owned by the DoH). The agency specialises in providing affordable long-term accommodation for people on low and middle incomes. The agency is based in Moe but has no geographical restriction on its operations and its housing portfolio spans from metropolitan Melbourne to the far east Gippsland region.

HYDE PARK ROAD PROJECT

This initiative is a collaborative partnership aimed at improving the housing and support outcomes for people who experience a range of complex issues as a result of mental illness. The consortium members are EHA, Barrier Breakers, Latrobe Regional Hospital Mental Health Services (LRHMHS) and Mind Australia (Mind).

DHHS provided \$450 000, Barrier Breakers raised \$150 000 from community donations, and EHA contributed the balance of funds required to build the 10 units in Hyde Park Road, Traralgon on two adjoining blocks of leased land.

SERVICE MODEL OF CARE

Within a framework of partnership, the project promotes independent living and citizenship with support individually tailored and structured around choice, need and changing circumstance. The input of families and carers is actively encouraged, and their own needs are considered and responded to.

Mind provides individual client service packages according to assessed client needs. LRHMHS provides recovery oriented clinical support as required. EHA provides housing, tenancy and property services. Barrier Breakers is available to provide advocacy services as required by clients from time to time. Consistent with their advocacy charter, Barrier Breakers is also called upon to work with service providers within the general community to advance the needs and service support for clients.

KEY FEATURES

- > Security of tenure and the creation of a home environment where people can feel safe, make choices, access community and develop positive modes of self-expression.
- > A commitment to the involvement of carers and families, both in the development of an individual's planning and support as well as the review and adaption of these plans as circumstances change.
- > A collaborative partnership with clinical services.
- > A commitment to working in collaboration with a broad range of stakeholders relevant to the client's needs, including facilitating access to clinical mental health services, drug and alcohol services, GPs, employment, training and recreational opportunities.



TENANT SELECTION

EHA notifies LRHMHS, Mind and Barrier Breakers of a vacancy. Applications may either be on file with EHA or supplied at the time of vacancy. All applicants must be eligible for public housing and meet eligibility criteria established by EHA. In particular, tenants must have a diagnosed mental illness, require clinical support, be in receipt of the Disability Support Pension and have the support of a carer/significant other. Support needs will be identified and in place prior to occupancy. Being housed through EHA, there is also opportunity for transfer across EHA's housing stock in response to the changing needs of the tenants.

TENANCY EXIT

If a client chooses to exit voluntarily, all linkages and referral pathways will be made prior to the exit.

If the client exits without notice, the key support worker will provide every support to locate the client to assess their level of wellness and alert critical intervention services if considered necessary. If the tenant expresses the wish not to engage with Mind services, this will be respected. However, provision will be made to resource the client with information about ways to access other models of care, providing active referrals to appropriate service providers.

TENANCY AND PROPERTY SERVICES

Tenants will be able to apply for a garden grant annually of up to \$200 per tenancy. This may contribute to the development of a vegetable or flower garden or other garden beautification projects of the tenant's choosing.

QUALITY FRAMEWORK

All EHA partners will work with clients using principles of best practice, consistent with a robust recovery orientated framework. The partners will support the operation of the housing service consistent with good practice standards for community housing as established by the Victorian Housing Registrar.

A TENANT'S STORY...

Dear Meigan,

I wanted to take the time to say thank you.

Thank you for giving my family a home. Today Mum handed back the keys to [our rental property] after a wonderful 10 years or so of a roof over our heads.

When we were given this home we were basically homeless. We had moved around numerous people's couches after losing the family home through divorce. We, as young children, sat on the nature strip as the real estate agent kicked us out. We sat there guarding all our belongings as Mum did car trips to and from Nan's two bedroom unit. I was about 13 and my younger brother was 9. I'll never forget the look on Mum's face that day. Heartbreaking.

During this time my older brother was also in the horrible stages of drug addiction. We lived in fear on a daily basis. We moved every 12 months for seven years as Mum

tried to keep us safe from him. No amount of overtime and working full time was ever enough for Mum to supply all we needed. After a few years of living with different people in all kinds of environments, Eastcoast Housing gave us our dream home!

Over the years at [our rental property] my Mum was able to provide for us and also allowed my younger brother and I an opportunity to be educated and live normal lives. I am now 33 and a nurse working in oncology and my younger brother is 29 and a head chef in fine dining.

I wanted to take this opportunity to thank you from the bottom of my heart for the opportunities Eastcoast has allowed us to have. I am beyond proud of my Mum for now buying her own one bedroom unit and also of my brother for what he has achieved as he now also studies psychology while working as a chef. We both live out on our own as well and we are so happy.

Drug addiction has continued to take over my older brother as well as the crime etc that comes with that has been horrible. Regardless of that, we are still so thankful for the outcome the three of us have had.

I hope the new tenant, who I believe is a working Mum with two children, has the same opportunities now as you allowed us to have.

Thank you will never be enough. [Our rental property] gave the three of us more than we ever thought possible. You are an angel sent from heaven for giving my Mum that opportunity and I will be forever grateful. Today was a sad day but the start of a new chapter for another lucky family and for us to move on unassisted.

Thank you.

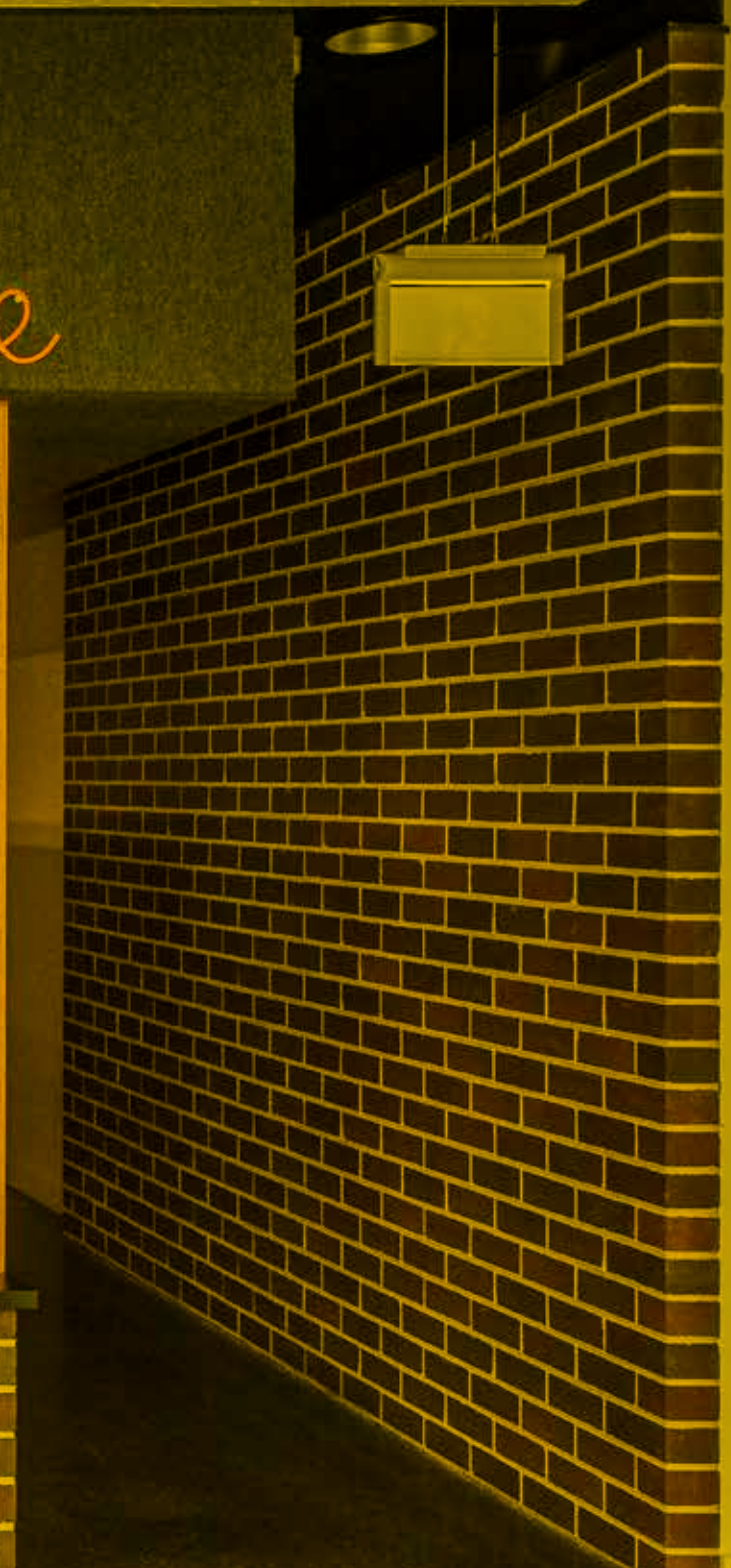
[name withheld]



THE FUTURE

welc

come home





PUBLICATIONS

The Housing Registrar is working on a good practice guide for community engagement. The Community Engagement Performance Standard extends from neighbourhood renewal to local community engagement. Registered agencies of all sizes will be required to meet the performance standard, but assessment of performance against the standard will be considered in accordance with agency plans and complexity.

We will also be reviewing the existing Intervention Guidelines that were implemented in August 2005, as well as our guidance on corporate group structures.

REVIEW OF THE HOUSING REGISTRAR

It has been five years since the Housing Registrar transferred to DTF. During that time a significant number of changes have occurred, including the decision not to join the NRSCH but to align with the national system, and organisational changes within DHHS. Therefore an independent review of the Housing Registrar will be conducted. The consultant's recommendations will be considered and those approved by the Minister for Finance will be implemented, either fully or partially, from 2016-17.

WEBSITE REVIEW/UPGRADE

During the year the Housing Registrar reviewed its existing website and structure to ensure quality of content, ease-of-use, adaptability to mobile devices and visual identity. Following extensive consultation internally, it was decided to rebuild the website in line with current web design standards on a responsive and modern platform.

A suitable service provider was appointed after a comprehensive tender process. By the end of 2015-16, most of the development work has been completed including the redesign of structure and layout. During early 2016-17, we will be revising our content in line with the revised structure and work on implementing our migration plan will continue. We will also work closely with our internal IT department to explore the best possible option to host and support the website and platform. We expect to have our new site ready by the third quarter of 2016-17.



HOUSING REGISTRAR KEY PERFORMANCE INDICATORS

Work is continuing on key performance indicators for the Housing Registrar. Drawing from international and interstate performance measurement, we will develop a suite of indicators that are measurable and reflect the core business of the Housing Registrar.

In combination with an initiative to obtain feedback from the registered sector, this program will give an indication of the Housing Registrar's performance and impact on the sector.

NRSCH ALIGNMENT

This coming year will include two pieces of work related to our alignment with the NRSCH:

- > guidance for Victorian agencies considering registration in the NRSCH, and for interstate agencies subject to the NRSCH seeking Victorian registration; and
- > review of our alignment progress, identifying key issues to full participation and examining if and how these issues might be overcome.

BETTER REGULATION

In addition to the initiatives above, we will be undertaking three other projects to refine our regulatory approach:

- > a review of the benchmarks we use to determine whether results against KPMS are satisfactory;
- > developing the tools to create and present predictive analysis and forward looking views of the registered sector, including growth in social housing supply; and
- > to support our commitment to continuous improvement we will be developing a process to gain feedback on a periodic basis from the registered sector (and other key stakeholders) on potential improvements and opportunities to streamline our regulatory approach.

WITH THANKS/ ACKNOWLEDGEMENTS

A photograph of a cityscape with a prominent Gothic church spire on the left and modern buildings in the background, all under a yellow-tinted sky. The church spire is tall and dark, with a cross on top. The sky is a uniform yellow color, suggesting a sunset or sunrise. The foreground shows the rooftops of several buildings, some with air conditioning units and solar panels. The overall scene is a mix of old and new architecture.

SPECIAL THANKS TO THE FOLLOWING ORGANISATIONS THAT CONTRIBUTED TO THE REPORT

Eastcoast Housing Association

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Published by:
Department of Treasury and Finance
1 Treasury Place
Melbourne Victoria 3002 Australia

Telephone: +61 3 9651 5111
Facsimile: +61 3 9651 5298
Website: www.dtf.vic.gov.au

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1 Treasury Place, Melbourne, 3002

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Housing Registrar