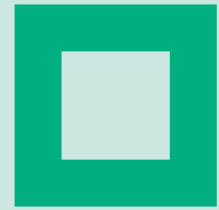


ANNUAL REPORT 2016/17



UNITY
HOUSING COMPANY

We provide affordable, safe and secure homes for South Australians on low incomes. We build partnerships to create tenancies that promote viable and sustainable communities.

ANNUAL REPORT 2016/17

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Chairman and CEO Report



Francis O'Neill



Matthew Woodward

Over the past 12 months Unity Housing has continued to grow, now providing 2,914 units of accommodation across metropolitan and regional areas of SA and delivering a broad range of housing options, including social housing for people on very low incomes who require significant support and affordable housing for people on low to moderate incomes. Having had a specific focus on these areas for many years, Unity is also the largest non-government provider of disability housing in South Australia and supported housing for homeless people in the City of Adelaide.

At 30 June 2017 Unity had equity of \$292,701,574, a revenue stream of \$18,745,474 per annum, and now currently manages assets over \$700,000,000.

With established access to development finance and a solid balance sheet, Unity has developed the capacity to build a significant number of new houses to address the large unmet need for affordable housing by low income South Australians, and is now embarking on a number of specific development programs to expand this aspect of our business in the coming years.

Housing more than 900 people living with a disability, Unity is now the largest provider of disability housing in SA. Through active engagement with our partners in the introduction of the National Disability Insurance Scheme (NDIS), we are continuing to develop our capacity as a property and tenancy manager in this space.

The implementation of a partnership agreement with Bedford has seen the successful transfer of their housing portfolio to Unity management, and we are working actively with Bedford to develop further housing opportunities.

The transfer of further housing to Unity management through the SA Disability Housing Program has also contributed to the growth of this portfolio in both metropolitan and regional areas. As a registered NDIS provider with a large number of existing properties housing people likely to be eligible for the Specialist Disability Accommodation allowance (SDA), Unity now has a solid platform and clear strategy to apply our development expertise to the delivery of significant purpose-built housing for people living with major disabilities over the coming years.

Unity's development capacity is also being applied to the construction of a pipeline of 75 new dwellings to be constructed over the next three years through the Community Housing Asset Renewal Program (CHARP). This exciting new program enables the repurposing of old assets, which are no longer fit for purpose and have large maintenance liabilities, to enable the creation of new social housing. Through the delivery of mixed market and social housing outcomes this program is designed to be self-funding without any loss of social housing. The first of these projects has been completed by Unity, in partnership with Oryx Property, involving the sale of four dwellings and reinvestment on a Renewing our Streets and Suburbs (ROSAS) site in Blair Athol.

This project has delivered eight new housing outcomes, a mix of four market houses and four new social housing outcomes providing affordable accommodation for people living with a disability, built to Liveable Housing Design Guidelines, and large families on low incomes.

On 23 September 2017 the SA Housing Trust transferred via a 20-year lease, the property and tenancy management of 1,107 properties to Unity (733 properties in the Western Metro region and 374 properties in the Limestone Coast region). This great outcome was the fruition of many months' work by Unity's staff and our colleagues in Renewal SA and Housing SA. Unity looks forward confidently to engaging with our new tenants, commencing the work of addressing more than \$24 million inherited backlog maintenance and delivering a substantial volume of new affordable housing outcomes.

Unity continues to work with Hutt St Centre in the provision of supported housing to the homeless people of Adelaide. In particular, Unity is working to support Hutt St Centre in the delivery of its Aspire social impact bond (SIB). Through its Aspire SIB, Hutt St Centre is seeking to permanently end the homelessness of 400 people over seven years (2017 to 2024), and Unity has committed to the provision of up to 70 properties per annum over the coming years in support of this objective.

To support its rapid growth in scale, Unity has continued to invest in the necessary infrastructure through the rollout of our new SMAART integrated business IT system, and the opening of two new offices in Seaton and Mount Gambier. The employment of 20 new staff, many welcomed from previous employment with Housing SA, brings our overall staff numbers to more than 90. Unity continues to recognise and value the central role of our staff in the delivery of excellent services to our tenants and invests heavily in the HR, support, training and professional development systems required to support our staff.

The work done in developing organisational capacity has been recognised by Unity's continued registration as a Tier 1 Provider under the National Regulatory System for Community Housing and our continuing accreditation under National Community Housing Standards.

Tenants remain at the core of all we do, and Unity's growth has been achieved in the context of

continuing to deliver responsive and professional services to the many vulnerable adults, who continue to be the majority of people we accommodate.

To ensure tenants receive the support necessary to sustain their tenancies, Unity has continued to develop close working relationships with support providers underpinned by Memorandums of Understanding (MOUs) with 40 organisations that provide support to Unity tenants. These quality services ensure optimum outcomes, as we work together to respond to the needs of our tenants. Through our extremely successful Community Connect Program, Unity also encourages tenants to participate in community-based activities and to integrate into local communities.

Unity's extensive list of achievements over the past 12 months has been acknowledged by awards to a number of programs through the Australasian Housing Institute and as Chair, I wish to particularly note the recognition of Outstanding Achievement to CEO Matthew Woodward for his contribution to the social housing sector over 25 years. Needless to say these awards are testament to the efforts of our skilled and dedicated staff who consistently deliver exceptional outcomes.

During the past year and subsequent to an external review, the Board has refurbished its Constitution to provide for continuous renewal of Directors. Consequently, we welcome two new Directors – Yvonne Sneddon FAICD, and Karen J Janiszewski FAICD – to the Board and thank Josephine Tiddy FAICD for her service as a Director over eight years.

The contributions of a professional, multi-skilled and committed Board of Directors has not only discharged its regulatory and fiduciary obligations but has also established sound governance and a strategic platform to underpin Unity's future. During this year the Board was also particularly alert to risk management, cybersecurity and company culture.

In closing, we acknowledge and appreciate what our staff and Directors have achieved and we thank them for their passion and commitment to Unity.

Chairman, Board of Directors
Francis O'Neill

Chief Executive Officer
Matthew Woodward

About Us

Unity Housing is a not-for-profit charitable housing provider. We deliver a broad range of housing options including boarding house accommodation for people at risk of homelessness; social and community housing for people with a range of needs; and affordable housing for people on low to moderate incomes. In this way, we provide a continuum of housing options that meets a variety of tenants' needs.

Our tenants include people affected by homelessness; older people and people living with disability; women and families affected by domestic violence; and people experiencing mental health issues and other challenges. We also provide homes for people who simply cannot afford appropriate housing in the private rental market.

We provide more than 2,900 units of accommodation, housing more than 4,400 people.

Our Purpose

We provide affordable, safe and secure homes for South Australians on low incomes. We build partnerships to create tenancies that promote viable and sustainable communities.

Our Values

Respect and Social Justice

Innovation and Creativity

Collaboration and Partnerships

Transparent and Ethical

Leadership and Professionalism

Empowering and Respectful





Our **Strategic Plan 2017-20** is underpinned by 'strategic pillars for success', which are:



ENHANCE BUSINESS CAPACITY
Building on our Strengths



STRENGTHEN PEOPLE AND CULTURE
Valuing our People



DEVELOP HOUSING PORTFOLIO
Providing Affordable Homes in Sustainable Communities



EMPOWER TENANTS
Connecting Tenants and Communities



NURTURE PARTNERSHIPS
Working with Others

Affordable Homes in Sustainable Communities



Welcome to our new tenants

Unity welcomed more than 2,700 new tenants into our housing portfolio in 2017 following the transfer of 1,107 South Australian Housing Trust (SAHT) properties into our management. As a result of this transfer, our scale and geographic reach has expanded considerably to now include the Limestone Coast and a greater portion of Adelaide's western suburbs.

The transfer is part of the State Government's Renewing Our Streets and Suburbs initiative to rejuvenate older generation SAHT homes and to build a stronger and more sustainable social housing system. Unity is one of five community housing providers to which the property and tenancy management of around 4,000 properties was transferred.

The transfer aims to improve the quality of housing for tenants, increase the supply of social and affordable housing, and create safer communities and healthy neighbourhoods. This will result in the development of new social and affordable housing and the refurbishment of ageing social housing properties in South Australia.

To support our enduring commitment to build our presence and capacity in both regional and metropolitan areas of South Australia, we have established a dedicated team of experienced staff for the Limestone Coast region, and expanded our Metropolitan Western team. We have opened a new office in Mount Gambier, and outreach offices in Seaton, Millicent and Naracoorte.

STOCK TRANSFER

WESTERN METROPOLITAN
733 PROPERTIES
IN 16 SUBURBS

LIMESTONE COAST
374 PROPERTIES
IN 12 TOWNS

TOTAL
1,107 PROPERTIES
ACROSS 28 SUBURBS
AND TOWNS



More than 20 staff have been employed, bringing overall staff numbers to more than 90. This infrastructure is underpinned by the implementation of a major new business/IT system that enables us to manage our growth. In an environment where regulation and compliance is essential, this new system has been a key outcome for the organisation.

Unity welcomes and looks forward to delivering accommodation services and housing outcomes to our new tenants in the Western Metropolitan area and Limestone Coast region.

Disability Housing

With more than 900 of our tenants living with a disability, including sub-groups of very high-need group homes, Unity is the largest non-government provider of disability housing in South Australia.

Disability housing is a core strategic priority for Unity. We currently manage 65 Disability Housing Program (DHP) homes on behalf of the State Government with a further 72 properties in the process of being transferred to us.

Unity has been housing and supporting people living with a disability for more than 20 years. We have developed a high level of organisational capacity and experience in the provision of disability housing, and we have a long and proud history of delivering successful disability housing outcomes.

Our success in the highly specialised field of disability housing is underpinned by our collaborative partnership model based on formal Memorandums of Understanding with 17 specialist disability support providers.

These formally constituted and long-standing partnerships foster positive working relationships that focus on achieving the best housing outcomes for the tenants. The enduring nature of these relationships speaks to their success.

The quality and success of Unity's disability housing model was recognised by Bedford, South Australia's premier disability service provider. Following an intensive process of due diligence by both organisations to ensure matching organisational cultures and disability-appropriate operational processes, Bedford transferred its 130 disability tenancies to Unity in March this year.

The detailed planning and successful implementation of this large and complex disability housing transfer resulted in Unity being awarded the **2017 State Award for Excellence in Social Housing** by the Australasian Housing Institute and the national **2017 Leadership and Innovation Award** by PowerHousing Australia.

Future Development of Disability Housing

As the most prolific not-for-profit developer of social housing in SA, and with a balance sheet and access to finance that is unrivalled in the sector, Unity is also firmly fixed on delivering future growth in disability housing. Unity has already developed significant disability housing in recent years, the most recent example being the construction of two Liveable Housing Design 'Silver' dwellings at Blair Athol under Renewal SA's Community Housing Asset Renewal Program (CHARP). This has been undertaken in conjunction with Oryx Property and these properties will be tenanted in late 2017.

Unity is proactively planning other future disability housing developments to harness the potential of the Specialist Disability Accommodation component of the NDIS. We are committed to 100 percent of all new housing, developed by Unity through the program, being designed and constructed to a minimum 'Silver' requirement under the Liveable Housing Design guidelines.



Unity recognised at prestigious awards events



TENANT LED INITIATIVE

Our tenants remain at the centre of all we do and, as our capacity grows, we are committing further resources to our work in supporting tenants to reconnect and participate actively in the broader community. A number of programs in this area of work were recognised through receipt of the 2017 Australasian Housing Institute (AHI) SA Awards.

In May 2017, the AHI held its bi-annual South Australian Awards for Excellence in Social Housing at The Tivoli Hotel in Adelaide's CBD. Unity was recognised for leadership and excellence in the sector by winning three of the eight award categories. Unity, staff and tenants were awarded as winners in the following categories:

Category: Tenant Led Initiative **Winner: Tenant Art Exhibition**

Launched as part of the South Australian Living Artists (SALA) Festival, tenants from a Unity boarding house and community housing art group held an exhibition of their works, which the group took the initiative to host, plan and organise. Despite having minimal art experience but through shared support and encouragement of each other and guided by Unity's Community Development Worker, the exhibition was a resounding success. More than half of the 60 pieces on display were sold, raising \$1,000 that went straight back to the art group.

Category: Excellence in Social Housing
Winner: Unity and Bedford Alliance

For the complex and collegiate planning, implementation process and tenant outcomes achieved by the partnership alliance between Unity and Bedford – the largest housing transfer of its type in South Australia.

The negotiation, planning and implementation of the alliance took more than two years and, in March 2017, culminated in Unity taking over the management of Bedford's 130 existing residential properties, providing homes for more than 170 people with a range of disabilities.

The formal alliance between Bedford and Unity is unique in South Australia in terms of its scale and complexity. The alliance has ensured that tenants will continue to enjoy a high-level of support from Bedford under the National Disability Insurance Scheme, but will now also enjoy enhanced housing standards and opportunities. The families and carers of the Bedford tenant group will also enjoy greater peace of mind in terms of enhanced security of tenure for their family member and a broader range of housing options from across Unity's substantial portfolio, which includes more than 300 properties targeted to those living with disability.

EXCELLENCE IN SOCIAL HOUSING



OUTSTANDING ACHIEVEMENT

Category: Outstanding Achievement
Winner: Unity CEO Matthew Woodward

For the recognition of Matthew's leadership of Unity to become the premier community housing provider in South Australia, and for his contribution to the broader social housing sector over 25 years. Since the 1990s where he worked among the CBD homelessness services of Adelaide, Matthew helped establish Unity, which has become South Australia's largest community housing organisation, growing from 780 properties in 2008 to more than 2,900 in 2017.



UNITY HAS FOUR BOARDING HOUSES LOCATED IN THE INNER CITY OF ADELAIDE:

The Terrace is a mixed gender site with 95 rooms (staffed 24/7)



Citi Hall is a male-only site with six rooms



Gilles Lodge is a female-only site with 11 rooms



Hurtle Square is a female-only site with five rooms



Boarding Houses

Our boarding houses provide an entry point for highly vulnerable people into low-cost, safe and secure accommodation, who are marginalised due to a range of social factors including family breakdown, financial management issues, domestic violence, drug and alcohol misuse, low income and social isolation.

They range from room-only with shared facilities through to self-contained units with kitchenettes and an ensuite bathroom. They are generally a transitional housing option enabling people to build their capacity and move into more stable and independent accommodation options within the community.

Community Connect

Our Community Connect Program has tenants at its centre and is growing in strength because of this. The last year has not only seen a continued focus on meeting the housing needs of our tenants but an evolution of our community programs under the Community Connect banner. We have continued to evolve and grow community development activity to respond to the new and different challenges that face our tenants.

Being a social landlord involves much more than just providing an affordable house or a bed to sleep in. Unity has a crucial role to play in promoting social inclusion and addressing barriers to accessible, safe and secure housing. Unity also embraces a philosophy that ensures all actions and tenancy decisions promote social inclusion and the independence, preferences and individuality of people living in our properties.

This is expressed through two important documents: the Community Connect Strategy and the Community Connect Delivery Plan. These documents outline what we will deliver; why we are doing it; how it will be done and when it will be done. Tenants, staff and our partner agencies have all contributed to the detail of these documents.

Our Community Connect staff are hard at work making a real difference, and helping tenants do the same. It is one of the reasons so many tenants say they are satisfied with our services – 88 percent in fact – and it is something we are committed to continuing.

In the last year, our Community Connect activities at the boarding houses had almost 1,700 individual contacts with either Unity tenants or through connecting our tenants to the wider community.

We offered a wide variety of services that enabled tenants to stay safe and independent, including things like filling out forms and building life skills, to budget and money management.

Our calendar of events for the year included the popular and well-attended annual Tenant Spring Party; Neighbour Day movie night in the parklands; and the community quiz night at the Box Factory Community Centre.

In 2016/17 we grew the recreation and activities program more than in previous years. Many tenants from our boarding houses regularly attended these activities as well as cycling and walking groups; a footy tipping competition; woodworking shed; garden working bee at The Terrace; tenant-led games nights and art sessions; and a number of other tenant-led activities.

In other locations a committed group of tenants from Mitchell Park came together to form a gardening group and made a successful application to Marion Council for financial assistance, resulting in a grant of \$5,500 to put towards their communal garden.

Our continued work with many partner agencies helped provide debt, welfare and financial advice to tenants and supported the work of Unity’s Housing Officers in combating the difficulties faced by low-income tenants in the city.



ENGAGEMENT TYPE	CONTACTS
GENERAL SUPPORT	127
BUDGETING AND MONEY MANAGEMENT	45
RECREATION AND SOCIAL ACTIVITIES	823
ACCOMMODATION AND SUPPORT	194
INTERPERSONAL SKILLS	64
HEALTH AND PERSONAL WELLBEING	439
TOTAL	1,692

Affordable Housing



Unity's 272 affordable housing properties provide rental homes to people on low to moderate incomes. Rent is set at no more than 75 percent of the typical market rent. In a rental housing market that is increasingly unaffordable, Unity's affordable housing properties enable individuals and families living on modest household incomes to live in homes that are modern, secure and affordable. Leases are generally for 12 months.

These developments have proven to contribute to local communities and create vibrant places for people to live, work and socialise. Paying affordable rent means families, individuals and couples can live in sustainable housing that meets their needs such as proximity to shops, health services, work, school and recreation.



Community Housing

Unity is proud of the recent and ongoing growth of our community housing portfolio, resulting in more housing options with long-term leases for people living on very low incomes who are supported to achieve successful and enduring tenancies with assistance from our network of support agencies.

Our existing community housing portfolio of more than 2,500 properties has been invigorated through the transfer of public housing to Unity's management, which has resulted in more choice, improved quality housing, more transfer options, and greater tenant connections with local communities.

Unity is driven to address unmet need and to venture where we can add value. A defining feature of our organisation is our very strong partnership ethos. To address the additional support our tenants require in order to sustain their tenancies, we have developed a model of partnering with specialist support providers.

We have established Memorandums of Understanding with more than 40 specialist support providers with whom our staff work very closely to ensure our tenants are as successful as possible.



Celebration events held for Bedford tenants, families and staff

Following the official handover of the Bedford portfolio to Unity on 1 March 2017, a welcome event was held for Bedford tenants and their families and a celebration event for Unity and Bedford staff.

The welcome barbecue was held at Balyana in March 2017 and was attended by 120 Bedford tenants and their families and carers who enjoyed a gourmet barbecue and photobooth. A celebration event for Unity and Bedford staff was held at the Seacliff Surf Life Saving Club, also in March 2017, and was attended by 55 Unity and Bedford staff, including both Unity and Bedford CEOs.

Staff continue to work closely with Bedford to ensure a smooth transition for tenants and their families.

Assets and Development

In order to deliver on our key strategic objective to develop the housing portfolio by providing affordable homes in sustainable communities, Unity has completed, or has a number of developments at key stages.

Developments over the last 12 months include:

Blair Athol – completed two town houses and two units for people living with a disability. The project included the sale of four obsolete South Australian Community Housing Authority (SACHA) funded dwellings and reinvestment on a Renewing our Streets and Suburbs (ROSAS) site in Blair Athol. The project was delivered by Oryx Property as a partnership project that resulted in new housing outcomes, being a mix of four social and four market houses.

Unity was provided with the four social housing properties as a turnkey product. Two of the properties were built to Liveable Housing Design guidelines 'Silver' requirements for elderly people and/or people living with disability, and two properties are four-bedroom townhouses for larger families.

The total cost of the turnkey product to deliver four social housing dwellings was fully funded by the sale of four obsolete SACHA-funded properties.

Enfield – achieved planning approval for three units for the elderly or people living with disability.

Greenacres – achieved planning approval for three units, two for people living with disability (designed to Liveable Housing Design guidelines 'Silver' requirements) and one for a small family.

Clearview – achieved land division consent for two land parcels suitable for large families.

Elizabeth, Pennington, Rosewater and Forestville – achieved the sale of four affordable housing outcomes for first home buyers.

In order to meet our strategic objective to develop a sustainable housing portfolio that meets the needs of our diverse tenants, Unity has progressed a number of opportunities through State Government initiatives and private partnerships.

Renewing our Streets and Suburbs (ROSAS)

Unity is actively participating in the ROSAS initiative through the Community Housing Asset Renewal Program and development associated with the recently-transferred SAHT properties.

Community Housing Asset Renewal Program (CHARP)

Building on the success of the Blair Athol Project, Unity has applied a portfolio management approach to asset renewal of our SACHA-funded properties by achieving in-principle support for the development of 40 SACHA-funded properties to be delivered over a three to five-year period.

The program includes the sale of 15 of these properties to generate income for the demolition of existing properties, the creation of land packages for sale and the construction of social housing. Creation of affordable land and/or house and land packages and the construction of social housing will occur in each stage.

Unity will be actively involved in the CHARP through a portfolio approach as a mechanism for:

- delivering a self-funded development program that requires no subsidy from government;
- reducing maintenance expenditure (thereby reducing the unfunded maintenance liability on properties identified for redevelopment or sale);
- maintaining a 1:1 level of social housing stock (apply no net loss of social housing through our development program);
- ensuring the current dividend returned to SAHT is not impacted as part of each project;

- providing more appropriate, well-located social and affordable housing for tenants (by applying the ROSAS principles to the development program to maintain social housing in suburbs of demand);
- delivering cost and time efficiencies through development at scale;
- managing the sequencing of tenant relocations through wider portfolio options;
- providing flexibility of project timing or priority/substitution (if process delays are incurred);
- allowing the engagement of external development management resourcing through a rolling at scale approach;
- applying the Office of the Coordinator General planning mechanism to improve yield and increase opportunities for social and affordable housing; and
- providing economic stimulus via redevelopment activity.

Stock Transfer

In order to achieve our long-term vision for the West and Limestone Coast stock transfer regions, Unity is actively preparing development strategies to deliver a number of social, affordable and market housing outcomes. The work undertaken in the 2016/17 financial year will enable Unity to deliver a program of:

- new social housing for retention;
- new affordable housing for retention;
- new affordable housing for sale via pathways to home ownership (rent to buy);
- new affordable housing for sale via pathways to home ownership (shared appreciation);
- new market housing for sale; and
- upgrade of transferred stock.

Our new residential development strategies have been developed specifically to support the objectives of the ROSAS program and will encourage housing growth and contribute to healthy, affordable and liveable neighbourhoods through:

- the provision of more than 200 housing outcomes over the next 10 years;
- redeveloping and refurbishing social housing properties to provide more appropriate housing for tenants;
- achieving revitalisation through upgrading existing housing together with demolition and new development;
- promoting innovation and energy efficient housing design;
- matching housing form with the current tenant profile;
- providing opportunities for a range of affordable housing alternatives and tenures;
- achieving quality residential developments through the provision of residential design guidelines;
- promoting home ownership to Unity tenants;
- achieving a reduction in the overall percentage of social housing concentration as yield increases where appropriate; and
- achieving innovative solutions in overall design effectively integrating social and private housing.

245

BATHROOM UPGRADES

49

EXTERNAL PAINTING

67

REPLACEMENT OF HWS

498

KITCHEN UPGRADES

72

FENCING UPGRADES

239

INTERNAL PAINTING

86

ROOF UPGRADES

Through our community and support partnerships, our development strategy will connect people to place by:

- ensuring any redevelopment acknowledges and involves the existing community in its facilitation;
- integrating redevelopment areas with surrounding streets to avoid segregation;
- developing sustainable, natural open space providing both visual and physical amenity for the community as well as for its recreational needs;
- providing a safe living environment for all residents and visitors;
- establishing attractive streetscapes;
- upgrading the physical infrastructure; and
- achieving government urban consolidation objectives in all developments.

Unity will further support the ROSAS program by prioritising our unmatched capacity to relocate tenants to facilitate ROSAS developments.

Our development strategies are being developed to specifically support the objectives of the ROSAS program by:

- encouraging housing growth;
- contributing to healthy, affordable and liveable neighbourhoods;
- increasing the supply of affordable housing options;
- connecting people to place through community support partnerships;
- developing work and employment opportunities for builders and trades; and
- creating pathways to home ownership for people on low to moderate incomes.



Private Partnerships

Unity continues to work closely with our development partners to address complex housing needs and provide more appropriate housing through our connection to, and deep understanding of, the specific needs of social housing tenants (including the aged and those living with disability), low income earners and key workers.

Asset Management

Over the last 12 months, Unity has completed 780 asset condition audits on our SACHA-funded properties. These condition audits provide detail for Unity to immediately address maintenance concerns, plan upgrade programs and determine future planning intent to inform our internal development program.

Specification and Design

In 2016/17 Unity continued to develop and refine our suite of specifications, materials selections and designs to suit the needs of our tenants. Our documents capture Unity's extensive proven successful experience in delivering developments which recognise and meet the needs of specific client groups such as:

- people living with disability;
- clients escaping domestic violence;
- frail aged homeless;
- key workers; and
- low income singles, couples and families.

Additionally, Unity recognises environmental sustainability is a whole-of-life consideration and we applied our experience and knowledge of environmentally sustainable best practice to all of our asset management activities. In 2016/17 we continued to review our asset strategy to include environmental sustainability through:

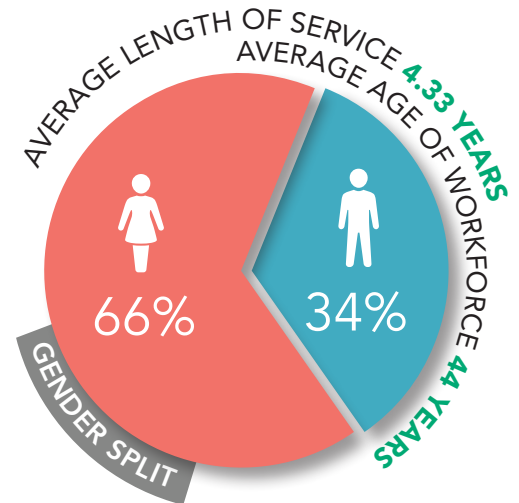
- design (specification and materials schedules);
- development (construction and site specific requirements);
- upgrade (specification, fit for purpose and materials schedules); and
- repairs and maintenance (life cycle costing analysis).

Our People

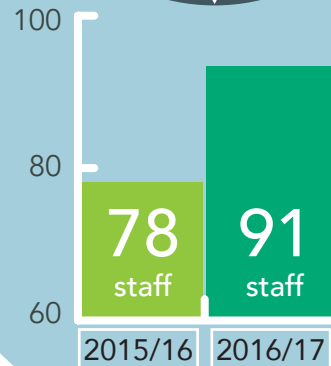
Our staff underpin Unity's success and reputation for excellence in service delivery. In fostering a creative, skilled and learning workforce, Unity is committed to service development through continuous improvement and quality systems. We responded to the challenge of recruiting quality staff to meet service demand, including sourcing two new teams to manage the 1,107 SAHT properties recently transferred to Unity.

Unity is strengthening our position as an Employer of Choice within the Community Housing sector by:

- maintaining a positive, values-based work environment by ensuring alignment with Unity's inspiring Purpose and Values;
- providing development programs to help staff accomplish their goals by reviewing and expanding Unity's training program, and building on leadership skills through the development of a management competency framework;
- maximising staff performance by implementing a new Professional Development Program in 2016-17;
- ensuring people management systems align with organisational needs by reviewing existing systems and introducing new systems and technologies including an online Human Resource Information Management System; and
- recruiting and retaining a diverse workforce to meet changing needs through the ongoing review and expansion of recruitment and deployment strategies, including building our internal capacity by 'growing our own people'.



26
New staff hired
(from 1 July 2016 to 30 June 2017):



GROWTH 16.7%



In 2017, we undertook our first online Staff Engagement Survey with a 64.7 percent response rate.



83.64% of respondents 'strongly agree' with the statement "I support Unity's purpose". (A recent community housing employee engagement survey of 13 Tier 1 community housing providers identified a median score to this statement of 77.13%).

78.18% of respondents 'strongly agree' that working towards this purpose gives them personal satisfaction.



Training expenditure:
\$63,541
(excl. wages)



Quiz night

Unity's second community quiz night at The Box Factory Community Centre in May 2017 raised more than \$440 in raffle ticket sales, with every cent going back to the Hutt St Centre's art group for materials. Once again the local community showed their continued support for this free event. There were many donated goods from The Hairdresser on Hutt and from Unity staff who made up the prize hampers for the winning teams and door prizes. The Hutt St Centre is one of Unity's major partners.

Connecting

Neighbour Day movie night



The annual Neighbour Day movie night, held in the South Terrace Parklands in March 2017, was well-attended by more than 100 people who came out for the screening of *Hunt for the Wilderpeople*. The event, a free, open-air celebration for the local community, was held by Unity, the City of Adelaide, UNO, Helping Young People Achieve, Hutt St Centre, the South East City Residents' Association, and St John's Anglican Church.

Tenant party



Communities



Unity's annual tenant party for 2016 was held on a glorious October day at Western Youth Centre at Cowandilla. Both children and adults alike had the opportunity to have their face painted, enjoy a barbecue lunch, and meet and talk with other tenants from many different areas of Adelaide. The magician captured the attention of the audience with his tricks and games, and tenants who won the raffle prizes received enthusiastic applause.

Results of our most recent Tenant Satisfaction Survey:



85%

Satisfaction with the way in which Unity communicates with tenants



88%

Satisfaction with the way in which Unity provides information to tenants



84%

Overall satisfaction with maintenance and repair services



89%

Overall satisfaction with property condition



74%

Satisfaction with the ways in which Unity involves tenants

The three most important areas of service to our tenants

1



Repairs and maintenance service

2



Value for money for rent paid

3



Overall condition of their home

Our oldest tenant is 97 years old

and originally from Cambodia

Financials

2016/17

Unity recorded a net profit of \$18.74 million, which included a transfer of properties from the SA Government to the value of \$7.27 million and net revaluation gains on investment properties of \$10.4 million for the year.

The company incurred additional staffing and other costs during the year in preparation for the management transfer of large property portfolios from the South Australian Housing Trust commencing September 2017. This focus on internal structure and capacity consolidates Unity's place as the leading community housing provider in South Australia.

In addition to its commercial activities, Unity returned more than \$2.06 million in revenue to the South Australian Government from its social housing portfolio rental income.

The financial statements for the 2017 financial year reflect the execution of a loan facility agreement with the Commonwealth Bank for \$50 million, which replaced existing loan arrangements and provides expanded capacity for future development initiatives.

Statement of Comprehensive Income

Unity Housing Company Ltd for the year ended 30 June 2017.

	2017 (\$)	2016 (\$)
Income		
Housing rental income	14,994,555	14,738,51
Government recurrent grants	3,053,035	3,228,800
Government capital grants	-	300,894
Transfer of properties from State Government	7,273,636	865,000
Recognition of SACHA funded properties	-	186,684,603
Other income	1,126,190	709,874
Net gain on revaluation of investment properties	10,414,207	1,051,182
Total Income	36,861,623	207,578,869
Expenses		
Administration expenses	2,175,521	1,725,821
Fixed payment paid to State Government	2,063,687	2,166,654
Property expenses	5,841,914	5,439,734
Staffing costs	5,785,970	5,181,488
Depreciation and amortisation expenses	252,181	103,017
Interest expense	1,376,276	1,990,485
Other expenses	633,192	526,763
Total Expenses	18,128,741	17,133,962
Net Operating Profit	18,732,882	190,444,907
Less transfers to provisions	(12,592)	(20,067)
Net Profit for the Year	18,745,474	190,464,974
Other Comprehensive Income		
Other comprehensive income	-	-
Total Comprehensive Income for the Year	18,745,474	190,464,974

This is an abridged version of the financial statements of Unity Housing for the year ended 30 June 2017. The full set of financial statements and accompanying notes are obtainable upon request from Unity Housing.

Statement of Financial Position

Unity Housing Company for the year ended 30 June 2017.

	2017 (\$)	2016 (\$)
Current Assets		
Cash and cash equivalents	5,175,162	2,219,769
Trade and other receivables	2,324,333	3,972,690
Other current assets	241,139	251,841
Total Current Assets	7,740,634	6,444,300
Non-current Assets		
Investment properties	322,509,847	304,735,276
Fixed assets	390,535	356,963
Intangible assets	845,137	783,661
Total Non-current Assets	323,745,519	305,875,900
Total Assets	331,486,153	312,320,200
Current Liabilities		
Trade and other payables	1,587,549	1,647,234
Bank loans	144,180	1,174,289
Employee Provisions	672,232	604,254
Other liabilities	512,468	350,174
Total Current Liabilities	2,916,429	3,775,951
Non-current Liabilities		
Maintenance provisions	218,891	230,370
Tenant service provisions	4,783	5,896
Employee provisions	357,334	292,113
Bank loans	35,287,142	34,059,770
Total Non-current Liabilities	35,287,142	34,588,149
Total Liabilities	38,784,579	38,364,100
Net Assets	292,701,574	273,956,100
Equity		
Retained earnings	292,701,574	273,956,100
Total Equity	292,701,574	273,956,100

This is an abridged version of the financial statements of Unity Housing for the year ended 30 June 2017. The full set of financial statements and accompanying notes are obtainable upon request from Unity Housing.

Thanks to our partners

ac. care

Adelaide City Council

Anglicare SA

Australian Migrant Resource Association

Australian Refugee Association

Baptist Care

Barkuma Incorporated

Bedford Group

Can Do Group (Deaf Can Do)

Catherine House

Centacare Catholic Family Services

City of Salisbury

Commonwealth Bank

Community Accommodation and Respite Agency (CARA)

Community Living Australia

Community Living Options (CLO)

Department for Communities and Social Inclusion (DCSI)

Disability SA

EBL Disability Services

ECH

HomePlace

HomeStart Finance

Housing SA

Hutt Street Centre

Inner Southern Homelessness Service

Junction Australia

KinCare Health Services

Life Without Barriers

Lighthouse Disability

Lutheran Community Care

Lynch Meyer

Mind Australia

Minda Incorporated

Minter Ellison

Naracoorte Lucindale Council

Neami National

Northern Domestic Violence Service

Offenders Aid and Rehabilitation Services of South Australia – Community Transitions (OARS CT)

Orana

Oryx Property

Paraplegic and Quadriplegic Association of SA (PQSA)

Renewal SA

SA Health, Mental Health Services

Skylight Mental Health

Southern Domestic Violence Service

Street to Home

Tatiara District Council

The Salvation Army

The Salvation Army – Towards Independence

The Wyatt Benevolent Institution Inc.

Uniting Communities

UnitingCare Wesley Country SA

UnitingSA

University of South Australia

Venture Housing Company Ltd

Westpac

Whittles Management Services

Women's Safety Services SA

AFFILIATIONS

Australasian Housing Institute

Australian Institute of Company Directors

Australian Institute of Management

Business SA

Community Housing Council of SA

Housing Industry Association

International Housing Partnership

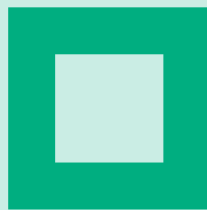
Master Builders' Association of SA

PowerHousing Australia

Real Estate Institute SA (REISA)

South Australian Council of Social Service (SACOSS)

Urban Development Institute of SA



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