

Annual Report 2020





Faces of Bridge Housing

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# About this report

The Bridge Housing Limited Annual Report for 2020 is a summary of our operational and financial performance during the 2019–20 financial year. It explains how we work to improve lives and strengthen communities through the provision of affordable housing and quality services.

The 2020 Annual Report is a measure of our performance for 2019–20 against the targets in our Strategic Plan 2018–2021, and helps us assess how well Bridge Housing is performing and where we need to improve. Our Business Plan 2019–20 contains further details about these targets.

### This report is primarily targeted to the following audiences:

- residents, applicants and recipients of our housing management services
- members of Bridge Housing Limited
- federal, state, and local government partners
- private sector partners who help us deliver more affordable housing
- support partners who provide services to our most vulnerable tenants; and
- Bridge Housing staff who deliver our services.



#### ACKNOWLEDGEMENT OF COUNTRY

*Bridge Housing acknowledges the Gadigal, Darug and Gai-mariagal people as the traditional custodians of the lands on which we operate and we pay our respects to their Elders past and present.*

#### OUR MISSION

*Improving lives through affordable homes and quality services*

#### OUR VISION

*A dynamic organisation, recognised for excellence in meeting housing need, improving resident wellbeing and governing responsibly*

### Bridge Housing Limited

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Follow us



*"I feel a strong sense of alignment with the values of Bridge Housing. I stay at Bridge Housing because I feel connected to my job and the work the organisation does."*

Staff member

## Our Values

### SOCIALLY RESPONSIBLE

We are a socially responsible organisation with a commitment to social inclusion and improving the lives of the people and communities we support.

### PEOPLE-FOCUSED

We are a people-focused organisation. We keep our applicants and residents' needs at the core of all activity and decisions, empathise with their needs and deliver our services with fairness, respect and sensitivity. We value and support our employees to enable them to perform at their best and achieve their full potential.

### COMMITTED AND PASSIONATE

We are committed and passionate and put our hearts and minds into our work. We value and encourage innovation and continually seek to improve our performance.

### BUILD RELATIONSHIPS

We build relationships based on trust and respect to create positive outcomes for the people and communities we serve.

### PROFESSIONALISM AND INTEGRITY

We act with professionalism and integrity. We take responsibility for our decisions and actions and provide a consistent high-quality service. Our decisions are based on sound judgment and our culture engenders good governance, transparency, and honesty.

This is the second year in which we report on activities and outcomes delivered under the Strategic Plan 2018-2021.

### Our services

We utilise our property portfolio to provide long-term accommodation for people on low-to-moderate incomes. Bridge Housing has a portfolio of 3,541 properties and we provide safe and secure homes for over 5,600 people. We own 533 properties and manage 2,094 properties owned by the NSW Land and Housing Corporation (LAHC), the state housing authority within the NSW Department of Communities and Justice (DCJ).<sup>1</sup>

We also:

- ▶ lease 643 properties from the private rental market
- ▶ manage 271 properties on behalf of other organisations and individuals
- ▶ acquire and develop new properties
- ▶ provide responsive and planned maintenance services on a property portfolio valued at \$1.3 billion.<sup>1</sup>

We provide services across the spectrum of social and affordable housing. We meet the needs of the most disadvantaged people in the community - those who require assistance to maintain a sustainable tenancy - by working with more than 22 support partners under formal agreements and many more services that support individual tenants. (See Acknowledging our partners on page 91 for more details.)

## Our Strategic Plan

We develop a new Strategic Plan every three years to help us achieve our mission. The Plan identifies the strategic objectives and critical factors for success for Bridge Housing, which are implemented through our annual Business Plans.

The strategic objectives for our Strategic Plan 2018-21 are:

- ▶ Providing quality homes and housing services

- ▶ Growing sustainably to meet affordable housing needs
- ▶ Supporting our people and improving workplace wellbeing
- ▶ Governing and managing effectively
- ▶ Engaging our partners and enhancing our industry leadership.

The 2020 Annual Report details our organisational performance against our Business Plan objectives for 2019-20, which are aligned with and progress our Strategic Plan 2018-21.

<sup>1</sup> This figure is based on an average value of \$540,000 (as per recent portfolio valuations) multiplied by the number of Bridge Housing properties and properties managed on behalf of the NSW LAHC - a total of 1,368 properties. Leasehold and fee-for-service properties are excluded.

# Performance highlights

Bridge Housing had another successful year in 2019–20, in a period of significant change that was compounded by the impact of COVID-19. We went live with the management of 1,200 properties in the Northern Beaches Social Housing Management Transfer Program (SHMTP) while continuing to improve the business and our service delivery. This delivered on a major objective of our Strategic Plan 2018–2021. We also completed the second year of the Strategic Plan through our 2019–20 Business Plan.

**Our performance highlights are a summary of our key achievements from our Business Plan 2019–20.**

A detailed performance report on our Business Plan 2019–20 outputs is at Appendix 1 on page 94.



**1 Providing quality homes and housing services**

Bridge Housing continued to deliver high quality home and housing services throughout the year.

**Key highlights in 2019–20 include:**

- ▶ implemented the SHMTP in August 2019
- ▶ business response to COVID-19 (See Spotlight 1: Business response to COVID-19 page 18)
- ▶ achieved 82 per cent overall satisfaction with service delivery in our annual Tenant Satisfaction Survey 2019–20
- ▶ commenced tender preparation for re-contracting repairs and maintenance services for our portfolio in 2021
- ▶ developed our new Reconciliation Action Plan 2020–22
- ▶ implemented the second year of our three-year community building strategy, Building Bridges 2018–2021
- ▶ delivered our largest maintenance program, completing some 9,000 responsive, planned and cyclical jobs at a total cost of \$12.5 million.



**2 Growing sustainably to meet affordable housing need**

Our portfolio increased from 2,334 properties in June 2019 to 3,541 properties in June 2020.

**Key highlights in 2019–20 include:**

- ▶ implemented the Northern Beaches Transition Plan to support the transfer of 1,228 social housing properties (See Spotlight 3: Bridge Housing in the Northern Beaches page 34)
- ▶ purchased three properties delivering 30 additional social housing dwellings (See Spotlight 6: Building our capital portfolio)
- ▶ purchased two sites in Dulwich Hill from LAHC for future redevelopment (See page 71)
- ▶ grew HomeGround Real Estate Sydney's operations, doubling our portfolio under management to 228 properties
- ▶ implemented year 2 of the STEP to Home program for long term rough sleepers in housing 82 tenants, including 43 with Bridge Housing.



**3 Supporting our people and improving workplace wellbeing**

**Key highlights in 2019–20 include:**

- ▶ increased our overall engagement rate from 81 to 84 per cent in our 2020 Employee Engagement Survey (See Our people on page 40)
- ▶ finalised our Diversity and Inclusion Strategy and implemented the Year 1 action plan
- ▶ completed the first year of our Career Trackers internship program to support Aboriginal and Torres Strait Islander tertiary students through their studies into employment
- ▶ completed the fitout and commenced operations from our new office in Brookvale
- ▶ delivered Bridge Housing's positive culture and leadership program, focusing on Emotional Intelligence
- ▶ implemented an integrated payroll system and Human Resources Information System (HRIS) including a new Learning Management System (LMS).



**4 Governing and managing effectively**

Bridge Housing continued to build our strong governance culture and practice. We have sought to be a leader in the community housing and the not-for-profit sectors.

**Key highlights of 2019–20 include:**

- ▶ delivered an operating EBITDA of \$3.7 million in 2019–20, compared to \$3.9 million in 2018–19 and maintained all key financial KPIs and banking covenants
- ▶ secured \$76 million in debt to refinance our corporate debt facility of \$40 million at cheaper rates and \$36 million to fund our property acquisition program (See page 72)

- secured our sixth Tier 1 registration under the [National Regulatory System](#)
- completed our fourth external governance review, led by Sterling Black
- completed internal audits on the SHMTP and payroll and human resources systems under year 2 of our three-year Internal Audit Plan
- completed a fraud risk assessment, including the update of our Fraud Risk Management Plan
- finalised implementation of new accounting standards, primarily dealing with lease accounting changes under AASB 16 Leases
- Moving to Office 365 allowed a smooth transition to the working-from-home environment during the COVID-19 pandemic.

**5** **Engaging our partners and enhancing our industry leadership**

Bridge Housing continued to engage with our partners across all sectors and report our efforts and outcomes across a range of platforms.

**Key highlights of 2019–20 include:**

- refreshed our website content and developed a COVID-19 news page and information resources for tenants
- improved our social media reporting and analysis to ensure we are targeting our key stakeholders with the right content on the right platforms
- launched our first digital campaign for residents, Orbit!Online, in April 2020, and delivered two social media campaigns to build brand awareness of [HomeGround Real Estate Sydney](#).

**Challenges**

The major challenge during the year, was managing COVID-19. Most Bridge Housing staff began working from home in late March 2020, with a skeleton staff operating our service centres in Brookvale and the Sydney CBD. (See Spotlight 1: Business response to COVID-19 page 18).

The SHMTP maintenance contract created delays in processing maintenance requests and led to increases in void times and delays in tenanting properties. (See Operations report page 56).

**Awards**

- Our eighth consecutive Gold Award for our 2019 Annual Report at the 2020 [Australasian Reporting Awards](#)
- Leading Asset Management Award in the [Australian Housing Institute \(AHI\) 2019 Professional Excellence in Housing Awards Australasia](#)
- Chief Operating Officer Rebecca Pinkstone was highly commended in the Outstanding Achievement

Awards at both the Australasian and NSW AHI 2019 Professional Excellence in Housing Awards

- Megan Caldwell, Housing Manager – Pathways was highly commended in the Rising Star category in the 2019 [PowerHousing Australia Awards](#)
- Best Workplace 2019 Award from [Voice Project](#)
- Recognised as an Inclusive Employer by Diversity Council of Australia.

**Financial highlights**

Bridge Housing recorded a strong financial result again in 2019-20. We continued to invest in capacity-building and property maintenance and strengthened our balance sheet to establish a strong financial base for ongoing growth.

<b>Operating income \$56.8m</b> (excluding one off items)	<b>33%</b>
<b>Operating expenses \$53.1m</b> (excluding depreciation and interest)	<b>37%</b>

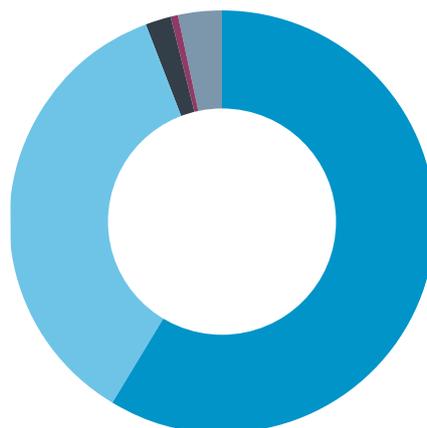
See the Financial Summary on page 80 for further details.

**Key results at a glance**

**Figure 1: Our sources of revenue 2019-20**

Expressed as a percentage of total income

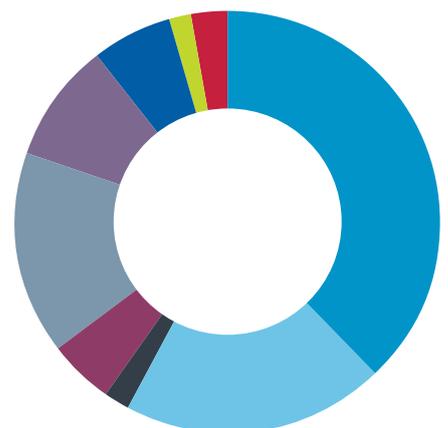
- Rental income
- Govt grants - operating
- Other
- Bank interest
- Govt grants - non-operating



**Figure 2: Our expenses 2019-20**

Expressed as a percentage of total expenditure

- Rents paid
- Maintenance
- Insurance & other property expenses
- Depreciation
- Management expenses
- Rates and utilities
- Administration expenses
- Interest expense
- Other expenses



# Bridge Housing profile

Bridge Housing Limited is a Tier 1 community housing provider, registered under the [National Regulatory System for Community Housing](#). Our offices are located in the Sydney CBD and Brookvale. We provide affordable housing solutions to moderate-to-low income households across the Sydney metropolitan area. At 30 June 2020, Bridge Housing owned or managed 3,541 properties and operated across 20 local government areas (LGAs).

## People and properties

Bridge Housing Limited (Bridge Housing) participated in the NSW Government's Social Housing Management Transfer Program (SHMTP). This program is part of the NSW Government's *Future Directions for Social Housing in NSW* policy and has resulted in significant growth for the sector.

Over six years from 2017, the Department of Communities and Justice (DCJ), formerly the NSW Department of Families and Community Services (FACS), will transfer social housing management rights for 14,000 properties to community housing providers.

In October 2017, Bridge Housing, in partnership with Women's Housing Company, successfully tendered for the management of some 1,200 social housing properties in the Northern Beaches. This program went live on 5 August 2019 and, as a result, Bridge Housing's portfolio increased by around 50 per cent to 3,541 properties, with 5,639 people living in our properties.

## Where we started

Bridge Housing Limited began as the South West Inner Sydney Housing Cooperative in 1984. Following a series of amalgamations (with Inner West Housing Association in 1993, Darlinghurst Area Community

Housing Scheme in 2001, Burwood Area Community Housing in 2008, and Eastern Suburbs Rental Housing Association in 2009) Bridge Housing Limited was incorporated as a company limited by guarantee in March 2009.

## How we got here

We drive growth with three-year strategic plans and annual business plans. In the nine years from 2006 to 2015, and across three strategic planning cycles, we grew our housing portfolio from 650 homes to 1,176. We also expanded our area of activity across a total of 14 post-merger local government areas (LGAs).

We comfortably achieved the growth target in our Strategic Plan 2015-18 to increase the portfolio to at least 2,000 properties by June 2018. With a combination of development and organic growth, our portfolio reached 2,244 properties by 30 June 2018. These were located across 20 LGAs.

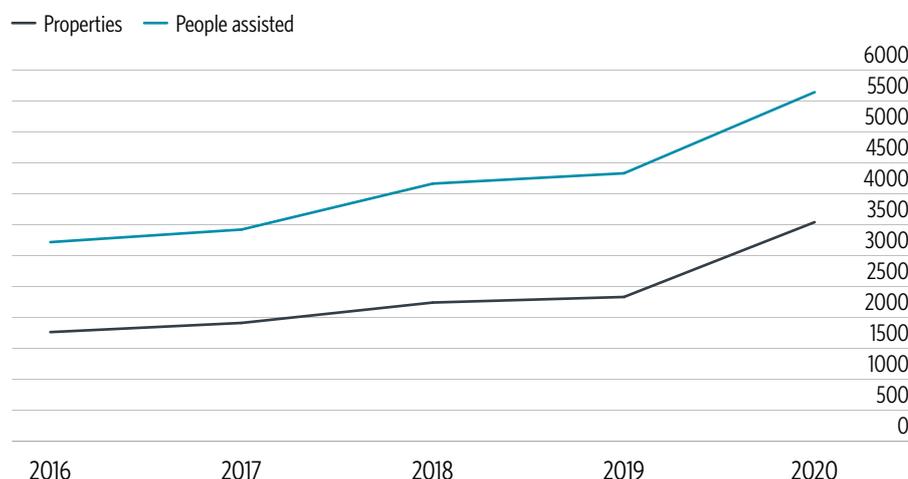
Bridge Housing delivered its Nation Building Economic Stimulus Plan (NBESP) leveraging target more than four years earlier than required. Our first development cycle of 112 dwellings was completed in November 2016, creating 65 new dwellings at Bungarribee, nine studio apartments in Ashfield and 38 apartments in Parramatta.

In 2017-18, we added 158 seniors' units at Elger Street Glebe. We partnered with Achieve Australia, through the Specialist Disability Program, to add 28 group homes.

During 2018-19, we grew the portfolio by an additional 86 homes, assisting more than 5,600 tenants and their families across the portfolio.

This report details our performance against the targets we set in our Strategic Plan 2018-21 and Business Plan 2019-20.

**Figure 3: People and properties**  
Number of properties and people assisted, 2016-20



**Figure 4: Portfolio**

Growth by program, 2006-20



\*Supported housing is a subset of social housing dwellings, making the total number of properties 3,541

## Growth in 2020

During 2019-20, Bridge Housing undertook the largest growth in its history with the addition of 1,228 properties managed on behalf of DCJ on the Northern Beaches of Sydney under the Social Housing Management Transfer Program (SHMTP). As a result Bridge Housing increased its portfolio to 3,541 properties.

During 2019-20 we began a program to acquire capital properties utilising the funds available under the Community Housing Leasing Program (CHLP). Bridge Housing has acquired 30 properties under this acquisition program, with a further 45 targeted in 2020-21.

## Program Descriptions

### Vested properties

In 2010, Bridge Housing successfully tendered for a package of 242 NBESP properties in the Parramatta and Holroyd LGAs. The NSW Government vested these in two tranches. The first tranche was 163 properties in 2010-2011 and the title to another 79 properties was transferred to Bridge Housing in August 2013. An additional 153 properties were vested with

completion of Elger Street Glebe in June 2018. Bridge Housing successfully tendered for 11 properties in Leichhardt, which were vested in April 2019.

### Capital properties

Bridge Housing leases and manages capital properties from the Land and Housing Corporation (LAHC) through the Community Housing Agreement. Properties include existing public housing, such as the South Coogee and Balmain estates, and newly constructed properties, such as those in Canterbury-Bankstown.

Under the funding contract, community housing providers are responsible for allocations, tenancy management, property management, and responsive and planned maintenance. The community housing provider retains all rental income. Department of Communities and Justice sets rents through the Community Housing Rent Policy. Rents are fixed at 25 per cent of the tenant's assessable income, plus 100 per cent of any Commonwealth Rent Assistance they might receive. Community housing providers allocate properties to eligible tenants from the NSW Housing Register.

### Leasehold properties

Bridge Housing operates the largest leasehold program in Australia, managing 610 properties. Community housing providers source leasehold properties from the private rental market and sign a Residential Tenancy Agreement as head tenant under the *Residential Tenancies Act 2010* and *Residential Tenancies Regulation 2010*. The provider then sublets the property to eligible applicants from the NSW Housing Register.

DCJ pays a subsidy to providers under the NSW Government's Community Housing Leasing Program. This year, our subsidy payment was \$14.3 million.

As noted above, by utilising debt available through NHFIC and supported by CHLP funding we have acquired 30 capital properties in Punchbowl, Ashfield and Marrickville, 24 of which were directly supported by CHLP funding to provide stable long-term accommodation in place of leasehold properties.

Bridge Housing's capacity to source private rental properties from developers and landlords was enhanced by our new HomeGround not-for-profit real estate agency, which we launched in April 2018. During 2019-20, HomeGround secured the management of 12 new market rent private rental properties.

### Owned affordable housing

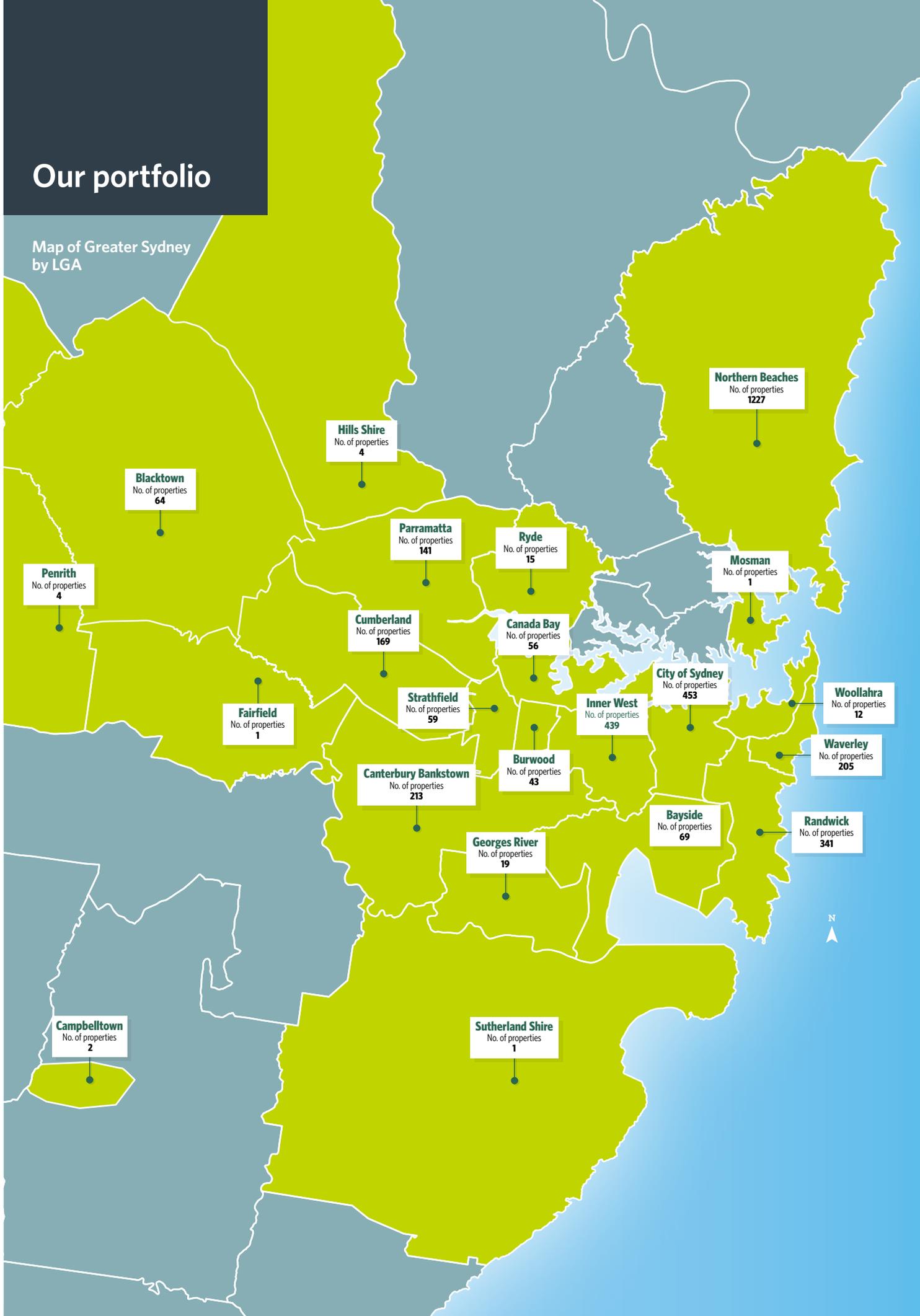
These are properties financed, developed and procured by Bridge Housing and rented at 75 per cent of market rent. Projects include Wiley Park, Bungaribee, Parramatta and Leichhardt.

### Fee-for-service properties

Bridge Housing manages fee-for-service properties on behalf of external organisations through a management agreement or contract. The management fee is based on the level of housing and the property management services negotiated. In 2019-20, we managed 243 (affordable and social) properties on a fee-for-service basis for the Waverley Council and the City of Canada Bay Council.

# Our portfolio

Map of Greater Sydney by LGA



# Our journey

1985/86

- South West Inner Sydney Housing Cooperative opens with 35 homes

1993/94

- Amalgamate with Inner West Housing Association

1997/00

- Portfolio grows from 155 to 419 homes through capital and leasehold properties

2001/02

- Merge with Darlinghurst Area Community Housing Scheme

2008/09

- Portfolio grows to 1,180 properties
- Reincorporate as company limited by guarantee to become Bridge Housing Limited
- Transfer 117 (Burwood Area Community Housing) properties
- Win Affordable Housing Initiatives Program tender to buy 8 units
- Amalgamate with Eastern Suburbs Rental Housing Association

2009/10

- Portfolio grows to 1,282 properties
- Amalgamate with Eastern Suburbs Rental Housing Association
- Register as Class 1 Community Housing Provider
- Manage transfer of 96 public housing tenancies in South Coogee and Balmain
- Establish Tenant Advisory Group

2010/11

- Portfolio grows to 1,473 properties



2011/12

- Launch Platform 70 program to house rough sleepers in private rental market
- Win tender to redevelop Elger Street Glebe public housing into 153 seniors homes
- Win tender to manage 128 new properties in Canterbury-Bankstown

2012/13

- Win 240 Nation Building titles and commitment to develop 75 new properties over 10 years
- Win tender to manage Waverley Council's social and affordable housing portfolio

2013/14

- Win Urban Growth NSW tender to develop 62 affordable homes in Bungarribee
- Win tender to manage affordable homes in Sydney Olympic Park

2014/15

- Launch Building Bridges tenant engagement plan
- Win tender to manage 18 new units in Telopea
- Secure \$18 million debt facility with National Australia Bank
- Tier 1 registration under National Regulatory System

2015/16

- Win tender to manage 27 City of Canada Bay affordable homes
- Launch Hand Up arrears management program
- Renovate and tenant nine units for older, single women in Ashfield
- New contract maintenance system and customer service standards

2016/17

- Launch \$25 million development of 65 affordable homes in Bungarribee
- Complete 38 social and affordable housing units in Parramatta
- Launch first Reconciliation Action Plan
- Develop Places People Want to Live place making approach



2017/18

- Win tender to manage 1,228 Northern Beaches public housing tenancies
- Develop and tenant 158 seniors' units in Elger Street Glebe
- Launch HomeGround not-for-profit real estate business
- Win specialist disability housing tender for 28 group homes
- Launch Pathways to Home initiative for women escaping family violence

2018/19

- Deliver Northern Beaches Transition Plan for management of 1,228 new tenancies
- Secure \$40 million debt facility with [National Housing Finance and Investment Corporation](#)
- Launch Bridge to Work employment program with CoAct
- Launch STEP to Home program to house rough sleepers in private rental market

2019/20

- Portfolio increased to 3,541 through transition of 1,228 public housing tenancies on Northern Beaches
- Secured \$76m NHFIC debt for refinancing and property procurement
- Added 33 dwellings, mainly through CHLP subsidies
- Transition business to remote operating model during COVID-19 pandemic



# Our timeline 2019–20

## July 2019



- ▶ Australian Government ministerial visits to Elger Street Glebe, by Assistant Treasurer The Hon. Michael Sukkar and Assistant Minister for Community Housing, Homelessness & Community Services The Hon. Luke Howarth.
- ▶ \$40 million loan to Bridge Housing announced by [National Housing Finance and Investment Corporation \(NHFIC\)](#).

## August 2019



- ▶ Began management of 1,228 social housing properties on the Northern Beaches under the NSW Government's Social Housing Management Transfer program.
- ▶ Engaged in industry networking at the [National Housing Conference](#) and presented papers on Build to Rent model, Bridge to Work, and [HomeGround Real Estate Sydney](#).
- ▶ Won Leading Asset Management Award for our Strategic Asset Management Plan at the [National Housing Conference](#).
- ▶ Recognised by a [Voice Project Best Workplace Award](#) in 2019 for our employee engagement.
- ▶ Won tender to manage 55 affordable housing units on the Metro Northwest housing development at Tallawong.

## September 2019

- ▶ New property at Rossmore Avenue, Punchbowl purchased under our growth-through-acquisition strategy.
- ▶ Bloody Long Walk staff charity event, with 20 staff completing part or all of the 35 kilometre journey to raise nearly \$8,000 for the Mito Foundation.

## October 2019



- ▶ Launch of Northern Beaches Housing Hub, a community space for social housing applicants, tenants and support partners to access housing assistance.
- ▶ New property at Loftus Street Ashfield purchased under our CHLP acquisition program.
- ▶ Government-sector thank you event at NSW Parliament for Social Housing Management Transfer program.

## November 2019

- ▶ Annual General Meeting 2019 with Greater Sydney Commission. Social Commissioner Helen O'Loughlin as keynote speaker.
- ▶ End-of-year celebration at Taronga Zoo for residents and their families, with fun activities, food and animal encounters.

## December 2019



- ▶ Accredited as a specialist disability accommodation provider with the NDIS.
- ▶ Release of the independent evaluation of our Bridge to Work employment program shows outstanding results during 15-month pilot phase from July 2018 to September 2019.
- ▶ Borrowed an additional \$11 million from NHFIC.

## March 2020



- ▶ Develop and activate new business operations and working from home protocols as COVID-19 pandemic reaches Australia.

## April 2020

- ▶ Joint service response to homelessness on Northern Beaches announced with housing and support partners during COVID-19.
- ▶ Launched Orbit!Online: first social media campaign targeting residents on Facebook.

## May 2020

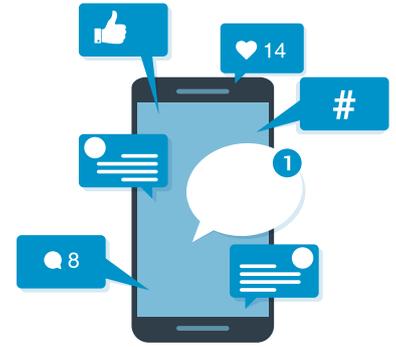
- ▶ Launched our second Reconciliation Action Plan during National Reconciliation Week.
- ▶ 8th Employee Opinion Survey shows a highly engaged workforce through period of rapid growth and change.

## June 2020



- ▶ Gold Award for the eighth consecutive year for our 2019 Annual Report at the [Australasian Reporting Awards](#).
- ▶ Won NSW Government Together Home funded package of \$4.5m to house 45 rough sleepers in the private rental market.
- ▶ Borrowed a further \$25m from NHFIC for additional property purchases.

# Bridge Housing on social and digital media



Bridge Housing continued to engage with stakeholders through digital platforms and social media in 2019–20. We had strong growth in users and engagement on our website, through our Bridge Business corporate newsletter, and on Twitter, Facebook and LinkedIn.

Our reach and engagement with users on social media extended by posting content that is relevant to our stakeholder audiences, whether that information is corporate, human resources-based, tenant-focussed or advocacy content. We used Sprout Social to post efficiently across multiple platforms and to report on and finetune our activity on a monthly basis.

## Website

**Website traffic increased greatly on every measure from 2019:**

**Average monthly sessions**  
Up 20% from 5,715 to 6,831

**Average monthly page views**  
Up 12% from 16,679 to 18,715

**Average monthly unique users**  
Up 13% from 4,211 to 4,763

Our most visited pages were Affordable housing, Apply for a home and Contact. Our top download was our Annual Report 2019, which was accessed 615 times.

## Social media

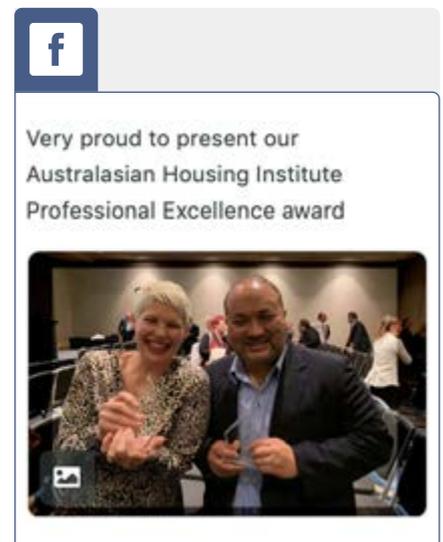
Audiences	1,156 up 8%	1,091 up 18%	100%
Impressions <sup>2</sup>	9,089	5,233	3,738
Monthly engagements	153	494	230

## Top posts (by engagements:<sup>3</sup> reactions, likes, shares, comments)

- AHI awards - 618 engagements
- NDIS accreditation - 106 engagements
- Social housing stimulus plan - 48 engagements

## Bridge Business

- Distribution: 1,298 (976, up 33% from 2019)
- Unique opens: 32% (27%, up 5% from 2019)
- Click rate:<sup>4</sup> 13% (11%, up 2% from 2019)



<sup>2</sup> Impressions: the number of times your content is displayed, measuring ability to get your content in front of your intended audience.  
<sup>3</sup> Engagement rate: how actively involved the audience is with your content, measured through likes, comments and shares.  
<sup>4</sup> Click rate: how often people click on a link, ad or email in your post.

# Chairman's Report

This has been a roller coaster year of success and challenge for Bridge Housing. In August 2019 we assumed management of the Northern Beaches portfolio of some 1,200 properties through the Social Housing Management Transfer Program (SHMTP). By March 2020, a global pandemic was unfolding.

We know that the actions of the Australian and NSW Governments to keep people safe have had a significant but unavoidable impact on our economy, leading to the sharpest recession on record. Despite this, I am delighted to report that Bridge Housing remains financially strong and has retained our workforce. However, we need to be mindful that COVID-19 falls disproportionately on low income households and will heighten the need for social and affordable housing into the future.

This Annual Report shows how Bridge Housing has successfully absorbed and managed the new portfolio and tenant community and our response to COVID-19 demonstrates our ability to rise to new challenges. As a designated essential service, we quickly put in place new service delivery protocols to ensure that we could continue to provide safe, high quality services to our tenant community and applicants for social housing without compromising the health and safety of our staff, tenants and applicants.

As we complete Year Two of our three-year Strategic Plan, I'm delighted to report that we have achieved our key objectives, in particular, the integration of the Northern Beaches portfolio. While not increasing social housing supply, the SHMTP has enabled Bridge Housing to build its organisational capacity (for further information see Our performance highlights on page 4.)

Other highlights this year include our procurement of 30 social and affordable dwellings as the first step in a new supply pipeline, using our Community

Housing Leasing Program subsidy and funding from the [National Housing Finance and Investment Corporation](#) (NHFIC). We also completed Year Two of our Housing First STEP to Home program for long-term rough sleepers in partnership with NEAMI, Women's Housing Company and Metro Housing. This program has housed 82 tenants, including 43 with Bridge Housing.

Despite the substantial organisational change created by the Northern Beaches transfer and managing the challenges of service delivery in a COVID-19 environment, our staff engagement levels are comparable to last year and we won another [Voice Project Best Employer Award](#). We also maintained a high satisfaction rating from our tenants.

## Policy environment

Our operating environment on page 28 provides a comprehensive analysis of the impact of Australian and NSW Government policy on social and affordable housing supply and the prospects for the growth of the community housing sector.

In NSW, there was little new activity to increase social and affordable housing supply. The housing response has been targeted to meeting the needs of rough sleepers during the pandemic, along with a small amount of stimulus money to fast track maintenance, and interim measures to protect private renters. Towards the end of the year, the Land and Housing Corporation (LAHC) announced small supply programs to deliver new dwellings.

The NSW Government also released its long awaited discussion paper A Housing Strategy for NSW. The strategy, expected to be implemented from 2021, will guide NSW Government housing policy from homelessness to homeownership for the next 20 years. However, the paper does not tackle the fundamental need for substantially increased investment in social and affordable housing, as outlined in the Housing affordability report on page 20 and Our operating environment on page 28.

The Australian Government responded quickly to the COVID-19 pandemic with a range of measures, principally to support those who have lost jobs or are at risk of unemployment, in the form of increased income support payments. This has assisted many of our tenants, thereby reducing our already low arrear rates. However, the Government's housing response has been muted.

There have been unprecedented calls to include social housing in a social infrastructure stimulus to aid economic recovery. The Governor of the Reserve Bank has strongly advocated social housing be included in the Commonwealth Government's October budget, and Bridge Housing strongly supports the SHARP package proposed by our [Community Housing Industry Association](#) (CHIA).



Chairman Mark Turner

The Australian Government can build on the strong foundations established by the National Housing Finance and Investment Corporation (NHFIC). Since March 2019, NHFIC has raised \$1.2 billion in low-cost, long-term finance for community housing providers.<sup>5</sup> However, this is not enough to make a meaningful contribution to the production of new social and affordable housing supply.

Community housing providers require a subsidy to meet the difference between the cost of either the debt or returns required by institutional investors and the income generated from the rent paid by tenants, most of whom are on very low-to-moderate incomes. This fact was recognised by the Australian Treasury in 2017.<sup>6</sup> Unless the Australian Government responds to

these imperatives, the supply of social and affordable housing will continue to fall well short of increasing demand.

### Governance

Transparency is central to our governance culture, reputation and accountability to stakeholders. It builds the credibility of Bridge Housing and the community housing sector. Our transparency in external reporting was acknowledged by our eighth consecutive Gold Award at the 2020 Australasian Reporting Awards for our Annual Report 2019. We are honoured to be the only community housing provider to achieve a Gold Award.

In 2020–21, Bridge Housing enters the final year of our current Strategic Plan 2018–21. The board and management

are discussing and planning for our next Strategic Plan 2021–24, which will set out the desired future and ambitions for Bridge Housing.

We completed a biennial independent governance review that showed Bridge Housing has a high functioning board.

The review also made recommendations to increase our effectiveness in providing management with a high standard of strategic oversight, which will be implemented during 2020–21. See Our governance on page 46.

I'm honoured to be chairman of a dynamic, growing organisation. I would like to thank my fellow Directors for their support and I acknowledge the considerable time and effort they give on a voluntary basis.

Thank you, also, to our many tenants who have engaged with Bridge Housing through our formal engagement structures, such as the Tenant Advisory Group, Aboriginal and Torres Strait Islander Advisory Group, Vietnamese Tenant Group and the Tenant Reference Group.

It has been a pleasure to work closely with Bridge Housing's chief executive officer, John Nicolades, and I thank John, his leadership team of Rebecca, David and Christopher, and all Bridge Housing staff who continue to deliver great results to our tenants and applicants. They have shown strength and resilience in a world which is very different to that of 12 months ago.

**Mark Turner**  
Chairman

<sup>5</sup> National Housing and Finance Investment Corporation, NHFIC finalises largest social bond from an Australian issuer, media release, 24 June 2020, [www.nhfc.gov.au/media-resources/media-releases/nhfc-finalises-largest-social-bond-from-an-australian-issuer/](http://www.nhfc.gov.au/media-resources/media-releases/nhfc-finalises-largest-social-bond-from-an-australian-issuer/)

<sup>6</sup> Council on Federal Financial Relations Affordable Housing Working Group, *Report to Heads of Treasuries: Supporting the implementation of an affordable housing bond aggregator*, Commonwealth of Australia, Canberra, 2017, <https://treasury.gov.au/sites/default/files/2019-03/170921-AHWG-final-for-publication.pdf>

# Chief Executive Officer's report

This year has been bookended by the two most challenging events in my time as CEO of Bridge Housing. In August 2019, our property portfolio increased by 52 per cent to 3,541 when we commenced management of 1,228 properties in Sydney's Northern Beaches. The second was in March 2020, when we began contending with the impact of COVID-19 on our organisation and residents.

Taking on the Northern Beaches properties, the most significant increase in our housing portfolio in Bridge Housing's history, necessitated major change management processes to embed a new management structure and extend our operating culture across two offices.

COVID-19 presented and continues to present unprecedented challenges. We had to develop safety protocols and move 90 per cent of our staff from our two office locations to work-from-home arrangements. We were designated as an essential service and maintained our service delivery while protecting the health and safety of our staff and tenants. We are now planning a return to the offices whilst maintaining a COVID safe work environment.

I'm delighted to report that Bridge Housing stepped up to the mark and managed the significant impacts of SHMTP and the COVID-19 operating environment.

## Providing quality homes and housing services

Bridge Housing continued to deliver high quality services throughout the year while embedding our new portfolio and commencing operations from our new Northern Beaches Brookvale office. The COVID-19 pandemic drove significant changes to our service delivery. We developed a rotating roster of staff in the office and a strong focus on online and phone service delivery to tenants, while staff learned to use Teams and Zoom, all with support from our robust IT system.

Our Management Operating System (MOS), including daily team meetings to track delivery of housing KPIs, proved invaluable during the pandemic, as staff could work either remotely or from the office while focusing on delivering quality housing and maintenance services to our residents.

We also successfully implemented new COVID-19 service delivery protocols, including conducting welfare checks by phone with over 2,313 older and more vulnerable tenants to ensure that they were linked to and receiving adequate support during the COVID-19 lockdown.

We launched our second Reconciliation Action Plan 2020–2022 in National Reconciliation Week on 27 May 2020. COVID-19 impacted our capacity to deliver a face-to-face Communities Program, causing delays to community engagement with our new Northern Beaches residents, but we adapted by increasing our use of social media. The pandemic also impacted on our Bridges to Work program, which requires intense one-on-one support to prepare participating tenants through all stages of the journey to work or study.

Our Tenant Satisfaction Survey 2019–20, which included our new Northern Beaches residents, showed we maintained a high overall satisfaction rate of 82 per cent. (See the Operations report on page 56 for more detail.)

Arrears and vacancies both remained below the KPIs in the National Regulatory Scheme for Community Housing, although Northern Beaches voids were above the benchmark.<sup>7</sup> (See the Operations report on page 56.)

## Maintenance

During 2019–20, Bridge Housing spent a record \$12.5 million on maintenance, up from \$4.8 million in 2018–19. This included \$2 million for 8,900 responsive maintenance work orders, planned maintenance of \$6 million at more than 50 sites, and \$1 million in vacant maintenance works on 343 properties.

With a lack of direct control over the maintenance contract on the Northern Beaches, we faced challenges in delivering maintenance services in this region. We have delayed our planned maintenance program until we assume direct control over maintenance in June 2021. Property scopes undertaken on 30 per cent of the Northern Beaches portfolio show the properties require substantially more work and a higher budget than identified in the LAHC Property Assessment Surveys provided prior to go live.

<sup>7</sup> The SHMTP Contract with the NSW Government requires providers to use the existing Land and Housing Corporation maintenance contract until June 2021. Consequently, we don't have direct control over maintenance arrangements.



CEO John Nicolades

We have commenced tender preparation for re-contracting repairs and maintenance services for our entire portfolio from June 2021.

### **Growing sustainably to meet affordable housing need**

The Northern Beaches SHMTP did not increase social housing supply but it did grow our management capabilities and geographical footprint.

We did add 33 new properties in the inner west to our portfolio through additional debt from National Housing Finance Investment Corporation debt of \$76m and the use of the Community Housing Leasing Program subsidy (See Spotlight 6: Building our capital portfolio on page 72). Such subsidies provide a potential pipeline of dwellings in future years.

We also completed the purchase of three dwellings in Dulwich Hill from LAHC in settlement of the Social Housing Subsidy Program. Depending on the final planning regime chosen by Inner West Council, the site could yield from 16 to 30 new homes.

We continued our Housing First STEP to Home program for long term rough sleepers in partnership with Neami, Women's Housing Company and Metro Housing, housing 82 tenants, including 43 with Bridge Housing.

Our HomeGround Real Estate Sydney celebrated its third year of operations, doubling our management roll to 228 properties. HomeGround also underwent a management restructure late in the year, which will lead to significant growth in 2020-21.

### **Financial sustainability**

Bridge Housing has continued to build on our strong finance and business systems and our governance culture and practice in 2019-20. We met our financial performance EBITDA target of \$3.7 million, with our net assets increasing from \$230 million to \$243 million through property acquisitions. COVID-19 did not impact on our finances, as 89 per cent of our income is derived from tenants on government income support. The Australian Government coronavirus supplements increased income support levels, particularly for those on JobSeeker.

We successfully refinanced our corporate debt of \$40 million through NHFIC<sup>8</sup> to reduce our debt costs and then borrowed a further \$36 million to finance our property acquisition program. We continued to meet all banking covenants.<sup>9</sup>

The Operations team plays a critical role in our financial sustainability through its management of arrears, voids and vacancies. Our arrears improved at 1.2 per cent this year compared to 1.7 per cent last year, in large part due to the JobSeeker coronavirus supplement. Our Five-year report card on page 82 and Financial Report 2019-20 provides further information.

We maintained our Tier 1 registration under the National Regulatory System for Community Housing after our sixth compliance assessment in February 2020, with one minor recommendation for improvement.

### **Risk management**

COVID-19 emerged as the most significant risk to Bridge Housing in 2019-20, as it impacted on our service delivery and the work health and safety of our staff and tenants. We used our Business Continuity Plan as the foundation for developing COVID-19 Service Delivery Protocols and established a COVID-19 management group, which meets weekly to monitor and respond to COVID-19 impacts.

Our internal audits dealt with the Social Housing Management Transfer Program and payroll and human resources under Year Two of our three-year Internal Audit Plan. In the context of increasing community concerns about wage theft, the payroll

<sup>8</sup> National Health and Finance Investment Corporation, NHFIC funds \$40m loan to Bridge Housing for Social and Affordable Homes, 17 July 2019, media release, <https://nhfic.gov.au/news-media/media-releases/nhfc-funds-40m-loan-to-bridge-housing/>

<sup>9</sup> Banking covenants are conditions put upon a borrower by the bank.

audit also included an historic review of our wage payments to ensure our staff members were paid according to their award or contract. These audits identified only minor issues.

Bridge Housing continued to develop systems and processes to ensure our business and IT system support portfolio growth and 30 per cent increase in staff, operating from two sites and as a more mobile workforce. This included upgrading our enterprise system SDM, moving our servers into the cloud, and implementing Office 365 in the cloud. The last ensured a smooth transition and stable platform for a working-from-home environment from March 2020 when the COVID-19 lockdown began in Sydney (See the Finance and Corporate Services report on page 74.)

### Supporting our people and improving workplace wellbeing

Bridge Housing's employees are the drivers of our success. We are focused on sustaining a positive culture for our employees to deliver quality housing and services that improve our tenants' lives.

This year our employees experienced unprecedented organisational change from the impact of the Northern Beaches portfolio integration, the new IT system and the impact of COVID-19. Despite this, we increased our overall staff engagement rate to 84 percent in our 2020 Employee Opinion Survey<sup>10</sup> and won our first Best Employer Award from the [Voice Project](#). This reflects Bridge Housing's ability to plan and execute change, our focus on building staff resilience, and our communications (See the Our people report on page 40 for more details).

Through our positive culture and leadership program, *Accelerate, Strive and Flourish*, we focused in 2019-20 on building emotional intelligence. We also began redesigning our performance management system to focus on capability development and to develop a coaching style for managers.

We refreshed our *Diversity and Inclusion Strategy*, implementing Year One of the three year strategy. This included completion of the Diversity Council of Australia's (DCA) *Inclusion@Work Index* to establish a baseline understanding of work place diversity.<sup>11</sup> We also undertook our first Work Place Gender Equity Reporting assessment. While we scored well in both, they identify further areas of work to inform our strategy and annual plan.<sup>12</sup>

In line with our Reconciliation Action Plan, we completed the first year of our Career Trackers internship program to support Aboriginal and Torres Strait Islander tertiary students through their studies into employment.

As discussed above, work health and safety (WHS) concerns were heightened by COVID-19. Our service delivery protocols were updated to reflect current NSW Government Health regulations for managing COVID-19, as was our Work Health and Safety Management Framework. To date, Bridge has not experienced any COVID-19-related work health and safety issues and has maintained a zero reportable incident safety record (See the Finance and corporate services report on page 74 for more information).

### Increasing our profile

Bridge Housing uses a myriad of approaches to increase our profile and to inform the Board, staff, community and community housing sector of our work. These include social media, delivering conference presentations on housing policy, participating in government inquiries, and being actively involved in industry and advocacy organisations.

Bridge Housing has used social media to tell our story for over six years, investing heavily in social media platforms to reach our key stakeholders. In 2019-20, we strengthened our capacity to measure, refine and leverage the impact of our social media activity by transitioning to the Sprout Social aggregator.

Our follower base rose across all social media platforms – Twitter increased by 8 per cent, Facebook by 18 per cent and LinkedIn by 100 per cent. Our Facebook is now more tenant-facing and focused and we are increasing and diversifying our social media engagement through regular, targeted campaigns on Facebook and [HomeGround Real Estate Sydney](#).

Bridge Housing senior staff are actively involved in our industry bodies at a leadership level, helping to grow the community housing sector and undertake policy advocacy with government.

In August 2019, Bridge Housing staff delivered conference presentations at the [National Housing Conference](#) in Darwin.<sup>13</sup> I also presented to senior staff of Bridge Housing Corporation in San Francisco on our organisation and housing affordability in Australia while attending the International Housing Partnership meeting in October 2019.<sup>14</sup> Our Chief Operating officer has been active in advocacy and presentations on a Housing First approach to Homelessness.

I continue as an independent director on the [Community Housing Industry Association \(CHIA\)](#), the national peak body of community housing providers. Other senior managers actively participate in sub-committees of CHIA, [PowerHousing Australia](#) and the [Australasian Housing Institute](#).

Bridge Housing actively promoted CHIA's Social Housing Acceleration and Renovation Program (SHARP), which aims to build 30,000 dwellings over four years as part of a broader infrastructure stimulus package.

<sup>10</sup> The 2020 Employee Opinion Survey was carried out in late June 2022 by Voice Project, which has undertaken our annual EOS survey since 2011. See [Voice Project](#), <https://voiceproject.com>

<sup>11</sup> The Diversity Council Australia [Inclusion@Work Index](#) tracks the state of inclusion in Australian workplaces over time. See Diversity Council, [Inclusion@Work Index 2017-2018](#), Australia <https://www.dca.org.au/inclusion-at-work-index>

<sup>12</sup> [Workplace Gender Reporting Agency \(WGEA\) Tool](#) to measure gender equity.

<sup>13</sup> AHURI, [National Housing Conference 2019](#), [www.ahuri.edu.au/events/recent-events/national-housing-conference-2019](http://www.ahuri.edu.au/events/recent-events/national-housing-conference-2019)

<sup>14</sup> Bridge Housing Corporation in San Francisco was formed in 1983 from a major anonymous grant given to the San Francisco Foundation to spearhead new solutions to the worsening shortage of affordable housing. It has 18,000 properties across California, Oregon and Washington. [www.bridgehousing.com/about/impact/](http://www.bridgehousing.com/about/impact/)



COO Rebecca Pinkstone and CEO John Nicolades with our 2019 Gold Award winning Annual Report

We also co-funded the *Impacts of Social Housing Investment* to measure the employment and economic benefits of SHARP.<sup>15</sup> (See the Our advocacy work report on page 24)

I was delighted with the awards we secured this year:

- ▶ our eighth consecutive Gold Award for our 2019 Annual Report at the 2020 [Australasian Reporting Awards](#)
- ▶ the Leading Asset Management Award at NSW and national Australasian Housing Institute (AHI) Professional Excellence in Housing Awards 2019<sup>16</sup>
- ▶ Rebecca Pinkstone, Chief Operating Officer, secured the Outstanding Achievement Award for NSW in the AHI Professional Excellence in Housing Awards and was Highly commended at the Australasian AHI Professional Excellence in Housing Awards 2019
- ▶ Best Workplace Award 2019 from [Voice Project](#).

### Looking ahead

This year we enter the last year of our Strategic Plan 2018–20 and have commenced planning for our next Strategic Plan to set the direction for Bridge Housing’s growth over the next three years. Our successful implementation of the Northern Beaches portfolio demonstrates our capacity to manage significant change and substantial portfolio growth.

This achievement gives us the confidence to capitalise on any new development opportunities provided by the Australian or NSW governments. Our response to COVID-19 has shown we can rapidly change our work environment and practices to work remotely and flexibly whilst maintaining high levels of service.

I look forward to leading the skilled and dedicated Bridge Housing team through this process and to working with highly competent and skilled Board so that Bridge Housing remains

a leading not-for-profit provider of quality affordable housing that delivers on our mission to improve lives and strengthen communities through housing and services for low-to-moderate income households.

**John Nicolades**  
Chief Executive Officer

<sup>15</sup> The economic benefits of the SHARP proposal were measured in SGS Economics and Planning’s Economic Impacts of Social Housing Investment, June 2020, <https://www.bridgehousing.org.au/documents-download/documents/media/1066-200602-sharp-final-report-embargoed/file>

<sup>16</sup> Australasian Housing Institute (AHI), Professional Excellence in Housing Awards 2019 [www.housinginstitute.org/awards#:~:text=The%20Australasian%20Housing%20Institute%20Awards,to%20the%20most%20senior%20levels](http://www.housinginstitute.org/awards#:~:text=The%20Australasian%20Housing%20Institute%20Awards,to%20the%20most%20senior%20levels).

## Business response to COVID-19

The last quarter of 2019–20 was defined by the largest unexpected challenge that Bridge Housing and many organisations have ever faced: the onset of the COVID-19 pandemic.

Having closely monitored a rapidly changing global and local environment during January-February, Bridge Housing assessed the Australian and NSW Government health advice, formed a COVID-19 Working Party to manage our business response to the pandemic, and activated our Business Continuity Plan. We developed and adapted COVID-19 Service Delivery Protocols and tested our remote working IT systems, before moving into a work-from-home environment in late March. As an essential service provider, we needed to balance the needs and wellbeing of staff, residents and applicants.

As well as establishing a new way of working for our staff, we were very conscious of our tenants' needs. Many are elderly or vulnerable in other ways and we needed to consider how to continue delivering services whilst ensuring their wellbeing. The COVID-19 Working Group developed Service Delivery Protocols to provide clear guidance to staff on all elements of our business that needed to be adapted due to the pandemic.

### Remote working

Bridge Housing migrated to a working-from-home model at the end of March 2020. This new model included maintaining a small team of staff in both offices. Two separate teams were established, alternating between office and home on a weekly roster to minimise risk while maintaining critical services to our clients.

We conducted an evaluation of each team member's ability to work from home, including a WHS check of their home working environment. Working from home was particularly challenging in the early phase of the pandemic, with many staff having to provide care in the home for young children and conduct home schooling. Whilst these challenges have eased, changes to our flexible work policies have provided greater scope for staff to manage conflicting priorities whilst continuing to maintain our high levels of service.

Working-from-home also required a pivot in the application of our Management Operating System (MOS) to a system of daily huddles and virtual walk-the-floor check-ins by all teams, using Microsoft Teams software.

### Staff wellbeing

A critical area of focus for Bridge Housing was staff wellbeing, particularly when staff first went into lock down and then worked for long periods at home in isolation from their friends and colleagues. Bridge Housing has implemented a number of initiatives to maintain connection to work and to support staff through this period, including:

- ▶ pulse surveys to check staff well-being and identify any policy or practice changes
- ▶ increasing the number of sessions available to staff through our Employee Assistance Program
- ▶ providing a series of wellbeing workshops through the Langley Group on topics such as 'Positive wellbeing' and 'The upside of stress'
- ▶ a library of tools and tips for staff
- ▶ virtual yoga and stretch classes
- ▶ virtual session on how to set up your home office
- ▶ weekly newsletter with weekly competitions and stories from the team/s
- ▶ enabling staff to self-select to join the office roster if they were feeling isolated.

### Service delivery

The advent of the pandemic required a significant shift in the way we deliver services. Most notably, we were less able to conduct Our Wellbeing Checks in tenants' homes. Instead, we moved to wellbeing checks by phone, starting with the most at-risk tenants. We conducted 2,313 checks with our older and vulnerable tenants and organised support services and practical assistance as required.

We also adapted the way we delivered maintenance services. While continuing to supply urgent responsive maintenance services as required, our planned maintenance program shifted to undertaking external works and delaying non-urgent internal works to avoid creating additional anxiety for tenants.

*"Continued strong leadership by the Executive has instilled great confidence in staff, particularly in light of the need for rapid changes and adaptations because of coronavirus."*

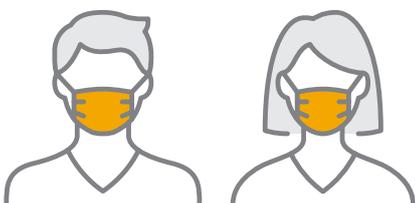
**Staff member**



Assett Group contractors donate COVID wellbeing packs for Bridge Housing residents

### Risk management

The COVID-19 Working Group undertook a detailed risk analysis and developed a risk matrix, utilising our Risk Management Framework to identify all risks associated with the pandemic, associated ratings, and mitigated actions. These are monitored by the Working Group and reported to the Board.



### Return to a new normal

From the beginning of the pandemic, Bridge Housing developed a strategy for a return to working in the office. Following the [COVID-19 Safe Australia guidelines](#) and the guidance provided by the NSW Government, we have slowly increased the number of staff operating in our offices whilst maintaining our Service Delivery Protocols.

We had envisaged that all staff would return to the office and work in weekly rotations by 13 July. However, an increase in community transmission deferred this until 6 October 2020.

Flexibility is required to continually assess and reassess our service delivery approach in this period.

Bridge Housing responded to the unprecedented challenges of COVID-19 to ensure it maintained the safety and wellbeing of our staff and tenants whilst continuing to deliver high levels of service. The future of the pandemic remains uncertain, as does the shape of a 'new normal' business environment, but we are confident in the robustness of our systems and processes and the commitment of our staff to meet any future challenges thrust upon us.

# Housing affordability

Our 10th consecutive annual report on housing affordability in Greater Sydney and across our operating region is prepared in the context of COVID-19, which has swiftly disrupted lives, jobs, and the economy.

There is still uncertainty about the extent of the impact of COVID-19 on housing prices but it appears to be less than initially projected. There has been a sharp decline in market rents, which have fallen by 9.1 per cent from the 2017 peak, pushing them back to the lowest level in five years.<sup>17</sup> However, these impacts are short term and induced by the economic impacts of the pandemic so affordability pressures for low-to-moderate income households will return to an upward trajectory in 2021-22.

Housing stress, housing affordability trends, demand for social and affordable housing, and homelessness are of significant concern, not just for community housing providers, but for organisations that provide support services for vulnerable and disadvantaged members of the community. Safe, secure and affordable housing provides a stable foundation for individuals and families to engage in and participate in the social, economic and cultural life of their communities.

A diverse and growing range of people are increasingly unable to access affordable and appropriate housing in Sydney, including those:

- ▶ on very low incomes, defined as less than 50 per cent of the NSW or Sydney median income, depending on where they live. This includes people working in lower-paid occupations such as retail or manufacturing, as well as people earning the minimum wage or who are on an aged or disability pension or other government benefit

- ▶ earning a low income, defined as more than 50 per cent but less than 80 per cent of the NSW or Sydney median income. This includes childcare workers, secretaries and cleaners
- ▶ earning a moderate income, defined as between 80 per cent and 120 per cent of the NSW or Sydney median income. This includes teachers, police officers, and nurses, particularly those in the early stages of their careers.

## Housing affordability trends

Pressure on housing prices will continue to rise, purely through population growth. Sydney's population was 4.6 million in 2016 and by 2041 is expected to reach 7.1 million.<sup>18</sup> Accordingly, the NSW Government has estimated that an additional 800,000 homes will be required by 2041 to accommodate Greater Sydney's residents.<sup>19</sup> This means building 40,000 dwellings per annum over the next 20 years.

In 2019, the [City Futures Research Centre at the University of NSW](#) estimated that NSW already had a deficit of 216,400 social and affordable housing properties for very low and low-income households,<sup>20</sup> see Figure 5.

## Defining affordability

Bridge Housing uses the definition of housing affordability adopted by the Centre for Affordable Housing (a division of the NSW Department of Communities and Justice, formerly known as the Department of Family and Community Services):

*Housing is considered to be 'affordable' when it is priced so that other essential costs like food, clothing, transport and services can be adequately met. This is generally where housing costs are less than 30 per cent of gross household income for low-to-moderate income households.*

**Figure 5: Unmet and projected need for social and affordable housing Sydney and regional NSW, 2018-2036**



<sup>17</sup> Domain Rental Report, June 2020 <https://www.domain.com.au/research/rental-report/june-2020/> Accessed 27 August 2020.

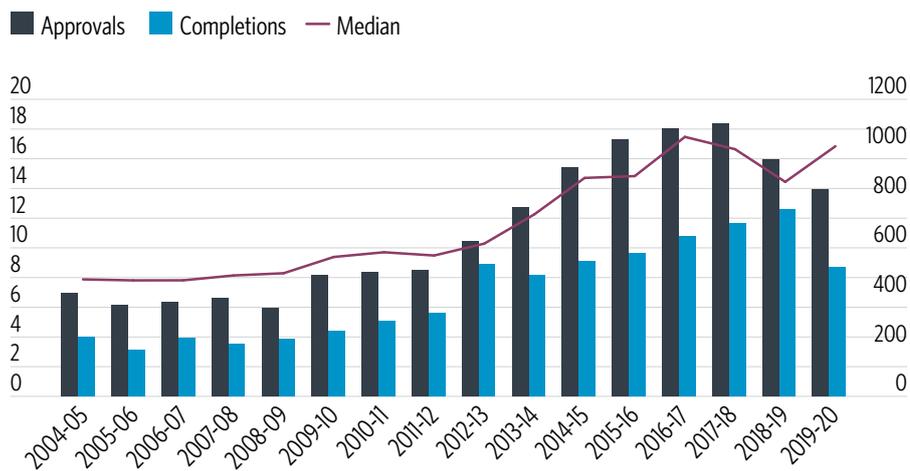
<sup>18</sup> NSW Department of Planning, Industry and Environment, NSW Population Projections 2019

<sup>19</sup> NSW Department of Planning, Industry and Environment, NSW Population Projections 2019

<sup>20</sup> LTroy, R van den Nouweland and B Randolph, *Estimating need and costs of social and affordable housing delivery*, City Futures Research Centre, University of New South Wales, March 2019

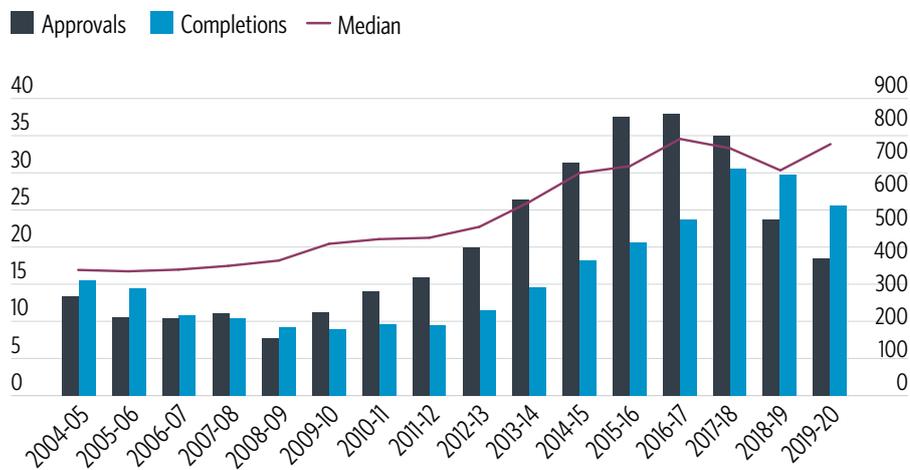
**Figure 6: Detached dwellings:**

Approvals, completions and median price, greater Sydney, 2004-20 (000's)



**Figure 7: Multi Unit Dwellings:**

Approvals, completions and median price, greater Sydney, 2004-20 (000's)



This is expected to grow by another 100,000 properties by 2036. Meeting current unmet and projected need would require a building program of 10,000 dwellings per annum for the next 20 years. Nearly 80,000 social and affordable housing properties are currently required in Bridge Housing's operating region alone.

The NSW Government's main policy prescription for affordable housing is increasing housing supply. Whilst new supply is essential, it is not a panacea. Despite record numbers of completions for detached and multi unit dwellings and the downturn in the Sydney market from 2017-2019, Sydney's median housing prices are amongst the highest in the world. We analyse the Commonwealth and NSW Government's policy responses in Our operating environment on page 28.

The impacts of pressure on housing prices are highlighted in Demographia's 16th International Housing Affordability Survey.<sup>21</sup> This survey measured affordability in 309 metropolitan housing markets in eight countries by calculating housing costs as a multiple of median incomes: the 'median multiple'.<sup>22</sup> On Demographia's rating scale, a median multiple of over 5 is classified as 'severely unaffordable'.

Sydney continues to be the least affordable housing market in Australia and the third least affordable market in the world after Hong Kong and Vancouver. Sydney was already unaffordable in 1981, with a median multiple of 5; by 2014 its median multiple had increased to 9.8 and in 2020 the median multiple reached 11.7. Melbourne runs a close second to Sydney, with a median multiple of 9.7, up from 8.7 in 2014, and is the fourth least affordable housing market internationally.

Declines in housing affordability reduce the number of affordable rental properties and this has a disproportionate impact on households on very low and low incomes. Many of them are forced to compete with higher income households in the private rental market. Despite the fall in rents in Sydney, Anglicare Australia's national *Rental Affordability Snapshot 2020*<sup>23</sup> highlighted the precarious position of households dependent on income support payments and the estimated 2.3 million Australians living on the minimum wage.

Since 2011, the snapshot has repeatedly shown that less than 1 per cent of private rental properties in Greater Sydney are affordable for people receiving income support payments. Just 68 of the 23,108 advertised rental properties were affordable in 2020. Just 1,500 properties were affordable for households on the minimum wage, irrespective of family type, though for couples with children who were both earning a minimum wage, 6 per cent of rental properties were affordable.

The snapshot also shows that location and access to services are as important to affordability as rents. Most affordable rental properties were located in the outer ring areas of Sydney and required long commutes to work or services. Anglicare's report reinforces the experience of many people who are now Bridge Housing tenants or waiting to be allocated social and affordable housing.

For many households, even those on moderate incomes, home ownership is a receding dream.

- ▲ Home ownership in Sydney declined from 68.6 per cent in 1991 to 65.5 per cent in 2016. Of these homeowners, 62.3 per cent own their home outright and 34.5 per cent are still paying off a mortgage
- ▲ Renting has increased, rising from 26.9 to 30.9 per cent of households nationally and in Sydney constitutes 34 per cent of households.

The decline in home ownership and increase in renting applies across all age groups, particularly those aged 35-44 years and 25-34 years. Unsurprisingly, low income households are more likely to be locked out of home ownership.<sup>24</sup>

21 Demographia, *16th Annual Demographia International Housing Affordability Survey: 91 Major Markets*, 3rd Quarter, 2019. [www.demographia.com/dhi.pdf](http://www.demographia.com/dhi.pdf)

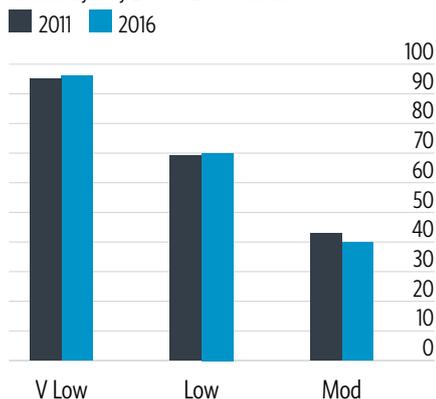
22 The Demographia International Housing Affordability Survey rates middle-income housing affordability using the 'Median Multiple'. The Median Multiple is widely used for evaluating urban markets, has been recommended by the World Bank and the United Nations, and is used by the Joint Center for Housing Studies, Harvard University. The Median Multiple and other similar housing affordability price-to-income-multiples are used to compare housing affordability between markets by the Organization for Economic Cooperation and Development, the International Monetary Fund and The Economist.

23 Anglicare Australia, *Rental Affordability Snapshot - National Report 2020*, Canberra, Anglicare Australia, <https://www.anglicare.org.au/media/6330/2020-rental-affordability-snapshot.pdf>. This survey assesses the number of affordable and suitable homes for rent for people on low income by analysing 23,108 private rentals advertised for rent on the weekend of 21-22 March 2020

24 J Daley, B Coates & T Wiltshire, *Housing affordability: re-imagining the Australian dream*. Grattan Institute. [grattan.edu.au/wp-content/uploads/2018/03/901-Housing-affordability.pdf](http://grattan.edu.au/wp-content/uploads/2018/03/901-Housing-affordability.pdf)

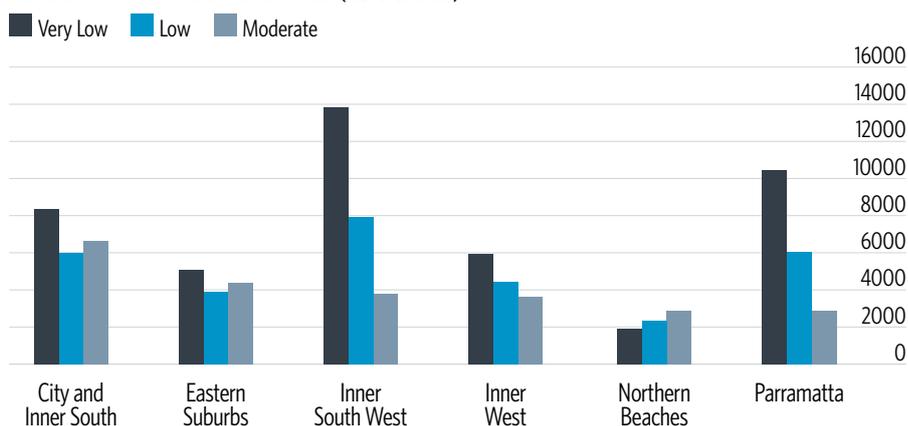
**Figure 8: Rental stress**

Change in % of renters in affordability stress Greater Sydney 2011 to 2016 Census



**Figure 9: Rental stress**

Number of households in rental stress (2016 Census)



**Rental housing stress**

The number of low-to-moderate income households experiencing rental stress increased from 152,000 to 185,000 between 2011 and 2016. See Figure 8. The incidence of rental stress across Bridge Housing’s operating region in 2016, is shown in Figure 9. Early indications of the economic impact of COVID-19 suggest this is set to worsen by the next Census in 2021.

**Affordable properties**

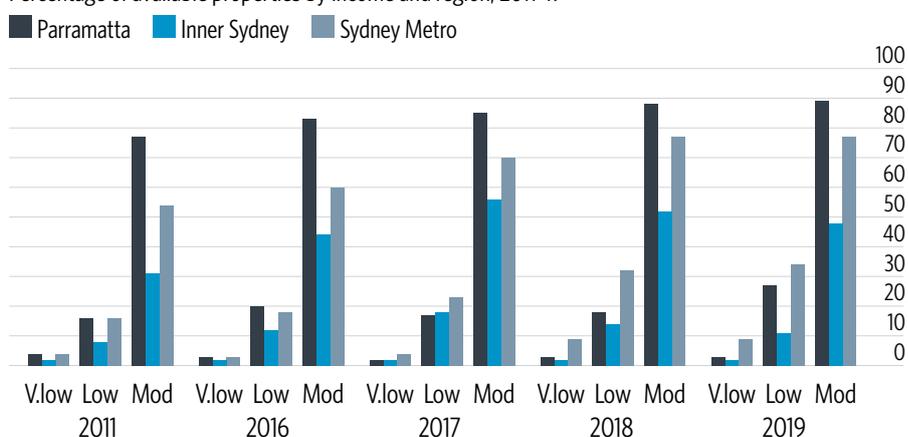
Figure 10 shows from 2011 to 2019,<sup>25</sup> the supply of affordable rental properties for very low-income households remained extremely low across the Sydney region. There was a slight improvement in housing affordability for low-income households, with increased affordability in Western Sydney. However, affordability did not improve in regions east of Parramatta. Moderate-income households were the most likely to benefit from improved rental affordability conditions, particularly in the Parramatta LGA.

**What we are doing**

Bridge Housing began its affordable housing program in 2006. Our affordable housing portfolio includes properties we manage on behalf of other organisations and those we have developed ourselves or in partnership. This year we added an additional 30 properties through access to cheaper debt via the [National Housing Finance and Investment Corporation](#) (NHFC) and our CHLP Acquisition Program.<sup>26</sup> (See Spotlight 6: Building our capital portfolio on page 72.) This is in addition to our development and procurement program which added 270 new dwellings to social and affordable

**Figure 10: Affordable rental**

Percentage of available properties by income and region, 2011-19



housing supply between 2014 and 2018. Following the acquisition of new sites in Dulwich Hill and Punchbowl during 2018-19, we are well placed to undertake future developments.

Through our fee-for-service program, we have competitively tendered to win management contracts for Waverley Council’s affordable housing program (28 units); and the City of Canada Bay’s affordable housing program (27 units). In addition, we have management agreements with private developers under the *State Environmental Planning Policy No 70 - Affordable Housing*.

**Social housing demand and supply**

In NSW, the social housing waiting list is known as the Housing Register. Figure 11 shows the number of social housing applicants in 2019. This has remained relatively stable at 50,000 households. Lower numbers of applicants on the NSW Housing Register below does not reflect falling demand for social housing, nor does it indicate increased social

housing supply. It is a measure of expressed demand and should not be used as the only indicator of social housing demand.

Our experience is that many people in need are reluctant to apply for social housing, given the very long waiting times, particularly in Bridge Housing’s operating region. In our region, a total of 14,000 households in 2019 were waiting for social housing, with an average wait time of between five and 10 years.

As the number of households experiencing housing affordability stress has increased, investment in social and affordable housing has decreased and not kept pace with population growth. Figure 12 shows that between 2006 and 2016, social housing fell from 5.1 to 3.7 per cent of total housing in NSW.

**What we are doing**

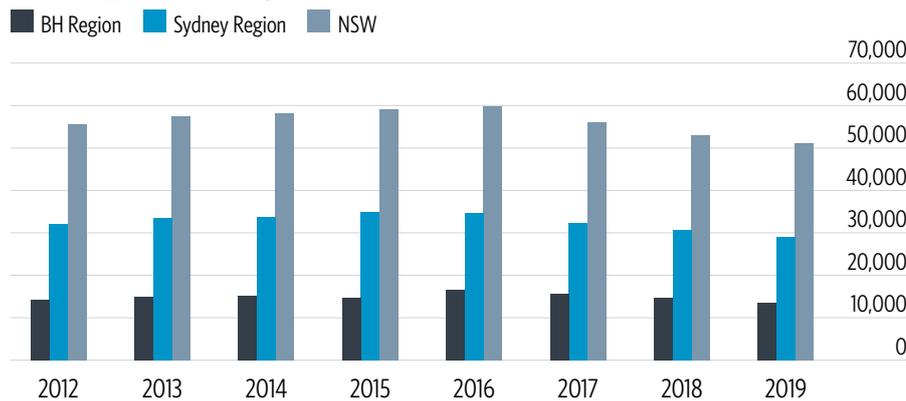
We use our capital properties and those we lease from the private rental market to provide additional

<sup>25</sup> Local Government Housing Kit Database operated by the NSW Department of Communities and Justice, [www.facs.nsw.gov.au/resources/nsw-local-government-housing-kit/chapters/local-government-housing-kit-database](http://www.facs.nsw.gov.au/resources/nsw-local-government-housing-kit/chapters/local-government-housing-kit-database).

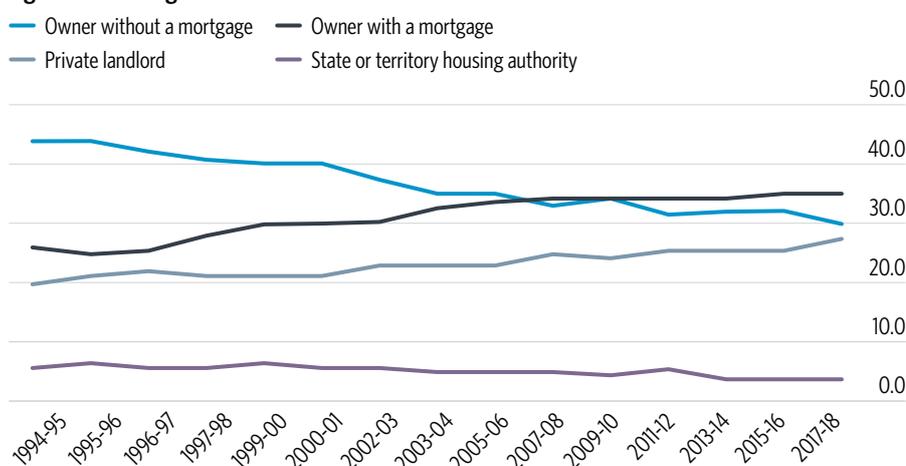
<sup>26</sup> The Community Housing Leasing Program provides subsidies to enable Bridge Housing to lease private rental properties to which we sublet to tenants eligible for social housing. Bridge Housing currently leases 610 properties. In July 2018 the then Minister Pru Goward approved that community housing providers could deploy up to 50 per cent of their allocated subsidies for a guaranteed period of ten years to purchase dwellings.

**Figure 11: Social housing applicants**

Number of applicants by NSW region, 000's 2012-19



**Figure 12: Housing tenure NSW 1995-2018**



housing. In 2019-20, we provided social and affordable housing to 214 new households, down from 350 households in 2018-19. Through the

Social Housing Management Program, we commenced the management of 1,200 social housing properties in the Northern Beaches in August

**Figure 13: Homelessness**

Number of homeless people in Sydney by type of homelessness - 2011 and 2016

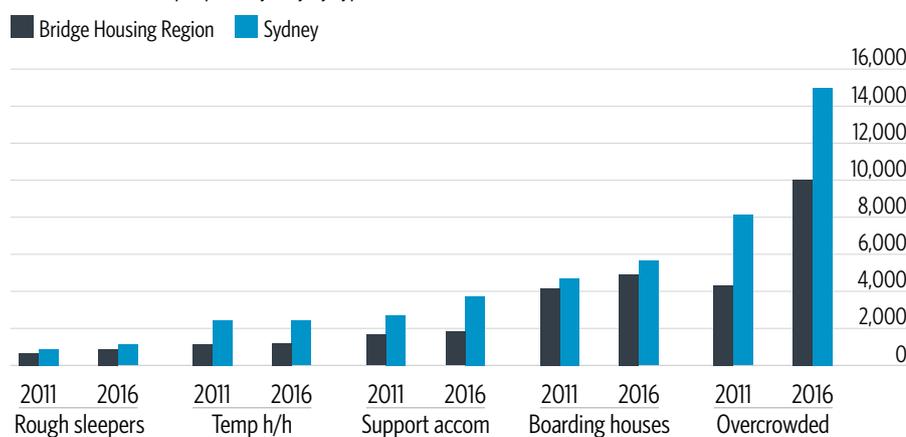


Figure 13 above highlights two critical trends. Firstly, homelessness is concentrated in the Sydney metropolitan region and within Bridge Housing's operating area. Secondly, severe overcrowding is the most significant driver of homelessness. Between 2011 and 2016, overcrowding accounted for 75 per cent of the increase in homelessness, which is directly related to the declining availability of affordable housing options. Currently, there are more than 8,000 severely overcrowded households within our operating region

2019. This did not increase the supply of social housing. However, we are assessing sites for potential redevelopment to enable increase in property yield. This will be subject to approval by the NSW Government.

### Homelessness

Since 2001, homelessness in Australia has increased most rapidly in areas with a shortage of affordable private rental housing and higher median rents, particularly in Sydney, Melbourne and Hobart. Although rough sleepers constitute the public face of homelessness, there are significantly more people living in severely overcrowded properties, insecure boarding houses, and 'couch-surfing' with family and friends. Such forms of homelessness are often invisible and symptomatic of structural causes, such as housing affordability, poverty, and lack of labour market opportunities.

Homelessness in Sydney is growing faster than the population itself. Between 2001 and 2016, Sydney's share of the national homeless population rose from 16.1 per cent to 24.9 per cent. Over the last five years, the number of homeless people in Sydney increased from 19,000 in 2011 to 28,000 in 2016, representing a 30 per cent increase.

### What we are doing

Bridge Housing is dedicated to breaking the cycle of homelessness through our mainstream social housing program and specialised homelessness programs. Since the early 2000s, we have delivered Housing First-style interventions for people experiencing chronic or repeat homelessness, most notably, through our award-winning program, Platform 70, and, commencing in 2018-19, the Supported Transitional Engagement Program (STEP).

We implemented Year 2 of the STEP to Home program for long term rough sleepers with Women's Housing Company and Metro Housing, housing 82 tenants, including 43 with Bridge Housing. Neami National, our support partner, provides wraparound services to help sustain tenancies.

In July 2020 the NSW Government introduced a new \$36 million program Together Home to provide secure accommodation and wraparound support for rough sleepers as a response to the potentially devastating impacts of COVID-19 for people living on the streets. We will report on outcomes in 2020-21 Annual report.

27 Australian Institute of Health and Welfare Housing Data Dashboard

28 Department of Communities and Justice, Together Home Program Fact Sheet, 2020, [www.coronavirus.dcj.nsw.gov.au/\\_data/assets/pdf\\_file/0006/783366/Together-Home-Program-fact-sheet.pdf](http://www.coronavirus.dcj.nsw.gov.au/_data/assets/pdf_file/0006/783366/Together-Home-Program-fact-sheet.pdf)

# Our advocacy work

Bridge Housing is actively engaged in creating a stronger community housing sector that can better respond to the challenges of addressing housing affordability and homelessness. We also advocate on behalf of vulnerable residents and communities within government, industry and the private sector.



Federal Assistant Treasurer and Minister for Housing Michael Sukkar (right) visits Elger Street Glebe

## Putting community housing on the federal agenda

Bridge Housing hosted two ministerial visits within two days in July 2019 at our Elger Street Glebe development, attracting coverage on mainstream and social media that demonstrated to the Australian government the need for more investment in social housing. The visits by Assistant Treasurer The Hon. Michael Sukkar and the Assistant Minister for Community Housing, Homelessness and Community Services The Hon. Luke Howarth built bridges with key federal ministers and NHFIC, which partly funded the Elger Street development.

## Addressing homelessness

The #HousingEndsHomelessness campaign kicked off with Bridge Housing's support during National Homelessness Week in August 2019. In October 2019, we joined the community sector #RaisetheRate campaign to

increase Newstart from \$40 a day and lift one million Australians on income support out of poverty. In response to the COVID-19 pandemic, the Government introduced a Temporary Coronavirus Supplement which effectively doubled Newstart (now known as JobSeeker) but this will be reduced in September and reviewed for the second time in December 2020.



CEO John Nicolades and Director Jill Hannford on Street Count

We participated in the City of Sydney's annual Street Count of rough sleepers and the very first Northern Beaches Street Sleeping Count in February 2020. The biannual counts help collect up-to-date information about the number of people sleeping rough in two of our key operating areas. Bridge Housing is also one of some 400 organisations representing two million Australians in the Everybody's Home coalition social media campaign.

## Social housing economic stimulus

Bridge Housing was an active supporter of the [Community Housing Industry Association \(CHIA\)](#) campaign to promote its Social Housing Acceleration and Renovation Program (SHARP) as an economic stimulus-job creation-social infrastructure initiative to help NSW recover from the impacts of the COVID-19 pandemic. The campaign has attracted widespread mainstream and social media support. We partnered with Hume Community Housing and Shelter NSW to sponsor leading industry research to build the case for such investment (See Sponsorships below).



Manager Partnerships and Support Coordination Sarah Kingsbeer with NEAMI Service Manager Fiona Murray

## Sponsorships

- ▶ Economic Impacts of Social Housing Investment: research undertaken by SGS Economics & Planning for [Community Housing Industry Association \(CHIA\)](#) and [National Shelter](#) as an economic recovery response.



CEO John Nicolades at Committee for Sydney



Federal Assistant Minister for Community Housing, Homelessness and Community Housing, Luke Howarth, with CEO John Nicolades at Elger Street Glebe

## Conferences/Seminars

Title	Presenter	Date	Conference/seminar
Opportunities & options for the Build to Rent model	John Nicolades	August 2019	<a href="#">National Housing Conference, Darwin</a>
Bridge to Work	Sarah Kingsbeer	August 2019	<a href="#">National Housing Conference, Darwin</a>
<a href="#">HomeGround Real Estate Sydney</a>	Rebecca Pinkstone	August 2019	<a href="#">National Housing Conference, Darwin</a>
Challenges for people on low incomes in managing everyday expenses	Rebecca Pinkstone	August 2019	Financial Inclusion Forum, UNSW
Community Housing in Australia	John Nicolades	September 2019	BRIDGE Housing Corporation, San Francisco
Policy & organisational structures impacting development, operation & sustainability of social housing	John Nicolades	October 2019	Leadership exchange, International Housing Partnership, San Francisco
STEP to Home: A Housing First approach to homelessness	Sarah Kingsbeer	February 2020	Homelessness NSW Conference, Wollongong

## Policy Submissions

Title	Author	Date	Submitted to
Response to <i>Kickstarting the Productivity Conversation</i>	John Nicolades	November 2019	NSW Productivity Commission
Submissions to 17 Sydney Councils on their Local Strategic Planning Statements	Christopher Dib	July–November 2019	Blacktown, Canada Bay, Burwood, Bayside, Canterbury-Bankstown, Cumberland, Georges River, Inner West, Mosman, Northern Beaches, Parramatta, Randwick, Strathfield, City of Sydney, Waverley, Willoughby, Woollahra.
Cumberland Homelessness Action Plan	Christopher Dib	August 2019	Cumberland Council

SPOTLIGHT 2:

# Reconciliation Action Plan

Bridge Housing’s vision for reconciliation is to work together with our communities to create homes, places and spaces that are welcoming, safe and appropriate for Aboriginal and Torres Strait Islander people and their families. We celebrate and promote the strength and resilience of Aboriginal and Torres Strait Islander people and acknowledge their history of dispossession and its impacts today.

As a community housing provider our business offers many opportunities to work closely with Aboriginal and Torres Strait Islander tenants, staff, organisations and community leaders to deliver a culturally appropriate housing response. Currently, seven percent of our residents identify as Aboriginal or Torres Strait Islander.

We believe the provision of safe and secure housing and housing assistance is critical to supporting people to be well and healthy, to live without fear from harm, to be able to raise a family and to participate fully in their own lives.

Delivery of our first Reconciliation Action Plan (RAP) 2017–2019 was completed during the year, with 94 per cent of actions implemented.



The launch of the Reconciliation Action Plan 2020–22 in May 2020 at Redfern Park



Aboriginal residents at ATTAG picnic February 2019

In 2019, we began a journey to develop a second Innovate RAP in partnership with the Aboriginal and Torres Strait Islander Tenant Advisory Group (ATTAG) and Reconciliation Australia. The new RAP sets out how we will work with, provide services to, and engage with Aboriginal and Torres Strait Islander people as we move towards a reconciliation that is grounded in respect, trust and honesty.

We acknowledge the crucial role that education and cultural awareness have in acknowledging past injustice and understanding the historical impacts of colonisation for Aboriginal and Torres Strait Islander people. For this reason, a number of RAP actions relate to staff training, support and building culturally appropriate human resources and workplace practices and behaviour.

In February 2019, we held a RAP planning workshop and invited tenants, service providers and staff to explore the themes of respect,

relationships and opportunities. We also worked with ATTAG members to assess our progress against the Aboriginal Cultural Competency Standards of the NSW Government’s Community Housing for Aboriginal People Strategy (CHAP). The resulting action plan formed the basis for the second RAP document.

The RAP is governed through the RAP Working Group, comprising ATTAG members, Bridge Housing staff, community organisations, and partners. The group meets quarterly to guide delivery of the RAP actions and to provide input and feedback on particular initiatives. RAP actions and deliverables are also reported at Executive and Board meetings.

Key initiatives to be delivered during the first year of the Innovate RAP 2020–2022 include a focus on storytelling and celebrating our tenant community. We have produced two videos featuring tenants sharing

*“Working together to make a better future for the Aboriginal tenants of tomorrow.”*

Gomeroi woman and Bridge Housing resident Eunice



Young Bridge Housing resident



Housing Manager Pathways Megan Caldwell

their experiences of finding work under the Bridge To Work program and on what reconciliation means to them and plan to make a third for the NAIDOC Week celebrations in early November, delayed due to COVID-19.

A buddy program proposed by the ATTAG will be scoped and implemented in late 2020. The idea came from a desire to support new tenants to feel safe and connected to community when they start their tenancies and to offer an early intervention approach to tenancy sustainment.

Other strategies include collaborating with partner community housing providers to support Aboriginal-identified roles in the housing sector, offering mentor opportunities for our Aboriginal and Torres Strait Islander staff, and expanding our Indigenous CareerTrackers intern program.



Reconciliation Action Plan workshop in February 2019



Reconciliation Action Plan workshop in February 2019

# Operating environment 2019–20

This year's review of our operating environment will focus on the impact of two defining events: the catastrophic bushfire season and the COVID-19 pandemic. The effects of the pandemic continue, with devastating health and economic impacts, particularly on the low income communities Bridge Housing serves. We also examine the policy response of Australian and NSW Governments on the low and moderate income communities Bridge Housing supports through the provision of social and affordable housing.

## Bushfires and climate change

The catastrophic 2019–20 bushfire season in NSW saw 5.3 million hectares of land burnt, more than 2,300 homes destroyed and 23 lives lost. Bridge Housing does not operate in the bushfire-affected regions so was not directly affected but this event brought home the impacts of climate change on residents living in the city. This includes smoke from the bushfires, which causes severe problems for people with respiratory and cardiovascular issues.

The human-made climatic drivers of the bushfires and the devastating consequences on people and communities have made Bridge Housing more conscious of the contribution we can make towards mitigating the impacts of climate change. This will be reflected in the development of a longer term sustainability policy for the business.

## COVID-19 pandemic and Australian and NSW Government responses

The reprieve from the bushfires was short lived, as just when the smoke began to clear, the COVID-19 pandemic struck. COVID-19 has now become the largest global health crisis since the Spanish flu in 1919 and is the most significant economic shock since the Great Depression in 1929. By late March

2020, Australia was largely in lockdown to control the spread of the virus.

This increased unemployment and household debt. The Reserve Bank estimates that unemployment will climb to around 10 per cent.<sup>29</sup> The experience of the 1990–91 recession was that unemployment is fast to climb but very slow to fall. The Bank also estimates that unemployment won't fall to 7 per cent for another two years. The worst affected industries are retail, accommodation and food services employment; sectors with low-paid casualised workforces and little job security.

Consequently, there will be a growing number of people who may never work again, due to their age and/or the closure of their employer due to the COVID-19 lockdown. Many of these households will add to the already high numbers of people in our community who require social and affordable housing, despite the unprecedented fiscal injections and policy responses of the Australian and state Governments.

A range of Australian Government measures were quickly implemented to stabilise the economy, such as providing a coronavirus supplement to the existing JobSeeker allowance, which temporarily provided unemployed people a liveable basic income. The JobKeeper program provided a wage subsidy that was

aimed to reduce job shedding by businesses under pressure. However, these measures exclude certain classes of workers, and while both now extended beyond September, their rates will be reduced.<sup>30</sup> This will increase financial pressures on households as the economy moves further into recession. We expect to have a clearer idea of the Australian Government's position on the level and nature of further stimulus following the October Budget Statement.

In April 2020, the NSW Government introduced a six-month moratorium on evictions due to rental arrears along with legislation to enable the deferring of rent increases.<sup>31</sup> These were among a range of new fiscal stimulus measures, which also included a social housing maintenance package of \$50 million. The funding is aimed at capital upgrades to be completed by December 2020. Bridge Housing has secured about \$1 million in funding to undertake capital upgrades to our Northern Beaches properties, and is contributing a further \$1 million to the work.

Banks have also introduced schemes allowing customers to defer mortgage payments. Figures released by the Australian Banking Association show that 429,000 mortgages had been deferred across Australia by the end of May, totalling over \$150 billion in deferred repayments.

These responses enable households to financially withstand the immediate impacts of job losses. However, they will also result in households taking on significant extra debt in rental arrears and deferred mortgage repayments.

For the one million low income households nationally who were already in housing stress before the COVID-19 pandemic, there may be little opportunity to repay this debt. As a result, 7,500 to 16,000 more people

<sup>29</sup> Reserve Bank of Australia, *Statement by Philip Lowe, Governor: Monetary Policy Decision, 1 September 2020*, media release, [www.rba.gov.au/media-releases/2020/mr-20-20.html](http://www.rba.gov.au/media-releases/2020/mr-20-20.html)

<sup>30</sup> The JobKeeper payment rate is \$1,200 per fortnight from 28 September 2020 to 3 January 2021, then \$1,000 per fortnight until 28 March 2021. The \$550 coronavirus supplement fell to \$250 after 28 September, meaning fortnightly JobSeeker payments dropped from \$1,115 to \$815. New payment levels for JobSeeker and Youth Allowance were due to be announced in the October Economic Statement but had not been released at the time of publication.

<sup>31</sup> NSW Fair Trading, *Residential tenancy moratorium on evictions during COVID-19*, [www.fairtrading.nsw.gov.au/resource-library/publications/coronavirus-covid-19/property/moratorium](http://www.fairtrading.nsw.gov.au/resource-library/publications/coronavirus-covid-19/property/moratorium).



CEO John Nicolades talks with the NSW Minister for Families, Communities and Disability Services Gareth Ward MP at the SHMT Thank You event on 10 October 2019

in NSW may now face homelessness due to unemployment arising from the COVID-19 pandemic.<sup>32</sup> Our Housing affordability report on page 20 outlines the extent of existing and projected housing need, based on the work undertaken by City Futures.<sup>33</sup> This study was undertaken before the COVID-19 induced economic recession so we can only expect these numbers to grow.

There are increasing calls for the Australian and State Governments to provide further economic stimulus to increase jobs growth to stop the scarring effect of unemployment, particularly on younger workers. The OECD<sup>34</sup> and the Reserve Bank<sup>35</sup> are amongst the bodies that have encouraged the Australian and state governments to increase borrowing for social and physical

infrastructure, including strengthening the social safety net, investing in energy efficiency and especially spending on social housing.

### Social housing stimulus

In response to the economic and social hardship being created by the COVID-19 pandemic, the Community Housing Industry Association (CHIA) called on the Australian Government to invest in a Social Housing Acceleration and Renovation Program (SHARP).<sup>36</sup> It proposes a \$7.7 billion investment to build 30,000 social housing properties nationwide, as well as a fast-tracked maintenance program.

Bridge Housing was strongly supportive and actively involved in developing the SHARP proposal through our membership of CHIA.

SHARP could create much-needed jobs in the construction industry while producing an enduring social dividend by increasing social and affordable housing supply NSW.<sup>37</sup> There is an opportunity for the Australian Government to include it in the October Budget Statement.

### Australian Government: Searching for a housing program

There were no new initiatives announced by the Australian Government in 2019-20, apart from a new First Home Loan Deposit Scheme<sup>38</sup> and a small stimulus program called HomeBuilder.<sup>39</sup> There is also no clear direction on social and community housing policy to manage the increasing numbers of households struggling in the private market,

<sup>32</sup> Equity Economics, *Supporting economic recovery in NSW: Investment in social and affordable housing is critical to supporting jobs today and families into the future*, June 2020, [https://www.ncoss.org.au/wp-content/uploads/2020/05/Equity-Economics-Supporting-Economic-Recovery-in-NSW\\_Final\\_220620.pdf](https://www.ncoss.org.au/wp-content/uploads/2020/05/Equity-Economics-Supporting-Economic-Recovery-in-NSW_Final_220620.pdf)

<sup>33</sup> Laurence Troy, Ryan van den Nouwelant & Bill Randolph, *Estimating need and costs of social and affordable housing delivery*, City Futures Research Centre, Built Environment UNSW, March 2019, [cityfutures.be.unsw.edu.au](http://cityfutures.be.unsw.edu.au).

<sup>34</sup> OECD, *OECD Economic outlook June 2020: The world economy on a tightrope*, [oecd.org/economic-outlook/june-2020](http://oecd.org/economic-outlook/june-2020).

<sup>35</sup> Philip Lowe, Governor of the Reserve Bank of Australia, *Opening Statement to the House of Representatives Standing Committee on Economics*, speech, online - 14 August 2020, [www.rba.gov.au](http://www.rba.gov.au).

<sup>36</sup> Community Housing Industry Association, *Building the recovery: Investment in social housing will create jobs and improve social outcomes during the pandemic*, 5 May 2020, media release, <https://www.communityhousing.com.au/wp-content/uploads/2020/05/MediareleaseSHARP.pdf?x59559>.

<sup>37</sup> SGS Economics & Planning, *Economic Impacts of Social Housing Investment*, June 2020, <https://www.communityhousing.com.au/wp-content/uploads/2020/06/20200197-SHARP-Final-ReportSGS.pdf?x73896>.

<sup>38</sup> National Housing Finance and Investment Corporation, *First Home Loan Deposit Scheme (FHLDS): Supporting first home buyers*, <https://www.nhfc.gov.au/what-we-do/fhlds/> Ordinarily home buyers with less than a 20 per cent deposit need to pay lenders' mortgage insurance. Under the FHLDS, eligible first home buyers can purchase a modest home with a deposit of as little as 5 per cent (lenders criteria also apply).

<sup>39</sup> Home Builder provides eligible owner-occupiers (including first home buyers) with a grant of \$25,000 to build a new home or substantially renovate an existing home. Commonwealth Treasury, *HomeBuilder*, [www.treasury.gov.au/coronavirus/homebuilder](http://www.treasury.gov.au/coronavirus/homebuilder).

or under the economic impacts of COVID-19. The Australian Government is not adequately dealing with the 33,700 National Rental Affordability Scheme (NRAS) subsidies that will be withdrawn over the next six years.<sup>40</sup> Bridge Housing continues to lease the 220 NRAS-funded properties in our portfolio at affordable rents.

The Australian Government's National Housing Finance and Investment Corporation (NHFIC) has raised \$1.4 million in loans that are available to community housing providers at reduced borrowing costs. Bridge Housing has borrowed \$76 million to reduce finance costs and purchase new social housing. The Australian Government has the central role to deliver a housing subsidy which meets the yield gap.<sup>41</sup> Unfortunately, there has been no progress on such

a housing subsidy to increase social or affordable housing supply at scale during 2020–21 or beyond.

### NSW Government: Developing a housing strategy

The NSW Government has not developed a significant response to social or affordable housing supply this year. Under COVID-19, there has been a small social housing maintenance package, discussed above. Under its accelerated planning projects aimed at stimulating the construction industry, there is only one social housing proposal among the 48 projects.<sup>42</sup> This is the previously announced Ivanhoe Estate redevelopment.

The Land and Housing Corporation (LAHC), which is responsible for the NSW Government's social housing

portfolio, was transferred into the Department of Planning Industry and Environment on 1 July 2020. The NSW Government released the Housing Strategy for NSW Discussion paper in late June.<sup>43</sup> The paper sets out development of a 20-year comprehensive housing strategy from homelessness to home ownership.

Bridge Housing's submission to the Housing Strategy discussion paper argues the state government must increase its investment to deliver 10,000 social and affordable housing dwellings per annum to meet current and projected need.<sup>44</sup> Our analysis of the policy settings canvassed in our submission shows that the NSW Government's proposals fall well short of what is required. The final strategy will be released and implemented from 2021–22, and will become a key input into the development of our Strategic Plan 2021–2024.

Until then, *Future Directions for Social Housing in NSW* will continue to shape the NSW Government's social housing policy until 2026. The key element, the Social Housing Management Transfer program, was completed in September 2019 and transferred management of 14,000 properties to community housing management. There is unlikely to be any further transfers in the next three years. The strategy's Communities Plus program is well short of delivering the intended 6,000 new dwellings by 2023.

Unlike the Victorian and Western Australian Governments, the NSW Government has as yet made no commitment to a significant social housing stimulus package. The NSW Council of Social Services and CHIA



Guests at the SHMT Thank You event at NSW Parliament in October 2019

40 Commonwealth Department of Social Services, *National Rental Affordability Scheme – performance reporting*, <https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme/national-rental-affordability-scheme-performance-reporting>.  
 41 The yield gap occurs because social housing tenants pay below-market rents, meaning social housing providers have very shallow balance sheets and require a higher level of debt. While cheap NHFIC debt and state government land contributions help, a subsidy is still required to ensure the delivery of social housing. In the absence of subsidy, any social housing development requires a high proportion of housing to be sold or rented at market prices to be viable.  
 42 Planning, Industry & Environment (NSW), *Accelerated planning projects to deliver jobs and boost the economy*, 28 April 2020, <https://www.dpie.nsw.gov.au/news-and-events/accelerated-planning-projects-to-deliver-jobs-and-boost-the-economy>.  
 43 NSW Department of Planning, Industry & Environment, May 2020, *A Housing Strategy for NSW. A Discussion Paper*, <https://www.planning.nsw.gov.au/-/media/Files/DPE/Discussion-papers/Policy-and-legislation/Housing/A-Housing-Strategy-for-NSW-Discussion-Paper-2020-05-29.pdf>.  
 44 Bridge Housing Submission to A Housing Strategy for NSW, August 2020 <https://www.bridgehousing.org.au/documents-download/documents/corporate-plans/1085-bridge-housing-submission-to-a-housing-strategy-for-nsw-discussion-paper-final/file>.



CEOs of community housing organisations with Minister Gareth Ward at SHMT Thank You event in October 2019

NSW have proposed a state-based social housing stimulus package in which community housing providers play a key part.<sup>45</sup> We may see a NSW Government response in the delayed Budget Statement in November 2020.

Through LAHC, the NSW Government has undertaken several new initiatives that will, at best, create modest increases in housing supply. These include an extension of lease terms on properties currently managed by community housing providers and a proposed redevelopment program based on 49-year leases. The extension of management leases from three to 20 years was announced in April 2020. It will give community housing providers in NSW more certainty over the social housing properties we currently manage under three-year leases and enable us to invest proactively in long term asset maintenance. During 2020–2021, Bridge Housing will investigate opportunities to work with LAHC to invest in renewing some social housing properties.

While the extension of lease terms is a positive measure, Bridge Housing continues to believe that vesting ownership of social housing in community housing providers enables us to be the best possible stewards of these assets and provides the highest quality services to tenants. It would also enable us to leverage properties to increase the supply of social and affordable housing in some of Australia’s most expensive housing markets.

The proposed redevelopment program leverages the access of community housing providers to low-cost NHFIC debt and LAHC land that is available on 49-year leases. However, in the absence of a subsidy, sites would need to include a significant proportion of housing rented at market rates for projects to be feasible. This would expose community housing providers to significant risk in a softening rental market.

At the local level, the NSW Government requires councils to prepare Local Strategic Planning Statements (LSPS). An LSPS outlines the 20-year vision for land use in a local government area (LGA), supported by a robust housing strategy. However, most councils have delayed preparing housing strategies, meaning few councils will be in a position to implement an affordable housing scheme under *State Environmental Planning Policy (SEPP) 70* for some time.

Bridge Housing has responded to 17 LSPS, arguing for the inclusion of social and affordable housing (See Our development report on page 68). The NSW Government has flagged that it will consolidate all affordable housing planning instruments into a Housing Diversity State Environmental Planning Policy.<sup>46</sup> Bridge Housing will continue to assess opportunities as they arise. However, we believe these will be limited in the next one to two years.

<sup>45</sup> Equity Economics, *Supporting economic recovery in NSW: investment in social and affordable housing is critical to supporting jobs today and families into the future*, June 2020, <https://www.ncoss.org.au/policy-advocacy/policy-research-publications/supporting-economic-recovery-in-nsw-investment-in-social-and-affordable-housing-is-critical-to-supporting-jobs-today-and-families-into-the-future/>.

<sup>46</sup> NSW Department of Planning, Industry & Environment, *Diverse and affordable housing*, 21 September 2020, <https://www.planning.nsw.gov.au/Policy-and-Legislation/Housing/Diverse-and-affordable-housing>

### Navigating choppy policy waters

Bridge Housing believes that now is the time for a bold approach by the Australian and NSW Governments. Investing in new and renewed social housing across the state would achieve the complementary aims of stimulating the construction industry and addressing the long-term undersupply of housing that is affordable for people on very low-to-moderate incomes.

To this end, we look to the NSW Housing Strategy becoming an ambitious program to increase social housing, with community housing providers playing a central role in its delivery. We will continue to advocate for a National Housing Strategy to coordinate government, private and not-for-profit investment in this critical form of social infrastructure.



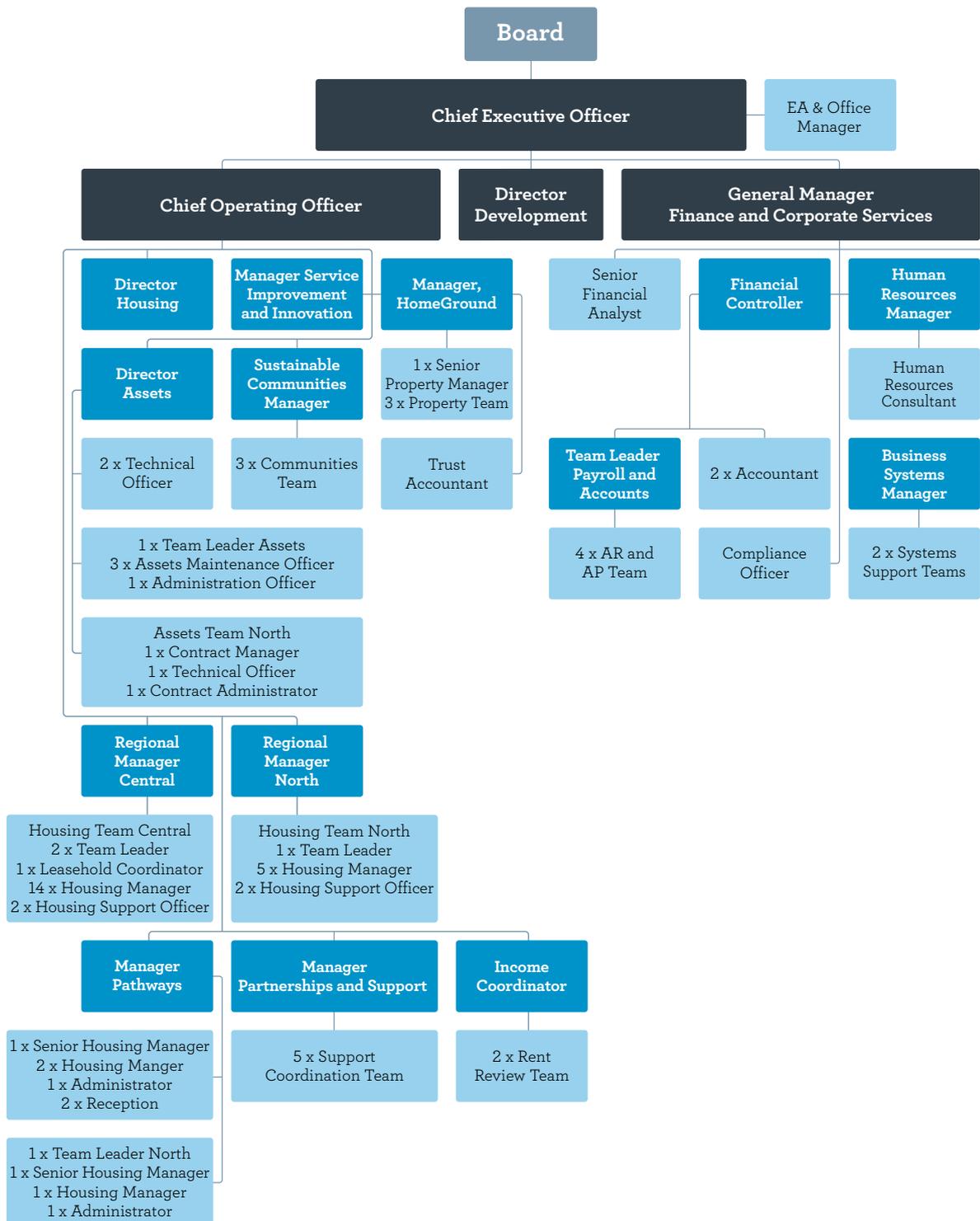
GM Finance and Corporate Services David Miller at the SHMT Thank You event



Left to right: Development Director Chris Dib, CEO John Nicolades and Federal Assistant Treasurer and Minister for Housing Michael Sukkar

# How we operate

Each division of Bridge Housing has primary responsibility and ownership of particular critical success factors. However our divisions must work together to fulfil our strategic plan and business plan. Meet our Directors on page 34. Meet our executive team on page 36.



# Our Board of Directors

Bridge Housing is governed by a board of independent, non-executive directors who determine the strategy for the organisation and manage risks. In line with best governance practice, Bridge Housing achieved gender parity on its board in February 2018. Directors are chosen based on their skills and expertise in one or more areas: social housing management, finance, community welfare, stakeholder engagement, property development and procurement, law, social policy development, information technology and human resources management.

There were no changes to Bridge Housing's Board of Directors in 2019-20. Our governance report on page 46 summarises the Board's work in 2019-20.

**Mark Turner**  
BSc, MRICS, GAICD

Joined Bridge Housing Board in December 2014

Elected Chair in December 2015

Chair Asset and Procurement Committee

Skills: Property development, finance and real estate

Mark has more than 30 years of experience in real estate funds management in Australia, the UK and Asia. Mark is currently an executive director at EG Funds Management in Sydney. He has held senior executive roles as the head of funds management at DEXUS Property Group, in fund and asset management at Lendlease and GPT, and as chairman of an Asian property investment company.

Mark graduated from the University of Portsmouth UK with a Bachelor of Science in Urban Land Administration, is a member of the Royal Institution of Chartered Surveyors, and is a licensed real estate agent in NSW.

**Dick Persson**  
AM, BA, FAIM

Joined Bridge Housing Board in December 2008

Chair of Human Resources, Nominations and Marketing Committee  
Resigned June 2020

Skills: Housing policy, planning and local government, capital works procurement, management, and government administration

Dick has many years of experience in the New South Wales and Queensland public service and local government. From 2016-2017 he was administrator of the newly-amalgamated Northern Beaches Council. He has served as a director general of the Queensland Department of Housing, Local Government and Planning, the Queensland Department of Health, and the NSW Department of Public Works and Services.

Dick was director of the 1997-98 National Housing Policy Review for the Federal Government. Dick has held a number of senior board positions, including chairing the Central Sydney Health Service, Healthquest, and the Sydney Harbour Foreshore Authority.

**Graham Monk** BComm (Hons), FCPA, MAICD

Joined Bridge Housing Board in April 2016

Chair of Finance, Risk and Audit Committee

Skills: Finance, real estate and funds management

Graham has extensive financial and commercial experience, having worked for CSR, Lendlease, Lion Nathan, and as finance director of Investa Property Group, a diversified property group that was one of the largest owners of commercial offices in Australia and had assets valued at more than \$6 billion. He now works as a consultant and non-executive director specialising in the property and funds management sectors.

**Carolyn Scobie** BA LLB, Grad Dip CSP, MA (Japanese), GAICD

Joined Bridge Housing Board in June 2015

Member of Human Resources, Nominations and Marketing Committee.  
Chair from June 2020

Skills: Legal

Carolyn has over 30 years of legal experience in corporate and commercial property and is responsible for all aspects of legal risk management for QBE. She was previously with the Goodman Group, an integrated commercial and industrial property group.

Prior to Goodman, Carolyn spent three years in the legal profession and six years as in-house counsel with the Japanese construction company Kumagai Australia Group. Carolyn is a member of the Governance Institute of Australia and a graduate of the Australian Institute of Company Directors.



Board members: Dick Persson AM, Lynne Ready, Carolyn Scobie, Chair Mark Turner, Shirley Liew, Jill Hannaford, Graham Monk and Gary Milligan

**Gary Milligan** BSc,  
BEng (Electrical)

Joined Bridge Housing  
Board in February 2007

Member of Asset and  
Procurement Committee

Skills: Asset management

Gary has had an extensive career as a professional engineer in the NSW public service with diverse roles in the delivery of the state's buildings and infrastructure. His experience encompasses policy development; project planning, evaluation and design, and project procurement and construction management. He is an experienced company director in the community housing sector and has undertaken training in the role of company director.

**Shirley Liew** BBus  
(Fin), MBA, GAICD,  
FTIA, FCPA, IIA, CRISC  
(ISACA), FINSIA(Aff)

Joined Bridge Housing  
Board in 2009

Member of Finance, Risk  
and Audit Committee

Skills: Strategy, Finance,  
Governance and risk  
management

Shirley is a professional non-executive director and has a range of business interests. She has more than 25 years of experience as a senior executive and held practice-led partner audit, corporate and project finance and advisory roles in banking, financial services, health, infrastructure, retail and wholesale sector.

She is the chair of Outset Group (Amber Tiles) Australia Pty Limited, non-executive director and chair of the Audit Committee at Hunter United Credit Union, director of Ausvenue Co, advisory board member of dusk Australasia Limited, chair of the Audit and Risk Committee at Central Coast Local Health District, and member of the Audit and Risk Committee at NSW Trainslink.

**Lynne Ready** AICD Grad,  
MMan, GDipPA, BSocWk,  
DipPM, CertIV TAE

Joined Bridge Housing  
Board in February 2018.

Member of Housing, Assets  
and Development Committee

Skills: Public policy,  
management, community  
engagement, partnership  
development

Lynne is a social worker who has long been committed to equality and social justice. In a career spanning 39 years in the NSW government and community sector, she has worked and led services across community health, child protection, out of home care, social and community housing, disability services and child and family programs.

Lynne is currently Manager of Child and Family programs at YMCA NSW. She was previously a director in NSW Ageing, Disability and Home Care, Chief Executive Officer of Metro Residences, and Executive Director of the NSW Office of Community Housing.

**Jill Hannaford** BappSc  
(AppEcG) (Hons 1),  
MURb&RegPlg

Joined Bridge Housing  
Board in February 2018

Member of the Finance,  
Audit and Risk Committee.  
Resigned June 2020. Member  
of Human Resources,  
Marketing and Nominations  
Committee from June 2020

Skills: Community and  
stakeholder engagement,  
social sustainability,  
communication and  
diversity and inclusion

Jill is a social scientist who is passionate about diversity and social equity. Jill is General Manager Technical Services, Australia and APAC at global professional services firm GHD, where she has worked for the past 25 years. Jill is also responsible for GHD's Reconciliation Action Plan. She co-founded IAP2 in Australia in the 1990s and has strong community engagement expertise.

Jill is a founding corporate partner of CareerTrackers, an Indigenous internship program.

## Our executive team

The Executive is responsible to the Bridge Housing Board through the CEO and is tasked with delivering our strategic plan and business plan objectives. Our Executive is an experienced, passionate team of leaders with wide-ranging experience in the government, private and not-for-profit sectors. They bring expertise in property and tenancy management, community welfare, finance, property development, public policy, HR and IT to the organisation.



The Executive Team (left to right): Development Director Christopher Dib, General Manager Finance and Corporate Services David Miller, General Manager Operations Rebecca Pinkstone and Chief Executive Officer John Nicolades.

**John Nicolades** BA, BSW, GradDipAppFin  
**Chief Executive Officer**

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John has led Bridge Housing Limited since 2006. Under his leadership, the organisation has grown from 650 properties to 3,500 properties and provides safe and secure affordable housing for over 1,443 tenants. He has transformed Bridge Housing from a small not-for-profit into one of the top ten community housing providers in Australia. He has developed a company culture with a strong social purpose and a focus on service delivery that is founded on effective business systems, financial discipline and ability to develop and execute its strategic focus.

Prior to joining Bridge Housing, John held senior positions in the NSW Government and the community services sector. John led affordable housing policy development in the NSW Department of Planning and NSW Housing from 2000–05. From 1990–99 he was Community Services Manager with the Uniting Church Board for Social Responsibility, overseeing child care, disability services, home and community care services, as well as housing policy development.

He is an independent director on the national [Community Housing Industry Association](#) Board. He has advised federal and state governments on housing policy.

**David Miller** BBus, MBA, CPA, GAICD  
**General Manager, Finance and Corporate Services**

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David was appointed General Manager, Finance and Corporate Services in October 2012. He is responsible for Bridge Housing's financial management, reporting and compliance, as well as developing and managing IT systems, best-practice human resources management, and risk and compliance frameworks.

David is a Certified Practising Accountant and has extensive financial, IT and general management experience. He has worked in the property industry for the past 30 years, for large private and public companies including Jones Lang LaSalle, Investa Property Group and Clarendon Homes.

These roles have provided David with experience across the commercial real estate, property management, property development and residential construction sectors. David has exercised financial responsibility for budgets of more than \$100 million and has extensive experience in developing and managing best practice corporate services.

Since joining Bridge Housing, David has overseen revenue growth from \$27 million to \$58 million, profit growth from \$600,000 to \$4 million and net asset growth from \$53 million to \$250 million. This growth has been supported through the establishment and management of a \$76 million corporate debt facility and implementation of best practice systems and processes.

**Rebecca Pinkstone** BA, MPS  
**General Manager, Operations**

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Rebecca joined Bridge Housing in June 2013 and is responsible for driving the strategic design and implementation of Bridge Housing's operations.

This includes Bridge Housing's applicant, tenancy management and fee-for-service functions as well as our community and tenant engagement initiatives, supported housing programs and asset management operations. Rebecca is also responsible for leading our for-purpose real estate agency, HomeGround Real Estate, Sydney.

Rebecca has held senior operational and policy positions in the NSW Government delivering major reform programs to grow the community housing sector and improve social housing service delivery. Prior to her work in housing policy, Rebecca worked in the areas of social planning, crime prevention and domestic violence in both state and local government.

**Christopher Dib** BComm (Land Economics), CPV  
**Director Development**

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Christopher is an accomplished development director with 20 years experience in the Sydney property market. He ensures the long-term viability of Bridge Housing's multi-million-dollar development portfolio.

Christopher received his Bachelor of Commerce in Land Economics from the University of Western Sydney in 1998 and from there developed his passion for property. As a registered property valuer and Associate of the Australian Property Institute, his work at Bridge Housing draws on his private and public sector experience.

Chris previously worked for Capital Insight and the NSW Government in the Land and Housing Corporation, where he was responsible for acquiring and developing over 130 social housing properties under the Nation Building Economic Stimulus Plan—Social Housing Initiative, with a development cost of \$40 million. At the NSW Department of Ageing, Disability and Home Care he was responsible for the boarding house and group home delivery programs. His commercial acumen in his work for the private sector enabled him to negotiate the acquisition of a \$50 million development in Erskineville for AV Jennings Developments during the Global Financial Crisis, which returned margins in excess of 30 per cent.

Since becoming Bridge Housing's Development Director, Christopher has been directly responsible for the delivery of over 500 properties. This represents an overall increase in the organisation's portfolio of 30 per cent with an end value of over \$180 million.

## Bridge Housing on the Northern Beaches

On 5 August 2019, Bridge Housing with Women’s Housing Company, took on the management of some 1,200 social housing properties in the Northern Beaches, including a suite of housing assistance products and services from our new housing hub in Brookvale. This transfer was part of the NSW Government’s Social Housing Management Transfer Program (SHMTP) and resulted in a 52 per cent portfolio increase, the largest increase in our history.

To support effective service delivery for our new residents from our first day of management, we developed a comprehensive three-month Service Delivery Plan. The Plan guided our activities from Day 1, with key activities and tasks identified across all business operations. Extra staff members were assigned to deliver the three-month plan, to act as coaches and trainers to support our new permanent team adapt to their working environment.

### Our first three months

The three-month Service Delivery Plan was focussed on establishing Bridge Housing and our new team on the Northern Beaches and included:

- ▀ refurbishing our Brookvale office into a new housing hub, providing

a one stop shop for applicants, tenants and service partners to deliver housing assistance

- ▀ undertaking more than 115 priority tenant wellbeing inspections for our most vulnerable tenants to understand their support needs and assist them to move to new rent payments
- ▀ visiting some of our largest sites with the Sustainable Communities team to understand how they want to be involved in Bridge Housing’s community engagement structures and programs
- ▀ meeting with local service providers to create new partnerships to operate from our Housing Hub and to support tenants to sustain their tenancies



SHMT properties at Manly Cove

- ▀ implementing new business processes to purchase private rental assistance products as part of our housing assistance services
- ▀ implementing the requirements of the new LAHC maintenance contract, led by a new local Assets Team to manage maintenance requests, property upgrades and the new IT interface
- ▀ embedding the organisation’s Management Operating System (MOS), providing onsite training and support and assisting the new team with Bridge Housing culture, policy and procedures.



Ronald Avenue Narrabeena resident

### What we achieved in our first year

It has been a busy year but we are now well and truly embedded in our local community. Key outcomes for the period include:

- ▀ establishing our new office and regional team structure
- ▀ developing strong service partnerships and referral networks that supported tenants to sustain their tenancies and access the support they needed
- ▀ implementing more than 60 tenant wellbeing plans for tenants with high and complex support needs and over 230 referrals for external support to assist our tenants to sustain their tenancies

- ▶ establishing a roster of key service partners to hot-desk and work with us at the Housing Hub and deliver services to our common clients
- ▶ fostering strong relationships with local state and federal government representatives to address the needs of our tenants and the local community
- ▶ working with Northern Beaches Council to undertake the first Northern Beaches Homelessness Street Count with other service partners in February 2020
- ▶ establishing an assertive outreach and case coordination group in February 2020 to respond to street homelessness on the Northern Beaches and facilitate housing for 15 people
- ▶ implementing private rental<sup>47</sup> assistance products valued at over \$1.1 million dollars to deliver 1,853 nights of temporary accommodation, 34 Private Rental Subsidy allocations and reviews, 24 Start Safely Subsidy allocations and reviews
- ▶ improving tenancy outcomes through our proactive tenancy management that included visiting over 980 tenants in their homes to undertake tenant wellbeing property inspections and 784 priority wellbeing inspections over the phone to offer tenants support and assistance if required in response to the current pandemic
- ▶ establishing new networks and engagement structures with our tenants through two tenant forums and 14 block meetings to discuss ways to become more involved
- ▶ positive results from the annual Tenant Satisfaction Survey, with 82 per cent of tenants satisfied with housing services
- ▶ driving the delivery of our asset programs under the complex contracting arrangements
- ▶ leading implementation of the North Sydney Homelessness Action Plan Working in partnership



SMHT properties at Lascelles Road Narraweena



South Creek Road Dee Why residents

with SGCH and Link Housing as part of our social housing system coordination responsibilities.

### Challenges and successes

Through the significant growth in the Northern Beaches and the launch of our new Brookvale office, Bridge Housing now operates across two offices and a much wider geographic area. We not only overcame the workplace culture and cohesion challenges of opening a second office, but did so during the COVID-19 pandemic.

This stretched resources, requiring shared management and staffing of our offices and the creation of split teams for service delivery. These challenges have been positively addressed by maintaining a focus on Bridge Housing's culture and values and by the use of our Management Operating System to assist staff to plan and prioritise their work.



Ronald Avenue Narraweena resident

<sup>47</sup> The NSW government management contract requires Bridge Housing to deliver Private Rent Assistance products. These range from time limited assistance for households who are at risk of homelessness to bond and rent assistance for to sustain the tenancies of low income private renters NSW Department of Communities and Justice, Helping renting in the private market, <https://www.facs.nsw.gov.au/housing/help/ways/renting-private-market/help-keeping-your-current-private-rental>.

# Our people

Our staff are our greatest strength. They bring passion, commitment and skill and are integral to achieving our mission and vision. At Bridge Housing we want our people to thrive and do their best work. Fundamental to our culture is our people's belief in our mission, which is to improve lives through affordable homes and quality services. The power of this mission underpins our People and Culture Strategy.

The year began with the largest transformation in Bridge Housing's 35 year history as we took on the management of 1,228 social housing properties, resulting in a 52 per cent portfolio increase and 30 per cent staffing increase. The COVID-19 pandemic created the most unexpected and significant challenge that Bridge Housing has ever faced. We met it. We supported our staff to maintain our quality service delivery as we moved from a 100 per cent office based environment to 90 per cent of staff working from home.

## This section of the Annual Report:

- ▶ presents the Human Resources team's highlights for 2019–20
- ▶ reports on how the Human Resources team has delivered on its critical success factors
- ▶ provides an overview of the key activities undertaken during the year
- ▶ outlines our objectives for 2020–21.

## Highlights of 2019–20

In 2019–20, the Human Resources team:

- ▶ delivered our SHMT recruitment and on-boarding strategy, with an increase of 19 new positions, or 30 per cent, for a total staff complement of 89
- ▶ managed the COVID-19 transition to working from home and developed a strategy to support staff wellbeing and engagement
- ▶ launched our Diversity and Inclusion Strategy
- ▶ undertook our first Workplace Gender Equity Reporting Tool

- ▶ implemented CareerTrackers, our First Nations intern program, as part of our Reconciliation Action Plan
- ▶ refreshed and launched the new Total Rewards and Benefits Program, including a new team building program
- ▶ expanded our Recruitment Strategy to engage with universities and participated in our first career expo at Western Sydney University
- ▶ digitised our HR system through the introduction of a Human Resource Information System (HRIS) (See Spotlight 5 on page 66)
- ▶ achieved our highest staff engagement result of 84 per cent and awarded our second consecutive Best Workplace Award by [Voice Projects](#)<sup>48</sup>
- ▶ recognised as an Inclusive Employer by the Diversity Council of Australia (DCA).

## A great place to work

In 2019–20, we continued the upward trend in employee engagement in our ninth annual Employee Opinion Survey. Our engagement score increased from 81 per cent to 84 per cent, an outstanding achievement and testament to Bridge Housing's culture even as we managed the change of the Northern Beaches Social Housing Management Transfer and the disruption created by COVID-19 and the move to work from home.

Administered by the [Voice Project](#), the Employee Opinion Survey measures employees' experiences across multiple dimensions of employee satisfaction and engagement. Our Annual EOS also provides us with an external benchmark against the community housing sector and informs our HR initiatives and activities. See Figure 14. As a result of our 2019 survey, we prioritised **involvement, collaboration** and **career progression** in 2019–20.

We also achieved our first [Voice Project Best Workplace Award](#), which recognises organisations that have achieved exceptional levels of employee engagement and satisfaction as best employers across more than 40 industries. Organisations are only eligible when staff satisfaction levels average 80% or more across the questions or exceed industry benchmarks by 10 percentage points.



<sup>48</sup> [Voice Project Best Work Place Awards www.voiceproject.com/articles/best-workplace-awards](http://www.voiceproject.com/articles/best-workplace-awards)



## Survey snapshot

<b>92%</b>	of staff say they are satisfied with the organisation's progress and success in delivering outcomes. This is an increase of 4 per cent from 2019 and 17 per cent higher when compared to the sector
<b>95%</b>	of staff have job satisfaction, a 9 per cent improvement and 12 per cent higher when compared to the sector
<b>99%</b>	of staff believe that the future for this organisation is positive
<b>98%</b>	of staff believe in the overall purpose of this organisation
<b>95%</b>	of staff say that they have confidence that our tenants are satisfied with our services
<b>97%</b>	of staff feel that we offer services that are high quality.

\*2019-20 Employee Opinion Survey Results

### Career progression and planning

The survey showed a slight improvement in the number of employees who felt they had enough opportunities for their career to progress, from 46 per cent to 50 per cent. Despite this, career planning continues to be a challenge, with only 56 per cent of staff indicating they had adequate time to spend on career planning, down 4 per cent from the previous year.

Nearly three in four (73 per cent) of staff felt they were given opportunities to develop the skills needed for career progression, up 5 per cent compared to 2019. We will continue to focus our work in 2020-21 on how to improve our employees' experiences in this area.

Growth within Bridge Housing has created:

- 12 internal promotions, including seven staff who were offered permanent roles at a higher grade and five staff who were offered a six-month or longer secondment at a higher grade
- Six staff took on higher duties roles.

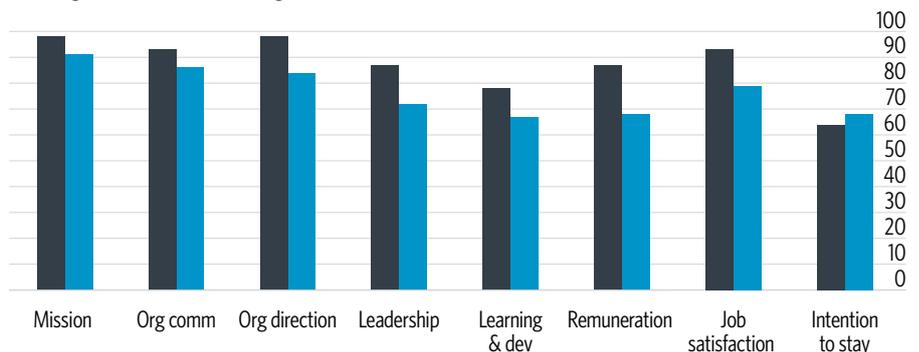
### Collaboration and teamwork

We saw improvements across all areas of collaboration and teamwork. In 2020, 99 per cent of staff feel they have a good working relationship with co-workers, up 6 per cent, and 98 per cent of staff feel they work well with co-workers, up 8 per cent on the previous survey.

### Involvement

In 2020, 83 per cent of staff said they have input into everyday decision making in their role, a 2 per cent improvement on the 2019 survey.

**Figure 14: Employee opinion survey**  
Bridge Housing compared to sector average (percentage), 2020



Overall, 71 per cent of staff feel they are consulted on decisions that affect their day-to-day work, a 5 per cent improvement on 2019.

### Bridge Housing's strengths: what staff say

*"So innovative in everything Bridge does"*

*"Staff culture makes it so pleasant to work here"*

*"Wellbeing is a priority and our benefits reflect the effort Bridge puts in regarding this"*

*"It's committed to developing staff and leaders"*

*"A strong focus on customer service and housing outcomes for the most vulnerable"*

*"A willingness to stand out in the sector through the development of innovative operational programs and initiatives"*

*"Strong leadership and executive management".*

*“A diverse and inclusive workplace is central to our corporate culture and embedded in our everyday business operations.”*

Rebecca Pinkstone



Chief Operating Officer Rebecca Pinkstone

### Building a diverse and inclusive workplace

We are delighted to report our progress on diversity and inclusion over the past year. Our achievements include:

- ▶ 50 per cent representation of both genders on the Bridge Housing Board, which surpasses the ASX’s Corporate Governance Principles and Recommendations
- ▶ developed and launched our first *Diversity and Inclusion Strategy 2019-2021*
- ▶ participated in our first Diversity Council Australia (DCA) Inclusion@Work Index<sup>45</sup> to establish a baseline for our level of diversity and inclusion and achieved Inclusive Employer status
- ▶ welcomed our first intern in partnership with CareerTrackers. The internship program supports Aboriginal and Torres Strait Islander tertiary students through their studies into employment.

Figure 15 shows our Workforce Diversity metrics.

### Our Diversity and Inclusion Strategy

Our Diversity and Inclusion Strategy enables us to focus our efforts on creating meaningful opportunities and addressing barriers to ensure that each and every one of our employees can truly thrive in our organization. The strategy includes three strategic objectives:

- ▶ demonstrate leadership on diversity and inclusion at all levels of our organisation and in the community housing sector
- ▶ embrace diversity in our workplace
- ▶ share our organisational journey and are accountable for our actions.

DCA’s bi-annual Inclusion@Work Index measures diversity and inclusion in our workforce and benchmark findings against other Diversity Council Australia members. Our achievement of Inclusive Employer status recognises our commitment to diversity, demonstrated by Bridge Housing achieving results that exceed the national benchmark in five of six measures: awareness;

engagement; inclusive organisational climate; inclusive leadership; inclusive team; and exclusion.

### Indigenous internship program

Our Indigenous Internship program is central to our Reconciliation Action Plan. At Bridge Housing we are proud to support indigenous university students and help them prepare for the future. Our partnership with CareerTrackers started in 2019 when we took on our first paid intern.<sup>46</sup> This program is much more than just an internship: it helps build a culture of respect, supports diversity and inclusion, and demonstrates our commitment to reconciliation.

*“I am so grateful for the opportunity to be an intern with Bridge Housing during my winter internship. My time in the organisation really opened my eyes to the everyday hard work of the people behind the phones, wanting the best for their tenants.*

*I enjoyed having independent tasks to handle as a part of the Community team that allowed me to grow more confident in my research skills and creative ideas to improve engagement.”*

**Kelsey Attwood**  
CareerTrackers intern

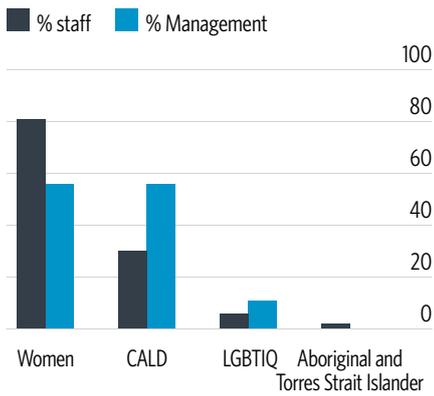


HR Manager Jenny Woolley, Kelsey Attwood and Regional Manager North Christina Hough

<sup>45</sup> DCA-SUNCORP Inclusion@Work index: Mapping the state of inclusion in the Australian workforce, [www.dca.org.au/inclusion-at-work-index](http://www.dca.org.au/inclusion-at-work-index)  
<sup>46</sup> Our Career Trackers Interns are paid under the SCHADS award and in line with our remuneration strategy at 10% above award rate.

**Figure 15: Diversity**

Workforce diversity (percentage), 2019-20



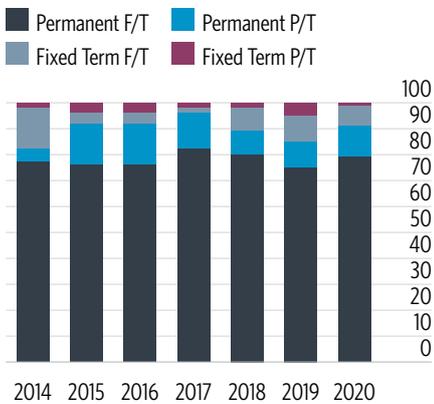
In 2019-20 we celebrated Chinese New Year, NAIDOC Week, Mental Health Day, Eid and International Women's Day.



Women young and older celebrate at the International Women's Day event in March 2020

**Figure 16: Employee status**

Employee contractual status (percentage), 2014-20



Our key workforce diversity metrics in this report, including our Cultural Diversity Index, show that, overall, we are more culturally diverse than the Australian population (based on the Australian census).

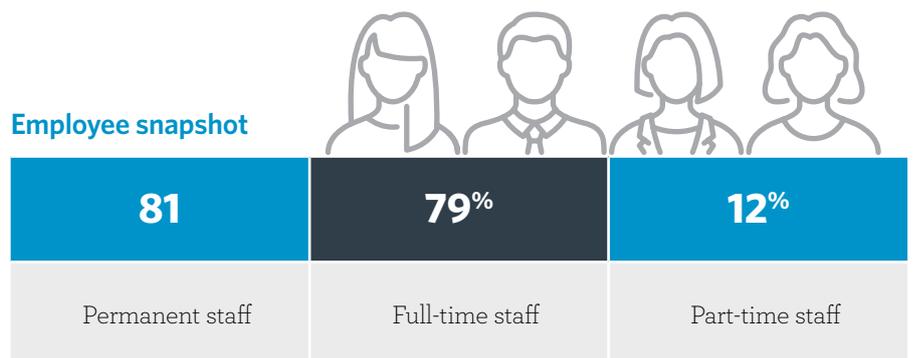


**Diversity Snapshot**

<b>81%</b>	Women
<b>19%</b>	Men
<b>56%</b>	Women in management roles
<b>25%</b>	Women in executive roles
<b>50/50</b>	Board gender representation

**Figure 17: Departments**

Employee (percentage), 2014-20



### Employee turnover

Our employee voluntary turnover rate in 2019-20 continued to stabilise, decreasing to 15 per cent from 18 per cent in 2018-19.



12	Twelve permanent employees resigned
2	Two employees were dismissed
6	Six temporary employees left due to contract expiry

We undertake a comprehensive exit interview when an employee leaves, which provides additional information on our strengths and where we can improve.

We support our staff to develop capability and skills to enable them to perform their jobs well, meet current and emerging business needs, and bring the best outcomes for our residents and applicants. We provided on average of 25 hours of training per employee during the year.

Our Learning and Development Program encompasses:

- ▶ annual training calendar
- ▶ leadership program
- ▶ lunch and learns
- ▶ seminars and training courses
- ▶ study assistance for higher education
- ▶ conferences
- ▶ AHI mentoring program.

### Strengthening our culture

Throughout the year, we have continued to work with the Langley Group to deliver our positive culture program. Our culture is shaped by our leaders and we held a series of sessions designed to equip leaders with skills to:

- ▶ create a positive, sustainable environment that builds resilience and wellbeing in individuals, teams and the whole organisation
- ▶ enhance the capacity of leaders to ensure a fair, dynamic and effective organisation and ensure innovative, high-quality service provision
- ▶ develop an inclusive and confident organisational culture that maximises the potential of workers to fulfil their roles and responsibilities
- ▶ recognise and reward exceptional employee performance through the annual Bravo awards.



### Training

Training spend: \$ 185,875
Training spend per employee \$2,265
Average 25 hours of training per year per staff member

### Wellbeing and COVID-19

The arrival of the COVID-19 pandemic in Australia triggered a major change in how we work. We have adopted a nimble, proactive approach to employee wellbeing, aligned with NSW Health Department health and wellbeing guidelines. Whilst historically working from home has been a 'flexibility' or ad hoc arrangement, it has quickly become the new norm.

We moved to a working from home model at the end of March 2020. This new working model included maintaining a small team of staff in both offices. Two separate teams were established, alternating between office and home on a weekly roster to minimise risk while maintaining critical services to our clients.

Many of our employees experienced working from home for the first time during the pandemic. They were also juggling family or caring responsibilities, home-schooling or supporting dependants, or dealing with isolation.

Before COVID-19, our staff engagement and wellbeing strategy was predominantly a range of face-to-face activities. Early in 2020, we developed more arm's length strategies to support staff during a prolonged working from home period and living through a pandemic.

The strategy focused on:

- ▶ providing the computer equipment and business tools required to work from home
- ▶ Work Health Safety (WHS) ensuring a safe work environment at home including mental health and wellbeing
- ▶ leadership and management
- ▶ corporate meetings and training
- ▶ social events, communication and engagement.

(See Spotlight 1: Business response to COVID-19 on page 18).

### Benefits and rewards

Our employee benefits program is central to our employee value proposition and we offer a range of benefits to our employees that we call our Total Rewards Program. Our program extends beyond salary to include a combination of paid and other personal benefits that make a difference to our employee's quality of life.

We review our program annually to ensure we stay abreast on what is important to our staff, which we measure through our annual Employee Opinion Survey. In the year we introduced a new team building program and volunteer leave for blood donations.



2019 Bravo award winner Suz Conway with CEO John Nicolades (left) and Director Dick Persson (right)

Benefits include :

- ▀ salaries set at 10 per cent above award pay
- ▀ an extra day off for each employee's birthday
- ▀ additional paid leave for the days between Christmas and New Year
- ▀ study assistance
- ▀ monthly massages
- ▀ bi-monthly reflexology
- ▀ Employee Assistance Program.

### 2020-21 People and Culture objectives

Our People and Culture objectives for 2020-21 are detailed in the Business plan 2020-21 and include:

#### Attract, recognise, reward and retain quality staff

- ▀ evaluate Employee Total Rewards Program
- ▀ develop a holistic leadership strategy, including mentoring and succession planning.

#### Develop, train and support our people

- ▀ review and embed online Learning Management Platform (LMS)
- ▀ implement a new performance management system
- ▀ evaluate our training program strategy and approach.

#### Create a more flexible, fit-for-purpose workplace

- ▀ implement Year 2 Action Plan of our Diversity and Inclusion Strategy
- ▀ undertake events to bring staff together in supporting diversity and inclusion
- ▀ document lessons learned from the organisation's response to COVID-19.

#### Retain and build on our positive organisational culture as we grow

- ▀ continue to embed a positive leadership approach
- ▀ undertake 2021 Employee Opinion Survey, review findings and implement action plan.

*"Working to meet the needs of those requiring social housing is a hugely demanding job and I wish to acknowledge the importance of all your employees in this regard."*

Resident

# Our governance

Our corporate governance principles ensure our directors address their corporate, legal, financial and audit responsibilities, and exercise reasonable care, skills and diligence in carrying out their duties. As a not-for-profit organisation with charitable status, Bridge Housing has no obligation to adopt these principles, but as a leading community housing provider we voluntarily follow the principles to reflect our commitment to good corporate governance.

## Governance principles

Our governance principles and practices are based on the eight ASX Corporate Governance Principles and Recommendations. In February 2019, the ASX Corporate Governance Council released *Corporate Governance Principles and Recommendations (the Fourth Edition) (Recommendations)*.<sup>47</sup> These take effect for a listed entity's first full financial year commencing on or after 1 January 2020.

Bridge Housing's actions in conforming to the aims of the ASX Corporate Governance Principles and Recommendations in 2019–20 are detailed below.

### 1 Lay solid foundations for management and oversight

Bridge Housing's directors are aware of their responsibilities under Australian and state government legislation and ensure Bridge Housing abides by its Constitution and its obligations as a trading entity, employer, contractor and responsible and ethical corporate citizen.

#### How we do this

Bridge Housing meets the ASX Corporate Governance Principles and Recommendations 1.1 to 1.7 through:

#### A board charter Recommendation 1.1

Bridge Housing Board Charter clearly delineates the Board's responsibilities from those delegated to management. The Board's primary responsibilities are to:

- ▶ establish long-term goals and engage in strategic planning to achieve those goals
- ▶ ensure the appropriate separation of authorities and balance of responsibilities between the Board and management
- ▶ select and retain the CEO and set their conditions of service and monitor performance
- ▶ review and approve annual budgets, monitor management and financial performance, and ensure that the organisation has the necessary skills, resources and support
- ▶ identify significant business risks and ensure effective strategies are in place to manage these risks
- ▶ ensure that there are adequate systems of internal control, together with appropriate monitoring of compliance activities
- ▶ review and approve major strategies, financial objectives and plans, including capital expenditures, acquisitions, developments and divestments
- ▶ remunerate fairly and responsibly.

The Board meets every second month. It has established three standing committees to help it consider and make decisions about operational matters:

- ▶ Finance, Risk and Audit Committee
- ▶ Asset and Procurement Committee
- ▶ Human Resources, Nominations, Remuneration and Marketing Committee.

When necessary, it may establish time-limited committees to deal with special issues.

Bridge Housing directors regularly review their own performance, conducting an independent review every two years and an internal review on the alternative year. The directors approved a Deed of Access and Indemnity at the October 2013 Board meeting for all directors and senior managers of Bridge Housing.

To assist new and existing directors, we established a Board Charter in December 2011. The Board reviewed the Board Charter in 2018–19 and it is available on the Bridge Housing website.

#### The board and leadership team Recommendation 1.2

The Human Resources, Nominations, Remuneration and Marketing Committee assists the Board to establish an appropriate skills matrix for the Board, undertake recruitment, and make recommendations to the Board in relation to the positions of directors and senior management.

When a director is standing for re-election or a new director is seeking election at an annual general meeting, the notice of meeting issued to members contains a summary of the person's credentials and experience.

#### Engagement of directors and leadership team Recommendation 1.3

After a careful selection process, each director and member of the senior executive is formally engaged as individuals via a written contract, and each person is carefully inducted into Bridge Housing. The Board Charter outlines how Bridge Housing meets each of the requirements of Recommendation 1.3.

#### The company secretary Recommendation 1.4

The Board Charter confirms that the Company Secretary is responsible to the Board via the Board Chair.



Chair Mark Turner speaking at the AGM with the 2019 Annual Report

## Our diversity

### Recommendation 1.5

Bridge Housing has a Diversity and Inclusion Strategy and achieved gender parity on the Bridge Housing Board in the financial year ended 30 June 2020. This surpasses the targets of the ASX Corporate Governance Principles and Recommendations. (See our website [www.bridgehousing.org.au](http://www.bridgehousing.org.au) for more details.)

## Board performance

### Recommendation 1.6 & 1.7

Bridge Housing directors regularly review their own performance, conducting an independent review every two years and an internal review on the alternative year.

The Board is responsible for setting the CEO's annual key performance indicators (KPIs) and assessing their performance against the KPIs each year. The Human Resources, Nominations, Remuneration and Marketing Committee facilitates this process. The CEO is responsible for setting the KPIs for the senior executive team and assessing their performance each year. Both the CEO and the senior executive team were assessed against their KPIs during 2019–20.

### What we did in 2019–20

Bridge Housing engaged Sterling Black to undertake an independent governance review in this period. The review assessed Bridge Housing's

future ambitions, following significant growth through the Northern Beaches Social Housing Management Transfer Program, and how the Board might continue to provide value and evolve with the organisation and the community housing sector.

The review was completed in April 2020, finding that Bridge Housing had a well-functioning cohesive Board. The review recommended building on this strong foundation with strategic focus on the next steps for Bridge Housing. These include addressing the composition of the Board and recruiting new members, given that within the next two years long term directors will retire; realigning the committees and their membership; and CEO succession planning. The recommendations of the review were accepted at the April 2020 Board meeting. All other recommendations are in the process of implementation.

Bridge Housing's Diversity and Inclusion Committee, chaired by the CEO, developed a three-year Diversity and Inclusion Strategy, which was approved by the Board in 2019–20 (See Our people page 40).

The Human Resources, Nominations, Remuneration and Marketing Committee Chair and membership changed with retirement of Dick Persson AM as chair and from the committee, Carolyn Scobie was appointed chair and Jill Hannaford joined the committee.

The Assets and Procurement Committee enlarged its scope to include responsibility for Housing Operations. At the 30 June 2020 meeting, the Board approved its new title of Housing, Assets and Development Committee, along with revised Terms of Reference.

## 2 Structure the board to add value

To provide effective governance and direction to the organisation, Bridge Housing has a skilled Board. The Board seeks and appoints independent directors who meet the skill categories defined in Bridge Housing's Constitution, and who can between them reliably carry out all the necessary functions of the Board.

### How we do this

Bridge Housing meets the ASX Corporate Governance Principles and Recommendations 2.1 to 2.6 by:

### Establishing a nominations committee

#### Recommendation 2.1

Nominations sits within the responsibility of Human Resources, Nominations, Remuneration and Marketing Committee which consists of two independent directors, has a Charter and is responsible for ensuring the renewal of the Board through recruitment and induction of new directors.

### Developing board skills matrix

#### Recommendation 2.2

Our skills matrix sets out the mix of skills that the Board currently has or is seeking to achieve. We regularly assess the skills of our directors to identify gaps or areas that need enhancement to ensure the Board can support our strategic and business objectives. We also advertise to secure the best-qualified director for the position. The Bridge Housing directors' skills matrix is shown below. Currently the Board considers the present mix of skills is sufficient to support our strategic and business objectives. (Further information about the skills, experience and expertise of directors and executives is available below, pages 34-35 of this report and on our website).



Michael West from the Metropolitan Land Council, who gave the Welcome to Country at the 2019 AGM, pictured on the day with director Gary Milligan

### Bridge Housing skills categories

Names of directors	Qualification	Occupation	Special responsibilities	Years as director
<b>Mark Turner</b>	BSc MRICS	Strategic adviser for commercial property	Property Development, Finance, Real Estate	6
<b>Gary Milligan</b>	BSc BEng (Electrical) (Hons 1), Grad Cert Human Resource Development, MIVMA	Company director	Asset Management	13
<b>Shirley Liew</b>	BBus, MBA, Grad Dip Appl Finance, FCPA, FTIA, MIIA, FAICD	Company director/ business and risk advisor	Finance and Risk	11
<b>Dick Persson AM</b>	BA, FAIM, FAPI	Company director	Human Resources	12
<b>Carolyn Scobie</b>	M.A. (Japanese), B.A./L.L.B. Grad Dip, CSP, GAICD	Lawyer	Legal	6
<b>Graham Monk</b>	BComm (Hons), FCPA MAICD	Consultant and company director	Finance and Risk	5
<b>Jill Hannaford</b>	BappSc (AppEcG) (Hons 1), MUrb&RegPlg	Technical services leader and company director	Community and Stakeholder Engagement, Social Sustainability	3
<b>Lynne Ready</b> (Resigned 27 October 2020)	AICD Grad, MMan, GDipPA, BSocWk, DipPM, CertIV TAE	Child and family manager	Public Policy, Management	3

## Directors and Chair are independent

### Recommendation 2.3, 2.4 and 2.5

All Bridge Housing directors are independent directors, including the Chair, and none have declared interests that would impact on their independence. However, the Board checks for directors' independence at each Board meeting. The Board attendance table below shows the length of service of each director throughout the 2019–20 financial year, the following Board and committee meetings were held:

Throughout the 2019–20 financial year, the following Board and committee meetings were held.

	Director since	Board meetings		Human Resources and Nominations Committee		Assets and Procurement Committee		Finance, Risk and Audit	
		A	B	A	B	A	B	A	B
Mark Turner	2014	6	6	X	X	6	4	X	X
Shirley Liew	2009	6	5	X	X	X	X	6	6
Gary Milligan	2007	6	6	X	X	6	6	X	X
Dick Persson, AM	2008	6	6	3	3	X	X	X	X
Carolyn Scobie	2015	6	5	4	4	X	X	X	X
Graham Monk	2016	6	6	X	X	X	X	6	6
Jill Hannaford	2018	6	5	1	1	X	X	6	5
Lynne Ready	2018	6	6	X	X	6	6	X	X

A: Meetings eligible to attend B: Meetings attended X: Not a member of the committee

 Chair of meeting  Eligible to attend

## Induction, training and professional development program for new and existing directors

### Recommendation 2.6

Bridge Housing's Board Charter and Director Induction Program provide information to directors on the terms and conditions of their appointment, procedures for taking independent advice, and how to access training programs to maintain director effectiveness. The Induction Program introduces them to Bridge Housing's operations through structured meetings with the Executive Team and site visits, enabling directors to gain a comprehensive understanding of Bridge Housing's business.

### What we did in 2019–20

Following the Sterling Black review Bridge Housing commenced a review of its current induction program. A new induction program will be developed in 2020–2021 around the themes of familiarisation, organisational knowledge, board role and responsibilities and governance.

## 3 Promote ethical and responsible decision-making

The Board ensures that Bridge Housing conducts its business to the highest standards of honesty, integrity, respect and fairness when dealing with customers and employees.

### How we do this

Bridge Housing meets ASX Corporate Governance Principles and Recommendations 3.1 to 3.4 through:

### Our statement of values

#### Recommendation 3.1

Bridge Housing has adopted a set of values that provided the framework for the culture and behaviours required of our directors and staff. Our values are listed on page 3 of this Annual Report. The Statement of Business Ethics sets out the standards of behaviour required by those who do business with Bridge Housing and the guidelines for appropriate relationships between directors and employees and those we do business with. Our suite of ethics policies ensures that directors, the executive team and other staff members act to the highest ethical standards.

## Our code of conduct for its directors, senior executives and employees

### Recommendation 3.2

Bridge housing has a Code of Conduct for Directors, Code of Ethics for Directors and Staff, Managing Conflict of Interest Policy, Register of Interests, Gift Policy and a Fraud and Corruption policy. Management reports to each Board meeting in relation to any material breaches of the code of conduct, whistleblower policy, or anti-bribery, fraud and corruption policies.

## Maintaining and disclosing our whistleblower policy

### Recommendation 3.3

Bridge Housing's whistleblower policy and procedure provides employees with the ability to make confidential reports through an online portal managed by On Call. This enables Bridge Housing's employees, vendors, suppliers and tenants to report fraudulent activity. No reports were made through the Whistle-blower Policy in 2019–20.

All the above policies are available on the Bridge Housing website.

*"I really appreciate your empathy, compassion and immediate responses. Thank you for helping us when we feel helpless and hopeless in our situation and to always find some positivity or hope."*

**Resident**

#### **4 Safeguard integrity in financial reporting**

The Board ensures that Bridge Housing's financial statements present an accurate and fair position of the organisation's financial condition and operational results in all material respects and in accordance with international accounting standards.

##### **How we do this**

Bridge Housing meets ASX Corporate Governance Principles and Recommendations 4.1 to 4.3, through:

##### **Audit committee Recommendation 4.1**

The Board has a Finance, Risk and Audit Committee comprising two independent directors. This satisfies the recommendation to establish an audit committee. Bridge Housing considers the size of the committee adequate for Bridge Housing which

is a not-for-profit entity comprised of volunteer directors. Section 2 above contains a table that lists the directors that form the committee and the dates on which that the committee met.

Bridge Housing's Finance, Risk and Audit Committee has a formal charter to:

- ▶ maintain an effective risk management framework, including compliance and internal controls
- ▶ ensure the integrity of financial statements and external financial communication
- ▶ ensure external and internal audit functions are effective
- ▶ Ensure adequate insurance coverage for Bridge Housing.

Management and the Board receive comprehensive financial reports that track our financial performance against financial and operational key performance indicators (KPIs).

##### **CEO and CFO declaration on the financial accounts**

##### **Recommendation 4.2**

The Board receives a declaration from the CEO and the Chief Financial Officer that, in their opinion, the financial records of the entity have been properly maintained; that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company; and that the opinion has been formed on the basis of a sound system of risk management and internal control that is operating effectively.

Our Five-Year Report Card on pages 84-85 provides both quantitative and qualitative performance KPIs. The report card provides commentary on our key financial viability measures to explain the importance of these indicators to our stakeholders.



Outside the 2019 AGM at Redfern Community Centre

Bridge Housing is constantly seeking to ensure its business systems and processes are evaluated to ensure good practice and that the Board is able to keep the executive accountable. We have undertaken Internal Audits since 2012. We protect the independence of our internal audit process by creating a direct reporting line to the chair of the Finance, Risk and Audit Committee, and to the Board.

The Board believes that external auditor rotation is important to maintain objectivity and independence, and to adhere to the principles in the *Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure) Act 2004* (also known as CLERP 9). BDO was appointed in November 2013 as our external financial auditor and was reappointed for the 2019–20 financial year.

### What we did in 2019–20

Our annual internal audits were undertaken by PKF Chartered Accountants, who completed internal audits on the Social Housing Management Transfer Program (SHMTP) and Payroll and Human resources under Year 2 of our three-year Internal Audit Plan.

The audits demonstrated that both frameworks were sound and appropriate in the context of our organisation’s size and activities. (Further information is provided in our Finance and Corporate Services Report on page 74.)

This year the Board received the external auditor’s report, the financial statements for the year ended 30 June 2019, and declarations from the CEO and Chief Financial Officer that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company. There are no other periodic reports produced for members that require verification.



Residents attending the 2019 AGM

## 5 Make timely and balanced disclosure

The Board will ensure that information is made available in a timely manner to Bridge Housing’s stakeholders, clients, support agencies, regulatory and funding bodies, members and staff, and that the information is factual and clearly and objectively expressed.

### How we do this

Bridge Housing is not subject to the ASX Continuous Disclosure rules<sup>48</sup> and therefore has adapted ASX Corporate Governance Principles and Recommendations 5.1 to 5.3 as guiding principles. As a leader in the not-for-profit and community housing sectors, we are committed to a culture of strong governance and transparency.

Our reporting transparency and governance has been externally reviewed and validated through the PwC Transparency Awards from 2011 to 2013 and eight consecutive [Australasian Reporting Awards](#) on an annual basis since 2013.

Community housing providers are required to notify the community housing regulator, the [National Regulatory System for Community Housing \(NRSCH\)](#), about any incident which damages or has the potential to damage the reputation of the community housing sector.

Bridge Housing’s notifiable incidents policy also guides our practice in this area. There were no notifiable incidents during 2018–19. Our media policy delegates media comments to the CEO or Chairperson.

### What we did in 2019–20

Bridge Housing won its eighth consecutive Gold Award for our

Annual Report 2019 in the 2020 [Australasian Reporting Awards](#) held remotely in June 2020. We are one of the few not-for-profit organisations and the only community housing provider in Australia to have won and achieved consecutive Gold Awards.

## 6 Respect the rights of Bridge Housing members

The Board will ensure that Bridge Housing has policies, systems and procedures that promote the interests and rights of members and allow them to effectively exercise those rights.

### How we do this

Bridge Housing meets the ASX Corporate Governance Principles and Recommendations 6.1 to 6.5 through a variety of means noting that as a not-for-profit organisation, we have members not shareholders.

### Our governance framework Recommendation 6.1

Bridge Housing affords much time to considering proper corporate governance. Information about the company’s governance framework is communicated via various channels such as this corporate governance statement, the annual reports, and company website.

### Member engagement Recommendation 6.2

Bridge Housing provides its members various ways to engage with management and the organisation, including tenant advisory groups, tenant surveys, online and phone services, and annual general meetings.

<sup>48</sup> The ASX Listing Rule 3.1 Immediate notice of material information provides: “Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities, the entity must immediately tell ASX that information.” As we are a not-for-profit organisation, do not have shareholders, and do not trade on the ASX, the Rule is not relevant to Bridge Housing

**Annual General Meetings**  
**Recommendation 6.3, 6.4, 6.5**

Our members are people on low-to-moderate incomes across Sydney. The company’s engagement with its tenants, many of whom are members, is people-focused. Communication about members’ meetings is offered both electronically and by postal services, depending on the members’ request, to ensure no member is disadvantaged. The company holds its Annual General Meeting (AGM) in a way that is relaxed and inviting to as many members as possible. Our annual general meeting is held in November every year and our annual report is available to our members and other stakeholders through our website. The Chairman and the CEO report to members at the AGM and directors are available to answer any questions.

Our external auditor attends our AGM and is available to answer members’ questions about the finances of the organisation.

**7 Recognise and manage risk**

The Board ensures that Bridge Housing has comprehensive and sound risk management policies, systems and procedures that ensure good internal controls. Our Risk



Greater Sydney Commissioner Helen O’Loughlin speaking at the 2019 AGM

Management Plan identifies internal and external risks that might hinder us in fulfilling our Strategic Plan and Business Plan objectives.

**How we do this**

Bridge Housing meets the ASX Corporate Governance Principles and Recommendations 7.1 to 7.4 through:

**A committee to oversee risk**  
**Recommendation 7.1**

The Board established a Finance, Risk and Audit Committee to oversee the development of Bridge Housing’s risk framework and to report findings and recommendations to the Board. The committee is comprised of two of our independent directors. Bridge Housing considers the size of the committee adequate for Bridge Housing which is a not-for-profit entity comprised of volunteer Directors. The committee charter is available on the company’s website and Section 2 above contains a table that lists the

directors that form the committee and the dates that the committee met.

**Risk management framework review at least annually and disclose review**  
**Recommendation 7.2**

Since 2013, Bridge Housing has developed an enterprise risk management framework based on the *AS/NZS ISO 31000:2009* standard and has implemented software to assist in this pursuit. The board formally approves the Risk Management Plan annually, with the status and mitigation actions of high-rated risks reported quarterly to the Board by the Executive Team. The review is disclosed in each annual report.

To complement our overall Risk Management Framework, the Board adopted a Risk Appetite Statement (RAS) in 2017-18, which sets out our willingness to take on or retain risk. The Finance and Corporate Services Report on page 74 provides a comprehensive overview of our Risk Management Plan 2019-20.

Bridge Housing’s Treasury Policy, initially developed in 2011-12, provides a comprehensive framework to manage our financial risks and determines the Board’s risk appetite. The policy is reviewed annually to ensure its relevance to Bridge Housing’s financial management needs.

**Internal control processes**  
**Recommendation 7.3**

As noted, Bridge Housing engages external organisations to undertake internal audits. During the 2020 financial year we engaged auditors to review the payroll function, undertook a tax status review, conducted an internal audit of the Social Housing



Elger Street resident Tanya attending the 2019 AGM

Management Transfer Program, and engaged external consultants to identify and treat potential fraud and corruption risks that could impact on our operations.

**Managing our environmental and social risks**

**Recommendation 7.4**

Bridge Housing has undertaken a retrofit of LED lights in our two offices in Goulburn Street and at Brookvale. In 2020–21 we will develop our environmental sustainability framework (See Development report on page 68). Bridge Housing meets its social obligations through the provision of social and affordable housing to low-income households.

**What we did in 2019–20**

Following the COVID-19 outbreak Bridge Housing developed new service protocols to manage the risk and developed a COVID-19 Risk Management Plan. In the early stages of the lock down, in March 2020, we provided regular updates to the Board and via the CEO’s reports to the Board. We constituted a COVID-19 Working Group which meets weekly to monitor the NSW Government’s COVID-19 announcements and assess how these will affect our workplace, as well as reviewing Work Health and Safety issues emerging from COVID-19.

**8 Remunerate fairly and responsibly**

The Board will ensure that Bridge Housing’s remuneration and employment policies and practices help retain and attract qualified and motivated staff, including the CEO.

**How we do this**

Bridge Housing meets ASX Corporate Governance Principles and Recommendations 8.1 to 8.2. As we do not have any equity based remuneration scheme rec 8.3 is not relevant.

**Remuneration Committee Recommendation 8.1**

The Human Resource, Nominations, Remuneration and Marketing



Residents attending the 2019 AGM

Committee oversees remuneration-related issues and reports the findings and recommendations to the Board. The committee is comprised of two independent directors. Bridge Housing considers the size of the committee to be adequate. The committee charter is available on the Company’s website and Section 2 above contains a table that lists the directors that form the committee and the dates that the committee met.

**Remuneration of non-executive directors, executive directors and other senior executives**

**Recommendation 8.2**

Bridge Housing directors serve on a voluntary basis and are reimbursed for expenses related to board activities including travel, meals and accommodation. As noted in principle 1, the Bridge Housing Board Charter also allocates an annual training budget for each director and pays

for Board members to undertake the AICD’s Company Directors Course.

Executive salaries for the CEO, Chief Operating Officer, General Manager Finance and Corporate Services and Development Director are set via triennial remuneration reviews undertaken by an independent and expert remuneration firm, such as Mercer’s. They take into account salaries for comparable positions in the community service and government sectors.

In 2012–13, the Bridge Housing Board approved an improved remuneration and benefits package for award-based staff, which pays above the Social, Community, Home Care and Disability Services Industry Award. Salaries are also adjusted annually in line with Fair Work Minimum Wage Increase.

**What we did in 2019–20**

There was no activity in this year.



A local visitor with Team Leader Assets Bronagh Loy at the 2019 AGM

SPOTLIGHT 4:

# Our Place, Green Space

Our community gardening initiative, Our Place Green Space, has been running since 2014. The program was developed following feedback from residents involved in the planning of our community engagement strategy Building Bridges. Bridge Housing tenants told us they wanted to develop their own gardens and green spaces, to grow herbs and vegetables, to beautify areas outside their block and to connect with their neighbours and local community.

We formed a partnership with the Royal Botanic Garden's Community Greening program.<sup>49</sup> The Community Greening team works with social housing residents to develop gardens that respond to the local environment. Since its establishment in 2000, the program has reached over 100,000 social housing residents across NSW.

Bridge Housing's portfolio covers a wide geography from the inner city and eastern suburbs to Blacktown in the west and across the Harbour Bridge to the Northern Beaches. Some tenants share large green spaces in estate-type settings, others live in apartment blocks or villas. Community gardens can be adapted to most settings.

Once tenants lodge an application with us, we arrange a kick-off workshop run by the Royal Botanic Garden's Community Greening staff. The Community Greening staff share their knowledge and expertise, and explore ideas with residents about how they want their garden to grow and develop. Bridge Housing provides funding to support the purchase of soil, tools and storage equipment, plus staff resources to coordinate planting and maintain the garden once it is created.

The Our Place Green Space initiative delivers multiple benefits for residents. For some, it provides the opportunity to get outside, to take part in physical



Planting at Elger Street Glebe

exercise and enjoy the fresh air while learning new gardening and growing skills. For others, the opportunity to meet, connect and socialise with neighbours through workshops and the ongoing tending to the garden is critical for health and wellbeing. Some gardens offer a welcome respite from being inside, providing shade and a safe and calm space to sit on a hot day. Others are hugely productive, offering herbs and vegetables to share throughout the year.



Residents with Community Greening staff at Elger Street Glebe



Marlborough Street Surry Hills



Planting at Malabar Road South Coogee

*"Thank you very much. This is the best residence I have had in my entire adult life."*

**Resident**



Resident gardeners and Community Greening staff work at Myrtle Street Chippendale

Our residents have told us:

*"Our garden provides a relaxed environment for everyone who lives here. A space for everyone to enjoy... I'm very proud of it... it replaced an ugly space filled with garbage!"*

*"This project has helped us all save a little bit of money as we are now able to pick what we need from a plant, to make meals for us and our families...the taste of food from your own culinary garden is such a wonderful thing!"*

We have also seen the benefits of the community gardens during the COVID pandemic, as they have

enabled residents to benefit from creating productive gardens in the face of physical distancing restrictions.

*"During COVID, we had a virtual workshop with the Royal Botanic Gardens' Community Greening Team. Beds were installed and residents then took turns to plant them up. Careful watering and a long, dry autumn allowed the plants to take root and we can now enjoy the spoils of our garden."*

For more about the Royal Botanic Garden Sydney's Community Greening program visit: <https://www.rbgsyd.nsw.gov.au/Learn/Community-Greening>.



Residents watering at Malabar Road South Coogee

Gardens	Locations	Residents reached
9	Manly, Glebe x 2, Chippendale x 2, Balmain, Surry Hills, Waverley and South Coogee.	352

# Operations report

The Operations team is at the heart of Bridge Housing's customer service delivery and provides tenancy management services, housing allocation and asset management. It leads Bridge Housing's community building and tenant engagement.

## This section of the Annual Report:

- ▶ presents the Operations team highlights for 2019-20
- ▶ reports on how the Operations team has delivered on its critical success factors
- ▶ provides an overview of the key activities undertaken during the year
- ▶ outlines our objectives for 2020-21.

## Highlights of 2019-20

### In 2019-20, the Operations team:

- ▶ successfully established our new office and team in the Northern Beaches to provide quality services to our 1,228 new residents (See Spotlight 3: Bridge Housing on the Northern Beaches on page 38). We supported this transition by delivering a six-month community engagement

- ▶ plan in the Northern Beaches region following transfer, reaching over 130 tenants through a series of targeted block meetings and workshops
- ▶ the SHMTP was a 52 per cent increase in the size of our housing portfolio and the single largest single portfolio increase in our history.



Operations managers (left to right): Director Housing Helen Tighe; Sustainable Communities Manager Sarah Barclay; Director Assets Theo Posumah; Manager Service Innovation Ellis Blaikie and Chief Operating Officer Rebecca Pinkstone.

*“Since Bridge commenced as the social housing provider on the Northern Beaches, our ability to assist our constituents has been greatly enhanced and all liaisons with your staff have been easy, friendly and accommodating.”*

**Office of the Hon. Brad Hazzard MP, Member for Wakehurst**

In addition, we:

- ▶ successfully implemented new service delivery protocols as a result of COVID-19, including conducting wellbeing checks by phone with over 2,313 older and more vulnerable tenants
- ▶ developed our second Reconciliation Action Plan in partnership with Aboriginal tenants, staff and service providers
- ▶ undertook a six-month review in February 2020 of our Northern Beaches implementation and service delivery, which demonstrated sound project planning and implementation
- ▶ continued to build our HomeGround Real Estate Sydney business, with 162 new properties under management
- ▶ implemented Year 2 of the STEP to Home program for long-term rough sleepers in partnership with Neami National, Women’s Housing Company and Metro Housing, housing 82 tenants in total, including 43 with Bridge Housing
- ▶ purchased and upgraded 10 units in Marrickville, 12 units in Punchbowl and 8 units in Ashfield under the Community Housing Leasing Program
- ▶ worked with Link Housing, SGCH and Women’s Housing Company implemented the Social Housing System Coordination Plan for Northern Sydney, developed the Homelessness Action Plan
- ▶ participated in the first Northern Beaches Street Count to identify long term rough sleepers. Consolidated our homelessness multiagency case coordination group to work to end homelessness
- ▶ implemented the third year of the *Building Bridges 2018–21* Community Building and Engagement strategy, engaging with 23 per cent of our tenant community



Compliance Officer Joseph Vernez and COO Rebecca Pinkstone with our NDIS Provider Certificate

- ▶ undertook an interim evaluation of our Bridge to Work employment program through INCA Consulting. To date, we have supported 51 tenants to gain employment or study
- ▶ achieved strong results in our annual Tenant Satisfaction Survey:
  - ▶ 82 per cent overall satisfaction for our housing services
  - ▶ 81 per cent satisfaction with property condition, and
  - ▶ 76 per cent satisfaction with repairs and maintenance services.

### Critical success factors

The Operations team played a key role in delivering the following critical success factors to meet the goals of our Strategic Plan 2018–21 and Business Plan 2019–20.

#### Providing quality homes and services

Through our proactive tenancy and asset management, we ensure our properties are safe and secure and provide a platform for tenants to engage in their wider community.

#### Growing sustainably to meet affordable housing need

The Operations team’s job is to support strategic portfolio growth that delivers quality homes and

services. It contributes to this by managing new properties that have been acquired and or transferred to Bridge Housing through fee-for-service arrangements for affordable housing, and by developing partnerships to grow our portfolio of properties under management.

The team is also responsible for allocating properties in a timely manner and overseeing the large numbers of management transfers across our leasehold portfolio of 610 properties, which is the largest community housing leasehold portfolio in Australia. These transfers are primarily driven by the constrained rental market and increases in rental prices.

#### Governing and managing effectively

Operations worked closely with the Finance and Corporate Services team to implement the Bridge Housing Operating Model, which resulted in improved business sustainability outcomes, including lower rental arrears. Operations played a critical role in ensuring the financial sustainability of Bridge Housing by ensuring the organisation’s arrears, vacancies and voids were kept to a minimum to reduce revenue loss, and reviewed rents every six months to ensure tenants were paying the correct rent.

## Business Plan 2019-20

The Operations team played a key role in helping Bridge Housing meet the critical success factors set out in our Business Plan 2019-20, as shown below.

**Key:** ■ completed ■ in progress ■ not completed

Measure	How did we do?
<b>Providing quality homes and services</b>	
Implement Year 2 of the Building Bridges 2018-21 strategy	<span style="color: green;">■</span> 23 per cent tenant engagement across five key Building Bridges focus areas
Implement the Good Neighbours initiative to encourage positive neighbourhood relations through an improved sense of safety and belonging in the community	<span style="color: green;">■</span> A workshop was held at Narraweena with 24 tenants, including seven Women's Housing Company neighbours.
Implement the Our Place Green Space initiative to give tenants a say in their built environment	<span style="color: green;">■</span> 21 block meetings held, including 14 in Northern Beaches region
Implement the Bridge Housing in Communities initiative to celebrate and strengthen our connections with tenants and communities	<span style="color: green;">■</span> Bridge Housing participated in the following community events - Glebe Family Fun Day, Yabun Festival, Waverley Council Social Sustainability Workshop. Bridge Housing ran a stall at the NAIDOC @ NCIE event and sponsored the annual NAIDOC Flag Raising event at the Metropolitan Local Aboriginal Land Council. Bridge Housing held a Time to Talk workshop for Cantonese speakers.
Implement 2019-20 Tenant Satisfaction Survey and develop action plan for implementation in 2020-21	<span style="color: green;">■</span> Action Plan completed in July 2020. Response rate of 40 per cent or 1,225 residents. Action plan to be developed Q1 2020-21.
Implement the Big Ideas Grants program to resource tenants who want to work and to improve outcomes for the tenant community	<span style="color: green;">■</span> Four grants awarded: two for community BBQ areas at Elger Street Glebe and Dee Why and two for outdoor seating areas at Forestville and Elger Street Glebe
Implement Tenant Engagement Strategy for Northern Beaches region following SHMT	<span style="color: green;">■</span> Six-month engagement plan implemented including 14 block meetings, Good Neighbour Workshop and Tenant Voice Forum held with partner CHPs. Narraweena place planning delayed due to COVID-19 restrictions.
Continuously improve housing policies and procedures to support clear, transparent decision making and quality service delivery	<span style="color: green;">■</span> Developed and/or reviewed policies including Good Neighbour Policy, Rent Policy, Tenant Recharge Policy, Starting a Tenancy Policy
Implement the Young People's Engagement Strategy to ensure young people have a say in our work and can access local opportunities	<span style="color: green;">■</span> Young People's Engagement Strategy implemented in April-May 2020 through digital engagement, with 81 young people engaged in Orbit! Online.
Implement the Bridge to Work program in partnership with CoAct to place 40 tenants in employment and/or training opportunities by end of September 2020	<span style="color: green;">■</span> Program significantly impacted by COVID-19. Placed 14 people from October 2019-June 2020, with 51 overall placements in program. 27 participants have achieved the goal of 26-weeks in employment.
Implement Year 2 of \$9.7 million STEP to Home program to house 84 people out of target of 90	<span style="color: green;">■</span> Housed 82 rough sleepers, 43 with Bridge Housing and balance with partner agencies
Review and implement Bridge Housing's scholarship program to deliver the Advanced Scholarship Program	<span style="color: green;">■</span> Scholarships allocated to 23 successful applicants, with a focus on education and employment opportunities
Procure and implement a new repairs and maintenance services contract	<span style="color: green;">■</span> Project Plan developed and Procurement Strategy finalised. Tender process to start mid-2020, with contractor selection by end of 2020.

Key: ■ completed ■ in progress ■ not completed

Measure	How did we do?
<b>Growing sustainably to meet affordable housing need</b>	
New social housing dwellings acquired under the CHLP	<span style="color: green;">■</span> Completed purchase of 30 dwellings (See Spotlight 6 for details)
Consolidate the operations of <a href="#">HomeGround Real Estate Sydney</a>	<span style="color: green;">■</span> Achieved moderate growth to reach a total of 224 properties under management.
Assume management of 1,228 social housing properties and tenancies on the Northern Beaches under the Social Housing Management Transfer Program	<span style="color: green;">■</span> Commenced operations in Northern Beaches from our new Brookvale office and completed 971 tenant wellbeing inspections and 14 block meetings
<b>Governing and managing effectively</b>	
Keep arrears at or below the Regulator benchmark of under 2 per cent	<span style="color: green;">■</span> Arrears at one per cent in June 2020
Keep voids and vacancies at or below the sector benchmark	<span style="color: green;">■</span> Voids were an average of 27 days during 2019-2020 excluding the Northern Beaches (38 days) Vacancies were an average of 13 days during 2019-2020
Achieve tenant satisfaction with asset maintenance services of at least 75 per cent	<span style="color: green;">■</span> Achieved 76 per cent satisfaction with maintenance services in Tenant Satisfaction Survey 2019-20
Continue a strategic whole-of-life approach to asset management	<span style="color: green;">■</span> Achieved the upgrade of 40 sites, including units and common areas valued at \$3.26 million
Further align Bridge Housing's outcomes framework The Difference We Make with the Human Services outcomes framework	<span style="color: green;">■</span> Continued to monitor the outcome domains in The Difference We Make
Involve tenants in planning through the Tenants in Operations and Planning (TOP)	<span style="color: green;">■</span> Tenant feedback through Tenant Reference Group (5 meetings), Your Views Panel (2 policies) and Maintenance Management Committee (2 meetings)
Develop and publish second Innovate Reconciliation Action Plan and implement year one	<span style="color: green;">■</span> Plan developed and approved by Reconciliation Australia
Develop and implement Social Media Plan that includes tenant stories communicated through Facebook that promote the positive outcomes of our services	<span style="color: green;">■</span> <a href="#">Two tenant videos developed</a> . Tenant stories featured in each tenant newsletter. Quarterly communications meeting established and social media campaign planning commenced, increasing our facebook reach by 18 per cent.

## Delivering quality services to applicants and tenants

The Operations team engages directly with our tenants through our application and allocation services, tenancy management services, rent review, asset management services, and community building and engagement work.

This year was particularly busy for the team as we assumed management of 1,228 new social housing properties on the Northern Beaches.

### COVID-19 pandemic

The COVID-19 pandemic prompted major changes to our service delivery approach (See Spotlight 1: Business response to COVID-19 on page 18). As an essential service, Bridge Housing was required to ensure its offices were open to support vulnerable applicants and tenants.

Service delivery protocols were developed to provide guidance on how our services would be delivered during the pandemic. We undertook 2,313 wellbeing checks by phone of our tenants, prioritised our work to provide assistance to tenants in need and focused on the delivery of priority repairs and maintenance services.

### Applying for housing

The Bridge Housing Pathways team assesses applications for social housing assistance and allocates Bridge Housing properties to applicants from the NSW Housing Register. The team also assesses applications and makes allocations to affordable housing properties.

The Pathways team assessed 605 applications for social housing assistance in 2019–20, an average of 46 applications per month. This represents an increase of 175 per cent on the previous year's 346 assessments, due to our growth and the new office in the Northern Beaches.

This year, the team broadened its scope of operations, delivering Private Rent Assistance products including temporary accommodation on the Northern Beaches. The team supported 149 homeless people to access temporary accommodation.<sup>50</sup>

This was an important strategy to keep people safe during the COVID-19 pandemic.

We prioritise allocations to our properties using the [Bridge Housing's Allocations Policy](#) to ensure current tenants of Bridge Housing and applicants from the NSW Housing Register are provided with suitable housing, based on their household needs.

The Pathways team completed 346 allocations, an average of 29 allocations per month. This represents a decrease of 29 per cent on the 484 allocations in 2018–19. This is because we had fewer vacancies this year as fewer people exited from Bridge housing properties.

### Managing tenancies

Bridge Housing has three tenancy teams, focusing on the north, east and western Sydney areas of our portfolio. Each operating region is a defined geographic area with a team leader and five housing managers.

We have two dedicated housing managers, one on arrears and the other on specialist housing programs; homelessness and disability housing.

Our housing managers play a critical role in providing flexible and responsive tenancy management services. They are the first point of contact for tenant enquiries or when issues arise in a tenancy.

Housing managers work individually and at a neighbourhood level to address nuisance and annoyance issues, conduct property inspections and tenant welfare checks, and to build connections between neighbours through our annual program of block meetings.

In 2019–20, we created a new Partnerships and Support Coordination Team. This team works alongside our housing managers and with our tenants to ensure that they can access services to assist them to sustain their tenancies and enhance their wellbeing. This is particularly important for our 27 per cent of tenants with complex needs or behaviours that may place their tenancy at risk and who require assistance from multiple services.

## Rent review

Rents contribute 60 per cent of Bridge Housing's revenue. Consequently the assessment of rents is critically important to Bridge housing's financial sustainability. Our rent review team undertakes reviews every six months. This is a resource-intensive process involving 3,191 tenancies.

With the right allocation of resources, Bridge Housing can pro-actively and efficiently approach each rent review, offering a high level of customer service and a streamlined process.

In 2019–20, we increased our gross rent by approximately \$980,000 per annum.

### Housing the homeless

Bridge Housing is committed to assisting the most vulnerable people to access and sustain social housing. In 2019–20, we continued to provide a Housing First approach to rough sleepers through the Step to Home Program. Through this initiative, 42 people were housed with Bridge Housing.

We also continue to regularly meet with and review our support partnerships under our Support Partner Strategy, through which we have offered an additional 64 supported transitional tenancies above contracted services in 2019–20.

### Community building and engagement: Building Bridges

Bridge Housing has a strong focus on providing opportunities for meaningful engagement with our diverse tenant community. We deliver this through a range of community engagement and tenant participation activities that form the basis of our Building Bridges Tenant Engagement Strategy.

In 2019–20, we implemented year two of our three-year Building Bridges strategy.

Activities completed in the period include:

- 21 block meetings across the portfolio so tenants could meet with staff and neighbours to discuss issues and identify opportunities to improve their neighbourhood

<sup>50</sup> Temporary Accommodation is available to support people who are experiencing a short-term housing crisis to access emergency accommodation in hotels or motels. It is part of the Housing Assistance Options available through Housing Pathways: <https://www.facs.nsw.gov.au/housing/policies/housing-assistance-options-policy>

- ▶ a Good Neighbour Workshop in Narraweena, explaining our policy and offering tips to manage disagreements or disputes with neighbours, and introducing the Community Justice Centre and mental health first aid course for tenants
- ▶ our second Reconciliation Action Plan 2020–22, a comprehensive framework setting out our approach for engaging and work with Aboriginal and Torres Strait Islander peoples across all business areas
- ▶ publishing four editions of [Our Place](#), our quarterly tenant newsletter
- ▶ Your Views ePanel and tenant workshops to enable tenants to contribute and have a say in our service delivery by reviewing policy and procedures
- ▶ a Time to Talk workshop for our Cantonese speaking tenant community
- ▶ our annual kids engagement day, Orbit, in partnership with the Settlement Youth Services. This year we held a range of online virtual activities as a result of the COVID-19 pandemic. We gave 81 young people an activity pack and took part in a range of fun, online activities including LEGO, storytelling and art
- ▶ funding for four Big Ideas Grants, including installing common area seating and BBQ equipment
- ▶ 8 Community Greening workshops, establishing three new gardens and maintaining two further sites, in Manly, Surry Hills, Glebe and South Coogee
- ▶ 23 scholarships awarded under the Advance Scholarship program, providing funding for tenants to access education and employment opportunities
- ▶ Year Two of the Bridge To Work employment program saw 51 residents placed in work or full-time study. Preliminary evaluation by INCA found the program to be twice as effective as mainstream employment in sustaining participants in employment.

### HomeGround Real Estate

In 2019–20, our not-for-profit real estate agency [HomeGround Real Estate Sydney](#) consolidated its first year of operations with 224 properties under management. Some 150 affordable

and private market properties are being managed on behalf of private owners and developers.

To provide a specialist focus on affordable housing and private market rentals, Bridge Housing transitioned 74 properties to HomeGround's management, and this will continue in the next financial year.

### Maintaining quality homes

The Assets team is responsible for delivering Bridge Housing's planned, responsive, and cyclical maintenance on our properties. This ensures that our properties are safe, clean, habitable and meet tenants' needs.

The NSW Land and Housing Corporation audits Bridge Housing properties through its Property Assessment Survey (PAS) program to ensure compliance with maintenance standards.

The 2019–20 audit shows that 100 per cent of our properties are well maintained or maintained. This is consistent with our results over the past three years and provides strong evidence that our proactive asset management approach helps us provide good standard homes to our tenants.

This year we spent \$12.5 million on planned, responsive, cyclical and leasehold maintenance.

We continue to develop our Asset Management Framework to guide planning and implementation of our asset management activities. This includes an update of our Strategic Asset Management Plan, which was awarded the 2019 National and NSW Leading Asset Management Award by the Australasian Housing Institute.

### Portfolio growth and systems updates

2019–20 saw substantial growth in our portfolio following the Social Housing Management Transfer portfolio of 1,228 properties in August 2019, and the acquisition of 30 units across three other sites. To ensure that these properties were properly upgraded and embedded into our overall portfolio we increased the staff in the Asset team.

We continued configuration of the new SPM Assets software to enable us to undertake property inspections in a more systematic way. This aligned with our new technical scoping

contract, which utilises the software as part of the data collection.

One of the challenges with our new Northern Beaches portfolio responsibilities is that we do not have direct control over the delivery of maintenance services. Until mid-2021, we are required to use the existing maintenance contracts managed by NSW Land and Housing Corporation. To ensure a smooth transition we held regular meetings to discuss the changes required to our systems and processes. We continue to work closely with LAHC to carry out planned maintenance and address on-going maintenance issues.

Preparation has begun for assuming full maintenance responsibility in July 2021. This principally involves the procurement of new maintenance contractors for our entire portfolio, for go-live on 1 July 2021.

### Capital portfolio

We continue to deliver maintenance services in our capital portfolio, with a substantial increase in budget.

### Planned maintenance

Bridge Housing has a diverse property portfolio. Over 30 per cent of our capital properties were built more than 50 years ago (See Figure 18 on page 62). This represents a significant risk because maintenance requirements increase as properties age. Our planned maintenance program is critical to managing that risk, understanding and costing our long-term maintenance liability, and ensuring our properties meet regulatory standards. We do this by completing a property condition scope for each property every three years.

Figure 19 on page 62 shows that we completed 502 technical scopes for individual properties, in addition to scopes for 154 common areas. COVID-19 restrictions meant we were unable to access some properties so were unable to meet our targets. In response, we have increased the target for the 2020–21 year.

During 2019–20, we completed planned maintenance to the value of nearly \$3.26 million at over 40 sites. See Figure 20 on page 63. This includes upgrading 30 units acquired through the CHLP Acquisition Program to ensure they meet our standard.

We continued our upgrade program on the Eveleigh estate, working with tenants to prioritise works and upgrading over 40 units and common areas.

A major upgrade and structural repairs commenced at the recently transferred unit block at 105 Elliot Street Balmain. In addition, we invested over \$390,000 on vacant upgrade works across 245 properties.

### Responsive and cyclical maintenance

This year we completed 8,893 responsive maintenance work orders to the value of \$1.15 million. (See Figure 20). Responsive maintenance resolves immediate issues or address failures of items such as toilets and hot water systems.

Our responsive expenditure is similar to the previous year, despite an increase in portfolio size, reflecting the great condition of our properties and the success of our planned maintenance preventative maintenance programs.

Figure 21 shows that the most frequent work orders comprised plumbing works, handyman/builder works and electrical works.

In 2019-20, we completed cyclical maintenance services to the value of \$1.22 million. Cyclical maintenance is carried out on an agreed cycle, which can be annually or at other intervals.

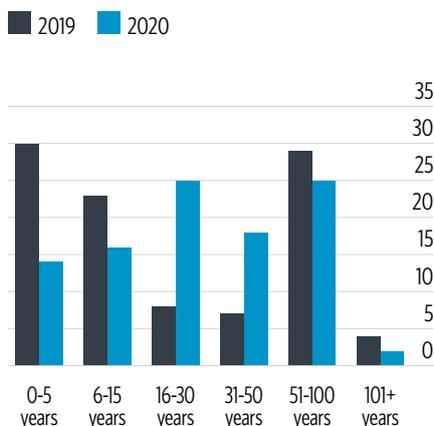
Our major cyclical maintenance works included cleaning, lawns and grounds maintenance, fire safety, technical scoping and termite/pest control, with smaller amounts spent on lift safety, roof and gutter repairs, and hydraulic services programs.

### SHMT portfolio

Bridge Housing does not have direct control of the delivery of asset maintenance on the Northern Beaches. Until 2021-22, the NSW Land and Housing Corporation will continue to manage these services. The complexity of contracting arrangements has resulted in significant delays in the delivery of asset works and higher void periods for vacant properties.

Despite not having direct control over the maintenance contractor, we have managed to complete a high number of planned maintenance works on properties that we manage with the SHMT portfolio. We spent \$2.9 million

**Figure 18: Property age**  
Percentage of capital properties, 2019-20



on planned works. This includes our contribution to upgrading common areas across 16 sites in response to the COVID-19 stimulus funding provided by the NSW Government.

In addition, we spent \$651,000 on vacant upgrade works, over 98 properties. The higher expenditure per property rate for the SHMT portfolio reflects the poorer condition that the properties were in at the point of transfer.

We have committed to upgrading each property during vacancy, as this minimises disruption to tenants in the long run.

We also completed \$894,000 on cyclical maintenance works, mainly on preventative maintenance, such as vegetation management, roof and gutter works and stormwater/sewer works. Based on experience, we believe this will help to reduce expensive responsive maintenance costs in the future and help improve tenant outcomes.

Our responsive maintenance expenditure was just under \$1 million. These works are managed through the maintenance contractor until mid-2021.

### Leasehold maintenance

We managed over 1,040 responsive maintenance requests to the value of just over \$450,000 to 640 properties that we lease from the private rental market.

Our leasehold maintenance expenditure also incorporates costs associated with the end of tenancy and handback of properties to private owners and real estate agents, including handback compensation, repairs, maintenance works and removals.

**Figure 19: Technical scopes**  
Properties scoped 2016-20



### Disability housing maintenance

We carried out maintenance works to our disability housing portfolio to close to \$505,000. Bridge Housing manages 28 group homes providing homes to 135 people with severe disabilities in six locations in western Sydney in partnership with Achieve Australia.

As 18 properties were recently built, most of the work has been either cyclical (preventative) maintenance or responsive maintenance.

### Assessing service delivery

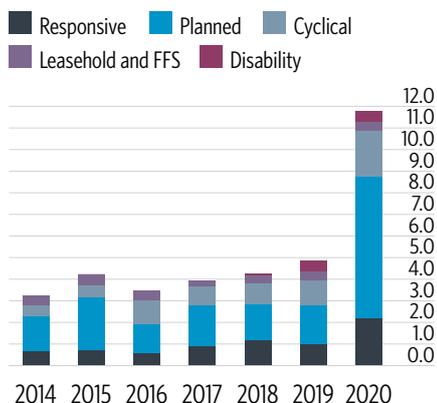
Bridge Housing strives to continually improve our performance by seeking tenant feedback on our service delivery. Our principal tools are:

- ▶ our annual Tenant Satisfaction Survey
- ▶ Repairs and Maintenance Survey
- ▶ Customer Service Action Plan. This was developed and implemented and included expanding the housing services phone line to the Northern Beaches office, revising the Good Neighbour Policy to simplify management and identify escalation pathway, explore and develop new options for customer service benchmarking and acknowledge good customer service in monthly staff excellence awards.

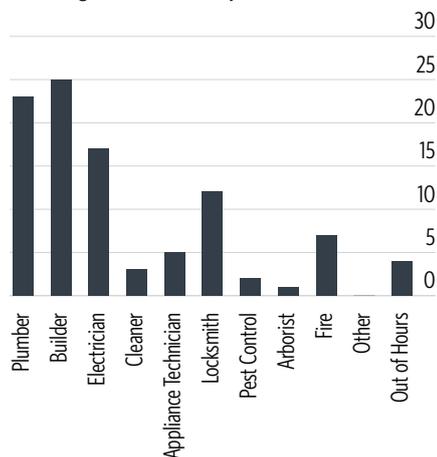
### Our tenant survey

This year we completed our eleventh and largest annual Tenant Survey, of more than 3,300 households. The survey is delivered at arm's length through an independent body, CHIA NSW, and provides an important snapshot of how tenants experience living in our homes and receiving our services.

**Figure 20: Maintenance**  
Maintenance by category (\$millions), 2014-20



**Figure 21: Responsive maintenance**  
Percentage of work orders by trade, 2020

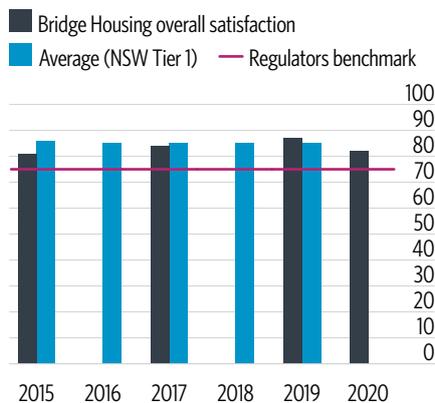


The survey results allow us to benchmark our performance against similar providers and identify areas for improvement and assist with business planning. We report our progress to the Tenant Reference Group using an annual Customer Service Action Plan.

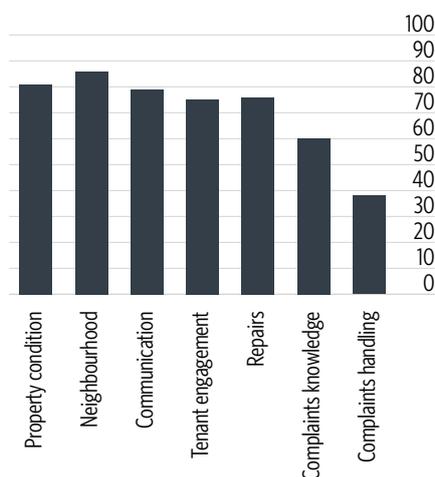
Our Tenant Survey 2019-20 results shown in Figures 22 & 23 show that core satisfaction ratings across our major service areas, including Housing Services, Repairs and Property Condition, fell from the 2018-19 survey results, while remaining over the Community Housing regulatory benchmarks.

Survey results for the Northern Beaches region, our SHMTP tenants, were significantly poorer than non-SHMTP areas across all indicators and in particular for scores on complaints handling, tenant

**Figure 22: Tenant satisfaction**<sup>51</sup>  
Overall satisfaction as a percentage, 2015-20



**Figure 23: Tenant satisfaction**<sup>51</sup>  
By category, 2020



involvement and communication and information provision.

Such differences reflect that we have just recently commenced managing the portfolio, our lack of full control over maintenance and the impact of COVID-19. We will need to focus on the expanded operating area for Bridge Housing and will be addressed in our business planning for 2020-2021.

### Repairs and maintenance survey

In addition to our annual tenant survey, for every responsive maintenance work Bridge Housing provides the tenant with a repairs and maintenance satisfaction survey to track our performance. Our return rate is 11 per cent.

This year, 76 per cent of tenants who completed the survey stated they were 'satisfied with the service'

provided by Bridge Housing. This was consistent with our results from previous years. The survey acts as a supplementary audit and augments our annual Tenant Survey by monitoring satisfaction with quality of work, responsiveness of service request, and contractor performance.

### 2020-21 Operations objectives

While maintaining high quality applicant, tenancy and asset management functions through the implementation of the Bridge Housing Operating Model, the Operations team also aims to:

- deliver the [Together Home](#), Housing First initiative, housing 45 long-term rough sleepers
- establish a Northern Beaches tenant participation structure
- grow [HomeGround Real Estate Sydney](#) by at least 67 properties
- implement Year 3 of the Building Bridges 2018-2021 Community Building and Engagement Strategy and start planning for our next iteration
- implement the final year of Bridge to Work, our employment support program, in partnership with CoAct, to support 24 tenants to access work and learning
- finalise the STEP to Home program, housing 50 people through Bridge Housing and 90 overall
- implement an action plan to support quality customer service, in partnership with tenants
- continue reviewing policies and procedures for housing and assets to support clear, transparent decision making and quality service delivery
- implement a 'Nudge Theory'<sup>52</sup> project to test the application of behavioural insights in social housing operations
- implement our new customer service survey to provide real time feedback on our tenancy and maintenance services
- re-contract our maintenance services
- deliver our \$10.4 million asset maintenance program and scope 40 per cent of our Northern Beaches property portfolio
- pilot outcomes measurement software for The Difference We Make framework (See page 64).

<sup>51</sup> Industry benchmarking not available at time of publication

<sup>52</sup> Nudge Theory is a concept of behavioural sciences and economics that provides positive reinforcement and values the ability of an individual to maintain freedom of choice and to feel in control of the decisions they make. In housing, the theory is that by shaping the environment, also known as choice architecture, one can influence the likelihood that one option is chosen over another by individuals.

**80%** Tenants who say life has improved since becoming a Bridge Housing tenant

**82%** Tenants who say they are satisfied with Bridge Housing services

## House and Home



**Our performance against the top 3 reported tenant priorities**

**84%** Tenant satisfaction with the suitability of their home to their circumstances

**82%** Tenant satisfaction with the condition of their home

**76%** Tenant satisfaction with repairs and maintenance



## Social and Community

**736**

Attendances at Building Bridges events\*



**bridge housing** linking people to a better future

## THE DIFFERENCE WE MAKE

## Health and Safety

**81%**

Tenants who feel safe in their homes

**13**

Tenant forums for specific cultural groups



## Work, Learning and Financial Wellbeing

**73%**

Tenants who say living in their home helps them manage money



**72%** Tenants satisfied that Bridge Housing listens to tenants' views and acts on them



**Service experience**  
Our applicants and tenants experience good quality customer service

**88%**

Tenant satisfaction with responsive repairs~



**Tenancy success**  
Our tenants can sustain tenancies and get support

**98%**

Tenants sustaining tenancies for 12 months+~



**Housing experience**  
Our tenants have good quality, appropriate housing

**100%**

Homes at or above LAHC property condition standard~

**1.19%**

Arrears as a total of rent~



**Voluntary/Leisure**  
Our tenants can engage in meaningful activity

**7**

Tenant led initiatives\*



**Empowerment**  
Our tenants can take action to improve their lives and participate in decision making

**72%**

Tenants who feel connected to their family, friends & community



**Community connections**  
Our tenants feel socially connected with their friends, family and communities

**13%**

Households where at least 1 person volunteers\*

**355**

Bridge Housing Tenant Advisory Group members\*

**64%**

Tenants satisfied with their lives overall

**82%**

Tenants who feel safe in their neighbourhood



**Safety**  
Our tenants feel safe in their homes and neighbourhoods and feel culturally safe

**188**

Tenants attended good neighbour events\*



**Safety**

Our tenants feel safe in their homes and neighbourhoods and feel culturally safe

**78%**

Tenants who say living in their home helps their health and well-being

**1010**

Tenants working with support agencies~

**Health**  
Our tenants can better manage their health outcomes



**31%**

Tenants who report improvements in employment since becoming a Bridge tenant



**Workforce participation**  
Our tenants can engage in the labour market



**Learning**  
Our tenants can access education and learning

**224**

Positive exits from Bridge social housing~



**Financial wellbeing**  
Our tenants can access financial resources when they need them

**14**

Tenants directly employed through Bridge Housing initiatives\*

All data from 2020 Bridge Housing Tenant Satisfaction Survey unless indicated. ~ 2019/20 corporate data @ July 2020 \* Building Bridges data @ July 2020

## SPOTLIGHT 5:

# Digitising our HR management system

A highlight of the past year was the successful implementation of the Human Resource Information System (HRIS) that integrates payroll management, onboarding and recruitment, performance management and a learning management system.

### Context and challenges

The Bridge Housing workforce has grown by more than 50 per cent over the past five years and we took on 19 new staff in the period leading up to the completion of the Northern Beaches Social Housing Management Transfer in August 2019. Our human resources environment became increasingly complex owing to the inclusion of staff from the Department of Communities and Justice (DCJ) under a number of different awards and the growth of [HomeGround Real Estate Sydney](#).

The HR function at Bridge Housing was supported by different systems for payroll, analytics and performance management that could not be integrated and did

not have the capability to generate meaningful data without a great deal of work. The disparate systems made it difficult and time consuming to produce such information and the lack of integration created many inefficiencies. For example, the onboarding process was automated but payroll establishment was manual. Moreover, staff from across the organisation were not satisfied with the performance management system. It was neither interactive nor user-friendly and did not achieve our desired outcomes.

We were also facing compliance challenges, due to a legacy payroll solution and external payroll provider. At the time, our payroll solution was non-compliant with Single Touch Payroll (STP)

and provider delays to STP-compliance posed a real risk to the business in terms of compliance with the governing awards.

The Bridge Housing executive was keen to access HR analytics that would provide valuable insight into our workforce and enhance business practices and decision-making. We also needed a system with the ability and flexibility to support planned organisational growth. We decided to design and develop a new performance management system that would deliver a more positive, engaging experience for staff.

### Solution

Over six months we reviewed and evaluated several payroll and HR solutions, eventually selecting Sage, an integrated payroll and HR management solution. It is highly configurable and flexible and, most importantly, can be tailored to our needs as the organisation grows. We have also been able to apply Bridge Housing's brand, so the system has a familiar look and feel for our employees. What we love most about our new system is its ability to grow with us.

### Results

Our new integrated HRIS solution has delivered the following benefits:

- ▶ a seamless employee onboarding process that fully integrates with our payroll solution, saving the HR/payroll team considerable time. We no longer need to perform manual data entry and employee information flows directly into payroll. This saves time and improves data accuracy and integrity
- ▶ the ability to make data-driven decisions. We can now easily delve into data and uncover real insights using the dashboards
- ▶ streamlined STP compliance. We have a system we can trust and are confident we are compliant with every pay run.



Asset Maintenance Officer Tayla Heming

*“Bridge invests in employee benefits that are useful to their employee’s health & wellbeing as well as employee engagement.”*

Staff member



HomeGround Real Estate Sydney Trust Administrator Tracy Nguyen

We surveyed staff after the implementation in September 2019 and received excellent feedback on the new system. Staff told us that they find it very user-friendly and Bridge Housing is able to provide them with a seamless experience throughout the employee life cycle.



Of staff who participated in the survey:

<b>91%</b>	were either very satisfied or satisfied with the ease of use
<b>90%</b>	were either very satisfied or satisfied with the view and look
<b>91%</b>	were either very satisfied or satisfied with the overall performance.

**What staff like about the new HR and Payroll Solution**

- ▶ Capability and overall look
- ▶ Accessible remotely from my phone
- ▶ Being able to look up people’s numbers easily, being able to see leave, one central place to update everything.
- ▶ Easy to use and has the potential to deliver a great HR system for us
- ▶ The dashboard with everything in one place
- ▶ Org chart and search function - as a relatively new starter it’s great to be able to easily find out who is responsible for which portfolio and what they look like.

# Development report

The Development team is responsible for managing and delivering Bridge Housing's development projects, property acquisitions and tendering opportunities to increase Bridge Housing's social and affordable housing portfolio.

## This section of the Annual Report:

- ▶ presents the Development team's highlights for 2019-20
- ▶ reports on how the Development team has delivered on its critical success factors
- ▶ provides an overview of the key activities undertaken during the year
- ▶ outlines our objectives for 2020-21.

## Highlights of 2019-20

In 2019-20, the Development team:

- ▶ established the Community Housing Leasing Program (CHLP) Acquisition Program. Purchased 30 units to provide accommodation for 51 people
- ▶ purchased the Dulwich Hill site and identified potential redevelopment options

- ▶ partnership with Deicorp Constructions to win Landcom Tender for Tallawong and Showground sites development projects to deliver up to 75 new affordable housing units to be managed by Bridge Housing
- ▶ completed the Northern Beaches portfolio redevelopment review, identifying a number of sites with further development potential
- ▶ purchased six units in the Inner West and met our NSW Government leveraging target three months ahead of schedule
- ▶ maintained high levels of engagement with local councils, including with Cumberland Council, to develop a local Homelessness Action Plan, and reviewed the Inner West Council and City of Canada Bay affordable housing schemes
- ▶ submitted 17 Local Strategic Planning Statement and Local Housing Strategy submissions to councils within our operating region
- ▶ delivered the LED lighting retrofit program, saving about \$21,000 over the life of Bridge Housing's two office leases.

## Critical success factors

The Development team played a key role in delivering the following critical success factor to meet the goals of our Strategic Plan 2018-21 and Business Plan 2019-20.

## Growing sustainably to meet affordable housing need

In 2019-20, the Development team grew the portfolio by 30 properties<sup>5</sup> through the settlement and purchase of the following properties:

- ▶ a 10-unit building in Marrickville
- ▶ a 12-unit building in Ashfield.



Development Director Christopher Dib with Director Housing Helen Tighe.



Ronald Avenue Narrabeena

**Key:** ■ completed ■ in progress ■ not completed

Measure	How did we do?
Deliver at least one environmental sustainability initiative to reduce tenant costs and Bridge Housing operating costs	<span style="color: green;">■</span> Sydney CBD and Brookvale office lighting retrofit completed <span style="color: green;">■</span> Tenant environmental initiative identified. Pilot project to be delivered in 2020-21
Prepare a procurement and development strategy to deliver an ongoing development pipeline for social and affordable housing	<span style="color: red;">■</span> Reforecast for Q3 2020-21
Complete Northern Beaches portfolio redevelopment review	<span style="color: green;">■</span> Identified 10 sites and undertaking further investigation
Prepare Community Housing Leasing Program Procurement and Development Proposal	<span style="color: green;">■</span> CHLP Acquisition Program approved. 30 units purchased across three sites, providing homes for 51 people
Complete negotiations to purchase site in Dulwich Hill	<span style="color: green;">■</span> Site purchased, waiting for Inner West Council to complete planning controls to determine best yield
Complete development options analysis to redevelop the Dulwich Hill site	<span style="color: green;">■</span> Redevelopment options analysis completed
Deliver our leveraging target commitments of 6 to 8 properties	<span style="color: green;">■</span> Properties purchased in Dulwich Hill and Ashfield three months ahead of schedule
Secure sites made available through NSW SEPP 70 and other affordable housing planning mechanisms	<span style="color: orange;">■</span> Maintaining watching brief for suitable sites
Engage with Greater Sydney local councils to build relationships to enhance affordable housing supply	<span style="color: green;">■</span> Sites identified and initial assessment commenced
Maintain engagement with leading property developers	<span style="color: green;">■</span> Partnership with Deicorp successful in securing Landcom tender on two major sites to deliver 75 affordable housing units for Bridge housing managements. Meetings held with major developers to discuss opportunities

*"I couldn't be happier with the quality of the work and thought the contractors were very professional and all round great guys."*

**Resident Northern Beaches**

### Portfolio growth

In 2018-19, Bridge Housing reported the acquisition of two properties in Punchbowl and Dulwich Hill, which settled in late 2019. In 2019-20, we purchased two additional properties in Ashfield and Marrickville. These properties are the subject of Spotlight 6: Building our capital portfolio on page 72.

### Meeting leveraging targets

Bridge Housing reported in 2018-19 our success in two NSW Government tenders to own and manage 13 one-bedroom units in Leichhardt. Department of Communities and Justice vested the ownership of 11 units, with the remaining two required to be leased from the developer on a long-term lease (10 years).

The tender also required Bridge Housing to leverage the cash flows from the vested units to deliver six

additional social and affordable housing dwellings by March 2020. This leveraging target was satisfied through the acquisition of properties in Dulwich Hill and Ashfield, three months ahead of schedule.

### Affordable housing in the Sydney Metro corridor

During 2019-20, Bridge Housing and our development partner Deicorp Constructions won two NSW Government tenders to redevelop sites along the northwest metro corridor. The sites will in total deliver up to 75 new affordable housing units to be managed by Bridge Housing on completion (55 units at Tallawong Station site and 20 units at the Showground Rd site).

By partnering with Landcom, Bridge Housing can deliver more affordable housing to meet growing need. Land contribution is just one lever that

State and Federal Government can deploy and work with the private and community housing sector to increase investment in affordable housing.

The developments will also deliver around 1,400 private residential apartments over the next five years. Construction is scheduled to commence in 2021, with the first stages, including a portion of the affordable housing, due for completion by end of 2022.

### Community housing provider – LAHC project management sites

In October 2019, Bridge Housing finalised the defects liability phase on the Clemton Park project management site (six one-bedroom and eight two-bedroom units) that Bridge Housing managed on behalf of LAHC in 2018. No major defects were identified. This LAHC program is now completed.



Funda Place Brookvale

## Environmental sustainability

Bridge Housing is responsible for ensuring safe and secure long-term accommodation for over 5,000 people on low-to-moderate incomes. We plan, develop, construct and refurbish 3,541 properties that we own or manage across the greater Sydney metropolitan area.

The bushfire season in late 2019 highlighted the devastating consequences of climate change. While there was no loss of life or property damage in Sydney, we felt the force of the fires through the choking smoke descending on the city and our friends and families who were caught in the evacuations along the south coast.

This has led to further impetus for Bridge Housing to develop an Environmental Sustainability Framework in 2020–21. The framework will build on smaller initiatives, including projects commenced in 2019–20, such as the:

- ▶ office LED retrofit program
- ▶ solar PV and embedded network pilot project.

### Office LED retrofit program

Bridge Housing replaced the lighting in both the Brookvale and Sydney CBD offices with LED lighting, our first significant contribution to a lower carbon future and provides significant environmental benefits and costs savings over the life of the two leases. See the graphic below.

Reducing our carbon footprint 	
✓	Reducing our lighting carbon footprint by 53% per annum
✓	Removing 44,000 kg of carbon emissions from the environment
✓	Equivalent of planting 220 trees
✓	Reducing Bridge Housing's lighting costs by 30%, saving \$21,000
✓	Repay the retrofit costs in less than 2 years

## Solar PV and embedded network pilot project

In 2019–20, we identified an opportunity to install solar PV to help reduce tenants and Bridge Housing utility costs. A detailed project assessment highlighted the difficulties in funding the upfront capital costs and the need to provide maximum flexibility for users using existing solar PV technology within multi-unit developments.

However, we have recently become aware of new solar PV smart systems that equitably share the solar generated on the property between all occupants. This would allow Bridge Housing to allocate a share of the savings to help service the debt required to fund the loan. The smart system also allows users to opt in or out of the solar sharing scheme. In order to test the assumptions, Bridge Housing will undertake a pilot project to install a solar PV/Smart sharing system on a multi-unit building within our portfolio. The pilot project is forecast for completion in the first half of 2020–21.

### Tenants Talk Design

The Tenants Talk Design (TTD) initiative provides an opportunity to learn about our residents' experiences of living in their unit and the estate – what they like and where we can improve future facilities. We use this valuable information to update our [Bridge Housing Design Guidelines](#). We had planned a TTD meeting in March 2020 at Elger Street Glebe, the largest new development, with 158 units across two sites, with 177 being mainly occupied by aged residents. Unfortunately, it was postponed due to COVID-19, however tenant representatives on the Elger Street Committee (ESC) are still keen to pursue the opportunity, potentially online.

### Northern Beaches portfolio review

Bridge Housing assumed management of the Northern Beaches portfolio in August 2019. Many of the dwellings are ageing and, in light of the planning changes in NSW, offer potential for redevelopment and increased yield of social housing. This is subject to the approval of the NSW Government.

In August 2019, we completed the Northern Beaches portfolio review, shortlisting 10 sites with redevelopment potential, though most require easing of existing planning controls to achieve the proposed development outcomes. The sites provide potential redevelopment opportunities, subject to Northern Beaches Council planning approvals.

## 2020–21 Development objectives

The Development team's objectives are detailed in the 2020–21 Business Plan. These are to:

- ▶ deliver at least one environmental sustainability initiative to reduce tenant costs and Bridge Housing operating costs
- ▶ deliver a procurement and development strategy to create an ongoing development pipeline for social and affordable housing
- ▶ use the Community Housing Leasing Program and additional debt to grow the capital, owned housing portfolio
- ▶ secure sites made available through NSW State and local government planning mechanisms (SEPP 70 and other affordable housing)
- ▶ progress the Dulwich Hill development proposal in light of Inner West Council planning controls
- ▶ devise a resource strategy for development under any future stimulus program
- ▶ explore the feasibility of delivering secondary dwellings on existing social housing properties
- ▶ explore development opportunities on current managed sites (Northern Beaches Review)
- ▶ engage with Greater Sydney local councils to build relationships to enhance affordable housing supply
- ▶ develop an environmental sustainability framework for the organisation
- ▶ maintain engagement with leading property developers.

## Building our capital portfolio

Bridge Housing has invested some \$15 million across the 2018-19 and 2019-20 financial years to build our capital portfolio through property acquisition to provide even more secure housing for people on low-to-moderate incomes.

### Background

The NSW Department of Communities and Justice (DCJ, formerly Family and Community Services or FACS) has operated the Community Housing Leasehold Program (CHLP) since 1985, providing subsidies to community housing providers, including Bridge Housing, to lease properties in the private rental market. The CHLP subsidy covers the property rental, maintenance and management costs.

The subsidy is calculated on the difference between the tenant's rent, assessed at 25 per cent of income plus their Commonwealth Rent Assistance, and the assessed median rent in the

local government area in which the property is located. Consequently, the subsidies are very deep and can range from \$21,000 per unit per annum in the eastern suburbs to \$10,000 per unit per annum in the inner west. Community housing providers are provided with a pool of subsidies. Bridge Housing's leasehold portfolio of 610 properties is the largest in Australia.

We have also financed property acquisitions using debt from the [National Housing Finance and Investment Corporation](#) (NHFIC), other DCJ programs and our own capital reserves.

### Policy change

In late 2018, DCJ made a significant change to the CHLP policy guidelines to guarantee funding on 50 per cent of the property quota for 10 years for the acquisition or development of properties. This is to encourage community-housing providers (CHPs) to utilise CHLP funding to provide sustainable long-term accommodation, instead of relying on the subsidy to fund rental properties.

### NHFIC funding

Following the above policy change, Bridge Housing undertook financial modelling and analysis to assess our options for maximising the value of the CHLP subsidies and delivering new developments in our operating region. We also identified leasehold households that could potentially be relocated to a new Bridge Housing development.

To supplement the funding available from the CHLP, Bridge Housing worked with NHFIC to source funding of up to \$76 million, \$36 million of which is being allocated towards new acquisitions using the CHLP subsidy. This put Bridge Housing in a strong position to start the process of identifying and acquiring appropriate housing in 2019.

### Identification and acquisition of properties

In our search for suitable properties, Bridge Housing focused on identifying whole buildings that were in our current operating area, comprising 2-3 level walk-up residential flat/apartment buildings with parking, and which generally only required minor upgrades to bring them up to standard.

Between March and December 2019, Bridge Housing identified and acquired three properties using CHLP funding, which have delivered 30 units as follows:

- ▶ **Punchbowl:** eight two-bedroom units purchased in April 2019 and settled in October 2019 for \$2.8



Rossmore Avenue Punchbowl

*"I really appreciate your empathy, compassion and immediate responses. Thank you for helping us when we feel helpless and hopeless in our situation and to always find some positivity or hope."*

**Resident**

million with about \$350,000 of refurbishment work completed, including replacement of all kitchens and upgrades to bathrooms. The site is in a well located area and, while not earmarked for redevelopment, has the potential to be redeveloped into 17 units in the future, based on the existing planning controls.

- ▶ **Ashfield:** nine two-bedroom and three one-bedroom units, purchased for \$6 million. About \$240,000 has been spent to deliver 12 refurbished units in a quiet residential area close to shops and public transport.
- ▶ **Marrickville:** 10 studio units purchased for \$3 million with approximately \$475,000 in refurbishment work completed. Bridge Housing decided to bring forward the majority of upgrade works identified for the next five years and completed them while the property was vacant, to minimise disruption to prospective tenants. The building is in a location well served by public transport and within close proximity to school, shops and parks.

### Refurbishment works

Bridge Housing managed the refurbishment works required to upgrade the acquired properties, ensuring that they were completed to a high standard. The works were completed on time and within the approved project budget.

Bridge Housing was able to put its award-winning tenancy, property and community engagement programs into immediate effect after the refurbishment works to support harmonious social housing communities for our new tenants. Our tenants now enjoy the security of living in properties that are owned by Bridge Housing. This means they no longer face the possibility of having to vacate if a privately owned and leased property is sold or its owner wishes to occupy the property. In addition, Bridge Housing can now use CHLP subsidy funds more efficiently



Schwebel Street Marrickville

by pooling funds for maintenance in single buildings, rather than sinking funds across multiple buildings.

### Future acquisitions

The three acquisitions have provided additional long term social housing supply through 30 apartments proving homes to 51 tenants. With \$25 million of debt still available, Bridge Housing plans to continue the acquisition program.

### Policy implications

Bridge Housing has argued that the provision of social and affordable housing requires some form of subsidy as our tenants pay sub-market rents. In the past, we developed and delivered 112 dwellings using the Australian Government's National Rental Affordability Scheme (NRAS), which provided a subsidy of \$10,000 per annum per property for 10 years. With the demise of the scheme in 2014,

community housing providers have had great difficulty in procuring additional social and affordable housing.

Our CHLP Acquisition Program shows how we can leverage a subsidy with cheaper and long term NHFIC finance and add to social housing supply. Without this subsidy, we could not have procured the additional properties or continued with a procurement pipeline.

However, the program is limited to 305 subsidies. It also clearly illustrates that if the Australian and NSW Governments want to increase social and affordable housing supply, a new national subsidy program is required. The cost of the subsidy can be reduced if state governments contribute land at no cost, as the cost of land is a significant component of the overall development cost.

# Finance and Corporate Services report

The Finance and Corporate Services team provides strategic and support services across finance, information technology, human resources, work health and safety, and risk management. The team played a key role in meeting the critical success factors for our Business Plan 2019-20.

## This section of the Annual Report:

- ▶ presents highlights of 2019-20
- ▶ reviews 2019-20 performance against our Business Plan objectives
- ▶ summarises other key support areas, including information technology, human resources, risk management, internal audit, and work health and safety
- ▶ presents our 2020-21 objectives.

The 2019-20 Financial summary section on page 80 reports on our financial position, including our comparative five-year financial performance for 2016-20. Bridge Housing's human resources strategy and outcomes for 2019-20 are reported in the Our people section on page 40.

## Highlights of 2019-2020

In 2019-20, the Finance and Corporate Services team:

- ▶ met all financial and operational key performance indicators (KPIs)
- ▶ increased our debt to \$76 million through securing an additional \$36 million from the National Housing Finance Investment Corporation (NHFIC) to support our property acquisition program
- ▶ competed Year 2 of our three-year internal audit program and completed a fraud and corruption review
- ▶ implemented our Northern Beaches Social Housing Management Transfer Program (SHMTP) Change Management Plan

- ▶ opened our new office at Brookvale to service the new Northern Beaches portfolio
- ▶ implemented a three-year Diversity and Inclusion Strategy
- ▶ implemented the first stage of our IT and Digital Strategy via a new Human Resources Information System (HRIS)
- ▶ implemented staff collaboration tools, available through Office 365 in the Cloud including Teams, to enable greater flexibility and remote working
- ▶ completed our biennial independent, external governance review with recommendations to be implemented in 2020-21.

## Critical success factors

The Finance and Corporate Services team played a key role in delivering the following critical success factors in our Strategic Plan 2018-21 and Business Plan 2019-20:

- ▶ governing and managing effectively
- ▶ supporting our people and improving workplace wellbeing
- ▶ engaging our partners and enhancing our industry leadership.

These critical success factors ensure our financial sustainability, drive process and efficiency improvements, manage our risk and compliance obligations, help us develop our people, create an engaging and inclusive work environment, and improve our communication with tenants and other key stakeholders.

Key objectives are reported below but a full summary can be found in Appendix One: Our performance on page 94.



General Manager Finance and Corporate Services David Miller (left) and Director Dick Persson, AM

Key: ■ completed ■ in progress ■ not completed

Measure		How did we do?
<b>Governing and managing effectively</b>		
Deliver an operating surplus of \$3.1 million	<span style="color: green;">■</span>	Achieved an operating surplus of \$3.7 million
Manage and expand debt facilities to meet future funding requirements	<span style="color: green;">■</span>	Obtained an extra \$36 million of debt through the NHFIC to support our property acquisition program in addition to the \$40 million obtained to refinance our corporate debt facility
Ensure compliance with all banking covenants	<span style="color: green;">■</span>	All banking covenants met throughout the year
Undertake an external governance review	<span style="color: green;">■</span>	Review undertaken by Sterling Black completed April 2020
Implement new lease accounting standards	<span style="color: green;">■</span>	Incorporated into 2019-20 Financial Statements
Implement new integrated Human Resources Information System (HRIS)	<span style="color: green;">■</span>	Payroll system implemented, including new Learning Management System (LMS) and integrated to the payroll system. See Spotlight 5, page 66
Undertake legal provider panel review	<span style="color: red;">■</span>	Deferred until 2020-21, given other priorities.
Implement MS Office 365 and staff collaboration tools	<span style="color: green;">■</span>	Implementation completed in December 2019
Implement new IT service desk and undertake IT infrastructure upgrade	<span style="color: orange;">■</span>	Contracts executed with Unitech and implementation planning underway. Will be completed in 2020-21
Implement business intelligence platform to improve our data reporting and analysis	<span style="color: orange;">■</span>	Data warehouse capability implemented and dashboards currently under development and to be implemented in 2020-21
Undertake Year 2 of Internal Audit Plan	<span style="color: green;">■</span>	Completed internal audits on the SMHTP implementation and payroll and HR systems and processes. See Page 77
<b>Develop our people</b>		
Review and implement online learning management system (LMS)	<span style="color: green;">■</span>	System implemented and integrated with our Human Resources Information System
Review Performance Management Framework to focus on staff development	<span style="color: orange;">■</span>	New Performance Management Framework developed. To be implemented in 2020-21
Review Total Rewards Program with focus on wellbeing	<span style="color: green;">■</span>	Completed and revised to respond to the challenges of COVID-19 and working-from-home
Identify mentoring and coaching opportunities to support staff development	<span style="color: orange;">■</span>	Coaching in place for the senior Executive. Coaching strategy for business delayed until 2020-21
Finalise Diversity and Inclusion Strategy	<span style="color: green;">■</span>	Completed and Year 1 action plan implemented
Include Emotional Intelligence module in the Accelerate, Strive and Flourish positive culture program	<span style="color: green;">■</span>	Emotional Intelligence training and program completed
Implement SHMTP Change Management Plan and ensure regular communication and feedback to staff	<span style="color: green;">■</span>	Implemented, including Pulse Survey to measure cultural integration of new staff across two locations. See Spotlight 3, page 38

## Risk management

Bridge Housing has always understood that the ability of the organisation to manage our appetite for risk at an operational level relies on the quality of our organisational infrastructure and the strength of our culture. This approach put us in a strong position to deal with the challenges of the anticipated Northern Beaches SHMTP and the unexpected COVID-19 pandemic.

Bridge Housing operates according to an Enterprise Risk Management Program in line with *International Risk Management Standard ISO 31000*. This comprises:

- ▀ a detailed risk-categorisation process and risk profiling systems that allow us to effectively identify and assess risks on an enterprise basis
- ▀ a Risk Appetite Statement
- ▀ a compliance program consistent with *Australian Compliance Standard AS/ISO 19600:2015*, through which we monitor key risk controls
- ▀ a complaints handling program consistent with *International Standard ISO 10002*, through which we capture key risk indicators

- ▀ an online policy management system, a staff induction and training program, and an assurance management system.

The Executive and the Board review the plan quarterly and annually to ensure it addresses our changing risk profile. Bridge Housing also engages an external audit firm, PKF, to evaluate key risk areas and the effectiveness of internal controls.

This governance infrastructure, developed since 2005, has helped Bridge Housing to make excellent progress towards achieving risk maturity and a positive risk management culture.

### Risk Management Plan 2019–20

During the unprecedented challenges of significant growth and Covid 19 of 2019–20, we built upon our previous risk management plan and maintained our regular reporting to the Board.

Our Risk Management Plan enables us to identify and record potential risks and identifies high-level risk control strategies. Our online enterprise risk management and compliance system CompliSpace enables us to monitor risks throughout the year and manage risk control strategies by linking tasks to each risk. Each of those tasks is assigned

a due date and allocated to an executive member of staff to manage. Our Compliance Officer exercises oversight.

The Executive Team developed the Risk Management Plan 2019–20, based on reviews of our external and internal operating environments. We re-evaluated existing risks, introduced new risks to the Risk Register and re-rated other risks in the context of our strategic and business objectives.

Bridge Housing’s management is responsible for monitoring and reviewing risks. This involves:

- ▀ monitoring individual tasks monthly by exception at the Executive Team meeting
- ▀ reporting on high and extreme risks to the Board
- ▀ reviewing risks and risk ratings annually as part of our annual business planning process
- ▀ undertaking more regular reviews for some individual risks, based on the nature of the associated risk.



### COVID-19 risk management

Bridge Housing developed a specific risk management plan to manage COVID-19 impacts on our business, by activating parts of our Business Continuity Plan. We initiated a detailed review of the unique risks and how we deliver services to vulnerable clients and to our staff. The COVID-19 Risk Management Plan, is consistent with Safe Work Australia and NSW Health Guidelines. Its managed through a COVID Working Group, which meets weekly. The risk analysis is also fed into our COVID Safe Workplace Plan and our Service Delivery Protocols.



Manager Pathways Krystal Moores; Neami National Manager Fiona Murray; Neami representative Sonia Mlkoloma; Regional Manager North Christina Hough and Manager HomeGround Effie Warren at the 2019 AGM.

## Internal audit program

Bridge Housing's internal auditors, PKF, undertook Year 2 of our Internal Audit Plan, which dealt with Social Housing Management Transfer Program (SHMTP) and payroll and human resources systems and processes.

## Social Housing Management Transfer Program

A major focus of Bridge Housing's operations in 2018-19 was the successful delivery of the SHMTP Transition Project to ensure Bridge Housing was ready to manage the Northern Beaches portfolio of over 1,200 properties and 1,443 tenants from 5 August 2019.

The SHMTP represented a portfolio increase of 52 per cent, with potentially significant impacts on Bridge Housing's operations and financial position.

An internal audit of the property transfer program was undertaken to provide a rigorous independent assessment of the project's key stages:

1. contract award to go-live
2. 12-week service delivery plan from go-live
3. subsequent business as usual.

PKF observed our project management represented best practice and management successfully integrated the SHMT properties on a 'business as usual basis', with minimal disruption to existing operations and service delivery.

The audit did note three low-level rated areas for improvement to strengthen the control environment and enhance efficiencies in the processes in the following areas:

- ▶ continue to review the business impact
- ▶ review the approach to project management
- ▶ bring project learning to future projects.

## Payroll and HR Management System and Processes

Payroll and Human Resources are core functions of any organisation, requiring effective internal controls to limit the opportunities for fraud or error.

To support the growth in the business through the SHMT Program, over the past 12 months Bridge Housing has implemented a new payroll and human resources information system (HRIS). An internal audit reviewed this critical area to validate new systems and processes and, in light of growing community concerns about underpayment of wages and entitlements, reviewed the last two years of payroll to ensure staff received their correct entitlements under the *Social, Community, Home Care and Disability Services Industry Award (SCHADS)* or relevant employment contract.

PKF reported it was satisfied the payroll and human resources processes currently in place conform with legislated employer obligations. The audit did not identify any evidence of underpayments or failure to comply with awards.

They also noted that the implementation of the new payroll and Human Resources Information System has been performed effectively, without any significant breakdowns in the existing control environment. They did note a number of low level risk areas for improvement, such as policy and procedure updates and management of overtime requests, which management will address.

## Work, health and safety

Bridge Housing is committed to providing a safe and positive workplace for our staff, those contracted to perform work on our behalf, and visitors to our premises. Bridge Housing recognises that staff members' wellbeing has a major effect on their performance and we regard our workplace health and safety (WHS) responsibilities to be of utmost importance.

All Bridge Housing managers and employees, contractors and visitors have a shared responsibility to contribute to the health and safety of all persons in the workplace. The Board and management, in consultation with employees, are responsible for developing, implementing and continually reviewing Bridge Housing's Workplace Health and Safety Program. Promoting and maintaining WHS and disseminating WHS information is primarily the responsibility of management.

A WHS Committee manages work health and safety at Bridge Housing. The WHS Committee comprises two employee representatives, as well as two management representatives: the CEO and the General Manager Finance and Corporate Services, together with the Human Resources Manager and the Compliance Officer. In 2018, the Committee was expanded to include an operational business representative to ensure a broad range of views and issues were covered. Staff elect the employee representatives, who act as the designated health and safety representatives, as required by the *Work Health and Safety Act 2011 No 10*. The Committee prepares a WHS report every month for management and Board consideration and oversees the delivery of annual mandatory online training to staff.

The committee met six times in 2019-20 and carried out four workplace inspections. No significant issues were identified.

During 2019-20, the WHS Committee implemented its annual Work Health and Safety Action Plan. A major focus of the plan in 2019-20 was a review of our WHS Management Framework and associated policies and procedures to ensure ongoing adherence to the Act. Bridge Housing engaged Courtenell to undertake this review. Whilst the review confirmed our current WHS Management Framework was robust, it did identify a number of minor gaps in our policies and procedures. These have now been addressed.

The WHS Committee monitors Bridge Housing Performance against key KPIs through our monthly WHS report. An extract of WHS indicators are shown below.

Objective	Performance indicator/target	Result
Reportable WHS incidents	There are no reportable incidents that require WorkSafe NSW to be notified.	There were no reportable incidents
Hazard and incident reporting	There are no more than three of either in each month: <ul style="list-style-type: none"> <li>▸ high risk hazards</li> <li>▸ near misses</li> <li>▸ WHS incidents reported</li> </ul>	There were two incidents raised in the year, which have since been raised at the WHS Committee and closed out by management. No further action required.
Contractors incidents	There are no more than two incidents or near misses involving contractors engaged by Bridge Housing.	No contractor incidents raised or reported.
Workers compensation claims	No more than two workers compensation claims, otherwise escalated to executive management.	Two claims throughout the year and no open claims as at June 2020.
WHS induction training	All new staff receive WHS induction	100 per cent of staff received induction
WHS workplace inspection	Bimonthly workplace inspection to assess safety and identify hazards completed. First aid kits and fire extinguishers inspected to ensure compliance with requirements.	<ul style="list-style-type: none"> <li>▸ All scheduled inspections completed</li> <li>▸ All fire extinguishers inspections current</li> </ul>

## Information Technology and Systems

### IT strategy

In 2018-19, Bridge Housing developed a three-year IT strategy. The 2019-20 year began as intended, with the IT team playing a major role in the interface and transfer of Department of Communities and Justice property and tenancy data on the 1,200 Northern Beaches properties to Bridge Housing. Further details are provided in SDM – SHMTP Data Transfer below.

The year ended with the challenges posed by COVID-19 and supporting the business in a working-from-home environment. Although the impact of COVID-19 delayed our plans for 2019-20, we continued to execute our IT Strategy and the first phase of the year two strategy.

The major milestones included:

- implementation of Office 365 in the cloud, which included Teams and facilitated our staff working from home when the first stage of COVID-19 lockdowns began in March
- execution of the master supply agreement and individual services contract with our new IT Service Provider, Unitech
- implementation of an integrated human resource information system and learning management system
- implementation of new asset management system, SPM Asset Management.

### SDM – SHMTP Data Transfer

Bridge Housing undertook, in 2018-19, extensive preparation and system testing with FACS and LAHC to develop a system interface to facilitate

the transfer of 1,200 property and tenancy records from FACS and LAHC to Bridge Housing to ensure that we had the correct tenancy, property and financial information. Data transfer protocols were developed to exchange data on an ongoing basis to support the reporting and delivery of contract arrangements. The preparation and testing for this work was validated with the successful transfer of data on 5 August 2020 facilitating the go-live of the SHMT portfolio.

### Human resources information system

In 2018-19, Bridge Housing initiated a tender for the acquisition of an integrated payroll and human resources information system. Following a competitive tendering process, Sage People was selected to deliver the project.

*“Continued strong leadership by the Executive has instilled great confidence in staff, particularly in light of the need for rapid changes and adaptations because of coronavirus.”*

**Staff member**

System implementation was planned over three phases. The first involved a new payroll system, delivered at the end of 2018-19. The second and third phases focused on the implementation of new human resources modules, which were implemented in 2019-20. They included onboarding and recruitment, performance management and a learning management system.

This initiative was undertaken to support the growth of Bridge Housing and has enhanced business practices and decision making as well as providing efficiencies through an integrated system.

### **SPM asset management system**

To support our future portfolio growth, Bridge Housing initiated a tender for a new asset management system in 2018-19. Following a competitive tendering process, SPM Assets was selected to deliver the project. In 2019-20, SPM Assets was implemented for both the new SHMT portfolio as well as our existing portfolio, providing transparency and enhanced planning capability of future maintenance liabilities.

### **Human Resources**

The quality of our services is determined by our ability to attract and retain high calibre people who have the skills, capacity and passion to drive our performance. The Northern Beaches SHMTP increased our workforce by 30 per cent. Spotlight 5: Digitising our HR management system on page 66 describes the strategic review of our HR systems and processes and their transformation. In addition, we have reviewed our existing performance management system and this has led to a change in approach that will be implemented in 2020-21 and supported by a coaching development program. Bridge Housing will also continue our leadership program Accelerate, Strive, and Flourish, incorporating a unit on emotional intelligence.

Further information is presented in the Our People report on page 40.



HR Manager Jenny Woolley at the 2019 AGM

### **2019-20 Finance and Corporate Services Objectives**

Our Finance and Corporate Services objectives for 2020-21 are detailed in the Business Plan 2020-21. These include:

- ▶ achieve an operating surplus of \$3.7 million to meet short and long-term goals and objectives outlined in the Business Plan 2020-21
- ▶ implement a new IT service provider Unitech and deliver infrastructure upgrade and service desk
- ▶ undertake an IT cyber security audit
- ▶ implement electronic invoice capture and workflow management platform
- ▶ develop and implement a program to embed use of M-Files digital records management system
- ▶ identify and implement a tenant portal replacement
- ▶ implement a business intelligence platform to improve our data reporting and analysis
- ▶ evaluate our training program strategy and approach
- ▶ implement new a performance management system
- ▶ identify mentoring and coaching opportunities to support staff development
- ▶ develop our Strategic Plan 2021-24.

# Financial summary 2019-20

Bridge Housing effectively managed its finances in 2019-20 and achieved an operating surplus before depreciation and interest (EBITDA) of \$3.7 million. This was slightly down on the 2018-19 result of \$3.9 million but was well above budget. This year's result was impacted by the transfer of properties under the Social Housing Management Transfer Program (SHMTP). COVID-19 has had little impact on our revenue. Our total operating surplus is shown in the Financial results graph below.

## Financial position

### Revenue

Total operating revenue increased by \$14.1 million, or 33 per cent, in 2019-20. This was mainly due to increases in rental revenue though the transfer of additional properties under the SHMTP, as well as indexation from the bi-annual rent review process and the impact of additional properties. COVID-19 has had little impact on our revenue.

Sixty per cent of our revenue is derived from tenants' rent and 96 per cent of that comes from social housing tenants, all of whom are on some form of income support payment and pay 25 per cent of the market rent plus 100 per cent of Commonwealth Rent Assistance (CRA).<sup>54</sup> Our affordable housing tenants' rents constitute approximately 4 per cent of our revenue and pay 75 per cent of the market rent.

Pre COVID-19 we had very low arrears of 1.3 per cent. The conversion of Newstart payment to JobSeeker and the temporary doubling of the payment with the coronavirus supplement provided our tenants with more income and in the last quarter of 2019-20 arrears fell to 1.0 per cent.

The revenue breakdown for 2016-20 is shown in Figure 26 on page 81.

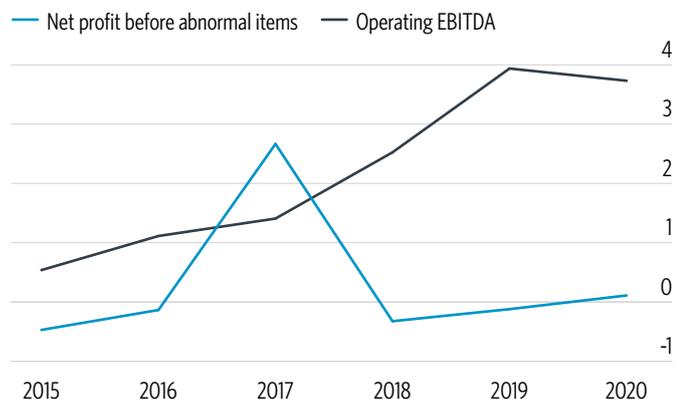
### Expenses

Total expenses excluding abnormal items increased by \$12.1 million, or 33 per cent, in 2019-20. The expenses breakdown for 2016-20 is shown in Figure 27 on page 61. It was impacted by the SHMT, as well as the implementation of new lease accounting standards. Excluding depreciation, interest and the impact of the new lease accounting standards, our underlying operating expenses increased by \$14.3 million, or 37 per cent.

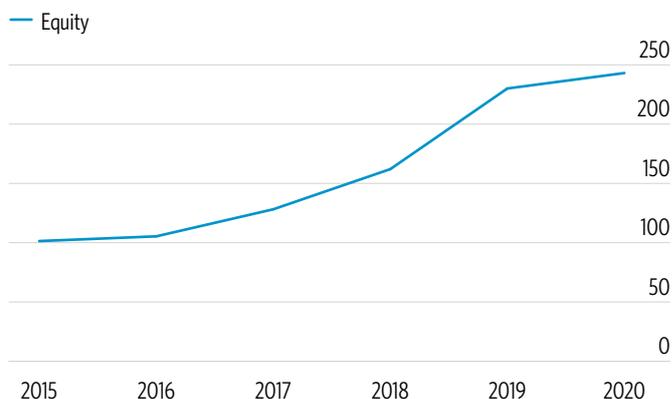
Bridge Housing's net assets increased by \$13 million to \$243 million during 2019-20. Major movements were:

- the value of property, plant and equipment (PP&E) increased by \$25 million to \$281 million, primarily as a result of the revaluation of existing properties (\$10 million)<sup>55</sup> and recognition of newly acquired properties (\$15 million)
- non-current assets increased by \$133 million, primarily as a result of the recognition of right of use assets under AASB 16 Leases by \$108 million and the above-mentioned increase in PP&E

**Figure 24: Financial results**  
(millions) 2015-20



**Figure 25: Equity**  
Total equity (millions) 2015-20



<sup>54</sup> Income support payments include Newstart (now JobKeeper), Parenting Payment, Disability Support Pension, Age Pension. See the income chart in Key facts on page 88 for a breakdown of tenant income.

<sup>55</sup> Bridge Housing's valuation policy is to engage a qualified external valuer to revalue at least a third of the portfolio every year. Properties are selected to ensure broad coverage across different areas and housing types. The average increase in valuations is then applied across the whole portfolio. In 2018-19, as a result of a change in valuer and the adoption of a different valuation approach for Elger Street Glebe, there has been a large increase in the value recognised for these 158 properties.

- current assets increased by \$42 million, primarily as a result of an increase in cash as a result of debt drawdown to fund our future development and acquisition program
- current liabilities increased by \$22 million, primarily as a result of the recognition of lease liability under ASSB 16
- non-current liabilities decreased by \$140 million, primarily as a result of additional debt drawn to fund future development and acquisition program (\$52 million) and \$88 million as a result of the recognition of lease liability under ASSB 16
- as noted above, cash increased by \$42.8 million to \$46.7 million. This was primarily due to the drawdown of additional debt of \$51.4 million plus cash from operating activities of \$6.5 million offset against outlays for various property acquisitions of \$14.5 million.

### Financial performance 2016-20

A five-year comparative analysis of our financial performance, including our 2019-20 results, is available on page 82. This is an extract from our audited Financial Report 2020. The 2020 Financial Report is available on Bridge Housing's website.

### Our 2016-20 report card

We have analysed Bridge Housing's key financial and operational ratios against KPIs over five years to 30 June 2020. The trend analysis shows that we performed well against our financial and non-financial KPIs during 2019-20. Profitability has remained constant and arrears have been maintained at a level significantly below the industry benchmark. Both voids and vacancies remain below benchmark.

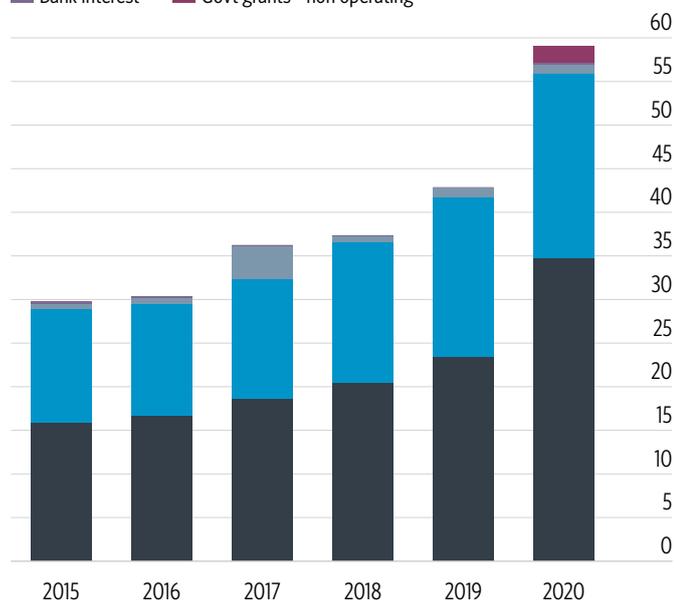
### Economic dependency

*Bridge Housing relies on government subsidies, grants and resources, and income generated from our tenants' rent. We do not rely on donations to fund our operations. Our major sources of revenue are identified in the revenue graph.*

**Figure 26: Revenue**

Revenue composition (millions), 2015-20

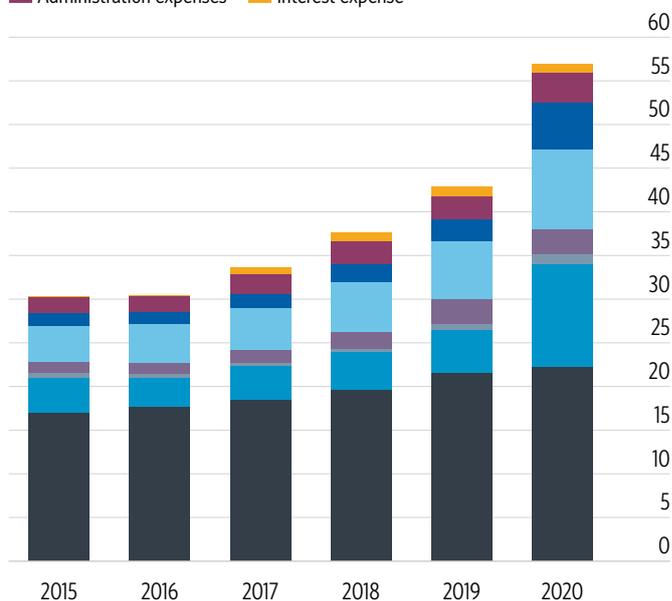
- Rental income
- Govt grants - operating
- Other
- Bank interest
- Govt grants - non operating



**Figure 27: Expenditure**

Expenditure composition (millions), 2015-20

- Rents paid
- Maintenance
- Insurance & other property expenses
- Depreciation
- Management expenses
- Rates and utilities
- Administration expenses
- Interest expense



## Our five year report card

Key performance indicators five year analysis	Benchmark	2016	2017	2018	2019	2020
<b>Tenant satisfaction</b>						
Overall satisfaction with the organisation (%)	75	N/A	84	N/A	87	82
<b>Service development</b>						
Total number of properties		1,767	1,915	2,244	2,334	3,541
<b>Finance management</b>						
Staff cost as a percentage of total revenue (%)		14.4	13.1	15.4	15.4	15.5
Property costs as a percentage of total revenue (%)		75.4	67.3	70.5	68.9	68.3
Administration cost as a percentage of total revenue (%)		6.0	6.1	7.1	6.2	6.0
Profitability ratio - operating EBITDA/operating revenue (%)		3.7	4.3	6.8	9.2	6.6
Liquidity ratio - current assets/current liabilities		1.9	1.6	1.6	0.9	1.6
Cash flow ratio - operating cash inflows/ operating cash outflows		1.2	1.1	1.1	1.1	1.2
Interest cover ratio - operating EBITDA/interest expense	2	0	8.9	2.7	3.3	4.0
Loan to value ratio (%)	35	14.7	11.7	14.2	9.6	35.0
Return on assets - EBITDA/assets (%)		0.9	0.9	1.3	1.5	1.3
Cash at end of year (\$m)		8.3	4.7	6.1	3.9	46.7
Operating EBITDA (\$m)		1.1	1.4	2.5	3.9	3.7
Net profit (\$m)		-2.5	3.7	23.75	4.46	0.52
<b>Housing management</b>						
Arrears (%)*	2.5	1.3	1.5	1.7	1.7	1.2
Rent loss via void (%)*	2.5	1.0	0.6	0.2	0.2	0.2
Rent loss via vacancy (%)*	2.5	0.3	0.4	0.2	0.2	0.1
Void days*	28 days	27	18	24	27	25
Vacant days*	14 days	16	10	15	14	11
Number of tenants exiting the service because of possession order enforcement		8	2	5	6	8
Eviction rate (%)*	10	4.4	0.9	2.3	2.6	2.8
<b>Human resources</b>						
Staff engagement		74	79	81	81	84
Ratio of staff to lettable properties		1:38	1:37	1:42	1:36	1:40
Staff turnover (%)		22	24	21	18	15
Number of full time equivalent staff		46	52	54	66	85

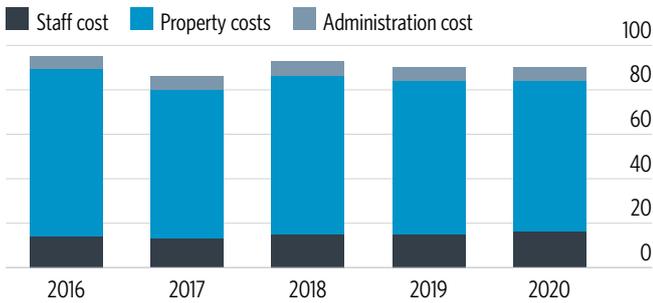
\* Benchmarks established by the National Regulatory System for Community Housing (NRSCH). See Registration Return Guide, [www.nrsch.gov.au](http://www.nrsch.gov.au).

## Key Financial Viability Measures

The following graphs highlight the key measures that demonstrate the financial health and sustainability of our business.

**Figure 28: Cost structure**

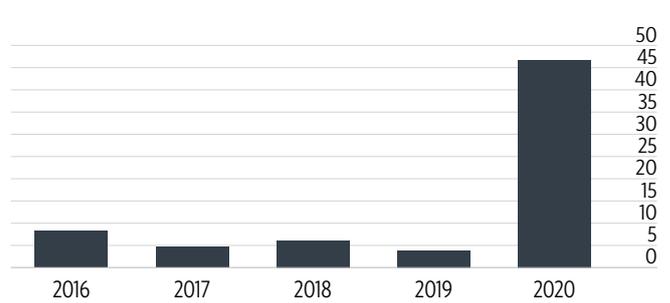
Costs as percentage of revenue, 2016-20



Despite significant growth during the year, our cost structure remains reasonably consistent with 2018-19.

**Figure 29: Cash balance**

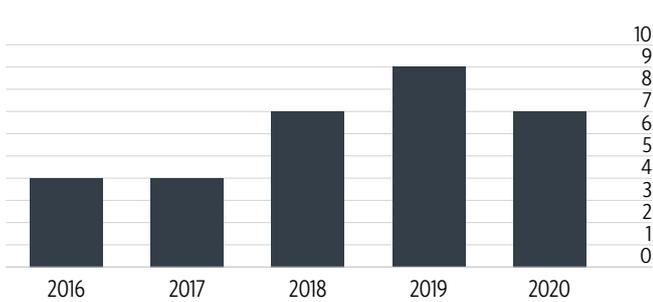
End of year cash balance (\$ millions), 2016-20



Our cash balance at 30 June 2020 was \$46.7m million. This is an increase of \$42.8 million on the previous year's balance and is primarily a result of drawing down additional debt to fund future developments and acquisitions.

**Figure 30: Profitability ratio**

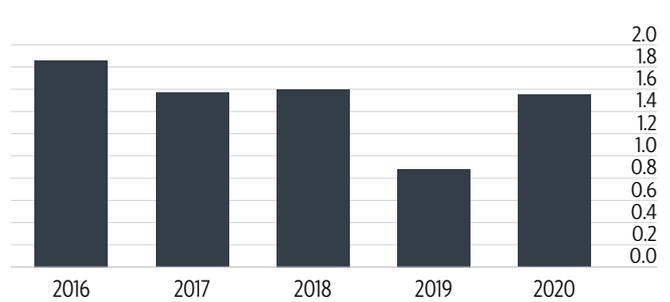
EBITDA/operating revenue, 2016-20



This ratio measures earnings before interest, tax, depreciation and amortisation (EBITDA) as a percentage of operating revenue. The percentage has decreased slightly this year as a result of slightly higher relative costs as the business had grown.

**Figure 31: Liquidity ratio**

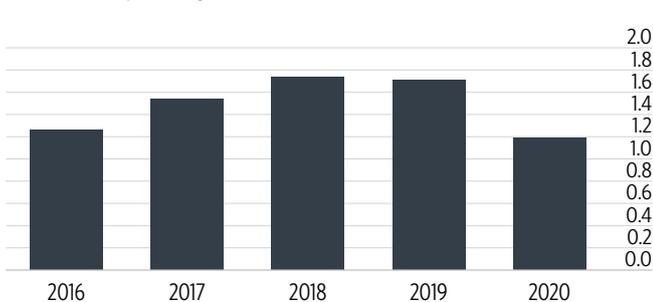
Current assets/current liabilities, 2016-20



The working capital (liquidity) ratio measures Bridge Housing's ability to repay its short-term debt using short-term assets. Bridge Housing's liquidity ratio at 30 June 2020 has increased to 1.6, indicating a strong liquidity position.

**Figure 32: Arrears**

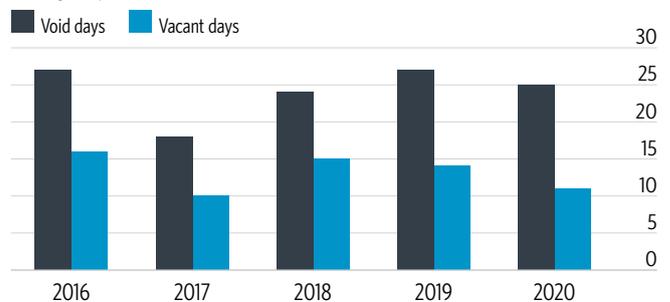
Rent arrears as percentage of revenue, 2016-20



This ratio measures our rental arrears as a percentage of operating revenue. The ratio has decreased significantly this year to 1.2 per cent and remains significantly below the industry benchmark of 2.5 per cent.

**Figure 33: Voids and vacants**

Average days void and vacant, 2016-20



Average void days refers to the number of days on average that our properties are unavailable for letting due to maintenance work requirements. Average vacancy days refers to the average number of days a property is vacant once it is available for letting. Both have improved slightly from last year and are generally in line with industry benchmarks.

Five-year financial results at a glance (In '000 AUD)		2016	2017	2018	2019	2020
How much we...	Where does all the money come from?	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Charged tenants for living in the properties	Rents	16,600	18,564	20,390	23,221	34,757
Received from government	Non-operating grants received such as SEPP10, capital grants	0	0	0	0	1,968
Received from government	Operating grants received	12,907	13,791	16,112	18,536	21,041
Received from investment of surplus funds	Interest	160	203	42	57	235
Received from other activities	Fees for service, water usage recharge, tenant reimbursement	666	3,681	759	1,040	1,076
Received from government	Other contribution - properties vested	0	0	23,997	7,210	0
Fair value gain	Fair Value adjustments	0	0	0	0	18
<b>Total Revenue (Excluding Other Contribution)</b>		<b>30,333</b>	<b>36,239</b>	<b>37,303</b>	<b>42,855</b>	<b>59,095</b>
	<b>Where does all the money go?</b>					
Spent renting properties	Rents paid	-17,635	-18,401	-19,637	-21,574	-22,213
Spent on property rates & utilities	Rates and utilities	-1,483	-1,699	-2,044	-2,428	-5,337
Spent on maintaining the properties	Maintenance	-3,304	-3,921	-4,277	-4,866	-11,778
Spent on other property expenses	Insurance & other property expenses	-445	-356	-346	-645	-1,055
Allocated on other property expenses	Depreciation	-1,319	-1,486	-1,925	-2,916	-2,869
Spent on administration expenses	Administration and overhead expenses	-1,822	-2,225	-2,642	-2,676	-3,531
Spent on salary and related costs	Management expenses	-4,372	-4,758	-5,761	-6,617	-9,187
Interest Expense	Interest Expense	-90	-727	-966	-1,225	-987
Net Lease Accounting Loss	Lease Accounting	0	0	0	0	-1,615
Fair value loss	Impairment / Fair Value adjustments	-2,336	1,011	53	-1,059	0
Other project costs	Write-offs	0	0	0	-2,510	0
<b>Total Expenditure</b>		<b>-32,805</b>	<b>-32,563</b>	<b>-37,545</b>	<b>-46,516</b>	<b>-58,573</b>

Five-year financial results at a glance (In '000 AUD)		2016	2017	2018	2019	2020
How much we...	Where does all the money come from?	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
<b>Have kept to help with future activity</b>	<b>Surplus for the year</b>	<b>-2,472</b>	<b>3,676</b>	<b>-242</b>	<b>-3,661</b>	<b>522</b>
Have retained of previous years' surpluses	Retained profits brought forward	107,828	124,489	162,291	233,754	242,586
Have transferred to Reserve for PMP	Transfer to reserve for planned maintenance program	0	0	0	0	0
Have transferred to Reserve for property revaluations	Transfer to assets revaluation reserve	-28,106	-47,238	-57,368	-121,862	-133,441
Have transferred to Reserve for property development	Transfer to other reserve for property development	0	0	0	0	0
Have retained to help with future activity	Retained profits carried forward	77,250	80,927	104,682	108,231	109,666
	<b>Balance Sheet</b>					
Were owed by our tenants and others	Debtors	1,933	4,046	5,170	6,793	5,402
Had in the bank	Cash assets	8,260	4,698	6,072	3,898	46,687
Had paid for property, furniture and equipment	Property, plant and equipment	120,036	142,459	185,499	255,862	389,079
Owed to members & others	Other liabilities	-7,975	-7,157	-8,542	-12,250	-13,322
Lease Liabilities	Other liabilities	0	0	0	0	-109,163
Owed to financial institutions	Debt	-16,898	-15,882	-26,150	-24,210	-75,576
	<b>Net Assets</b>	<b>105,356</b>	<b>128,165</b>	<b>162,050</b>	<b>230,093</b>	<b>243,108</b>
Have retained to provide for future planned maintenance program	Reserve	0	0	0	0	0
Have retained to provide for assets	Assets revaluation reserve	28,106	47,238	57,368	121,862	133,441
Have retained to provide for future property development	Other reserve	0	0	0	0	0
Have retained for future activities	Retained profits	77,250	80,927	104,682	108,231	109,666
	<b>Total Equity</b>	<b>105,356</b>	<b>128,165</b>	<b>162,050</b>	<b>230,093</b>	<b>243,108</b>

Our comprehensive Financial Report 2019 is available to download at [www.bridgehousing.org.au](http://www.bridgehousing.org.au)

# Bridge Housing in the Community

In 2019–20 Bridge Housing delivered our Bridge in Communities Initiative which saw us attend a range of events for and with our residents that help staff and the wider organisation build community connections by supporting important initiatives and causes.

## July: NAIDOC Week

NAIDOC Week 2019 was celebrated on 7–14 July 2019 with the theme: 'Voice. Treaty. Truth - Let's work together.' Bridge Housing supported two events during NAIDOC week. The first was a flag-raising ceremony at the Metropolitan Land Council in Redfern. We also held a stall at the National Centre for Indigenous Excellence Family and Sports Day in Redfern.



Carers NSW representative and Tenant Engagement Officer Anna Barker at NAIDOC Week celebrations July 2019



Staff promote the Bloody Long Walk charity event

## September: Bloody Long Walk

Bridge Housing staff completed the Bloody Long Walk charity event, covering part or all of the 35 kilometre walk from Palm Beach to Manly. The event raised \$7,945 for the Mito Foundation, which supports individuals and their families living with mitochondrial disease. It was the most money the team has ever raised for its annual charity run.



12 Cans for Christmas hampers

## December: Christmas in the community

We undertook two Christmas initiatives to help people in our community. The first was our annual 12 Cans for Christmas food collection, which in 2019 supported The Settlement in Darlington. We also supported a new initiative, the It's in the Bag campaign (#itsinthebag), which is organised by the charity Share the Dignity, and asks donors to fill a handbag with Christmas gifts of treats and period products for women and girls who are experiencing homelessness, fleeing domestic violence, or doing it tough. Bridge Housing matched staff donations dollar-for-dollar for both causes.



Staff gather It's in the Bag donations

## July: Combating violence against women

Bridge Housing staff contributed to our organisational commitment to ending violence against women by holding a White Ribbon Trivia Night in July 2019. While the White Ribbon organisation no longer exists, we continue to work towards zero tolerance of violence against women and children and have a [Domestic Violence Policy](#).



A team for White Ribbon Trivia Night

"I was really anxious about our meeting but you were so gentle, supportive and reassuring that I felt so 'light' after I left."

Resident

### January: Yabun

Bridge Housing celebrated the 60,000 years of survival and continuing culture of Australia's First Peoples at the 2020 Yabun Festival in Sydney on 26 January 2020. Held in Glebe on the land of the Gadigal people, Yabun is the largest one-day gathering of Aboriginal and Torres Strait Islander cultures in Australia. Bridge Housing hosted a stall for people to have a chat with our staff, catch up with old friends, and hear more about our work.



Receptionist Eileen Harvey and Tenant Participation Officer Kamal Salim at Yabun 2020

### March: International Women's Day

Bridge Housing sponsored staff delegates to the Australasian Housing Institute's 2020 International Women's Day breakfast in Sydney on 9 March 2020. The 2020 IWD theme was #EachforEqual to convey that 'An equal world is an enabled world'. Chief Operating Officer Rebecca Pinkstone was the panel convenor for the event.



Brookvale staff celebrate Chinese New Year, January 2020

### May: National Reconciliation Week

Bridge Housing celebrated National Reconciliation Week 2020 from 27 May to 3 June 2020. Staff and our tenant community came together for a screening of the hit Australian movie *Top End Wedding*. We also launched our second Reconciliation Action Plan during Reconciliation Week, with the theme In this Together, by organising some online activities for staff and residents to learn more about reconciliation. See Spotlight 2: Reconciliation Action Plan on 26.



Top End Wedding



Bridge Housing team for the Bloody Long Walk



Staff support R U OK? Day in September 2019

# Key facts

This section of the Annual Report shows the changing profile of Bridge Housing by examining our property portfolio, tenancies and the diversity of our tenants.

## How many properties?

Bridge Housing’s property portfolio increased from 2,344 to 3,541 properties in 2019-20.

The additional properties came primarily from completion of the Northern Beaches portfolio transfer under the Social Housing Management Transfer Program (1,228).

We lease capital properties from DCJ on recurrent three-year leases. Our capital property portfolio also includes 242 properties vested to us under the National Building Economic Stimulus Plan (NBESP).

During the year, we also purchased 30 properties using Communities Housing Leasing Program (CHLP) subsidies and reducing an equivalent number from the Leasehold Program.

## Location

Since 2010, we have increased our geographic presence across Sydney and now operate in 20 Local Government Areas (LGAs). Figure 34 shows with the transfer of the SHMT properties on the Northern Beaches,

35 per cent of our properties are now located there. As a result, our traditional Inner Sydney and Eastern Suburbs locations reduced to 39 per cent of the portfolio, or 1,385 properties.

## Type

Figure 35 shows that our properties are predominantly one and two-bedroom units in two, three and four-storey buildings. We have a smaller number of two and three-bedroom houses. We seek properties that will best match the type and size of our tenant and applicant households.

## Tenancies

### Who we house

Figure 36 shows that the majority of our tenancies are single-person households. The second-largest tenant group is sole-parent households and couples with or without children.

Our tenant households are predominantly headed by women (58 per cent), their demand for social housing reflecting the lower incomes of female-headed households.

## The number of people housed

Figure 37 shows we provide housing to 346 households. Of these 238 were new tenants and 108 internal transfers. 183 allocations were made to our capital property portfolio and 163 into out leasehold and affordable housing fee for service portfolio.

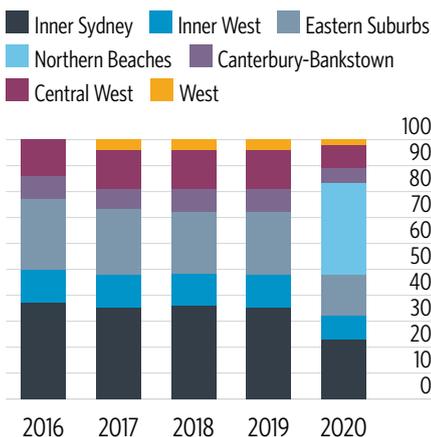
This shows the importance of vacancies in creating additional housing opportunities for people on our waiting list.

Internal transfers - by existing Bridge Housing tenants moving to another Bridge Housing property - helped us meet the changing housing needs of our tenants by making under-occupied properties available for households with more family members.

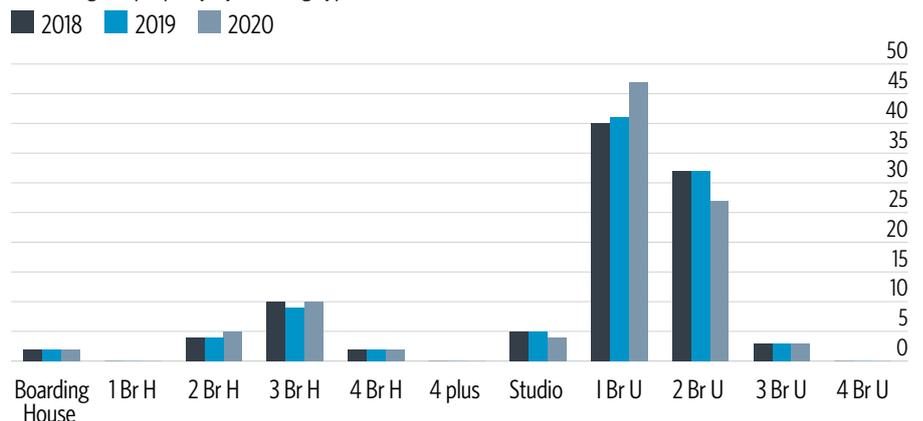
## How long tenants stay

Bridge Housing provides long-term secure accommodation for low-to-moderate income households in regions with low rental and purchase affordability. Figure 38 shows that 48 per cent of our tenants have been with Bridge Housing for more than five years and 64 per cent for more than two years.

**Figure 34: Property location**  
Percentage of properties by Sydney metropolitan region, 2016-20



**Figure 35: Property type**  
Percentage of property by dwelling type and number of bedrooms, 2018-20

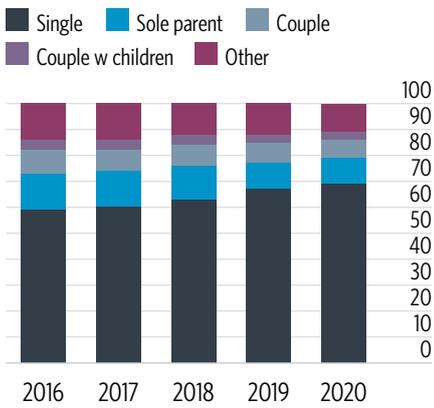


"I would like to thank you heaps for all your help since August. My daughter is loving all the space here and thinks having her own bedroom is fantastic".

Resident

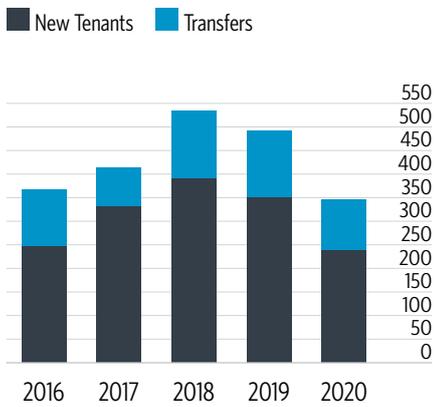
**Figure 36: Household composition**

Household type (percentage), 2016-20



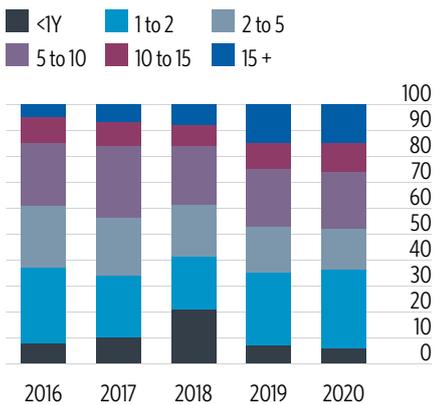
**Figure 37: New tenancies**

Number of new tenancies and transfers, 2016-20



**Figure 38: Tenancy**

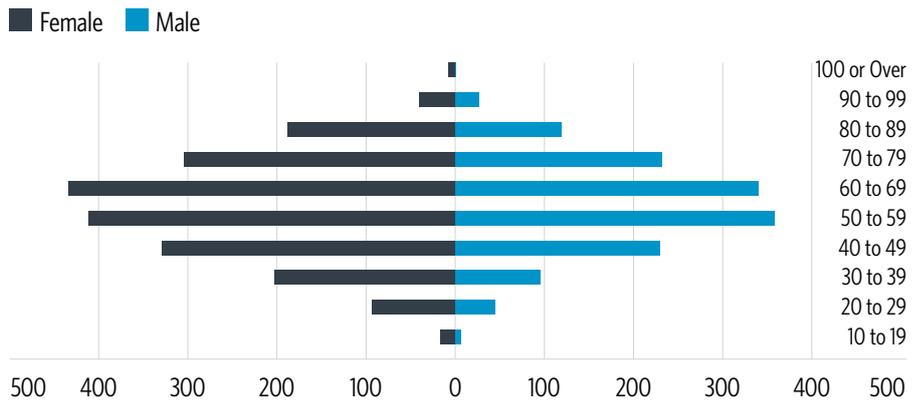
Percentage of tenancies by duration in years, 2016-20



Elger Street resident Ray with Sustainable Communities Manager Sarah Barclay

**Figure 39: Gender and age**

Tenants by ages and gender (number), 2020



### Income

Figure 40 shows that 84 per cent of Bridge Housing tenants receive income support. The major categories include: people receiving the Disability Support Pension, aged pension, and JobKeeper (formerly Newstart).

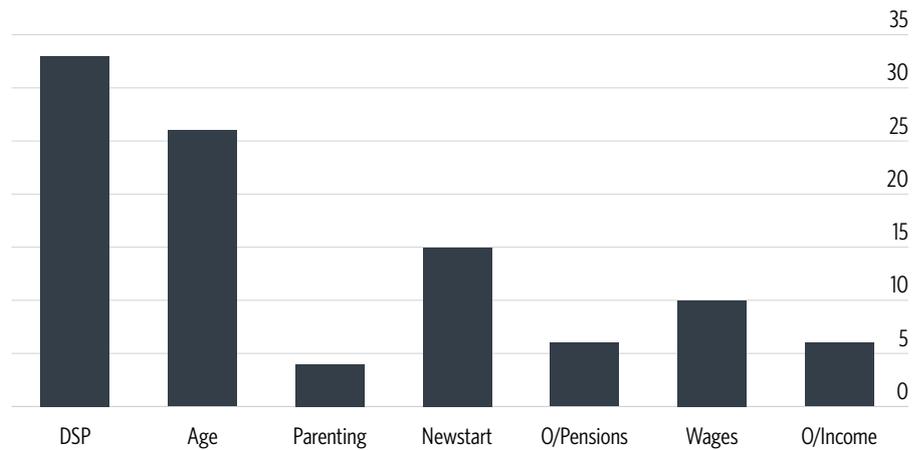
Ten per per cent of our tenants live on their wages. About half are in our affordable housing program and the rest are social housing tenants who either work full or part-time. Their average full time earnings are \$53,000 per annum and part-time earnings average \$24,600. Social housing tenants are low-waged workers.<sup>54</sup>

### Language and cultural identification

Figures 41 and 42 show Bridge Housing tenants and applicants are diverse, both culturally and linguistically. They speak more than 50 languages. After English, the major languages represented are Vietnamese, Arabic, Spanish, Russian and Chinese languages, which together account for 10 per cent of all tenants.

Seven per cent of tenants identify as being Aboriginal or Torres Strait Islander.

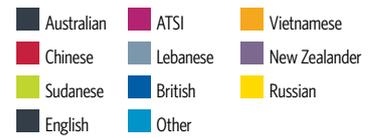
**Figure 40: Income**  
Tenant income source (percentage), 2020



**Figure 41: Language**  
Preferred language (percentage), 2020



**Figure 42: Cultural identification**  
Tenant ethnicity (percentage), 2020



<sup>54</sup> Average weekly earnings in NSW are \$1,660 or \$86,320 per annum. See Australian Bureau of Statistics 6302.0 - Average Weekly Earnings, Australia, May 2019.

# Acknowledging our support partners

Warmest thanks to our many support partners who help Bridge Housing support our tenants and maintain the tenancies of some of the most vulnerable in the community.

By working with high-performing support partners across Sydney, we deliver on Bridging Support, our Support Partnership Strategy. Elsewhere in this report we acknowledge the important role other organisations and individuals play in Bridge Housing achieving our vision and mission.



# Glossary and abbreviations

## Glossary

<b>Affordable housing</b>	Housing that is affordable for households on low-to-moderate incomes – the bottom 40 per cent of households – when housing costs are low enough to enable the household to meet other basic long-term living costs. Housing costs should be less than 30 per cent of household income for these occupants.
<b>Build-to-rent</b>	Build-to-rent is a form of residential development involving apartment blocks or complexes purpose-built for rental occupation and held in single ownership as long-term revenue-generating assets.
<b>Commonwealth Rent Assistance (CRA)</b>	A non-taxable Commonwealth Government supplementary payment added to the benefit or family payment of people who rent in the private rental market and pay above applicable rent thresholds.
<b>Communities Plus</b>	Communities Plus is a new generation of integrated housing developments being delivered in partnership with the private, non-government and community housing sectors and includes sites in metropolitan Sydney and regional NSW.
<b>Community housing</b>	Housing managed and sometimes owned by a not-for-profit community organisation.
<b>Future Directions for Social Housing</b>	<i>Future Directions for Social Housing in NSW</i> sets out the state’s strategic priorities for social housing over the next 10 years; more social housing; more opportunities, support and incentives to avoid and/or leave social housing; and a better social housing experience.
<b>Homelessness</b>	The 2016 Australian Bureau of Statistics (ABS) statistical definition of homelessness is: When a person does not have suitable accommodation alternatives they are considered homeless if their current living arrangement: <ul style="list-style-type: none"> <li>▲ is in a dwelling that is inadequate; or</li> <li>▲ has no tenure, or if their initial tenure is short and not extendible; or</li> <li>▲ does not allow them to have control of, and access to space for social relations.</li> </ul>
<b>Housing First</b>	Housing First is an approach that offers permanent, affordable housing as quickly as possible for people experiencing homelessness, and then provides links to the community-based supports people need to keep their housing and avoid returning to homelessness. Bridge Housing piloted Housing First with its Platform 70 program and the model is now integrated into the business.
<b>Housing Pathways</b>	Housing Pathways is a single statewide waiting list, combining the waiting lists of FACS and participating community housing providers. All new applications are logged on the NSW Housing Register.
<b>Housing stress</b>	The condition of households (in the bottom 40 per cent of income distribution) paying more than 30 per cent of their gross income on mortgage or rental repayments.
<b>Inclusionary zoning</b>	Inclusionary zoning is a land use planning intervention by government that either mandates or creates incentives so that a proportion of a residential development includes a number of affordable housing dwellings.
<b>Lower-income household</b>	A household with income in the bottom 40 per cent of all household income distribution.
<b>Median multiple</b>	A measure of housing affordability derived from calculating housing costs using the multiple of median incomes. A median multiple over 5 is ‘severely unaffordable’. The median multiple and other similar housing affordability price-to-income-multiples are used to compare housing affordability between markets by the OECD, IMF and The Economist.
<b>Nation Building Economic Stimulus Plan (NBESP)</b>	The Australian Government allocated \$42 billion to stimulate the economy during the global financial crisis in 2008–09.

<b>National Housing and Homelessness Agreement (NHHA)</b>	The National Housing and Homelessness Agreement (NHHA) commenced on 1 July 2018 and provides around \$1.5 billion each year to states and territories to improve Australians' access to secure and affordable housing across the housing spectrum. The NHHA includes funding for homelessness services in 2020–21. States and territories will match this funding.
<b>National Housing Finance and Investment Corporation (NHFIC)</b>	An independent Commonwealth Government entity established in 2018 to encourage investment in housing, particularly, affordable housing. Bridge Housing has secured \$76 million in NHFIC loans to date.
<b>National Rental Affordability Scheme (NRAS)</b>	An Australian Government scheme from 2008–2014 that provided annual incentives for a ten year period to institutional investors and other eligible bodies to create 50,000 new affordable rental properties rented to low-to-moderate income families at 20 per cent below market rents.
<b>Private Rent Assistance</b>	A NSW Government program to help set up and maintain tenancies in the private rental market through Housing Pathways. It provides range of assistance from Rent Choice, a subsidy to pay rent for up to three years, to a tenancy guarantee to landlords. <a href="https://www.service.nsw.gov.au/transaction/private-rental-assistance">https://www.service.nsw.gov.au/transaction/private-rental-assistance</a> .
<b>Property Transfer Program</b>	A 2009–10 FACS program to transfer the management of 3000 public housing estates to community housing providers. Bridge Housing was allocated 196 properties in South Coogee and Balmain.
<b>Social &amp; Affordable Housing Fund (SAHF)</b>	This NSW Government program aims to deliver more social and affordable housing in partnership with non-government organisations, landholders and the private sector.
<b>Social housing</b>	Rental housing that is provided and/or managed by government or non-government organisations, including public and community housing.
<b>Social Housing Management Transfer Program</b>	The Social Housing Management Transfer Program involves the management transfer of 14,000 housing tenancies to community housing providers, including private rental assistance products under Housing Pathways. Bridge Housing secured the Northern Beaches SHMT package.
<b>State Environmental Planning Policy (SEPP)</b>	<i>SEPP No 70: Affordable Housing (2009)</i> establishes a consistent planning regime for the provision of affordable rental housing. The <i>State Environmental Planning Policy (Affordable Rental Housing) 2009 (AHSEPP)</i> was introduced on 31 July 2009 to increase the supply and diversity of affordable rental and social housing in the state.
<b>Sydney Metropolitan Area</b>	This incorporates the new and retained local government areas determined by the NSW Government in 2016–17 across the Greater Sydney metropolitan region. For more information: <a href="https://www.strongercouncils.nsw.gov.au/">https://www.strongercouncils.nsw.gov.au/</a>
<b>Voluntary Planning Agreement</b>	Voluntary Planning Agreements were introduced under NSW planning laws in 2005 to negotiate with state planning authorities when plans are amended or developments assessed. They can include contributions for affordable housing.

## Abbreviations

<b>AGM</b>	Annual General Meeting	<b>DCJ</b>	Department of Communities & Justice
<b>ATTAG</b>	Aboriginal and Torres Strait Islander Tenant Advisory Group	<b>NRAS</b>	National Rental Affordability Scheme
<b>KPI</b>	Key performance indicator	<b>NRSCH</b>	National Regulatory System for Social Housing
<b>LAHC</b>	Land and Housing Corporation	<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>LGA</b>	Local government area	<b>SAHF</b>	Social and Affordable Housing Fund
<b>CEO</b>	Chief Executive Officer	<b>EOI</b>	Expression of Interest
<b>NBESP</b>	Nation Building Economic Stimulus Plan	<b>SEPP</b>	State Environmental Planning Policy
<b>CHIA</b>	Community Housing Industry Association	<b>EOS</b>	Employee Opinion Survey
<b>NDIS</b>	National Disability Insurance Scheme	<b>SHMT</b>	Social Housing Management Transfer
<b>CHLP</b>	Community Housing Leasing Program	<b>GSC</b>	Greater Sydney Commission
<b>NHHA</b>	National Housing and Homelessness Agreement	<b>TAG</b>	Tenant Advisory Group
<b>CRA</b>	Commonwealth Rent Assistance	<b>ICT</b>	Information communication technology
<b>DA</b>	Development Application	<b>VPA</b>	Voluntary planning agreement

# Appendix 1: Our performance

Our Business Plan 2019–2020 is summarised in the table below and shows our critical success factors, goals, performance targets and achievements. It also highlights what we are aiming to achieve in 2019-20. Key highlights are provided in Performance highlights on page 4.

Critical success factors	Goal	Target (performance measure)
<b>1. Providing quality homes and services</b>		
<b>1.1 Engage our residents and strengthen local communities</b>	Implement second year of Building Bridges 2018–2021	Year 2 Action Plan implemented (as per actions 1.1.2 to 1.1.5)
	Implement the Tenant Buddy initiative to create links among tenants and reduce social isolation	30 tenants engaged in Bridge Buddies
	Implement the Good Neighbours initiative to encourage positive neighbourhood relations through an improved sense of safety and belonging in the community	Hold two Good Neighbour Workshops on the Northern Beaches and one Good Neighbours workshop in Central Sydney
	Implement the Young People's Engagement Strategy to ensure young people have a say in our work and access local opportunities	Strategy implemented and 10% of young people engaged
	Implement the Block Champions initiative to recognise and reward positive neighbourhood relations	Block Champions implemented with 8 tenants recognised for their positive contributions
	Places People Want to Live place making approach implemented in Northern Beaches	Northern Beaches engagement structure developed and implemented
	Implement the Bridge Housing in Communities initiative to celebrate and strengthen connections across our diverse tenant community	Participate in 6 community events
	Deliver Bridge to Work tenant employment program (Year 2) in partnership with CoAct	40 tenants engaged in employment or training through the program
<b>1.2 Uphold a customer service focus across our services</b>	Review Tenant Survey 2018–19 and Customer Service Benchmarking 2018–19 Final Reports to determine actions for service delivery improvement	Review completed and Customer Service Benchmarking and Tenant Satisfaction Survey approach for 2019–20 agreed
	Develop and implement the Tenant Survey 2019–20 and Customer Service Benchmarking 2018–19 Action Plan	Action plan developed and implemented by the Customer Service Leadership Group
	Undertake the Tenant Survey 2019–20	Survey completed in Q3 and final report submitted
<b>1.3 Deliver quality, proactive tenancy management</b>	Revise and review housing policies and procedures to support clear, transparent decision making and quality service delivery	New and/or revised policy including: Ending a Tenancy Policy (Disposal of Tenant Goods), Rent Policy, Water Charging and Compliments, Complaints and Appeals
	Investigate implementation of Hand Up Arrears management early intervention model	Develop report and recommendations for an early intervention model
	Undertake a six month review of the Business Operating Model in the Northern Beaches	Teams and staff use the operating model to report on key business outcomes
	Undertake the annual review of compliments, complaints and appeals	Report completed including any recommendations for improvement
	Undertake the annual review of support partnerships	Report completed including any recommendations for change
	Implement Year 2 of the Step to Home Housing First Project	50 people housed by Bridge Housing

Key: ■ Completed ■ In progress ■ Not completed

Status	What we achieved	Aims for 2020-21
<span style="color: green;">■</span>	Year 2 Action Plan implemented	Implement Year 3 Action Plan
<span style="color: green;">■</span>	Program implemented but no buddies matched	Program to be reviewed in 2020-21 in light of Covid 19.
<span style="color: green;">■</span>	Held one workshop and target revised because of Covid 19	Hold three Good Neighbour Workshops, one in each of our North, East and West portfolios.
<span style="color: green;">■</span>	10% young residents engaged, largely through Orbit! Online and the end of year tenant party.	Strategy implemented and 10% of young people engaged.
<span style="color: green;">■</span>	Initiative renamed and implemented with 5 current Champions recognised.	Recognise four Good Neighbour Champions.
<span style="color: green;">■</span>	Delayed due to COVID 19. Moved to 20-21. Virtual workshops commenced for establishing Tenant Advisory Group in Northern Beaches region.	Northern Beaches engagement structure developed and embedded and Narrabeena Place Plan delivered.
<span style="color: green;">■</span>	Waverley Council social sustainability workshop, Yabun 2020, NAIDOC day at NCIE 2019, Glebe Family Fun Day 2020. Remaining events held over to 20-21 (e.g. NRW Art Exhibition) because of COVID-19	Participate in four community events.
<span style="color: green;">■</span>	Bridge To Work Placements significantly affected by COVID-19. Adjustments made to work plan and project outcomes framework for BP 20-21.	24 residents engaged in the Bridge To Work Program. Complete final program evaluation and determine opportunities for program extension beyond the life of the DSS funding grant.
<span style="color: green;">■</span>	Action plan developed and implemented - see below.	Detailed below.
<span style="color: green;">■</span>	Tenant Survey 2019 designed with CHIA NSW. Customer Service Action Plan Implemented. See Operations Report page 63	Customer Service Action Plan 2020-21 developed and implemented.
<span style="color: green;">■</span>	Tenant Survey 2019-20 completed. Waiting for Benchmarking results.	Review Tenant Survey results on service delivery
<span style="color: green;">■</span>	Recommendation for new moderate income rent changes and water charging changes deferred until new financial year and finalisation of DCJ Rent Policy	Once DCJ have finalised policy implement new policy
<span style="color: orange;">■</span>	Hand Up referral and progress tracking process streamlined. Deferral of early Intervention model	Review Hand Up early intervention model
<span style="color: green;">■</span>	Review completed. See Spotlight 3 on page 38	Northern Beaches operations are now business as usual
<span style="color: green;">■</span>	Report completed	Under take review of compliments, appeals and complaints
<span style="color: red;">■</span>	Supported partners review delayed with onset of Covid 19 and rescheduled to 2020-21	Supported partners review completed
<span style="color: green;">■</span>	46 people housed by BH and 38 housed by Womens Housing Company and Metro Community Housing. (See Operations Report on page 56)	Implement Year 3 of Step to Home Housing First project

Critical success factors	Goal	Target (performance measure)
<b>1.4</b> Successfully transition and embed new residents in the Northern Beaches	Deliver Northern Beaches Transition Plan for seamless transition in August 2019 to Bridge Housing management	Transition Plan delivered on time and within budget
	Finalise fit out for new Brookvale office and associated staff relocation	Office and staffing ready for contract commencement on 5 August 2019
	Implement initial 12 week service delivery plan to transition Brookvale team to BAU service delivery approach	First 12 week service delivery plan is actioned to meet expected peak in service demand
	Implement Communications and Change Management Strategy to support transition to new Brookvale office	Strategy developed for implementation by September 2019
<b>1.5</b> Maintain properties to a high standard that meet resident needs	Through SPM Assets achieve portfolio maintenance budgeting and planning efficiencies	All properties migrated for 2020-21 asset planning process
	Improve transparent decision making and quality service delivery through annual review asset policies and procedures	New and revised policies and procedures are implemented across Operations
	Explore and develop a new contracting model to manage the whole property portfolio post 2021 in preparation for tender release in 2020-21	Options paper and strategy developed and approved by February 2020
	Undertake Property Assessment Survey for SHMT in accordance with contract obligations	Complete property inspections and scopes by February 2020
	Undertake annual review of Strategic Asset Management Plan (SAMP)	SAMP updated by May 2020
	Prepare 2020-21 Asset Maintenance Plan(s)	Asset Maintenance Plan 2020-21 finalised
	Update 10 year Asset Maintenance Plan(s)	10 Year Asset Maintenance Plan(s) updated by May 2020
	Deliver at least one environmental sustainability initiative to reduce tenant costs and Bridge Housing operating costs	Deliver at least one environmental sustainability initiative to reduce tenant costs and Bridge Housing operating costs
<b>2. Growing sustainably to meet affordable housing need</b>		
<b>2.1</b> Increase the number of properties we own through tenders, procurement and development	Prepare a Procurement and Development Strategy to deliver an ongoing development pipeline for Social and Affordable Housing	Strategy presented to the Board for consideration by December 2019
	Complete Northern Beaches Portfolio redevelopment review	Review presented to Executive by September 2019
	Prepare Communities Plus Waterloo tender strategy	Engage with development partners on strategy
	Prepare Business Case for Community Housing Leasing Program subsidies to procure or develop housing	Business case presented to Board and financing model agreed by September 2019
	Complete negotiations to purchase site in Dulwich Hill.	Property exchanged and settled by December 2019
	Complete development options analysis to redevelop the Dulwich Hill site	Business Case presented to Executive and approved by March 2020
	Deliver our leveraging target commitments of 6 to 8 properties	Procurement and development sites identified by March 2020
	Secure sites made available through NSW SEPP 70 and other affordable housing planning mechanisms	Secure one site tendered by State Government and Local Government

Status	What we achieved	Aims for 2020-21
■	Transition plan implemented (See Spotlight 3 on page 38)	No further action as portfolio is now embedded into Bridge Housing's Operations
■	Office opened on 5 August 2019 with full complement of staff (See Spotlight 3 on page 38)	No further action as portfolio is now embedded into Bridge Housing's operations
■	12 week service plan implemented and 12 week review completed (See Spotlight 3 on page 38)	No further action as portfolio is now embedded into Bridge Housing's operations
■	Strategy developed and implemented (See Spotlight 3 on page 38)	No further action as portfolio is now embedded into Bridge Housing's operations
■	All properties set up in SPM Assets	No further action
■	Asset policies reviewed. No changes identified	Review Asset policies in line with new management structure
■	Post 2021 Maintenance strategy approved. Tender process under way to select head contractors by end of 2020	Complete maintenance tender and appoint new maintenance contractor
■	Due to Covid 19, only 30% of scopes completed, sufficient to fulfil our contract obligations	Continue the program of property scopes and complete 70% of all scopes by June 2021
■	Strategic Asset Management Plan updated	Strategic Asset Management Plan reviewed and update
■	Asset Maintenance Plan 2020-21 completed	Asset Maintenance Plan 2021-22 completed
■	10 Year Asset Maintenance Plan 2019-29 approved	10 year Asset Maintenance Plan 2020-2030 developed and approved
■	Goulburn St and Brookvale office lighting retrofit completed. (See Development Report on page 68) Tenant environmental initiative identified, however pilot project yet to commence. Project to be delivered in 2020-21.	Deliver environmental initiative to reduce tenant energy costs and based on renewable energy
■	Draft completed but not finalised pending completion of the Strategic Plan 2021-24	Prepare a Procurement and Development Strategy to deliver an ongoing development pipeline for social and affordable housing
■	Review completed and several sites under further investigation. (See Development Report on page 68)	Explore development opportunities on our Northern Beaches portfolio
■	LAHC Waterloo proposal still under planning consideration by City of Sydney	Prepare Communities Plus tender strategy for Waterloo
■	CHLP Acquisition Program business case approved by the Board. 30 units purchased. (See Spotlight 6 on page 72)	CHLP Acquisition Program to purchase an additional 40 units
■	Site purchased	No further action required
■	Development options analysis completed and presented to executive. Site has further redevelopment potential	Progress development proposal for site
■	Site purchased in Dulwich Hill and Ashfield 3 months ahead of schedule	No further action required
■	No sites tendered during reporting period	Maintain watching brief of new opportunities which may emerge from the Diversity SEPP which combines existing affordable housing planning instruments

Critical success factors	Goal	Target (performance measure)
<b>2.2</b> Increase the number of properties that we manage	Consolidate Bridge Housing managed affordable housing properties within Home Ground Real Estate (HGRE) Sydney	All Bridge Housing fee-for-service properties are managed in HGRE by June 2020
	Successfully re-tender for the management of affordable housing properties owned by the Sydney Olympic Park Authority	Successful tender outcome secured by June 2020
	Implement HomeGround Real Estate Sydney Business Plan Year 2	Year 2 Business Plan implemented
	Engage with Greater Sydney local councils to build relationships to enhance affordable housing supply	Identify at least 1 development opportunity with a Council within Bridge Housing's operating area
<b>3. Supporting our people and improving workplace wellbeing</b>		
<b>3.1</b> Attract, recognise, reward and retain quality staff	Evaluate Employee Total Rewards Program	Undertake staff survey Evaluation completed by June 2020
	Expand the Recruitment Strategy to engage with Universities and TAFEs	Strategy endorsed by the HR Committee by June 2020
	Implement and evaluate the Career Trackers Internship program	First Intern to start in June 2019 Program evaluation completed by January 2020
<b>3.2</b> Develop, train and support	Review and implement online Learning Management Platform (LMS)	LMS implemented by June 2020
	Develop a proposal to embed strengths profiling in performance reviews, development plans and other HR processes in line with implementation of new HRIS	Proposal submitted to the Executive Team by March 2020
	Identify Mentoring and Coaching opportunities to support staff development	Develop proposal for mentoring by March 2020
<b>3.3</b> Create a more flexible, fit for purpose workplace	Finalise Diversity and Inclusion Strategy and implement Year 1 Action Plan	Strategy finalised by August 2019. Year 1 Action Plan implemented by June 2020
	Review White Ribbon accreditation and membership	Review completed by June 2020
<b>3.4</b> Retain and build our positive organisational culture as we grow	Include Emotional Intelligence module in the Accelerate, Strive and Flourish positive culture program	Complete current training program and review by January 2020
	Ensure positive and consistent culture and values across City and Brookvale Office through meeting structures, training programs and team building initiatives	Strategy developed by August 2019
	Undertake 2020 Employee Opinion Survey (EOS), review findings and implement action plan	Achieve staff engagement target of at least 78% in 2020 EOS Action plan communicated to all staff by September 2019 and feedback outcomes to all staff by June 2020
	Undertake Northern Beaches staff Pulse Survey upon opening of Brookvale Office and then follow up after 3 & 6 months	Develop a Pulse Survey to establish baseline of engagement and culture when we go live and then follow up after 3 & 6 months
<b>4. Governing and managing effectively</b>		
<b>4.1</b> Maintain strong corporate governance and organisational management	Drive good practice Corporate Governance through an independent governance review	Implement recommendations to meet ASX Corporate Governance Principles 2019
	Undertake Year 2 of the three year Internal Audit Plan 2018-2021	Year 2 audit scope approved August 2019 and all audits completed by April 2020
	Develop and implement our second Innovate Reconciliation Action Plan (RAP) 2019-2021	New Innovate RAP developed and first year of Action Plan implemented

Status	What we achieved	Aims for 2020-21
<span style="color: green;">■</span>	All Bridge Housing managed properties transferred to HomeGround	No further action required
<span style="color: green;">■</span>	Retendered but unsuccessful	No further action required
<span style="color: orange;">■</span>	Increase from 90 to 228 properties under management, inc 85 fee-for-service transferred from Bridge Housing	Achieve an additional 69 properties under management by HGRE
<span style="color: green;">■</span>	Sites identified in City of Sydney LGA, Cumberland LGA, Northern Beaches LGA	Undertake feasibility of development options on these sites
<span style="color: green;">■</span>	EOS completed, results used to enhance our Total Rewards Package. (See Our People on page 40)	Review Total Rewards Package
<span style="color: orange;">■</span>	We have increased our engagement but have not developed a strategy framework	Review recruitment engagement strategy
<span style="color: green;">■</span>	Career Trackers Intern employed and placement evaluated. (See Our People on page 42)	Employ a 2nd Career Trackers Intern
<span style="color: green;">■</span>	LMS implemented providing capacity to design inhouse online learning & access to free online learning resources	Embed Learning Management System Platform (LMS)
<span style="color: green;">■</span>	Performance Management Framework completed	New Performance Management Framework implemented and assessed
<span style="color: green;">■</span>	Deferred but and will form a part of our leadership strategy in 2020-21	Leadership Strategy developed by March 2021
<span style="color: green;">■</span>	Diversity & Inclusion Strategy approved and Year 1 action plan implemented. (See Our People on page 42)	Implement Year 2 of Diversity & Inclusion Strategy
<span style="color: green;">■</span>	No longer required due to closure of White Ribbon Australia	Review how we engage with Violence against Women issues
<span style="color: green;">■</span>	Training program delivered	Develop and implement Coaching Training to support implementation of new Performance Management Framework
<span style="color: green;">■</span>	Strategy developed and delivered and results evidences through EOS 2019-20 results	EOS 2020-21 results by office location to measure staff engagement across two locations
<span style="color: green;">■</span>	EOS 2020 completed with staff engagement increasing 3% to 84%. Secured Voice Project's Best Workplace Award. (See Our People on page 42)	Undertake EOS 2020-21 Implement action Plan from EOS 2019-20
<span style="color: green;">■</span>	Pulse survey completed of Northern Beaches staff	No further action, measured by EOS 2020-21
<span style="color: green;">■</span>	Independent review completed and action plan developed to be implemented in 2020/21	Implement recommendations from governance review
<span style="color: green;">■</span>	Audits completed on the Social Housing Management Transfer Program and Payroll and HR system. (See Finance and Corporate Services Report on page 77)	Year 3 audit plan developed and completed
<span style="color: green;">■</span>	New RAP plan developed and ratified and Year 1 action plan implemented. (See Spotlight 2 on page 26)	Implement Year 2 of the Action Plan and plan for next RAP.

Critical success factors	Goal	Target (performance measure)
<b>4.2</b> Maintain strong financial management, risk management and operational performance	Review financial delegations to support implementation of the Northern Beaches	Board sign off by August 2019
	Maintain our financial viability by meeting budget projections	Ensure operating EBITDA exceeds \$3.1 million
	Reduce cost of existing corporate debt by refinancing with NHFIC	NHFIC facilities in place by November 2019
	Review current NAB swap through refinancing with NHFIC	Complete review by November 2019
<b>4.3</b> Meet our regulatory and compliance responsibilities	Ensure all Compliance Reporting obligations are met	Zero exceptions on compliance reporting
	Effectively manage risk through annual review of Risk Management Plan	Risk Management Plan 2019-20 approved by August 2019 Board meeting
	Undertake annual review of Work Health and Safety (WHS) Management Framework	WHS Management Framework reviewed against business operations
	Implement new lease accounting standards for 2019-20	New standards incorporated into 2019-20 accounts
	Develop reporting process for Northern Beaches contract with Women's Housing Company	Reporting guidelines and process implemented by 30 September 2019
	Undertake review of legal services to ensure cost effective provision of legal services and advice to Bridge Housing	Review completed by December 2019
<b>4.4</b> Undertake leading practice in strategic and business planning, monitoring and reporting	Ensure Business Plan 2020-21 is approved and effectively communicated to staff and stakeholders	Business Plan process commenced by February 2020 and approved by the Board by June 2020
	Involve tenants in planning through Tenants in Operations and Planning	Engage with tenants through Tenant Reference Group (6 meetings), Your Views Panel (2 policies) and Maintenance Management Committee (2 meetings)
<b>4.5</b> Adopt evolving technologies that improve resident outcomes and improve organisational performance	Implement Project Cirrus infrastructure IT strategy	Go live by September 2019
	Implement staff collaboration tools leveraged off the implementation of Project Cirrus	Collaboration tools to be implemented to support communication and working across the two offices
	Implement Office 365 in conjunction with cloud infrastructure solution	Staff transitioned to Office365 by September 2019
	Transition to new IT support provider and implement problem and incident management service desk	New service provider in place with documented service desk by September 2019
	Expand the use MFiles Digital records management system to incorporate electronic invoice capture and authorisation	Capture and authorisation completed
	Implement the Human Resources Information System Project including timesheets, Performance Talent and Succession and Recruitment	System fully implemented by 31 March 2020
	Undertake post implementation of Payroll system and in-house processing	Prepare post implementation review for the Executive by December 2019
	Undertake review of Deeplake as the most appropriate solution for the Tenant Portal	Review completed by December 2019
	Ensure secure digital signatures using MFiles and DocuSign	Electronic signature procedure and system implemented by July 2019
<b>4.6</b> Measure and report on the outcomes of our services	Finalise The Difference We Make, Bridge Housing's Outcomes Framework in alignment with FACS Human Services Framework and contracting requirements	Outcomes and indicators embedded in Bridge Housing reporting
	Finalise Bridge to Work Program Evaluation (Stage 1)	Final evaluation report delivered
	Implement business intelligence platform to improve our data reporting and analysis	Undertake pilot reporting by December 2019

Status	What we achieved	Aims for 2020-21
<span style="color: green;">■</span>	Delegations updated and approved by the Board	Financial delegations 2020-21 reviewed and approved
<span style="color: green;">■</span>	EBITDA of \$3.7m achieved	Achieve EBITDA of \$3.8m
<span style="color: green;">■</span>	Corporate debt refinanced with new \$40m facility through NHFIC at reduced interest rate	Additional NHFIC Corporate debt raised to fund acquisition and development program
<span style="color: green;">■</span>	Review completed and swap paid out, as hedging not required with NHFIC debt	No further action required
<span style="color: green;">■</span>	Zero exceptions on compliance reporting achieved	Compliance reporting obligations updated and met
<span style="color: green;">■</span>	Risk Management Plan 2019-20 approved. (See Finance & Corporate Services report on page 77)	Risk Management Plan 2020-21 developed and approved
<span style="color: green;">■</span>	WHS Management Framework independently reviewed and updated. (See page 77)	No further action required
<span style="color: green;">■</span>	New accounting standards implemented and incorporated into 2019-20 Financial Statements	New accounting standard incorporated into our Financial accounts and reporting
<span style="color: green;">■</span>	New reporting system developed under management agreement with WHC. (See Spotlight 1 page 18)	Undertake quarterly and annual reviews of WHC under Bridge Housing SHMTP management agreement
<span style="color: red;">■</span>	Deferred until 2020-21 due to other priorities	Tender legal services to renew and update Bridge Housing's legal services panel
<span style="color: green;">■</span>	Business Plan 2020-21 developed and approved. Available at <a href="http://www.bridgehousing.org.au">www.bridgehousing.org.au</a>	Develop Strategic Plan 2021-24 and Business Plan 2021-22
<span style="color: green;">■</span>	TRG met five times, twice virtually during COVID-19. Your Views panel reviewed Wellbeing Policy and Plan, Maintenance Management Committee meetings held four times	Continue with Tenants in Operations and Planning initiatives, incorporating Northern Beaches structure.
<span style="color: orange;">■</span>	Contracts signed and planning completed	Upgrade infrastructure and undertake penetration and security review
<span style="color: green;">■</span>	Office 365 and collaboration tools implemented and supported the business to work remotely through Covid 19	Review full capability of Office 365 to improve collaboration
<span style="color: green;">■</span>	Office 365 implemented	No further action required
<span style="color: orange;">■</span>	New Service Provider appointed and transition in progress. To be fully migrated in early 2020-21	Fully embed new service provider and new service desk processes
<span style="color: orange;">■</span>	Project in progress. Testing underway and to be finalised in the early part of 2020-21	Implement electronic invoice functionality in MFiles
<span style="color: green;">■</span>	New HRIS implemented	Finalise implementation of Performance Management Module
<span style="color: green;">■</span>	Post implementation review completed and identified and couple of enhancements that have been implemented.	No further action required
<span style="color: green;">■</span>	Review in progress with requirements specified and several replacement systems being considered	Finalise review and implement replacement solution
<span style="color: green;">■</span>	DocuSign and electronic PDF signatures implemented.	No further action required
<span style="color: orange;">■</span>	Difference We Make indicators updated. (See Operations report on page 64)	Enhance measurement tool through pilot of Centre for Social Impact Amplify outcomes measurement software
<span style="color: green;">■</span>	INCA review of Bridge To Work completed and recommendations implemented. (See Operations report page 62)	Seek funding to extend Bridge to Work beyond June 2021
<span style="color: orange;">■</span>	Specification completed implementation delayed	Roll-out of data dashboard

Critical success factors	Goal	Target (performance measure)
<b>5. Engaging our partners and enhancing our industry leadership</b>		
<b>5.1 Communicate proactively and work closely with our partners and stakeholders</b>	Meet with state and federal government representatives in Bridge Housing's operating regions	At least one meeting with each key Federal and State representative
	Develop Bridge Housing's profile with Local Government	Develop Engagement plan for Local Government
	Maintain engagement with leading property developers	Four meetings with developers
	Maintain engagement with leading researchers and academics	Identify and influence research opportunities with research partners
<b>5.2 Build on our strong brand and reputation</b>	Review Communications and Marketing Strategy	Incorporate Northern Beaches branding and messaging, review key communication tools and tactics
	Develop and implement Social Media Plan that includes tenant stories communicated through Facebook that promote the positive outcomes of our services	New tenant 'stories' and/or videos developed and posted on social media channels. Develop ongoing 'vox pops' for social media platforms
	Review and monitor the effectiveness of Bridge Housing's Social Media Plan	Social media tools and templates used to inform 12-month progress review of audience engagement
	Enter industry awards and promote Bridge Housing's achievements	Develop an Awards Calendar Participate in at least two industry award programs per year
	Review and update the Capability Statement	Capability Statement updated
<b>5.3 Increase our support from philanthropic engagement</b>	Finalise Philanthropy Strategy and develop an action plan	Action plan developed and implemented by December 2019
<b>5.4 Advocate strongly for continued growth and development of the community housing sector</b>	Participate actively in industry organisations	Active memberships maintained
	Speak at and attend conferences, seminars and cross sector forums	CEO and/or General Managers to attend all major conferences. At least two presentations given by Bridge Housing
	Undertake research study on tenants' housing experiences to inform Bridge Housing's Outcomes Framework, The Difference We Make	Pilot research study completed by June 2020
	Participate in government inquiries and consultation processes	Prepare written submissions in response to relevant Federal and State Government inquiries

Status	What we achieved	Aims for 2020-21
<span style="color: green;">■</span>	Meetings with Federal Ministers for housing and community housing and State Ministers for Housing and Communities and Justice. (See Our advocacy work page 24)	Meet with State and Federal Government representatives in Bridge Housing's operating regions
<span style="color: green;">■</span>	Engagement delivered through 17 submissions to Sydney Councils on new planning controls and affordable housing. (See Development report page 68)	Develop Bridge Housing's profile with Local Government in operating region
<span style="color: green;">■</span>	Meetings held with: Lend Lease, Mirvac, Aqualand and Deicorp.	Maintain engagement with leading property developers
<span style="color: red;">■</span>	Not implemented	Review in the context of developing Strategic Plan 2021-24
<span style="color: orange;">■</span>	Communications strategy adapted to incorporate new portfolio and tenants in Northern Beaches. (See Bridge Housing social media page 11)	Revert to Business as Usual and incorporate into specific Northern Beaches services
<span style="color: green;">■</span>	Social media plan and calender developed, growth across Linked In, Twitter, and Facebook which became more tenant facing. (See Bridge Housing social media page 11)	Continue to build tenant-focussed social media campaigns and deliver second Orbit!Online along with key activities and engagement opportunities (e.g NAIDOC week). Deliver four new tenant videos.
<span style="color: green;">■</span>	Monthly reports measure impact and reach of Bridge Housing & HGRES social media and website	Review and monitor the effectiveness of Bridge Housing's Social Media Plan
<span style="color: green;">■</span>	Participated and secured awards in Australasian Housing Institute, PowerHousing, Australasian Reporting Awards. (See Our awards page 5)	Enter industry awards and promote Bridge Housing's achievements
<span style="color: red;">■</span>	Decided not to proceed	No further action
<span style="color: red;">■</span>	Delayed for other priorities in the current environment	Philanthropic strategy will be reviewed in the context of developing Strategic Plan 2021-22
<span style="color: green;">■</span>	Executive are active members of national and state peak industry groups - CHIA, PowerHousing, AHI, UDIA. (See Our advocacy work page 25)	Maintain active membership and NED positions on peak industry organisations
<span style="color: green;">■</span>	Conference presentations by Executive at local , national and international conferences and meetings. (See Our advocacy work page 25)	Deliver conference, seminar presentations and in sector and cross sector forums
<span style="color: red;">■</span>	Did not proceed because of change in priorities and impact of COVID-19 restricted access to tenants	No further action
<span style="color: green;">■</span>	Submission to NSW Productivity Commission & 17 Sydney Councils on their Local Strategic Planning Statements. (See Our advocacy work page 25)	Participate in government inquiries and consultation processes

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