

# ANNUAL REPORT / 17 18



COMPASS HOUSING SERVICES

'YOUR DIRECTION HOME'



COMPASS HOUSING SERVICES IS FUNDED BY



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Government**

”

*Never doubt that a group of thoughtful and committed citizens can change the world. Indeed, it is the only thing that ever has.*

*Margaret Mead*

Advocate for human rights and keynote speaker at the first UN conference on housing and human settlement in Vancouver 1976



**AFFORDABLE  
LIVING  
SUSTAINABLE**



17  
/18  
ANNUAL  
REPORT

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TOTAL ASSETS UNDER MANAGEMENT

\$1.365 BILLION

TOTAL CASH

\$21 MILLION

TOTAL SURPLUS

\$17 MILLION

TOTAL GRANTS

\$13 MILLION

TOTAL REVENUE

\$65 MILLION

NET ASSETS

\$351 MILLION

TOTAL PROPERTIES UNDER MANAGEMENT

4639

## HIGHLIGHTS

NUMBER OF PEOPLE PROVIDED HOUSING

10197

## TENANT OUTCOMES

STARTED EMPLOYMENT	37
REFERRALS FOR SUPPORT	345
STARTED EDUCATION	29
ATTENDED COMPASS EVENTS	3704
STARTED VOLUNTEERING	35
ENGAGEMENT EVENTS HELD	167

## TENANT SATISFACTION DATA

94%	SATISFIED WITH SERVICES THAT COMPASS PROVIDES
93%	SATISFIED WITH THE WAY COMPASS INVOLVES TENANTS
91%	SATISFIED THAT THEIR RIGHTS AS A TENANT ARE UPHELD BY COMPASS
91%	SATISFIED WITH THE OVERALL CONDITION OF THEIR HOME
90%	SATISFIED WITH THE WAY COMPASS COMMUNICATES AND PROVIDES TENANTS WITH INFORMATION

## TESTIMONIALS

- Having been a resident here now for 9 years, I can say I view Compass Housing staff as exemplary in their staff duties. I continue to enjoy my beautiful home and my relationship as a tenant of Compass. Thank you!
- Thanking Compass so much for housing me. I find as a tenant we are not just a number we are people to Compass staff. I'm so happy to be housed by your company, great support, beautiful house, organised staff, great activities for your tenants. Great company, thanking you all.
- I have always been treated kindly, respectfully and compassionately.
- I'm happy and thankful for the kind interactions and support of caring people in Compass that you all provide, it means a lot to me.
- Overall, I'm not sure how struggling single Dads would be better off without the help of Compass. Probably the most effective and efficient place I have dealt with and provides me and my daughter with a better lifestyle due to safe housing as well as cost efficient.
- I would like to say Compass have been very supportive to our family as I battle serious illness and possible cancer. I would like to thank all staff for their support during this difficult time. Staff have been very helpful. Thanks again.
- It is so awesome that Compass is so involved with tenants and all the help that is available. Training, lunches, outdoors on the entire Central Coast.

### SNAPSHOT OF OUR ASSETS

PROPERTIES MANAGED IN NSW, QLD & NZ

4639

TOTAL NUMBER OWNED

1443

SERVICE CENTRES

12

LOCAL GOVERNMENT AREAS

52



## AWARDS 2017-2018



2018 HUNTER BUSINESS AWARDS

WINNER

EXCELLENCE IN INNOVATION

2017 HUNTER BUSINESS AWARDS

WINNER

EXCELLENCE IN BUSINESS 20+

WINNER

BUSINESS LEADER OF THE YEAR  
(GREG BUDWORTH)



2018 POWERHOUSING AWARDS

EXCELLENCE IN TENANT ENGAGEMENT  
AND SOCIAL INCLUSION



2018 NATIONAL PRINT AWARDS

SILVER AWARD  
ANNUAL REPORT



2018 AUSTRALIAN BUSINESS AWARDS



BUSINESS EXCELLENCE



COMMUNITY CONTRIBUTION



BUSINESS INNOVATION



EMPLOYER OF CHOICE

2017 AUSTRALIAN BUSINESS AWARDS



COMMUNITY CONTRIBUTION



BUSINESS INNOVATION



EMPLOYER OF CHOICE



## WHO WE ARE

WITH 4639 PROPERTIES UNDER MANAGEMENT COMPASS IS ONE OF THE LARGEST NON-GOVERNMENT PROVIDERS OF SUBSIDISED HOUSING IN AUSTRALIA.



Compass Housing Services Co Limited (Compass) is an enterprising and socially committed international NGO that provides social and affordable housing for low to moderate income households. With 4639 properties under management Compass is one of the largest non-government providers of subsidised housing in Australia.

At Compass we believe community housing is about much more than providing accommodation. It's also about building communities. Our vision is for a world in which all people have access to safe, affordable and adequate housing and are actively engaged in their communities. We're dedicated to making sure our tenants are empowered to have their voices heard and to participate in the social and economic life of their communities. In addition to professional tenancy management, Compass delivers a range of wraparound services that help sustain tenancies as well as offering innovative tenant engagement initiatives that help foster a sense of social inclusion. We understand that the best outcomes are achieved through an integrated service which understands and respects the people, place and potential of communities.

Compass currently manages a total of 4639 properties across 12 locations throughout New South Wales, Queensland and New Zealand supported by a head office in Newcastle. We are a registered Tier 1 provider under the National Regulatory System for Community Housing.

While providing housing is our core business, Compass is also an increasingly powerful advocate for positive change. Underpinning our company vision is a belief that safe and adequate housing is a basic human right. As promoters of the right to housing we produce innovative research and participate in cross-sectoral campaigns and lobbying to help bring about a more equitable housing system that meets the needs of all Australians.



Compass fosters a positive and engaging work environment while identifying and responding to the changing needs of our organisation. This year has seen an emphasis on succession planning and leadership development with Human Resources working with leaders across key areas of the business. As part of this strategy, Compass is committed to identifying future leaders and providing them with opportunities to develop their leadership skills through training and mentoring. As the organisation continues to expand there has been a focus on creating a flexible work environment that fosters excellence and innovation where there is mutual trust and staff are recognised for their valuable contributions.

## EMPLOYEE ENGAGEMENT AND RECOGNITION

Compass is proud to announce its achievement as a recognised Employer of Choice for the fourth consecutive year. The Australian Business Awards' Employers of Choice program recognises organisations for their achievements across key areas of Organisational Culture & Leadership; Employee Education, Training & Development; Employee Health, Safety & Satisfaction; Performance Management; Recognition & Remuneration.

Compass believes in acknowledging the professionalism, dedication and productivity of its employees by presenting them with Certificates of Service for their corresponding years of service to the organisation.

## OUR TEAM

### 49 EMPLOYEES RECEIVED SERVICE RECOGNITION AWARDS IN 2017-18

1 YEAR SERVICE	25
3 YEARS SERVICE	16
5 YEARS SERVICE	7
10 YEARS SERVICE	1

## LEARNING AND DEVELOPMENT

Compass provides a variety of training and development opportunities aimed at building employee capacity to deliver services, meet strategic needs and align with Compass' values, strategic plan and overall mission. Training and development programs in the areas of New Employee Orientation, Leadership, Cultural Competency, Risk Awareness, Mental Health First Aid, DV Alert and Social Housing/Community Services directly support our mission. The training is designed, developed and facilitated by Compass' internal Training Officer as well as through partnerships with external training providers including Forsythes Training, Lifeline, Odyssey Training and SBS Media & Multicultural NSW.

### FY 2017-18 TRAINING HIGHLIGHTS

EMPLOYEES ENROLLED IN EXTERNAL PROFESSIONAL DEVELOPMENT COURSES

79

## OUR EMPLOYEES SAY

A dedicated team who can laugh together.”

Listens to my ideas and suggestions and I really like the support and openness I get from my immediate team and manager.”

Supportive of staff in personal growth and offers flexibility.”

Open communication, empowerment, opportunity to try new tasks/roles/workgroups.”

Supportive of staff to grow and learn. Acknowledges and puts strategies in place for better work life balance.”

Valuing its staff and encouraging and recognising productivity and good performance.”

The purpose and mission of Compass is amazing and everybody is passionate and caring.”

A great organisation. I am very happy in my role.”

”

## DIVERSITY & INCLUSION

Compass is proud of our workplace diversity and we understand diversity matters. Compass creates an open and accepting work environment irrespective of ethnicity, gender, disability, age, sexual orientation or religion.

This year, Compass launched a Cultural Diversity Program which will be utilised to build organisational and employee capacity to work in culturally responsive ways to individuals, families, and communities from culturally and linguistically diverse (CALD) backgrounds.

At the completion of this program, employees will:

- ▶ Possess the knowledge, skills and attitudes needed to operate in an increasingly multicultural world;
- ▶ Recognise their own cultural lens and how to apply it in their cross-cultural interactions with peers and tenants from ethnically diverse backgrounds.

EMPLOYEES WHO ARE WOMEN



70%

EMPLOYEES FROM A CALD BACKGROUND



25%

SENIOR MANAGEMENT ROLES HELD BY WOMEN



45%

LANGUAGES SPOKEN BY EMPLOYEES



15

AVERAGE LENGTH OF SERVICE



3.9 YEARS

AVERAGE AGE



42.7

EMPLOYEES UNDERTAKING PROFESSIONAL DEVELOPMENT



58%

INVESTMENT IN PROFESSIONAL DEVELOPMENT



\$179,832



## HEALTH, SAFETY AND WELLBEING

Compass takes an organisation wide and systematic approach to workplace health and safety management in order to minimise the risks to our employees. Our safety approach is founded on continuous improvement where feedback from our workers and committee members is utilised to manage and improve safety related outcomes and build on existing health and safety processes.

Compass ensures we integrate these improvements and processes to ensure a practical and systematic approach to safety which:

- ▶ Takes into account the needs of our workers and tenants and involves them in safety improvement initiatives;
- ▶ Is part of our overall quality system to assess how well our safety processes are working and the outcomes achieved;
- ▶ Is measured through our safety statistics, employee and tenant engagement surveys; and
- ▶ Is a central focus of our organisation and is understood and accepted by all management and employees.

**BOARD OF DIRECTORS**



**GREG BUDWORTH**  
GROUP MANAGING DIRECTOR



**BERNADETTE PINNELL**  
GENERAL MANAGER  
OPERATIONS NZ



**PROF. DAVID ADAMSON**  
KNOWLEDGE MANAGER



**LYNDALL ROBERTSHAW**  
GROUP CHIEF CORPORATE  
SERVICES OFFICER



**LISA TIERNEY**  
GROUP CHIEF  
OPERATING OFFICER



**IAN RENNIE**  
GROUP CHIEF  
FINANCIAL OFFICER



**JULIE BARNETT**  
GROUP CHIEF  
GOVERNANCE OFFICER

**EXECUTIVE TEAM**

OUR  
ORGANISATION

**STAFF BOARDS & COMMITTEES**

**GREG BUDWORTH**

**GROUP MANAGING DIRECTOR**

- VICE PRESIDENT OF THE UN HABITAT GENERAL ASSEMBLY OF PARTNERS
- DIRECTOR COMPASS HOUSING SERVICES CO. (QUEENSLAND) LTD
- DIRECTOR COMPASS HOUSING SERVICES CO. (NEW ZEALAND) LTD
- DIRECTOR LOGAN CITY COMMUNITY HOUSING LIMITED
- DIRECTOR HOME4LIFE LIMITED

**LYNDALL ROBERTSHAW**

**GROUP CHIEF CORPORATE SERVICES OFFICER**

- DIRECTOR CHIA NSW
- DIRECTOR POWERHOUSING AUSTRALIA
- DIRECTOR LOGAN CITY COMMUNITY HOUSING LIMITED
- MEMBER POWERHOUSING AUSTRALIA CEO COMMITTEE
- MEMBER CITY OF NEWCASTLE'S BUILDING BETTER CITIES COMMITTEE

**IAN RENNIE**

**GROUP CHIEF FINANCIAL OFFICER**

- DIRECTOR LOGAN CITY COMMUNITY HOUSING LIMITED
- CHAIR POWERHOUSING AUSTRALIA CFO ROUNDTABLE

**JULIE BARNETT**

**GROUP CHIEF GOVERNANCE OFFICER**

- CHAIR POWERHOUSING AUSTRALIA COMMUNITY OF PRACTICE – COMPLIANCE MANAGEMENT

**DONALD PROCTOR**

**EXECUTIVE MANAGER STRATEGIC ASSETS**

- POWERHOUSING AUSTRALIA DEVELOPMENT & ASSETS ROUND TABLE
- HEADSTART HOMES COMMUNITY HOUSING ACTION GROUP

**PROFESSOR DAVID ADAMSON**

**KNOWLEDGE MANAGER**

- MEMBER CREATE COLLECTIVE IMPACT PARTNERSHIP MUSWELLBROOK
- CHAIR EVERYBODY'S HOME NATIONAL HOUSING CAMPAIGN OPERATIONS GROUP
- CHAIR IMPLEMENTING THE NEW URBAN AGENDA IN AUSTRALASIA AND THE PACIFIC, STEERING COMMITTEE
- CHAIR BIG IDEAS HOMELESSNESS NETWORK

**BEN WONG**

**MANAGER INTERNATIONAL AND STAKEHOLDER RELATIONS**

- COMMUNITY RESILIENCE GROUP OF THE UN ESCAP'S FRIENDS OF THE OCEAN CITIES INITIATIVE FOR THE PACIFIC REGION

**LARRY O'BRIEN**

**MANAGER INTERNATIONAL STRATEGIES AND SPECIAL PROJECTS ADVISOR**

- CO-CHAIR CIVIL SOCIETY ORGANIZATIONS, PARTNER CONSTITUENT GROUP OF GENERAL ASSEMBLY OF PARTNERS FOR UN HABITAT
- CHAIR GLOBAL HOME NETWORK

**KIRSTEN ADAM**

**EXECUTIVE MANAGER – HUNTER**

- POWERHOUSING AUSTRALIA – OPERATIONS ROUNDTABLE LEADERSHIP GROUP



2017-18 was a year of growth for Compass, both in terms of the scale of its operations and the scope of its activities.

The company's mission statement commits the organisation to providing homes, empowering people, connecting communities and influencing the future. Over the past financial year we continued to see strong performance in all four areas.

Operationally, Compass expanded the portfolio of assets under management from 4514 properties to 4639 during the financial year and successfully tendered to take on the management of 335 homes in the Sydney market. Significant progress was also made on preparations to take on the management of approximately 1800 existing properties as part of the NSW Government's Social Housing Management Transfer, as well as on the Social and Affordable Housing Fund, through which Compass will work with private developers and financiers to deliver new dwellings in the Hunter and Central Coast regions.

2017-18 also saw Compass diversify into Specialist Disability Accommodation (SDA). This move represents an exciting new opportunity for Compass to deliver on its vision for a world in which all people have safe and affordable housing and are engaged in sustainable communities. Compass has hit the ground running in the SDA space and currently provides tenancy and property management services in more than 100 locations across NSW in partnership with Supported Independent Living (SIL) providers House with No Steps and LiveBetter. As noted in last year's report, the company is also part of a joint venture known as Home4Life which will construct and manage 69 group homes for around 330 people with a disability.

This growth in scale and offering is in keeping with the goals set out in Compass' current 2017-20 Strategic Plan and will see the company become one of the largest non-government providers of housing in the country.

## FROM THE CHAIR



With this growth in scale comes a commensurate increase in our responsibility to empower those who live in our properties.

Compass views social housing as a vehicle for maximising the opportunities of those who live there. For some, that may mean engaging with further education or training, or perhaps finding employment. For others it may be as simple as being able to strengthen family bonds that have become frayed through a period of living in unstable housing, or experiencing housing stress. In that respect, Compass' community development initiatives are a crucial part of our business so it was heartening to see another round of great outcomes this year.

The results of our tenant satisfaction survey hit another record high, this year reaching a remarkable 94%. Our dedicated Compass staff held 167 engagement events across our areas of operation. These events were attended by more than 3700 people, the highest number in the history of our company. You can read more about Compass' various community development initiatives on page 82 of this Annual Report.

From Compass' perspective, community development activities are not an optional extra. They are a critical part of what we do. We believe that tenants who feel valued and included are more likely to treat their homes with respect. Our experience shows us that tenants who feel secure and supported are better able to maximise their economic and social participation. The results speak for themselves. Indeed, perhaps the greatest tragedy of Australia's housing system at the moment is that runaway costs in the private market have left so many people desperately in need of the security that social housing provides, yet unable to access it.

A desire to see a more equitable housing market is the motivation behind a great deal of Compass' advocacy and thought leadership. This year the company produced the first ever Affordable Housing Income Gap Report

– a unique look at median income housing affordability across Australia's eastern states.

Compass has also been an active participant in a range of other initiatives, including the Everybody's Home campaign, a grassroots project that aims to place housing firmly at the front of the nation's political agenda, and the Big Ideas Homelessness Network, a partnership with Hunter based businesses, charities and local governments that seeks to address homelessness in the region.

The company's commitment to social justice is not confined by national borders.

Over the last financial year, Compass continued to grow its profile and influence on the international stage, including through a prominent role at the World Urban Forum in Kuala Lumpur, the appointment of Compass staff to senior positions within the UN Habitat program and the completion of two humanitarian projects in Vanuatu. Meanwhile, Compass continues to explore growth opportunities in New Zealand with the Board recently approving a donation of \$800,000 from the parent company to the New Zealand entity to support continued operations. You will find further details about Compass' international activities starting on page 119.

On behalf of the Board, I offer my congratulations to management and staff for another fantastic year. Through your hard work and dedication Compass continues to be a powerful force for good – not only throughout Australia, but throughout the region and the world.

Finally, I would like to thank my fellow directors for their continued commitment to the sound governance of the organisation, and for their ongoing efforts on behalf of Compass in the many forums in which they represent it.

**KWESI ADDO**  
CHAIR

# GROUP MANAGING DIRECTOR'S REPORT

I WOULD LIKE TO START THIS REPORT BY THANKING THE BOARD OF DIRECTORS, THE COMPASS MANAGEMENT TEAM AND OUR OUTSTANDING FRONTLINE STAFF FOR HELPING DELIVER ANOTHER STRONG YEAR FOR COMPASS.

In our previous annual report, I wrote about our company's new mission statement: Providing Homes. Empowering People. Connecting Communities. Influencing the Future. This year I'm pleased to be able to say we achieved significant success in all four areas, which is fortunate because Australia's housing crisis shows no sign of abating.

High purchase prices continue to lock thousands of families out of the housing market, while those who have gained a foothold have often done so by taking on debt loads that leave them highly exposed to changes in interest rates or the cost of living, not to mention the possibility of a market correction.

Those who have been priced out, spend longer in the private rental market creating extra demand for the already limited supply of affordable rentals, meaning

those on the lowest incomes frequently have no option but to turn to the already oversubscribed social housing system, and, in extreme cases, find themselves at risk of homelessness.

In this environment, our commitment to the four objectives of our Mission Statement, is perhaps more important than ever.

## PROVIDING HOMES

First and foremost, Compass is a provider of housing for those who are unable to secure safe and affordable shelter in the private market. This year we were pleased to be able to expand our offering for this group into the Sydney market after winning a major tender to manage 335 social and affordable housing properties owned by not-for-profit developer BlueCHP. Approximately 75 percent of the portfolio is affordable housing and 25 percent social housing.

This past year Compass also expanded our business to include Specialist Disability Accommodation (SDA) through the transfer of 114 group homes and 5 respite homes from government provider Aged Disability and HomeCare (ADHC), and the successful tender for the management of an additional 10 SDA units in Belmont.

Compass' rapidly expanding SDA operations were augmented by confirmation that



Home4Life had been selected by the NSW Government to construct and manage 69 group homes for people with a disability. Home4Life is a joint venture between Compass Housing Services, BlueCHP and Lighthouse Infrastructure. The new dwellings will provide a permanent home for more than 330 people who currently live in outmoded accommodation at residential care facilities. Full details about our new SDA operations are contained on page 54.

In October 2017, Compass was also announced as the successful bidder to take on the management of approximately 1800 dwellings in the Cessnock, Singleton, Dungog, Midcoast and Muswellbrook local government areas as part of the NSW Government Social Housing Management Transfer (SHMT) program. Although tenancy and asset management is forecast to commence during the 2019 financial year, Compass staff have been actively working with the Department of Family and Community Services on a program of tenant engagement. "Meet and Greet" sessions held

by Compass staff have been well attended and are a great indication of the enthusiasm with which tenants have embraced this impending change.

Compass also continues to work with private developers and financial providers to deliver new dwellings in the lower Hunter and Central Coast areas under the Social and Affordable Housing Fund. A number of projects have commenced construction with many more currently going through the Development Application processes.

## EMPOWERING PEOPLE

Compass is committed to being a socially regenerative community housing provider. In practice this means offering referrals and support to sustain tenancies, and providing community development and engagement activities that break down isolation and help tenants increase their economic and social participation. I am happy to report that last year more than 345 tenants received referrals to appropriate support while 37 commenced

employment, 35 started volunteering and 29 commenced education and training in addition to the many hundreds who are already active in these areas.

Likewise, Compass' innovative Grow a Star youth mentoring and scholarship program continued to go from strength to strength with another crop of great outcomes. Over the past year the program helped 49 young people from disadvantaged backgrounds follow their academic, sporting and artistic dreams. A full report on the Grow a Star program, and some of its brightest stars, is featured on page 93.

Grow a Star is an example of an established and successful Compass Housing initiative. We are however always looking for new ways to add some extra value and expand the range of services on offer to our tenants. Last year, we initiated a first-of-its-kind suicide prevention program called Shout Out. In the 17-18 financial year Shout Out helped to train Compass tenants and staff to better recognise mental health challenges and suicide risk, and to have the confidence to open conversations that lead to support, and to raise the general awareness of suicide risk and mental health issues. Twelve training sessions were held for tenants, and staff from five branches attended two-day mental health first aid courses. You can find a full report on the Shout Out program on page 107.

### CONNECTING COMMUNITIES

This year more than 3700 tenants attended one of the 167 Compass community engagement events – the highest number ever. Our dedication to this level of tenant engagement is a major contributor to tenant satisfaction scores remaining at sector leading levels.

Across the organisation, overall tenant satisfaction was a remarkable 94 per cent. 91 per cent of tenants also reported being

satisfied with the overall condition of their homes and 94 per cent indicated they were satisfied with Compass' additional support services.

Compass recognises the importance of "Place" as a means to improve overall tenant satisfaction and wellbeing. In the 17-18 financial year Compass was awarded \$847,182 in round two of the NSW Government's Social Housing Community Improvement Fund. A total of 20 projects were completed in the Newcastle, Maitland, Central Coast, Lake Macquarie and Western NSW LGAs. The improvements have given our organisation the ability to hold activities, training and workshops in areas of our complexes that are now well lit, sheltered and safe. A further \$250,000 has been approved for round three with a total of seven projects currently being scheduled for completion in the first half of 2019.

### INFLUENCING THE FUTURE

As well as being a first class provider of housing services, Compass recognises that it has a valuable role to play influencing the public debate about housing poverty and urbanisation.

This year Compass produced a new report demonstrating the extent to which the impacts of Australia's broken housing system are working their way up the income scale. The Affordable Housing Income Gap Report (AHIG) took a new approach to the measurement of housing affordability for renters by establishing the amount of extra income a median income renting household would need to avoid housing stress on various types of rental properties in more than 300 suburbs, towns and local government areas across New South Wales, Victoria and Queensland. You will find more information about the AHIG Report on page 116.



Compass was also a driving force behind a number of other housing and homelessness initiatives and partnerships, including the Everybody's Home Campaign and the Big Ideas Homelessness Network, details of which are contained on pages 118 and 73.

In last year's report I wrote of Compass' commitment to the United Nations New Urban Agenda (NUA) and the Sustainable Development Goals (SDGs). Over the past year that commitment has been brought to life through a series of initiatives that are spreading the word both locally and abroad.

At home, Compass followed the success of the inaugural New Urban Agenda Conference (covered in last year's report), with a New South Wales focused event held in Sydney in May of 2018. This event would be followed in turn by a second international conference scheduled to be held in Newcastle NSW on the 1st and 2nd of November in partnership with the Eastern Regional Organization for Planning and Human Settlements (EAROPH). Compass has also supported the integration of the SDGs and the New Urban Agenda by developing a web resource that demonstrates the links between the 17 SDGs and the various elements of the NUA.

Abroad, Compass participated in the 9th World Urban Forum, held in Kuala Lumpur. Compass played a significant role in the five day program, hosting receptions, side events, training events and networking events as well as hosting a reception with representatives of the Australian High Commission.

2018 also saw Compass take several international leadership roles in the UN Habitat General Assembly of Partners. Manager of International Strategies Larry O'Brien was elected to the role of Vice Chair of the Civil Society Partner Constituent Group, while I was honoured to be elected as Vice President of the General Assembly of Partners.

Although Compass' contribution to the global conversation on urban policy is expanding, we have not lost sight of the importance of grassroots humanitarianism. In last year's Annual Report, we reported on efforts to rebuild community facilities in Vanuatu that had been destroyed by Cyclone Pam in 2015. Thanks to the efforts of Compass' Tenants for Vanuatu Committee, and generous in-kind donations and pro bono work from Australian tradies, work has now been completed on two brand new community facilities.

In New Zealand, the change of government in September 2017 resulted in a change of housing policy towards a more government-centric model of housing delivery through Housing New Zealand Corporation. Commendably, the new Government reimbursed not-for-profit providers who had devoted resources to bidding for projects that were ultimately discontinued. Despite the general shift away from the not-for-profit based model, Compass is continuing to expand its footprint in the New Zealand market from the 90 properties currently managed in south Auckland. In the next twelve months we will take on the tenancy and property management of 160 new one and two-bedroom units in Auckland built by the Ted Manson Foundation and 54 furnished studio apartments in Papatoetoe built by Du Val Property. These new acquisitions will bring our total NZ portfolio to 304 properties.

Further information about these and other international activities is contained on page 119.

Compass' activities both domestically and abroad, are underpinned by the belief in the human right of housing. This belief is reflected in our company vision for a world in which all people have safe and adequate shelter and are engaged in sustainable communities. At the completion of the first year of our current strategic plan, our organisation has a great deal of which we can be proud. Yet there is no denying that we are still a long way from a world that resembles the one idealised in our company vision. Here at home the financialisation of housing has resulted in widespread housing stress, even among average income earners. With due compliments to NSW Government, it has been the reluctance of successive Australian governments to invest in adequate social and affordable housing stock that has left those marginalised by the financialisation of the housing sector facing an increasingly uncertain future. The New Zealand Government's

KiwiBuild program, aiming to add an additional 100,000 affordable dwellings over the next 10 years is a notable exception to this trend. Overseas, particularly in our Pacific backyard, poverty is still a daily reality for far too many people.

As the famous anthropologist, Margaret Mead, stated "Never doubt that a small group of thoughtful and committed citizens can change the world. In fact, it is the only thing that ever has." The challenges ahead may be great, but so is our resolve and the competence of our team.

**GREG BUDWORTH**  
GROUP MANAGING DIRECTOR  
FOR AND ON BEHALF OF COMPASS'  
MANAGEMENT TEAM



# REPORT CARD

## 2018

KEY PERFORMANCE INDICATORS	2018	2017	2016	2015
<b>TENANT SATISFACTION</b>				
Overall satisfaction with the organisation	94%	93%	92%	91%
Satisfaction with ways in which Compass involves tenants	93%	92%	91%	90%
Satisfaction with ways in which Compass communicates with tenants	90%	90%	88%	89%
<b>SERVICE DEVELOPMENT</b>				
Total properties managed as at 30 June	4639	4442	4418	4473
Total properties managed under Housing NSW programs	3412	2912	2894	2900
<b>FINANCIAL MANAGEMENT</b>				
Cash at end of year	\$20.9M	\$23.0M	\$20.2M	\$19.7M
Net Profit	\$16.9M	\$14.2M	\$15.7M	\$159.0M
Net Operating Profit (ex capital grants/contributions)	\$2.3M	\$1.7M	\$3.0M	\$5.0M
Retained Profit	\$351.4M	\$334.5M	\$320.6M	\$345.7M
<b>HOUSING MANAGEMENT &amp; MAINTENANCE</b>				
Arrears	1.3%	1%	2%	2%
Tenant income	\$43.9M	\$39.2M	\$37.8M	\$36.2M
Combined maintenance expenditure	\$9.6M	\$8.6M	\$6.6M	\$7.2M
<b>REPAIRS AND MAINTENANCE COMPLETIONS</b>				
Number of requests raised	26,687	24,125	24,062	21,192
Number of requests completed	25,945	23,196	24,441	20,208
<b>HUMAN RESOURCES</b>				
Number of full time equivalent staff	136.6	119.78	131.46	130.49
Training Spend	\$179,832	\$143,637	\$136,498	108,000

## PROPERTIES BY LOCAL GOVERNMENT AREA

### NEW SOUTH WALES

Newcastle	803
Lake Macquarie	687
Wyong	581
Muswellbrook	475
Maitland	256
Broken Hill	201
Upper Hunter Shire	166
Dubbo	146
Gosford	110
Cessnock	70
Port Stephens	38
Singleton	27
Central Darling	25
Wollongong	15
Orange	14
Goulburn Mulwaree	11
Canterbury Bankstown	9
Walgett	9
Shellharbour	7
Shoalhaven	7
Bourke	5
Inner west	5
Tamworth	5
Brewarrina	4
Burwood	4
Queanbeyan Palerang	4
Warrumbungle	4
Armidale	3
Ballina	2
Bathurst	2
Canada Bay	2
Gunnedah	2
Lismore	2
Liverpool Plains	2
Midcoast	2
Blayney	1
Byron	1
Clarence Valley	1
Kiama	1
Narrabri	1
Strathfield	1
Sydney	1
Wellington	1

**TOTAL 3713**

### NEW ZEALAND

Auckland	90
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**TOTAL 90**

## OUR ASSETS

### QUEENSLAND

Brisbane	676
Logan	67
Moreton Bay	46
Gold Coast	22
Townsville	17
Redland	7
Pine Rivers	1

**TOTAL 836**

## PROPERTIES

### BY PROPERTY SOURCE

	QLD	NSW	NZ
Capital (government owned)	454	1543	-
Fee for Service	162	301	90
Leasehold (privately owned, government funded)	212	434	-
Owned	8	1435	-
<b>TOTAL</b>	<b>836</b>	<b>3713</b>	<b>90</b>

### BY ASSISTANCE TYPE

	QLD	NSW	NZ
Affordable Housing	89	546	-
General Housing	249	2792	90
Transitional Housing	422	93	-
Indigenous Housing	0	135	-
Other Government	3	25	-
Crisis Accommodation	0	9	-
Specialist Disability Accommodation	0	110	-
Non rental fee for service	73	3	-
<b>TOTAL</b>	<b>836</b>	<b>3713</b>	<b>90</b>

### NUMBER OF PROPERTIES OWNED BY COMPASS

**1443**

### NUMBER OF PROPERTIES OWNED IN NSW

**1435**

SHGF and NRAS government initiatives	228
Vested title from Housing NSW	1018
Vested leveraging	168
Boarding House New Generation	18
Other affordable housing	3

### NUMBER OF PROPERTIES OWNED IN QLD

**8**

Equity ownership	8
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### NUMBER OF PROPERTIES MANAGED ON BEHALF OF OTHER ORGANISATIONS

**3199**

FFS (private & AHO)	432
Leasehold	643
NSW LAHC	1560
DHPW	454
Specialist Disability Accommodation	110
<b>TOTAL</b>	<b>4639</b>



Compass continues to build its asset portfolio through a variety of programs providing additional housing for those in need. New dwellings provided by Compass include specialist housing options for seniors and people with a disability.

From 2009 through to 30 June 2018, Compass has delivered an additional 415 Compass owned affordable and social housing dwellings, with a further 18 dwellings currently in the planning stage.

The additional housing provided is a product of the ongoing commitment from state and federal governments to the provision of housing for people in need along with the strong partnerships between Compass and local developers and builders. New dwellings have been delivered through various government funding schemes including the Federal Government's Nation Building Economic Stimulus Plan, the joint state and federal National Rental Affordability Scheme, the federal government's Supported Accommodation Innovation Fund and earlier schemes such as the Debt Equity Scheme and the Affordable Housing Innovation Fund.

This year we are also excited to report on progress made under the NSW Social and Affordable Housing Fund (SAHF). Under the SAHF, Compass will work with private developers and financiers to deliver new dwellings in the Hunter, Newcastle and Central Coast regions. Construction has commenced on two developments with several more currently going through the Development Application Process.

In New Zealand, Compass NZ has partnered with the Ted Manson Foundation on a project that will deliver an additional 160 social and affordable dwellings in Auckland and a separate project with Du Val Property that will deliver 54 furnished studio apartments in Papatoetoe.

## ACQUISITIONS & DEVELOPMENT

### WALLSEND NEWCASTLE

Compass worked with a local developer to deliver a quality apartment complex of 18 units including 4 x two bedroom units and 14 x one bedroom units.

The development is contemporary in design, complete with high quality environmental fittings and finishes and

is located within a vibrant community in the Newcastle local government area offering a myriad of employment opportunities, services, shopping and transport options.

These dwellings were delivered through leveraging from dwellings received under the federal government's Nation Building Economic Stimulus Plan.





## WICKHAM NEWCASTLE

Compass is currently in planning for a development located in Wickham, a central area close to the Newcastle CBD and only 400 metres to the foreshore and connecting pathways.

The area caters to the housing and lifestyle choices of a broad spectrum of the community. The project will meet a wide range of needs by providing a mix of units including studios and one and two bedroom units.

The development is designed to fit in with the redevelopment of the Wickham area in accordance with Draft Wickham Master Plan. The units will be constructed to a silver standard under the Liveable Housing Design Guidelines to ensure units are accessible and appropriate for a range of tenants and their needs and will achieve seven star rating under the Nationwide House Energy Rating Scheme (NatHERS).

Eight of these units will be delivered as affordable housing for key workers as part of the City of Newcastle's Building Better Cities initiative. The remaining nine units will be social housing, delivered by leveraging from dwellings received under the Australian Government's Nation Building Economic Stimulus Plan.



## OUR HOUSING & OUR PEOPLE

COMPASS HOUSING SERVICES IS AUSTRALIA'S LEADING COMMUNITY HOUSING PROVIDER WITH MORE THAN 4600 PROPERTIES AND COMMUNITY DEVELOPMENT INITIATIVES ACROSS NEW SOUTH WALES, QUEENSLAND, NEW ZEALAND AND VANUATU.

We undertake all aspects of tenancy and property management, including allocations and wait-list management, and have a proven track record of managing a wide range of tenancies under a variety of housing programs.

At Compass we place our tenants at the centre of everything we do. We pride ourselves on providing tailored tenancy and support services to accommodate the specific requirements of our tenants.

### COMMUNITY HOUSING

Community housing is subsidised rental housing provided by not-for-profit, non-government organisations and is targeted at households on low incomes or who would otherwise struggle to find suitable accommodation.

While community housing is similar to Government managed public housing in many respects, what sets community housing providers apart is an increased focus on tenant and community engagement and empowerment.

At Compass we believe community housing is about much more than providing accommodation. It's also about building communities, which is why we're dedicated to making sure our tenants have a voice and are actively engaged in their communities. In addition to professional tenancy management, Compass continues to be an industry leader in the provision of additional wraparound services that help sustain tenancies and deliver tenant engagement initiatives that help foster greater economic and social participation.

“Everything that a social worker deals with, I’ve had a piece of it.”

So says Frankie Rutherford who, at 25, has accumulated more harrowing experiences than most people do in a lifetime.

Now studying a Bachelor of Social Work at Charles Sturt University, Frankie is trying to turn her traumatic past into a constructive future.

“So far, I’ve completed a Certificate IV in Mental Health, and a Certificate IV in Alcohol and Other Drugs, as well as Diplomas in both Community Services and Aboriginal Studies,” she says.

“As well as the degree from CSU, I’m also doing a Cert IV in Training and Assessment and another one in Youth Work.”

Frankie’s heavy study load is all the more remarkable given she is also the primary carer of her 16 year old step-sister Ava, a role she has held in all but name since the girls were young.

“Both my parents had problems with drugs, alcohol and mental health issues so I’ve been looking after my sister on and off since I was a teenager,” she says.

During her late teens, Frankie attempted to make a fresh start, moving first to the Central Coast and then to Wollongong. Unfortunately, along the way she experienced a series of abusive relationships that left her severely traumatised.

Frankie says it took three attempts to escape the last relationship, but she eventually made it back to Dubbo. Unfortunately, while the return marked the end of the abusive relationship, it did not bring an end to the domestic dysfunction.

## FRANKIE RUTHERFORD DUBBO

“WHEN WE WERE OFFERED THE PLACE BY COMPASS I WAS SO EXCITED I COULDN’T WAIT TO SEE IT. HEIDI FROM COMPASS WAS AMAZING. WE’VE DEVELOPED A GREAT RELATIONSHIP. SHE’S SO CALMING AND UNDERSTANDING AND POSITIVE.”

”

*The key to actually moving forward in your life is having your own space. It creates a clear mind which gives you the ability to think and understand what direction you want to go in. With this place, I know that I'm not going to be shifted out. It's not going to be taken away. I can do TAFE. I can do uni. All I need to do is look after my sister and get my essays done.*

*Frankie*



**TOURING**  
**1992**  
TRANSMERIDIAN YACHTING

By 2017, both Frankie and Ava had come to view family instability as a more or less permanent fact of life. However, things reached a flashpoint last Christmas when, after an altercation with their mother, they were made homeless on Christmas Eve.

Ava decided she was going to try to stay with her grandparents. Frankie decided to seek refuge with her father.

"Later that night, I had to listen to my dad telling me that the certificates and qualifications I was working so hard to get were a waste of time and that I wouldn't amount to anything.

"I left a couple of days later although I really had nowhere to go, and it turned out Ava couldn't stay with our grandparents because their place was so crowded. At that point I reached out to the Aboriginal Housing Office and they put us on to Compass.

"The key to actually moving forward in your life is having your own space. It creates a clear mind which gives you the ability to think and understand what direction you want to go in.

"With this place, I know that I'm not going to be shifted out. It's not going to be taken away. I can do TAFE. I can do uni. All I need to do is look after my sister and get my essays done."

Despite things being on an upward trajectory, Frankie says there are still bad days. Despite having had responsibility for her sister's welfare since she was 15, Frankie says the role still doesn't always come naturally.

"Because of our upbringing, both Ava and I have our own mental health issues and we clash sometimes. Boundaries, rules and responsibilities are hard to establish. I find it hard to discipline her. I want to be her sister and friend but instead I have to be her mother. It's a hard balancing act.

"I missed out on a lot of my own youth and, to some extent it's still happening, but Compass has given me the chance to start taking back some of what was taken away.

**"I'M STILL LEARNING WHAT IT MEANS TO HAVE A HOME IN THE TRUE SENSE OF THE WORD. TO LIVE WITH SOMEONE WHO IS FAMILY IN AN ENVIRONMENT THAT IS STABLE... I'VE NEVER REALLY HAD IT BEFORE, SO HOME IS REALLY MORE OF A VISION THAN A REALITY, BUT IT'S A VISION THAT'S BECOMING A REALITY MORE AND MORE EACH DAY."**



Raewyn McNair says community housing has provided her with the peace of mind that eluded her during her years renting privately.

“When I was in the private rental market I had a few places sold from under me. As well as the stress of finding a new place at short notice, you also need to have the finances to cover the costs of actually moving.”

Originally from Hamilton in New Zealand, Rae moved to Sydney in the early 80s.

She spent several years in Sydney working for the Department of Corrective Services before deciding she needed a change of scenery.

“I had done a radio course and landed a job offer at a radio station in Cairns. Unfortunately it fell through by the time I arrived so instead of working on the radio I ended up driving armoured vehicles and doing bar work.”

“I stayed for a few years but in the end realised Cairns wasn’t really for me. I tend not to like places that are too touristy, plus Cairns was a bit hot and a bit small. I found it quite claustrophobic.”

In the mid-90s Rae moved to Brisbane and started a small hospitality business.

“It did OK for a few years but eventually there was too much competition and I had to close it down,” she says.

“After that I couldn’t pay the rent and I was at risk of becoming homeless. By that stage my disability was at a point where working wasn’t practical, so I went into Centrelink and poured my heart out. They put me in touch with Anglicare who found me a place in a hostel in New Farm. From there I moved into a transitional housing unit and from there into my current Compass home in West End.”

Rae says the best part of being in a Compass property is knowing that her tenure is guaranteed and that any repairs or maintenance jobs will be dealt with swiftly.

## RAEWYN MCNAIR BRISBANE

“I’VE LOOKED AT A FEW OTHER AFFORDABLE HOUSING PROPERTIES, BUT I LIKE LIVING IN WEST END. MY SON LIVES CLOSE BY IN GREENSLOPES AND I GET TO SEE MY GRANDCHILDREN EVERY WEEK. NOT EVERYONE IS SO LUCKY.”

“I THINK BEING AT RISK OF HOMELESSNESS IS SOMETHING YOU NEVER REALLY GET OVER. NOW I’M ON A DISABILITY PENSION, I REALLY DON’T KNOW WHAT I’D DO IF I HAD TO RENT PRIVATELY. I DON’T EVEN LIKE TO THINK ABOUT IT.”



”

*I think being at risk of homelessness is something you never really get over. Now I'm on a disability pension, I really don't know what I'd do if I had to rent privately. I don't even like to think about it.*

*Raewyn*



These three brothers say they love their Compass house because it has allowed them to be able to stay together and look after each other.

Jamie Catir (29), Keith Catir (30) and Andrew Neven (45) have lived in their Beresfield home near Maitland for eight years.

Andrew has an acquired brain injury and his two brothers are his main carers. All three men receive funding through the NDIS and receive support from Beresfield Community Care.

Jamie says their home is close to public transport and services. Both Jamie and Keith are looking for work close by.

"We are able to get out; to get the bus to the local shops," he says.

"We are very happy here; it is not boring."

The three men are keen movie buffs and are avid fans of wrestling. They take great pride in looking after their home.

Compass' local Tenant Engagement Officer, Mel Hope, says the men are very good tenants. Local staff also catch up with them during property inspections to see how they are going.

The men also took advantage of a new Quick Fix Maintenance Day that Compass held for tenants of its 30 plus homes in the street.

"We had breakfast with Jamie and other tenants in the park. Staff were then able to help fix little things such as changing lights and mending doors, things tenants are normally responsible for."

"Some tenants aren't always able to attend to these things so, for them, this is another extra little thing we can do to help them to make their house a welcoming home."

## JAMIE CATIR NEWCASTLE

**"BEING ABLE TO GET THIS HOUSE  
TOGETHER HAS GIVEN US OUR DIGNITY  
BACK; OUR LIVES BACK."**



”

*Being able to get this house together has given us our dignity back; our lives back. We are able to get out; to get the bus to the local shops. We are very happy here.*

*Jamie*





## SUPPORTED HOUSING

Tenants housed in supported accommodation are the most vulnerable and require varying levels of support to live independently.

As well as housing people with physical and intellectual disabilities, Compass provides supported housing to people escaping domestic and family violence, people experiencing mental health issues as well as those exiting the criminal justice system.

Compass partners with a range of support agencies across New South Wales and Queensland to make sure our tenants have the services and support they need to help them live independently and to address their needs. These partnerships are an integral part of providing the most vulnerable members of our community with the dignity and security that comes from independent living.

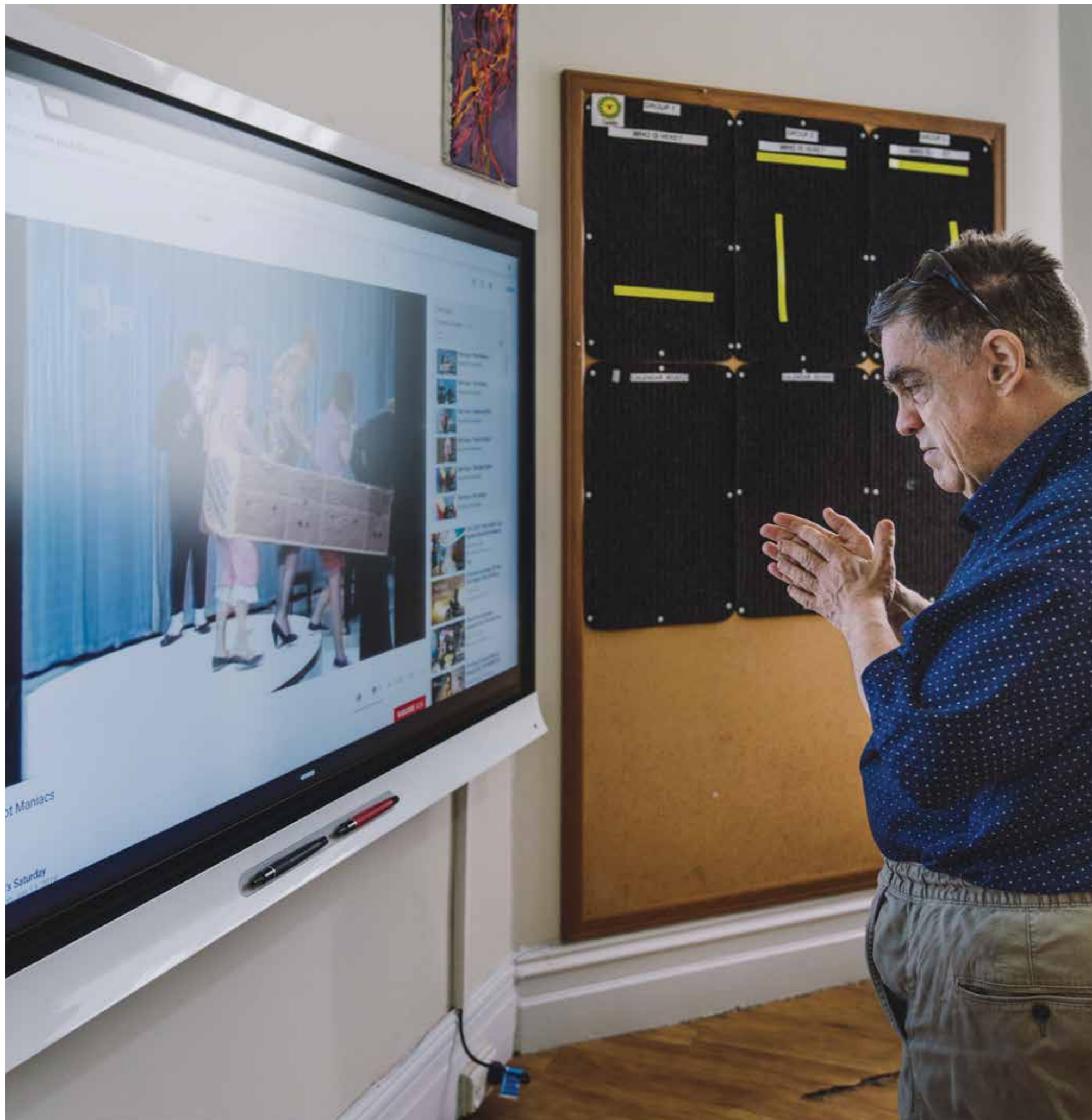
## DISABILITY HOUSING

As the demography of social housing tenants has evolved over time, the social housing system has seen a marked increase in demand for dwellings suitable for people with a disability.

To meet this need Compass undertakes modification works on existing dwellings and ensures new stock contains adaptable and accessible options. Compass has also developed platinum level disability dwellings under the Liveable Housing Design Guidelines and earlier this year was awarded a contract in partnership with BlueCHP to construct and manage 69 group homes for people with a disability.

Compass is committed to providing specialist accommodation services for people with a disability. Compass also works with a range of support partners to ensure its tenants receive services that afford them the greatest possible choice and flexibility, and which empower them to live independent and productive lives.





## COMPASS SPECIALIST DISABILITY ACCOMMODATION

Compass has a long and successful history of managing homes for people with high and complex support and housing needs, therefore the introduction of Specialist Disability Accommodation (SDA) is complementary to our suite of services and support.

Specialist Disability Accommodation (SDA) refers to accommodation for NDIS participants who require specialist housing solutions to assist with the delivery of supports that cater for their extreme functional impairment and/or very high support needs.

On 3 September 2017, Compass commenced operations of SDA properties across Sydney, Northern NSW, Illawarra/Shoalhaven, New England, Southern NSW and the Central West via the transfer of 114 group homes and 5 respite homes from government provider Aged Disability and HomeCare (ADHC).

In addition to the dwellings transferred from ADHC, Compass was awarded tenancy and property management rights to 10 apartments in Belmont, NSW through a partnership with the Summer Foundation.

SDA is delivered in a person-centred manner by a single, multi-function specialised team at Compass. A dedicated call centre has been established to ensure seamless and prompt customer and maintenance support. Stakeholder engagement is vital to allow for choice and control as a basis for decision making by all residents and/or primary contacts.



Earl Fadden lives in a group home in the Sydney suburb of Lilyfield.

The 56-year-old shares the four bedroom home with three other residents and has lived there for around 20 years.

It has been 12 months since House With No Steps and Compass Housing took over the management of the home from the NSW Government as part of a broader transfer of Specialist Disability Accommodation.

House With No Steps provides 24 hour independent living support to residents while Compass, as the Specialist Disability Accommodation Provider (SDA), provides property management and tenancy management services.

Earl has Fragile X. This genetic condition causes intellectual disability, behavioural and learning challenges, and various other physical characteristics.

The group home's manager, Michael Carney, says Earl is extremely shy but over the past few years has gradually become more social. Where he never used to participate in day placement programs, he now goes four days a week.

Michael says he and his staff have a great working relationship with Compass Housing which, in turn, makes a difference to the support they provide to Earl and other residents.

"The nature of the job is demanding but rewarding. When there are issues with the property it is good to know it will be dealt with professionally."

"Recently there was a big problem with the air-conditioning, but Compass had it sorted within the week."

## EARL FADDEN SYDNEY

"THE TRADESPEOPLE COMPASS SENDS ARE VERY UNDERSTANDING OF THE RESIDENTS AND SENSITIVE TO ISSUES SUCH AS WHAT TIME THEY TURN UP TO DO WORK."



”

We have a great working relationship with Compass Housing which, in turn, makes a difference to the support we can provide to Earl and other residents.

Michael  
Group Home  
Team Leader



## HUNTER RESIDENCES

Home4Life is a new organisation comprised of Compass Housing Services, BlueCHP and Lighthouse Infrastructure. Earlier this year the organisation was granted a contract to construct and manage 69 group homes for people with a disability. The new dwellings will provide a permanent home for more than 330 people who currently live in dated accommodation at residential care facilities.

The new group homes will be built at locations selected by residents' families and guardians on land currently owned by the Department of Family and Community Services.

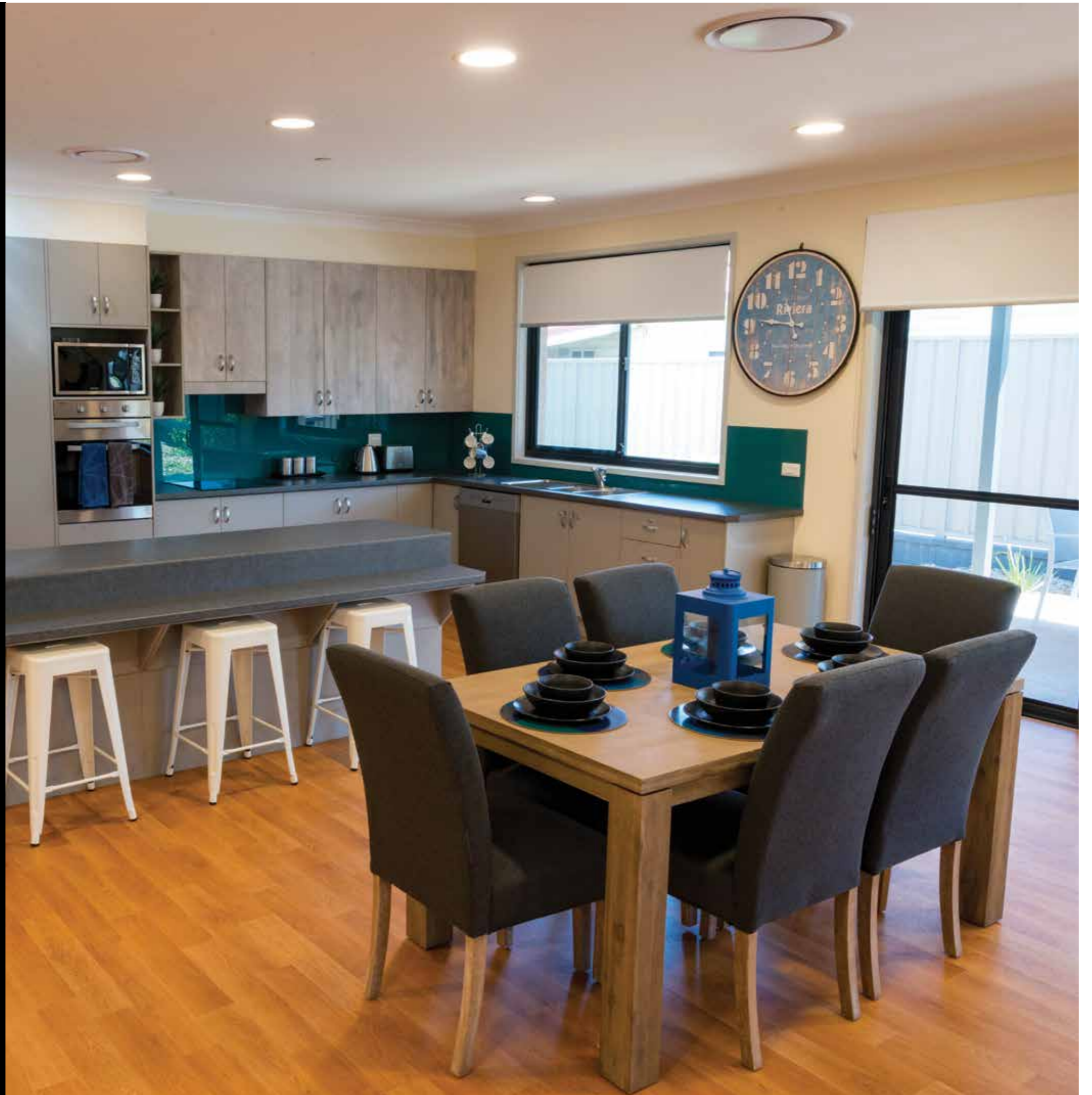




PHOTO: LEE ILLFIELD PHOTOGRAPHY

## AFFORDABLE HOUSING

Over the past 30 years Australia has witnessed a profound change in the composition of households accessing housing assistance.

With both public and community housing now almost exclusively reserved for the most vulnerable members of society, affordable housing products have emerged as an alternative for low income workers experiencing housing stress in the private rental market.

Earlier this year Compass released the first ever Affordable Housing Income Gap Report (see page 116). The report demonstrated the extent to which private market housing stress was spreading outside capital cities, and up the income scale.

With housing stress now a reality for millions of Australians, there is more need than ever for greater investment in dedicated, below market, affordable housing products. By providing stable accommodation for key workers and moderate income earners, affordable housing products serve as an important midway point between the social housing system and the private rental market. By removing the spectre of rental stress, affordable housing can also help people accumulate the capital to get a foot on the property ladder.

Affordable housing rents are capped at 74.9 percent of market rent and must comprise less than 30 percent of the tenant's weekly income.

The transitional aspect of affordable housing encourages tenants to pursue real property ownership while paying reasonable rent in their present circumstances.

Compass' affordable housing portfolio is funded by federal and state governments under various programs including the National Rental Affordability Scheme, Building Better Cities, Debt Equity Funding and the Social Housing Growth Fund. It receives additional funding directly from Compass through debt finance and leveraging from our asset portfolio.

Wendy, like an increasing number of women, found herself homeless because of domestic violence.

She endured it for 12 months before she had to flee. A refuge got her some temporary accommodation before she was able to gain a place at Newcastle's This Way Home service, which offers temporary and medium term accommodation to people experiencing homelessness.

It was an extremely stressful time for Wendy, made more difficult because she did not have a job. Without stable housing she says it is harder to get work and get on with your life. She felt like she was going backwards. But she found courage and, once she gained work, she was able to start to re-build her life.

Wendy had always lived in the private rental market and she wanted to get back to living in her own place. After 12 months, she was successful in gaining a new, Compass Housing managed, affordable housing unit in Newcastle.

Now when she opens the door to her new place Wendy says she feels like she is coming home. She feels normal again.

"I love my new place; it is my positive place," Wendy says.

"I am happy to work because I am happy to pay rent and be in a safe and peaceful home again," she says.

Domestic violence is the leading cause of homelessness in Australia.

Wendy's message to other women experiencing domestic violence is "get out". She says although it is tough women should never give up and take small steps.

"When things seem hopeless, try and find one positive thing in your life and hold on to it."

**WENDY**  
NEWCASTLE

**"BEING HERE MAKES ME FEEL  
INDEPENDENT AND CONFIDENT  
BECAUSE I WORKED HARD TO GET  
THIS PLACE AND DID IT ON MY OWN."**



”

I love my new place; it is my positive place.  
I am happy to work because I am happy to  
pay rent and be in a safe and peaceful home  
again. Being here makes me feel independent  
and confident because I worked hard to get  
this place and did it on my own.

Wendy





## ADDRESSING HOMELESSNESS

Last year the Australian Bureau of Statistics released its Estimating Homelessness report, based on the 2016 census. It found on any given night around 116,000 Australians are homeless. A shocking 25,800 of those experiencing homelessness are children under the age of 18.

Many of Compass' tenants have experienced homelessness in one form or another. Some have fled domestic or family violence. Others have experienced addiction or mental health issues. Some simply cannot afford to rent privately. Figures from the most recent National Social Housing Survey indicate the experience of Compass tenants is not unique. In fact, almost 20% of community housing tenants have experienced homelessness in the previous five years.

Compass works closely with local homelessness support services in all jurisdictions to help people experiencing homelessness transition into stable long-term accommodation. Details of some of Compass' homelessness initiatives are outlined below.



PICTURE: LEE ILLFIELD PHOTOGRAPHY



PICTURE: LEE ILLFIELD PHOTOGRAPHY

## HUNTER HOMELESS CONNECT DAY 2018

COMPASS WAS ONCE AGAIN PROUD TO SUPPORT THE ANNUAL HUNTER HOMELESS CONNECT DAY (HHCD) HELD AT SHOWGROUND EXHIBITION CENTRE, BROADMEADOW.

Those experiencing homelessness, at risk of becoming homeless and many who are doing it tough were welcomed and provided access to a range of services including housing, financial advice, health checks, eye tests, vaccinations and haircuts, as well as clothing and blankets.

The event has been held in Newcastle since 2009 and is delivered in an environment that maintains dignity, fosters a culture of connectedness and encourages a sense of being a valued member of the community.

For the fifth year running, Compass has provided a coordinator to lead a volunteer workgroup through the many months of planning the huge event. The group consisted of representatives from services including TAFE, Hunter New England Health, Matthew Talbot Homeless Service, St Vincent de Paul Society, Department of Human Services, FACS, Legal Aid, NSW Sport, Newcastle City Library, Uniting Care, Samaritans, Hunter Water, Catholic Diocese, Jenny's Place and Path 2 Change.

Students from the Cert IV Mental Health Community Service faculty at Hunter TAFE again conducted a survey of guests to gain an insight into the extent of homelessness in the region.

The data for 2018 indicated that for the third straight year, women outnumbered men amongst those seeking assistance. With a large proportion of attendees currently housed, but experiencing housing stress, 8% identified as not having a safe place to stay that night, an increase in 2.5% from 2017.



PICTURE: LEE ILLFIELD PHOTOGRAPHY



PICTURE: LEE ILLFIELD PHOTOGRAPHY

THE MOST POPULAR REASONS GIVEN FOR ATTENDING THE EVENT WERE:

ACCESSING HEALTH CHECKS/SERVICES

28.57%

HAIRCUTS & FOOD

26%

LEGAL SUPPORT

13.39%

ACCOMMODATION & HOUSING

10.71%



PICTURE: LEE ILLFIELD PHOTOGRAPHY



PICTURE: LEE ILLFIELD PHOTOGRAPHY



PICTURE: LEE ILLFIELD PHOTOGRAPHY

## THE BIG IDEAS HOMELESSNESS NETWORK

In March 2017, Compass Housing Services hosted a public event in Newcastle called Ending Homelessness: The Big Ideas, where a group of speakers presented to the community on existing concepts to end homelessness in our region. The Big Ideas Homelessness Network ("the Network") was formed after this event, to continue the momentum.

Over the past 18 months the Network has considered a range of potential solutions and has settled on a number of projects to pursue in the short to medium term.

The Network meets regularly to identify the key challenges faced by people experiencing homelessness and the agencies that support them. Current topics include mental health services, the role of the business community and longer-term housing solutions.



## CURRENT PROJECTS

### NEWCASTLE AND HUNTER PLEDGE TO END HOMELESSNESS

The Newcastle and Hunter Ending Homelessness Pledge was launched in early 2018 and is an opportunity for individuals and organisations to join with a collective objective to end homelessness in the region. Many cities where most progress has been achieved towards this objective have begun with a pledge to focus interest, advocate for change and coordinate the many efforts required to achieve this ambition. The Newcastle and Hunter Pledge now has over 50 signatories from individuals, businesses and local government organisations across the community, including Newcastle City Council, Lake Macquarie City Council, Singleton Council, Maitland City Council, Cessnock City Council and Port Stephens Council.

### COMMON GROUND FACILITY

The Network has developed a draft proposal for a Common Ground facility for Newcastle and the Hunter Region and is currently exploring options for locations and potential funding.

Common Ground is first and foremost a housing model. It is a permanent supportive housing solution to end chronic homelessness, as opposed to a

specialist service offering crisis services or transitional housing to people experiencing homelessness. Common Ground sites provide people with a safe place to live permanently and the support to help them achieve stability in their lives.

### DOCUMENT SAFE PROJECT

The Network has recently engaged the business community to secure pro bono development of a safe on-line storage location for critical identity documents for people experiencing homelessness (Document Safe). The concept has been workshopped with NOVA for Women and Children and an application has been lodged for further trial funding.

### NEWCASTLE UNIVERSITY RESEARCH PROJECT

One of the original presenters at the Big Ideas Forum in 2017, Dr Jennifer Waterhouse (Director Postgraduate Programs & Senior Lecturer) from Newcastle University gave the community some insight into a research proposal to map homelessness services in the Hunter region.

The Faculty of Business and Law has recently approved funding to match contributions from research partners (up to a maximum of \$20,000) to enable this mapping project to be undertaken.



L TO R LORD MAYOR OF MAITLAND - CR LORETTA BAKER, COUNCILLOR JOHN GILBERT LAKE MACQUARIE CITY COUNCIL, LORD MAYOR OF CESSNOCK - CR BOB PYNSENT, LORD MAYOR OF SINGLETON - CR SUE MOORE, LORD MAYOR OF NEWCASTLE - CR NHATALI NELMES.

The estimated total cost of the project is approximately \$42,000. To date \$10,000 has been committed by research partners. A further \$12,000 is required to complete the research. Funding beyond this will enable the research to be extended to other locations within the Hunter.

### MENTAL HEALTH SERVICES FOR CHRONICALLY HOMELESS

The Network is currently working with Hunter New England Mental Health to explore better access to services for those who are chronically homeless and are also looking at a potential opportunity to garner support to reinstate funding for a mental health outreach service.

## THIS WAY HOME

The This Way Home project helps people experiencing homelessness to sustain transitional tenancies in order to move into independent accommodation. The specialised program utilises the assistance of partner agencies to provide holistic wraparound services within the Compass tenancy to help tenants with complex needs meet their obligations and achieve their goals.

This Way Home hosts nine temporary accommodation units for people requiring accommodation for up to 28 days. There are 24 medium-term accommodation units where tenants can reside for up to two years.

The Project Facilitation Group includes representatives from Compass Housing, Family and Community Services, The Samaritans Foundation, Wesley Mission, Nova, St Vincent de Paul, Wandiyali, Jenny's Place and Warlga Ngurra.

CLIENTS HOUSED  
2017-18

41

TRANSITIONED  
INTO LONG TERM  
ACCOMMODATION 2017-18

9 OF 17  
EXITS

Since February 2018, Compass Housing has hosted a series of Community Garden Working Bees at This Way Home. This initiative has been conducted in partnership with the Community Greening program from the Royal Botanic Gardens, and Samaritans Tenancy Resource Service.

The gardening days have incorporated tenants from This Way Home's medium-term program, as well as the temporary (28 night) stay. We have had external support workers join in, as well as Compass staff from Operations and Head Office. Following the working bees, tenants have regularly brought support workers and visitors to the garden to show them how the plants are growing. They also access the garden to pick vegetables and herbs. Under the 'zero waste' initiative, compost is collected from head office and delivered each week.



## SUPPORTED BOARDING HOUSE WARATAH

Compass works in partnership with Matthew Talbot Homeless Service (St Vincent de Paul) to provide accommodation and support to men experiencing or at risk of homelessness and those with complex needs.

Tenants are linked up with appropriate support and are actively involved in a case plan as a condition of their ongoing tenancy.

31

CLIENTS  
HOUSED 2017-18

## SUPPORTED BOARDING HOUSE ADAMSTOWN

The Compass Boarding House at Adamstown is made up of 18 units for people who identify as having a disability.

The complex is operated under a transitional housing program with tenants remaining in residence for up to two years during which time they are assisted to build living skills with the goal of transitioning to independent accommodation.

Tenants at the complex are supported by disability support provider House with No Steps. As well as receiving tailored day-to-day supports, tenants have access to group programs like cooking classes to improve living skills, as well as recreational activities to foster a sense of community and inclusion.

23

CLIENTS  
HOUSED 2017-18





## OUR COMMUNITY

Compass firmly believes that community housing is about building communities just as much as it is about providing housing. We're dedicated to making sure our tenants have a voice and are actively engaged in their communities.

We offer a wide range of community development activities all of which are underpinned by the same desire to promote social inclusion, economic opportunity, community cohesion and empower tenants.

### COMPASS HUBS

Both the 123 Hub in Broken Hill and The Meeting Place on the Central Coast provide a base for local support agencies to offer outreach services as well as providing local residents with a place to meet, socialise and volunteer. Offering a unique service to our tenants and their local community including events, free lunches, school holiday programs, community garden activities and sporting programs. Each hub has established programs based on the needs of tenants and the local community.

#### THE 123 HUB

The 123 Hub provides our tenants and their community access to support services and social inclusion activities. The hub has continued to go from strength to strength this year with an increase in overall attendance and the number of partnerships with other agencies.

Cooking classes have proven to be popular this year with the Deadly Dads Men's Cooking club regularly attracting a good crowd and the first ever Diabetic Cooking Workshop being a huge success.

The Strive to Drive learner driver course continued to provide an invaluable service to local residents studying for their learner's permit.





The hub is also becoming increasingly popular with local kids thanks to regularly scheduled children's activities, managed by the Warra Warra Legal Centre and Mission Australia.

Compass works in partnership with support providers and this year has seen the following agencies deliver services from the 123 Hub.

- › YMCA
- › Warra Warra Legal Centre
- › NSW Department of Fair trading
- › Rural Adversity Mental Health Program
- › Take Control (CentaCare Prog)
- › Strive to Drive (CentaCare Prog)
- › Financial Literacy (CentaCare Prog)
- › Manage Your Income (CentaCare Prog)
- › Deadly Dads Cooking (CentaCare Prog)
- › Family, Carer Mental Health Program (CentaCare Prog)
- › Young Carers Group (CentaCare Prog)
- › Mission Australia
- › Summit Education and Training
- › Wesley Mission
- › Aboriginal Employment Advisory Support Services
- › Aboriginal Legal Service
- › Aboriginal Affairs
- › Eagle Arts & Vocational College
- › FACS
- › Budget Cooking (CentaCare)
- › Salvation Army – Money Care Financial Counselling
- › Child & Adolescent Mental Health Service (CAMHS)
- › FWLHD Deadly Liver Mob
- › FWLHD Consumer Advocate Program
- › FWLHD Occupational Health
- › Aboriginal Services Unit
- › Families NSW
- › Salvation Army Homelessness support
- › Maari Ma
- › TAFE NSW



#### THE DEADLY LIVER MOB

The Deadly Liver Mob is a partnership with NSW Health delivered by the Far West Local Health District. The program offers incentives to indigenous people to access free liver screening as well as offering further treatment and education about liver health as required. 87 Broken Hill residents have completed the education and screening process so far.

## THE MEETING PLACE

The Meeting Place is an award-winning community hub managed by Compass on the New South Wales Central Coast. It is a central place for the local community that offers local residents access to a range of outreach services and community development activities that boost social cohesion and participation. Importantly, The Meeting Place and all services delivered there are not restricted to Compass tenants but can be accessed by the whole community.

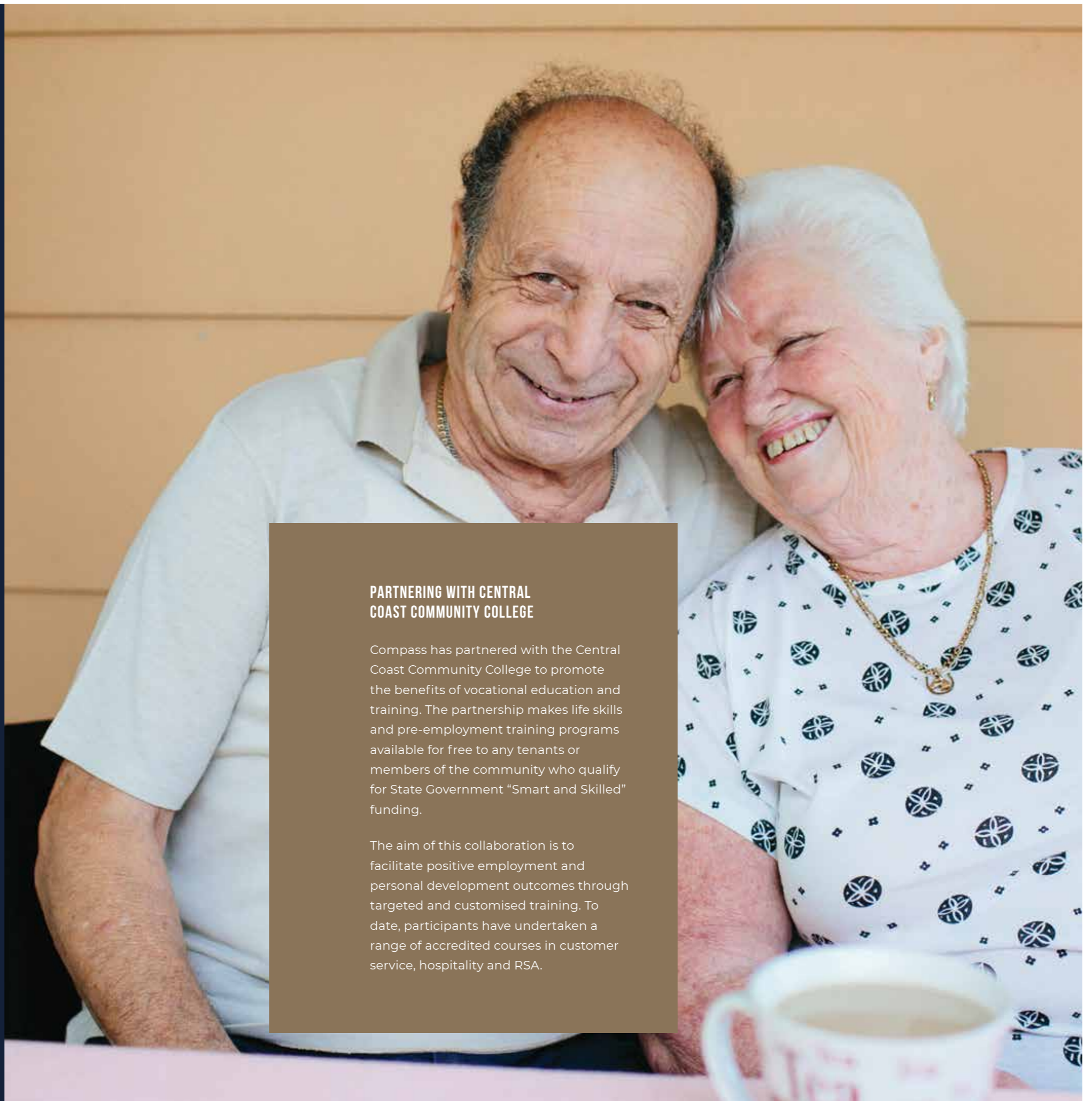
Activities and programs on offer at The Meeting Place are based on tenant and community needs and are designed to support practical life skills and provide access to services, material and support. The Meeting Place also offers a range of social activities for all ages.

Below is just one of the Compass partnerships which is run from The Meeting Place to deliver access to services and opportunities for the community.

### PARTNERING WITH CENTRAL COAST COMMUNITY COLLEGE

Compass has partnered with the Central Coast Community College to promote the benefits of vocational education and training. The partnership makes life skills and pre-employment training programs available for free to any tenants or members of the community who qualify for State Government "Smart and Skilled" funding.

The aim of this collaboration is to facilitate positive employment and personal development outcomes through targeted and customised training. To date, participants have undertaken a range of accredited courses in customer service, hospitality and RSA.



Cathy Cooke leads a full life. As well as being a single parent to her 20-year-old son, Cathy is also a foster parent and a part time student at Compass' Meeting Place Community Hub on the Central Coast.

Having previously worked in accounts, sales and tourism, Cathy says she found it tough to re-enter the workforce after taking time out to raise children.

"I felt a bit intimidated at the prospect of going to a large TAFE so being able to study at the Meeting Place has been fantastic" Cathy says.

"The job market is very different from the way it used to be. Even writing a resume has completely changed so having the details of the various certificates and modules you have completed is really helpful."

"So far I've completed a Hospitality Passport course, an Industrial Essentials course and I'm now studying customer service."

The accredited courses are offered at The Meeting Place by Central Coast Community College.

Cathy credits the community housing sector with providing the stability needed for her family to thrive.

"I became a Compass tenant about 10 years ago," she says.

"Living here has enabled me to give my son stability. I'm not a believer in kids jumping from school to school. Thankfully, because we got this place when my son was young he was able to go to one primary school and one high school. He's now working full time."

In addition to raising her son, Cathy has been a foster parent to more than 20 young people over the past 10 years.

"I became a foster parent after my marriage broke down," she says.

## CATHY COOKE CENTRAL COAST

"IT'S REASSURING TO KNOW THAT IF YOUR SITUATION CHANGES, YOU WILL STILL HAVE A ROOF OVER YOUR HEAD. IN THE PRIVATE RENTAL MARKET IT CAN BE STRESSFUL BECAUSE YOUR INCOME CAN DROP BUT YOU STILL HAVE TO FIND THE MONEY TO PAY THE FULL AMOUNT EACH WEEK."

"I always wanted a big family. I've got a big heart and I wanted to share it."

Thanks to the qualifications obtained at the Meeting Place Cathy is now confident of being able to join her son in the workforce in the near future.

”

*Living here has enabled me to give my son stability. I'm not a believer in kids jumping from school to school. Thankfully, because we got this place when my son was young he was able to go to one primary school and one high school. He's now working full time.*

*Cathy*





### THE SHACK SHOP

The Meeting Place Shack Shop continues to provide emergency relief and low cost goods to tenants and those in the community facing hardship. Thanks to Foodbank New South Wales and donations from local businesses the Shack Shop provides groceries to a growing number of people in need. This project is staffed by volunteers and all funds generated are invested back into additional supplies making the program self-sufficient and sustainable.

### THE SECONDBITE PROGRAM

Food waste continues to be a huge issue in Australia with consumers throwing away around 3.1 tonnes of edible food each year with another 2.2 million tonne disposed of in the commercial and industrial sectors. All at a cost of around \$20 billion to the Australian economy each year.

The Secondbite program is committed to reducing this waste by redirecting surplus food from landfill and into community food programs nationwide.

Compass has developed a community food program at the hub through Secondbite, who facilitated MOUs with Coles and a local bakery. This has resulted in fresh fruit and vegetables and baked goods being available to members of the community at no cost and diverting tonnes of food waste from landfill each year.

# grow a star

Grow a Star is an innovative youth mentoring and scholarship program that helps young people from disadvantaged backgrounds overcome the financial or generational obstacles that are preventing them from following their dreams.

In households where finances are tight, young people often miss out on the sort of extra-curricular activities that play an important role in connecting people to their communities. Grow a Star encourages generational change by empowering young people from disadvantaged backgrounds to follow their academic, sporting or artistic dreams.

By providing motivated young people the opportunity to fulfil their potential, the program is a genuine source for positive change.

Through their connection with the program, Grow a Star participants generally exhibit improvements in confidence and self-esteem which can have profound positive impacts on their prospects both in terms of their sporting, artistic or academic goals and their roles as members of the community in general.

By enabling young people to pursue their passions, the program helps foster habits and behaviours that can set young people up for life.

Since its launch in 2012, Compass has assisted 288 young people to pursue their academic, sporting or artistic goals. We currently have 49 young people in the program.

NUMBER OF PARTICIPANTS CURRENTLY ACTIVE

49

NUMBER OF YOUNG PEOPLE SPONSORED - SINCE 2012

288

SPONSORSHIP PROVIDED - SINCE 2012

OVER \$ 691,959



PICTURE: LEE ILLFIELD PHOTOGRAPHY

Sienna Grech has her sights set on being a star on the soccer field.

The 11-year-old Central Coast resident wants to play for the Matildas (Australian women's soccer team) one day.

This year Sienna received funding support through Compass Housing's Grow a Star program to help cover the costs of being involved in the Central Coast Mariners' Under 11 Girls development team.

A Year 6 student at Woongarrah Public School, she has been playing soccer since she was five years of age.

Sienna says the Mariners' program has really improved her skills. She says she can tell by how she is playing that the program has made a big difference to her game.

Her skills are shining through as she has been selected to play in the Under 14's Mariners' Academy program team next year.

Mum, Shantelle, says the Grow a Star funding helped to ease the burden of the cost of having a child playing at a representative level.

"It meant less worry; I was thinking how can I afford to pay for this?" Shantelle says.

"Sienna has learned so many things," she says.

You can see the difference from when she was playing club soccer to playing at a rep level."

Sienna says she is happy to play anywhere but prefers being a midfielder. Her favourite player is Matildas' forward Sam Kerr.

"Sam is a really good soccer player and I love the way she does her backflips after scoring a goal," Sienna says.

## SIENNA CENTRAL COAST

"SAM IS A REALLY GOOD SOCCER  
PLAYER AND I LOVE THE WAY  
SHE DOES HER BACKFLIPS AFTER  
SCORING A GOAL"



She isn't trying to do backflips on the field herself though.

Sienna will play in a Sydney competition next year which her mum says gives her even more opportunity to lift her skills.

We may one day see this talented member of the Grow a Star family in the green and gold at an Asian Cup or World Cup tournament.



”

*It meant less worry; I was thinking how can I afford to pay for this? Sienna has learned so many things. You can see the difference from when she was playing club soccer to playing at a rep level.*

*Shantelle*

Sienna's mum



Grow a Star funding opened a number of doors and brought an unexpected opportunity for an aspiring netballer.

Krystal Dallinger had not long relocated to Newcastle from her home town of Dubbo when she became a recipient of Compass Housing's Grow a Star program.

The now 17-year-old Hunter Sports High student says she and her mum had to leave a lot behind when they came to live with her grandmother.

A keen netballer, Krystal was identified for the Hunter Academy of Sport's program.

"The Grow a Star funding was big for my mum and I," Krystal says.

"It allowed me to put myself out there to develop my netball skills through the Academy and then [Australian netballer] Sam Poolman's Aspire program," she says.

Krystal says both the Academy and Aspire helped with all aspects of her netball game but the most valuable benefit was the boost to her confidence. She says having people believe in you boosts confidence. Grow a Star coordinator Shane Marshall was a big supporter and there for her "at the drop of a hat".

Krystal is an indigenous woman from the Gamilaroi Nation. She and her mum Carolyn gave Sam a hat, with indigenous designs, as a thank you at the end of the Aspire Program. Sam was knocked off her feet by the gesture and the design. Later, she, the goal keeper for the GWS Giants netball team, surprised Krystal at school to offer her the chance to design the club's dress for the indigenous round match against the Sydney Swifts, and meet the Giants' team members.

## KRYSTAL NEWCASTLE

"THE GROW A STAR FUNDING WAS  
BIG FOR MY MUM AND I,"



”

The Grow A Star funding was big for my mum and me. It allowed me to put myself out there to develop my netball skills through the Academy and then Sam Poolman's Aspire program.

Krystal



"I never thought in a million years I'd be able to do something this amazing for the Giants and for NAIDOC," Krystal says.

Mindful of the opportunity Grow a Star gave her, Krystal has given back to other young netballers. This year she raised \$2000 for the Confident Girls Foundation by gaining sponsors to donate a dollar for every goal she scored in the month of June. The Foundation provides shoes and dresses to girls in regional Australia to help them play netball.

Asked why she likes netball, Krystal says it is a great way of having fun and being active.

This year Krystal gained a place as a shooter in the Hunter United Diamonds that plays in the Sydney competition. She is currently trialing for the Hunter Diamonds and several Sydney premier teams for next season.

She says she would love to one day wear the national team's uniform but she is focused on setting and achieving small goals, one by one.

"I will see where netball takes me."

"I HAVE MADE A LOT OF FRIENDS THROUGH NETBALL."



## GROW A STAR – WHERE ARE THEY NOW?

### BRADLEY CARBERRY

Bradley joined the Grow a Star program in 2016 as a recipient of the Newcastle Permanent Charitable Foundation Scholarship. Bradley has recently completed his Cert IV in Business earlier this year and is currently studying a Diploma of Business which he will complete this coming December.



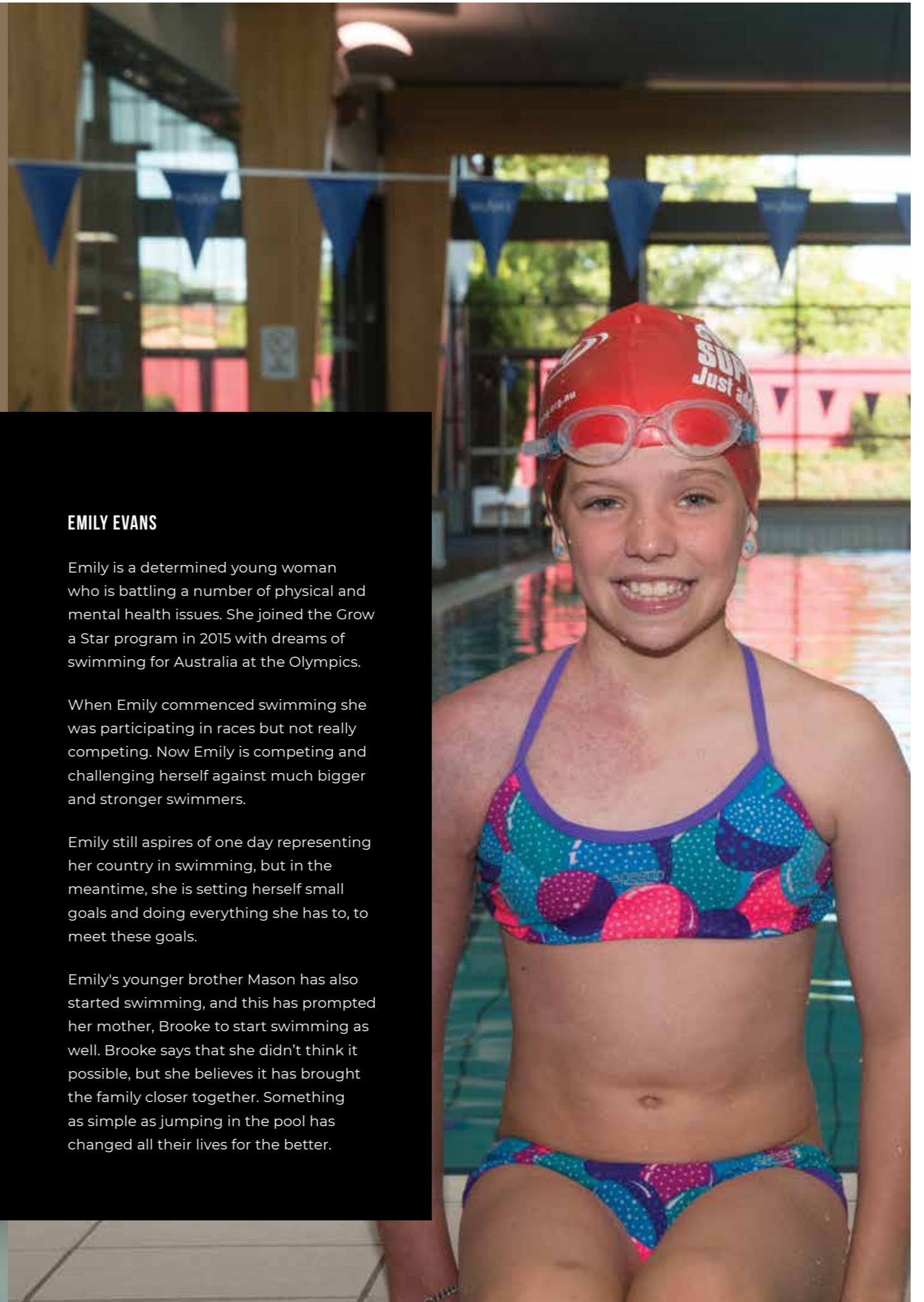
### EMILY EVANS

Emily is a determined young woman who is battling a number of physical and mental health issues. She joined the Grow a Star program in 2015 with dreams of swimming for Australia at the Olympics.

When Emily commenced swimming she was participating in races but not really competing. Now Emily is competing and challenging herself against much bigger and stronger swimmers.

Emily still aspires of one day representing her country in swimming, but in the meantime, she is setting herself small goals and doing everything she has to, to meet these goals.

Emily's younger brother Mason has also started swimming, and this has prompted her mother, Brooke to start swimming as well. Brooke says that she didn't think it possible, but she believes it has brought the family closer together. Something as simple as jumping in the pool has changed all their lives for the better.





## SHOUT OUT

Shout Out is the first of its kind; a suicide prevention program delivered by a social housing provider. Shout Out is helping to train Compass tenants and staff to better recognise mental health challenges and suicide risk, to have the confidence to open conversations that lead to support, and to raise the general awareness of suicide risk and mental health issues. The Shout Out program is funded through to 2020 by NSW Health under the NSW Suicide Prevention Fund.

Since its launch in October 2017, Shout Out has engaged with tenants and staff at a range of tenant events and training sessions, through social media, mailout and text.

Twelve training sessions have been held for tenants, and 50 Compass staff from 5 branches have attended 2-day Mental Health First Aid courses. Feedback from attendees has been very positive.

The Shout Out program is represented at all major tenant events throughout the year. At the 2017 Compass Christmas parties, Shout Out asked tenants to contribute to a playlist of songs that lift their mood. Competition was tough! At Compass' tenant forums in May and June 2018, Shout Out supported presentations by Joe Williams, ex-NRL player and mental health advocate. Joe shared his powerful story around recovery from bipolar, drug and alcohol abuse, and his practical strategies for remaining well. Many tenants approached Joe afterwards to share their own stories.

In the next year, Shout Out will be focusing on engaging tenants in vital suicide prevention training, to build the skills and confidence of the Compass community to respond to those who might be struggling.

**“THANK YOU FOR BRINGING SUCH AN INSIGHT INTO SUICIDE PREVENTION TO MUSWELLBROOK. NO TEXT BOOK OR CASE STUDY CAN HELP LIKE TODAY HAS. I FEEL I CAN BE OF HELP IN OUR COMMUNITY.”**

## MENTAL HEALTH FIRST AID

Mental Health First Aid is a 2-day course that teaches people the skills to help someone they're concerned about.

Compass' frontline staff have a unique and positive relationship with tenants and often come into contact with vulnerable people. A key component of Shout Out is ensuring frontline staff have the skills and confidence to identify when someone is experiencing mental health issues or may be at risk of suicide and link them to help.

Over 40 Compass staff undertook Mental Health First Aid training over the first year of the program. Shout Out will be continuing to ensure training is available to all frontline staff as the business grows over the next year.





## PARTNERSHIPS

Compass continues to build and maintain partnerships with over 50 vital support providers across our portfolio. We understand the importance of building positive working relationships with vital services to ensure tenants are supported and have access to the necessary networks and support providers. Compass has established formal partnerships through contractual arrangements and memorandums of understanding, and further partnerships through less formal arrangements.

Through these partnerships Compass has worked with a number of support providers to deliver services and programs in all jurisdictions to support tenants and link them with services and social inclusion activities. Compass holds partnerships in very high regard and believe in working together to support tenants and their communities.

Compass works closely with a number of support providers through our Specialist Disability Accommodation (SDA) portfolio. Ensuring these partnerships are positive and effective is essential in delivering person-centred specialist services for residents in our group homes, based on choice and control.

The SDA portfolio partners include House With No Steps, LiveBetter and The Cram Foundation, where we operate as the SDA provider for 114 group homes and 5 respite homes, while our partners deliver high quality Supported Independent Living support to our residents.

Compass has a long-established working relationship with Samaritans Tenancy Resource Service. The team from Samaritans have attended and partnered in numerous events held by Compass branches including Quick Fix Maintenance Day, Clean Ups at complexes and supported our tenant forums and Christmas parties. Samaritans have also been a huge part in assisting tenants at risk with support and brokerage and they have also provided food vouchers for tenants in need.

Community Gardens have proven to be a great social inclusion and tenant empowerment opportunity. Our partnership with the Botanic Gardens, Community and Education programs – Public Engagement Team and Vegepod have resulted in positive engagement sessions that benefit tenants on a number of levels including good health and wellbeing, social inclusion and a connection to Place.





## DEEP PLACE

Compass employs the Deep Place method to map issues and opportunities in localities with high concentrations of social housing. The method draws on related approaches to understand the economic and social challenges of communities and residents and develops a Deep Place Plan to create positive change. The method sees a central role for creating work opportunities for tenants to improve social outcomes for themselves and their families. Deep Place reviews are now the starting point for Compass programs in new areas of activity for both Australian and international activities and provide critical data and research insights to inform the design and development of services. The first Deep Place study in

Australia was of Muswellbrook. Following this study Compass has been a founding member of the CREATE collective impact partnership that is leading social change in Muswellbrook by focusing on improved outcomes for young people. Compass is currently conducting Deep Place studies in Cessnock, Singleton and Taree to inform the transfer of state housing to Compass management in 2019. These studies will inform the strategies and actions that Compass will take to engage with our new tenants and develop local partnerships that meet the diverse needs of the local tenant population.

This year a Compass team also spent a week in the town of Freswota (Freshwater) in Vanuatu conducting a Deep Place review which will inform the next stages of Compass' partnership with that community.



## TENANT INCENTIVE SCHEME

Compass' Tenant Incentive Scheme (TIS) was established in 2013 to recognise tenants who take pride in their homes and are up-to-date or ahead with their rental payments.

The scheme is funded by the interest earned from rents paid in advance and has proven to be a great incentive for tenants and a fantastic opportunity for the Compass team to identify and reward residents who have gone above and beyond.

TIS winners are selected then given a ranking based on rent, bond and invoice payments and their fulfilment of their lease agreement through property care and maintenance.

In 2017-18, six branches participated in the TIS with more than 180 monthly winners being identified. Each branch draws an overall winner for each category at the end of the year with prizes of \$1000, 500 and \$250 being awarded to Gold, Silver and Bronze winners respectively. Monthly winners from branches in the Hunter Region were also treated to a Dolphin Cruise at Nelson Bay.

## COMMUNITY GARDENS

Community Gardens not only provide tenants with access to fresh fruit and vegetables but create a platform for social inclusion and address good health and wellbeing on a number of levels. The therapeutic benefit of gardening has been widely acknowledged and the importance of Place on a person's mental health and commitment to their community is significant.

Following successful programs in Brisbane and Newcastle, Compass has committed additional funds to roll out community gardens across our regions and particularly in more remote areas. This program has commenced and includes the installation of Vegepods, drought and pest resistant garden beds that use minimal water.



## ENVIRONMENTAL SUSTAINABILITY

COMPASS HOUSING HAS A LONG-STANDING COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY BOTH AT AN ORGANISATIONAL LEVEL AND IN DELIVERING OUTCOMES FOR TENANTS AND STAKEHOLDERS AND TO ACHIEVING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS.

## CARBON AUDIT

Compass Housing is committed to monitoring and reducing our carbon footprint. The benchmark for 2018 was a 10% reduction from the 2015 baseline.

This was reflected in the Key Performance Indicators for the Executive Management Team and across departments.

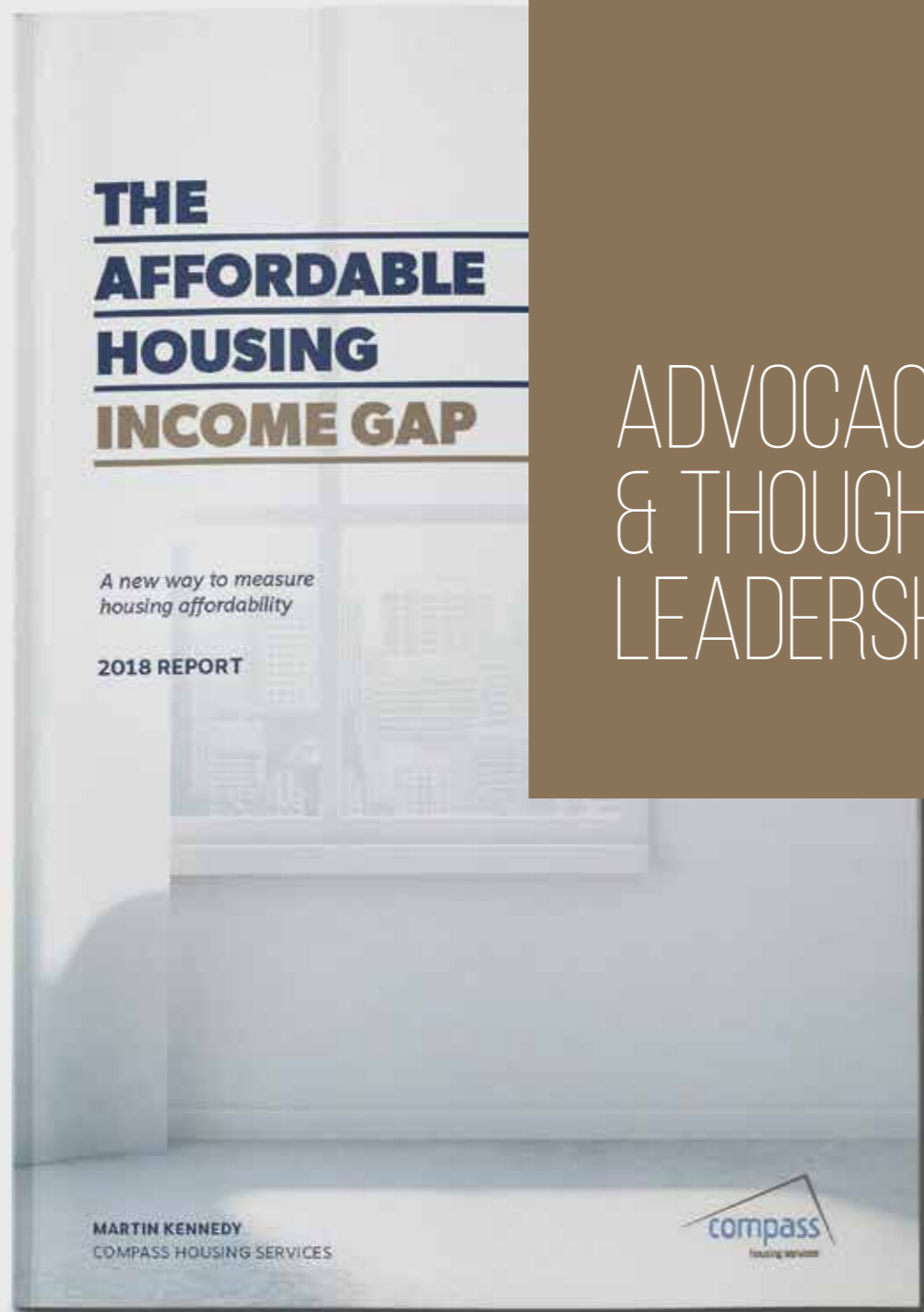
Compass has engaged external auditor The Carbon Reduction Institute annually since 2013 measuring travel, fuel, energy, gas and waste. The 2018 audit saw an overall reduction of 18% per FTE compared to the 2015 audit report.

Compass continues to monitor our environmental impact and reflect sustainability goals in KPIs.

## PLASTICS POLICE PROGRAM

Compass has looked at ways to assist tenants with waste management to ensure responsible disposal of plastic is easy and accessible. Compass is working on several projects with Cross Connections to further explore how we can do this and have recently signed up to the Regional Pilot of the Plastics Police Program.

The Program not only disposes of soft plastics by recycling but also includes an educational component and challenges participants to aim towards zero waste. This commitment will see Compass fund three soft plastic recycling stations at locations across Newcastle, Muswellbrook and the Central Coast.



ADVOCACY  
& THOUGHT  
LEADERSHIP

**THE AFFORDABLE HOUSING INCOME GAP REPORT**

Over the past two decades, housing affordability in Australia has deteriorated at an extraordinary rate. Yet while the challenges faced by prospective home buyers are generally well known, the experience of median income renters has received comparatively little attention.

To help remedy this situation, Compass earlier this year published the Affordable Housing Income Gap Report (AHIG Report). The Report takes a new approach to the measurement of housing affordability for renters by establishing the amount of extra income a typical renting household would need to avoid housing stress on various types of rental properties in more than 300 suburbs, towns and local government areas across New South Wales, Victoria and Queensland.

Historically, rents have been more closely pegged to incomes than property prices, but this link appears to be growing weaker, and rental housing's function as a more affordable form of tenure for people on lower incomes is now under serious threat.

The AHIG Report established that in many parts of the country, the median incomes of renting households were tens of thousands of dollars below the level required to secure a basic two-bedroom apartment without experiencing housing stress. The situation for renters seeking a 3-bedroom house is worse, with median incomes falling up to \$100,000 short of the level required to avoid housing stress in certain areas.

The report found that to avoid housing stress in Sydney, Melbourne or Brisbane, a typical renting household often must choose between living a considerable distance from the city or living in a one bedroom apartment. Neither of those

options are practical for lots of families so they are effectively forced to accept living in housing stress. This in turn can have a real impact on living standards because people in housing stress are less able to pay for other essentials like food, utilities, insurance, healthcare, childcare, and debt repayments.

Although the impact of the Affordable Housing Income Gap is most visible in capital cities, there are many regional centres where renters face circumstances that are as difficult, or in some cases more so, than those faced by renters in the capitals due to lower median incomes. The impact is particularly severe in "commuter belt" cities close to the capitals where people can find themselves paying capital city style rents, despite not being on capital city style incomes.

The steady decline of housing affordability for renters is part of a broader housing crisis driven by a combination of low interest rates, preferential tax treatment for investors, rapid population growth, artificial rationing of land supply, high transfer duties and, a prolonged failure to invest in social and affordable housing.

The Report recommends the creation of a national housing plan with initiatives crossing all levels of government. They include:

- Catalysing the construction of 500,000 social and affordable housing dwellings in the next 10 years.
- Reviewing the tax and transfer system to strike a fairer balance between the level of support provided to investors, first home buyers and renters.
- Reforming state tenancy laws to provide greater security of tenure for renters and decrease demand for social housing.

## WHITE RIBBON

Violence against women – whether it occurs in or beyond the workplace – is a serious and preventable issue and has the ability to harm workplace culture, organisational reputation and bottom line profit and loss.

In Australia, one in four children are exposed to domestic violence. Domestic and family violence is the principal cause of homelessness for women and their children. From the age of 15, 1.7 million Australian women have experienced sexual violence, and 2.2 million have experienced at least one incident of violence by an intimate partner. Across their lifetime 5 million women have experienced sexual harassment. On average one woman a week in Australia is killed by an intimate partner.

Australia has a choice. We can change the story that currently sees a woman murdered every week by a current or former partner. We can choose a future where women and their children live free from violence. We can choose to live differently.

In July this year Compass held a series of White Ribbon Morning Teas across our office locations; at head office in Hamilton NSW, both employees and sponsors were invited to attend. A fundraising target of \$1500 was set, with a total of \$4309 being raised thanks to the generosity of Compass employees and the event major sponsors – Monica Clare Recruitment, Forsythes Training, Barr Property & Planning and Hall & Wilcox Lawyers. Awareness and funds raised at the event went towards helping White Ribbon's mission to change the attitudes and behaviours that support or excuse violence against women in Australia.



Housing solutions  
for all Australians

[everybodyshome.com.au](http://everybodyshome.com.au)

## EVERYBODY'S HOME

The Everybody's Home Campaign originated from Compass' coordination and authorship of the Towards a National Housing Strategy document. Published in 2016 the document identified the key patterns of the housing crisis and provided proposals to resolve them. Following a research and commissioning process led by the NSW Federation of Housing Associations (now CHIA NSW) Essential Media were engaged to design and manage the national campaign Everybody's Home.

The Campaign is supported by over 20 peak bodies and agencies in the housing, homelessness and social services fields. The campaign in its first six months has achieved a national following of 18,000 supporters who are actively engaged in lobbying their local politicians for change.

There are 5 simple things our Government can do to fix Australia's housing system so that it works for everyone:

1. Reset our tax system to make it fairer for ordinary Australians wanting to buy a home.
2. Appoint a minister for housing and develop a national housing strategy to deliver 500,000 social and affordable rental homes.
3. Improve renters' rights throughout Australia by getting rid of "no grounds" evictions and unfair rent rises.
4. Increase Commonwealth Rent Assistance for the thousands of Australians who are struggling to pay the rent.
5. Develop a National Plan to end homelessness by 2030.

The campaign team are currently working on a National Assembly event to be held in Sydney in March 2019.

## SPREADING THE WORD

In 2017 Compass led an Australia wide collaboration to hold the first NUA related event in the southern hemisphere. The inaugural New Urban Agenda Conference was held in Melbourne and successfully delivered a program exploring the local implementation and challenges we face in delivering on the New Urban Agenda. Over 24 delegates from 11 nations attended the two day event. A second international conference is being convened by Compass in Newcastle in early November in partnership with the Eastern Regional Organization for Planning and Human Settlements (EAROPH) as their 26th World Congress.

Compass also facilitated a New South Wales focused NUA implementation forum in Sydney in May 2018.

Compass has also supported the integration of the SDGs and the New Urban Agenda by developing a web resource that demonstrates the links between the 17 SDGs and the various elements of the NUA. Seen as the accelerator of the SDGs in the urban environment, this web resource helps practitioners understand the connections between these two important United Nations Frameworks.

Compass' commitment to social, environmental and economic sustainability is evident in the way we do business and in our leadership in advocating the implementation of the United Nations New Urban Agenda (NUA) and the Sustainable Development Goals.

## INTERNATIONAL ACTIVITY

FOLLOWING COMPASS' PARTICIPATION IN THE UNITED NATIONS HABITAT III CONFERENCE IN 2016 WHERE AUSTRALIA AND OTHER MEMBER NATIONS COMMITTED TO THE NUA, A 20-YEAR ROAD MAP TO MANAGE HOW WE PLAN AND LIVE IN CITIES, COMPASS HAS CONTINUED TO ADVOCATE FOR NUA IMPLEMENTATION IN AUSTRALIA AND ACROSS THE PACIFIC REGION.



## UN HABITAT RELATIONSHIP

2018 has seen Compass take several international leadership roles in the UN Habitat General Assembly of Partners. GMD Greg Budworth moved from his role as Vice Chair of the Civil Society, Constituent Partner Group (PCG) to be elected as Vice President of the General Assembly of Partners (GAP) itself. This global role reflects Greg's contribution to key UN events.

Compass Manager of International Strategies and Special Projects Advisor Larry O'Brien was elected to the Vice Chair role of The Civil Society Partner Constituent Group, again reflecting the high standing of Compass housing representatives in this global arena.

## WORLD URBAN FORUM 9 KUALA LUMPUR

This biannual world conference is the most important event in the UN Habitat calendar. Compass provided coordination of all Australian delegates and hosted a reception with representatives of the Australian High Commission attended by over 60 Australian delegates. Compass also played a significant role in the five day program, hosting receptions, side events, training events and networking events. These included a Deep Place training event and the launch of the Global Homes Network, a global initiative by Compass to connect housing organisations internationally. A core team of Compass staff attended multiple events building a strong international network of agencies implementing the New Urban Agenda globally.



## RELATIONSHIP WITH UN ESCAP

Compass was represented at the November 2017 UN ESCAP Quito+1 conference in Bangkok, to begin the development of guidance for the Asia Pacific region's implementation of the NUA. Since that time Compass has also been represented by two staff on the UN ESCAP Friends of the Ocean City advisory group, contributing to the development of climate change mitigation guidance for the Pacific region.

## THE GUANGZHOU INTERNATIONAL AWARD FOR URBAN INNOVATION

This prestigious international competition is one of the highlights for international urbanists and the winners set the standards for other cities throughout the world to follow. Greg Budworth was invited to join the expert Technical Committee to review over 360 entries and arrive at the shortlist of 15 nominated cities. This recognises Greg's international reputation for knowledge of the role of housing in creating cities of the future that are sustainable and support the aspirations of the Sustainable Development Goals and the New Urban Agenda.

## HUMANITARIAN ACTIVITY IN VANUATU

In last year's Annual Report, we reported on efforts to rebuild community facilities destroyed by Cyclone Pam in 2015. Thanks to the efforts of Compass' own Tenants for Vanuatu Committee, and generous in-kind donations and pro bono work from Australian tradies, work has now been completed on two brand new community facilities. Both have been constructed to the highest storm resistant standards and so will be able to serve as a safe haven during future storms as well as a venue for community services. A Compass team spent one week in Freshwater conducting a Deep Place review in September 2018 which will inform the next stages of Compass' partnership with the Freshwater community.





## NEW ZEALAND OPERATIONS

Compass NZ is a registered Social Housing Landlord, accredited by the Community Housing Regulatory Authority under the Ministry of Business Innovation and Employment. It is also a registered charity with the Department of Internal Affairs and an active member of Community Housing Aotearoa, the peak body for community housing in NZ.

Compass NZ commenced management of 90 properties in South Auckland in Papatoetoe and in Mangere East in 2016. The Compass approach to tenancy and property management focuses on improving the social and economic circumstances of the individual household as well as the community in which they live.

Compass is working with government at local and central level as well as the private sector to increase the range and quality of affordable housing options in New Zealand. The change of Government following the September 2017 election has created a new operating environment for the community housing sector in New Zealand. Initially this was evident in the Government and its agencies focusing on developing new policies and structures and revisiting existing Programs and funding models.

The new operating environment relies heavily on Government as the primary provider of social housing (renamed public housing); the formation of a new interim agency the Ministry of Housing and Urban Development; and increased funding on transitional or emergency housing. The third focus for Government is the KiwiBuild program which is aiming to deliver 1,000 dwellings per year in the \$500-\$600,000 price range.

This government-centric approach has created an opportunity for the non-government community housing organisations to look to

partnerships as a means to stay relevant and remain sustainable. As a result, Compass is engaging with other Community Housing Providers to investigate innovative ways to deliver new housing options, particularly affordable rental housing for tenants no longer eligible for public housing when their economic circumstances change through work.

Compass NZ has engaged with strategic development partners and will deliver a range of bespoke smaller scale developments with a mix of one and two-bedroom units in West Auckland and regional NZ in 2020. We are also working to deliver a rent to buy model for key worker households who are currently paying over 50% of their income on rent.

In the next 12 months Compass will take on the tenancy and property management of 160 new one and two bedroom units in Auckland built by the Ted Manson Foundation and 54 furnished studio apartments in Papatoetoe built by Du Val Property. These new acquisitions will bring our total NZ portfolio to 304 properties.

Over the past year Compass NZ has successfully introduced the Grow a Star program. Our first program participant is a final year student at Alfriston College South Auckland. Luisa Tauri-Tei is a school leader with a passion for human rights who recently set up a United Nations Club at her school and is aiming to complete a dual degree in law and global studies at university.

Compass NZ has bold, ambitious goals because we are seeking to change life trajectories and enable people to live the best life they can. We're proud to be working with high quality development partners like the Ted Manson Foundation to deliver a new benchmark in the quality of social housing in Auckland and regional lower North Island.



Betty was born and raised in Fiji for the first twelve years of her life, then moved to Kiribati in the Central Pacific. Betty was a flight attendant for Kiribati's only airline, Air Tungaru in the 1980s. She was based in Honolulu, Hawaii and received her flight training at American Airlines in Los Angeles. Political change in Kiribati saw the sale of the airline and saw Betty become a travel consultant for Continental Airlines in Majuro, Marshall Islands before she landed on New Zealand shores in 1990. In her words "Did a lot of travelling at one stage so I guess you could say, been there, done that!"

After arriving in New Zealand, Betty met her partner and had two children. Betty found herself on her own in a three-bedroom property struggling to pay the rent after she had to give up her job at New Zealand Post because of osteo-arthritis, the breakdown of her relationship and her children coming of age. She says humorously "all of them had flown the coop – kids and dad and doing their own thing."

Betty expected her new place with Compass to be an old state house but was very impressed with the new complex. She was delighted that there were security gates and "most of all the studio being semi furnished. And the icing on the cake was the cheap rent, plus free power, water and WiFi. Choice alright!"

Living in a Compass property has allowed Betty to have her privacy and meet a diverse group of people from all walks of life. She is also an active member of Compass NZ's Tenancy Advisory Group.

Betty is philosophical and pragmatic about life and acknowledges that sometimes it doesn't all go well.

**BETTY TEKANENE**  
NEW ZEALAND

**"I WAS SO RELIEVED AND HAPPY TO FINALLY HAVE A PLACE OF MY OWN WHEN I CAME TO PAPATOETOE, AS IT WAS HARD LIVING WITH EXTENDED FAMILY WHEN YOU'RE SO USED TO DOING YOUR OWN THING AND BEING SO INDEPENDENT ALL YOUR LIFE... NOT A VERY GOOD PLACE TO BE."**

"Life's not perfect and neither are we. I'm a happy and grateful individual to have got a place with Compass Housing."

She is due for a second knee operation and when that's done, would like to either go back into part time work in the hospitality industry or head back to school to complete the degree she started a long time ago.



FOR THE YEAR ENDED 30 JUNE 2018

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FINANCIAL STATEMENTS

ABN 84 002 862 213

The financial statements and other specific disclosures have been derived from Compass Housing Services Co Limited (the company's) full financial statements for the financial year. Other information included in the Summary of Financial Statements is consistent with the company's full financial statement.

The Summary of Financial Statements do not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the company as the full financial statements.

A copy of the company's 2018 full financial statements, including the independent audit report, is available to all members and will be sent to members without charge upon request.

DIRECTORS' REPORT

YOUR DIRECTORS PRESENT THEIR REPORT ON THE CONSOLIDATED ENTITY CONSISTING OF COMPASS HOUSING SERVICES CO LTD AND THE ENTITIES IT CONTROLLED AT THE END OF, OR DURING, THE YEAR ENDED 30 JUNE 2018. THROUGHOUT THE REPORT, THE CONSOLIDATED ENTITY IS REFERRED TO AS THE GROUP.

DIRECTORS

The following persons held office as directors of Compass Housing Services Co Ltd during the whole of the financial year and up to the date of this report, unless otherwise disclosed:

- Paul Johnson
- Kwesi Addo
- Greg Budworth
- Susan Williams
- Barry Martin
- Paul Hughes
- Michael Page
- Jennifer Roberts

## PRINCIPAL ACTIVITIES

During the year the principal continuing activities of the group consisted of providing social and affordable housing in the areas of Broken Hill, Dubbo, Upper Hunter, Maitland, Central Coast, Newcastle and Lake Macquarie for New South Wales and in the areas of Logan and Greater Brisbane for Queensland and in South Auckland for New Zealand.

Compass Housing Services Co. Ltd received funding support from NSW Family and Community Services through grant subsidies for the Community Housing Leasing Program to lease properties from the private market for the provision of community housing.

Compass Housing Services Co Ltd and our wholly owned subsidiary Compass Housing Services Co (Queensland) Ltd received funding support from the Department of Housing and Public Works through grant subsidies for the Community Rent Scheme Program.

## DIVIDENDS

The company and its controlled entities are a not for profit organisation and are prevented by its constitution from paying dividends.

## REVIEW OF OPERATIONS

The consolidated results from ordinary activities before tax for the year amounted to \$16,898,000 (prior year: \$14,186,241).

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 7 September 2017, a controlled entity, Compass Housing Services Co (New Zealand) Limited, established a 100% owned subsidiary, Compass Housing Services Co (Canterbury) Limited to pursue activities consistent with its business. Compass Housing Services Co (Canterbury) Limited was closed and removed from the New Zealand Companies register on 12 October 2018.

## EVENT SINCE THE END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 30 June 2018 that has significantly affected the company's operations, results or state of affairs, or may do so in future years.

## ENVIRONMENTAL REGULATION

The group is not affected by any significant environmental regulation in respect of its operations.

## INFORMATION ON DIRECTORS

### PAUL JOHNSON

#### QUALIFICATIONS

Retired CEO of a Financial Institution. Certified Practising Accountant. Graduate member of the Australian Institute of Company Directors. Member of the Australian Computer Society.

#### EXPERIENCE

Involved in the Community Housing Sector as a Director since 2008. Paul is a retired Chief Executive of a financial institution with over 27 years' experience as a senior executive in the financial services and not-for-profit sectors in Australia.

#### SPECIAL RESPONSIBILITIES

Parent Board Member. Chair of Compass (NZ). Compass (Qld) Board Member. Chair of Appeals Committee. Chair of Remuneration Committee. Member of Nominations and Governance Committee. Member of Audit Risk and Compliance Committee. Chair of Logan City Community Housing Co Ltd. Home4Life Ltd Board Member.



### KWESI ADDO

#### QUALIFICATIONS

Fellow of the Australian Institute of Company Directors. Fellow of the Governance Institute of Australia. Bachelor of Laws. Master of Business Administration – International Business (Hons). Master of International Relations. Master of Construction Law.

#### EXPERIENCE

Non-Executive Director with 13 years' experience in community housing.

Legal practitioner with over 10 years' experience primarily in the areas of local government, commercial and construction law in private practice and in-house with global engineering consultancy firms (advising on all aspects of major infrastructure projects, including joint ventures and alliances), with additional experience in commercial and civil litigation, debt recovery and insolvency, privacy, tax and employment law.

Author in the area of intellectual property, as well as authoring 3 editions of a NSW legal text on community housing and 1 edition of a QLD legal text on community housing

#### SPECIAL RESPONSIBILITIES

Chair of Parent Board. Chair of Compass (Qld). Chair of Nominations and Governance Committee. Member of the Appeals Committee. Compass (NZ) Board Member.





**GREG BUDWORTH**

**QUALIFICATIONS**

Master of Business Administration. Master of Business. Other tertiary qualifications in: Project Management, Business Management, Workplace Safety, Workplace Training. Graduate Member of the Australian Institute of Company Directors. Member of the Australasian Housing Institute. Member of Managers and Leaders Australia.

**EXPERIENCE**

Group Managing Director of the Compass Group. He is a director of the Australasian Housing Institute and a member of various other related committees and panels. He has previous experience in CEO and senior management roles in for profit human services organisations. He is currently the Vice President of the General Assembly of Partners.

**SPECIAL RESPONSIBILITIES**

Compass Group Managing Director. Executive Director of the Parent Board. Executive Director of Compass (Qld). Executive Director of Compass (NZ). Member of the Appeals Committee. Member of the International Expansion Committee. Logan City Community Housing Co Ltd Board Member. Home4Life Ltd Board Member.

**SUSAN WILLIAMS**

**QUALIFICATIONS**

Member of the Australian Institute of Company Directors. Fellow Certified Practicing Accountant. Fellow of the Governance Institute of Australia. Fellow of the Institute of Chartered Secretaries and Administrators. Master of Business Administration (International Business). Graduate Diploma of Applied Corporate Governance, Bachelor of Arts (Accounting). Registered Tax Agent.

**EXPERIENCE**

Non-Executive Director with over 10 years' experience in both disability and community housing. Executive career including CFO and Company Secretary roles with ASX, NSX and NASDAQ listed companies, as well as private and not-for-profit organisations across a range of industries.

**SPECIAL RESPONSIBILITIES**

Deputy Chair of the Parent Board. Deputy Chair Compass (Qld). Chair of Audit, Risk and Compliance Committee. Member of Remuneration Committee. Member of the Appeals Committee. Member of the International Expansion Committee.

**BARRY MARTIN**

**QUALIFICATIONS**

Fellow of the Australian Institute of Company Directors. Diploma of Business. Certificate IV in Frontline Management. Qualifications in workplace training and assessment. Qualifications in alcohol and other drug training.

**EXPERIENCE**

Board member 2011 – 2014, 2016 – present. Non-Executive Director with experience in business development, contract management, projects, business planning and relationship management.

**SPECIAL RESPONSIBILITIES**

Parent Board Member. Compass (Qld) Board Member. Member of the Nominations and Governance Committee. Member of the Appeals Committee. Member of the Remuneration Committee.



**PAUL HUGHES**

**QUALIFICATIONS**

Bachelor of Commerce (Accounting Major). Fellow of the Australian Institute of Company Directors.

**EXPERIENCE**

Over 17 years' experience as a non-executive director of unlisted public companies, not-for-profits and government organisations.

Paul's leadership roles span over 30 years, with 20 years in local government senior management. As CEO of Newcastle Airport from 2005 – 2015, Paul led its evolution as a major regional economic driver.

**SPECIAL RESPONSIBILITIES**

Parent Board Member. Compass (Qld) Board Member. Member of the Remunerations Committee. Member of the International Expansion Committee.

**MICHAEL PAGE**

**QUALIFICATIONS**

Fellow of the Australian Institute of Company Directors. Bachelor of Engineering (Civil).

**EXPERIENCE**

Non-executive director with over 8 years' experience in community housing. Executive career for 35 years, including executive director, regional manager and project director roles with ASX listed companies in funds management, finance, development and construction. General manager, chief executive officer and board member of a variety of infrastructure, health and social infrastructure related PPPs and assets and not-for-profit organisations.

**SPECIAL RESPONSIBILITIES**

Parent Board Member. Compass (Qld) Board Member. Member of the International Expansion Committee. Member of the Audit, Risk and Compliance Committee. Compass Housing Services Co (New Zealand) Limited board member from 21 August 2017 to 19 February 2018.

**JENNIFER ROBERTS**

**QUALIFICATIONS**

Fellow of the Australian Institute of Company Directors. Bachelor of Economics (Honours First Class). Diploma of Education. Diploma of Urban and Regional Planning. Member of the Governance Institute of Australia.

**EXPERIENCE**

Senior executive in state and local government for 20 years. 10 years as a private consultant in economic, strategy and property. Experience on private and public-sector Boards and advisory groups. Extensive knowledge and skills in public sector strategy and policy development, project management, engagement and stakeholder relations. Strong experience in grant funding, economic impact assessment and project approval pathways.

**SPECIAL RESPONSIBILITIES**

Parent Board Member. Compass (Qld) Board Member. Chair of the International Expansion Committee. Member of Nominations and Governance Committee.



## MEETINGS OF DIRECTORS

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2018, and the numbers of meetings attended by each director were:

	TOTAL BOARD MEETINGS ATTENDED		NOMINATIONS COMMITTEE		REMUNERATION COMMITTEE		APPEALS COMMITTEE <sup>^</sup>		ARC COMMITTEE		AGM COMPASS		COMPASS BOARD		COMPASS NZ BOARD		COMPASS QLD BOARD	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Paul Johnson	42	43	7	7	6	6	1	1	6	6	1	1	9	10	7	7	5	5
Kwesi Addo	31	32	7	7	*	*	1	1	1	1	1	1	10	10	6	7	5	5
Greg Budworth	41	42	7	7	5	6	*	*	6	6	1	1	10	10	7	7	5	5
Susan Williams	27	27	1	1	3	3	1	1	6	6	1	1	10	10	*	*	5	5
Barry Martin	30	30	7	7	6	6	1	1	*	*	1	1	10	10	*	*	5	5
Paul Hughes	21	21	*	*	5	5	*	*	*	*	1	1	10	10	*	*	5	5
Michael Page	26	26	*	*	*	*	*	*	6	6	1	1	10	10	4	4	5	5
Jennifer Roberts	20	23	6	7	*	*	*	*	*	*	1	1	8	10	*	*	5	5
Anthony Quirk	7	7	*	*	*	*	*	*	*	*	*	*	*	*	7	7	*	*

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

\* = Not a member of the relevant committee

<sup>^</sup> = Subsequent to balance date, the 'Appeals Committee' was renamed the 'Internal Review Committee'.

## REMUNERATION REPORT

The directors are pleased to present your Compass Housing Services Co Ltd's 2018 remuneration report which sets out remuneration information for the company's non-executive directors, executive directors and other key management personnel.

### (a) Details of remuneration

The following tables show details of the remuneration received by the directors of the company.

TOTAL REMUNERATION FOR 2017-18 INCLUDING SUPERANNUATION	
BOARD	\$'000
Paul Johnson	37
Kwesi Addo	66
Susan Williams	33
Barry Martin	26
Paul Hughes	27
Michael Page	31
Jennifer Roberts	26
<b>Total</b>	<b>246</b>

## INSURANCE OF OFFICERS

During the financial year, Compass Housing Services Co Ltd paid a premium of \$22,273 (2017: \$9,463) to insure the directors of the company and its Australian-based controlled entities, and the general managers of each of the divisions of the company.

## PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 8 and forms part of the Directors' Report.

## ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities & Investments Commission, relating to the 'rounding off of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that instrument to the nearest thousand dollars.

## AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

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



**KWESI ADDO**  
DIRECTOR

Newcastle  
22 October 2018



**SUSAN WILLIAMS**  
DIRECTOR

## AUDITOR'S INDEPENDENCE DECLARATION

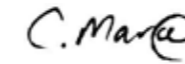
Under Section 307C of the Corporations Act 2001 To the Directors of Compass Housing Services Co Ltd and Controlled Entities.



### *Auditor's Independence Declaration*

As lead auditor for the audit of Compass Housing Services Co Limited for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Compass Housing Services Co Limited and the entities it controlled during the period.



Caroline Mara  
Partner  
PricewaterhouseCoopers

Newcastle  
22 October 2018

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T: +61 2 4925 1100, F: +61 2 4925 1199, [www.pwc.com.au](http://www.pwc.com.au)  
Liability limited by a scheme approved under Professional Standards Legislation.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2018

CONSOLIDATED ENTITY			
	NOTES	2018 \$'000	2017* \$'000
<b>Revenue from continuing operations</b>	1	<b>57,231</b>	52,350
Other income	2(a)	<b>7,628</b>	1,414
Fair value adjustment to investment property	2(a)	<b>13,675</b>	12,504
Tenancy and property management expenses	2(b)	<b>(38,105)</b>	(31,324)
Administration expenses	2(b)	<b>(21,939)</b>	(19,248)
Finance expenses	2(b)	<b>(1,592)</b>	(1,510)
<b>Profit for the year</b>		<b>16,898</b>	14,186
<b>Total comprehensive income for the year</b>		<b>16,898</b>	14,186

## CONSOLIDATED BALANCE SHEET

for the year ended 30 June 2018

CONSOLIDATED ENTITY			
	NOTES	2018 \$'000	2017* \$'000
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3(a)	<b>9,063</b>	11,447
Trade and other receivables	3(b)	<b>10,072</b>	5,413
Financial assets at fair value through profit or loss	3(c)	<b>11,744</b>	11,491
Other current assets	3(d)	<b>1,329</b>	1,182
<b>Total current assets</b>		<b>32,208</b>	29,533
<b>NON CURRENT ASSETS</b>			
Other financial assets	3(c)	<b>87</b>	87
Property, plant and equipment	4(a)	<b>1,353</b>	1,863
Investment properties	4(b)	<b>374,295</b>	351,980
Intangible assets	4(c)	<b>600</b>	337
Other non-current assets	3(d)	<b>2</b>	2
<b>Total non-current assets</b>		<b>376,337</b>	354,269
<b>Total assets</b>		<b>408,545</b>	383,802
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	3(e)	<b>7,936</b>	7,745
Borrowings	3(g)	<b>2,422</b>	2,422
Provisions	4(d)	<b>582</b>	531
Deferred income	3(f)	<b>2,667</b>	1,078
<b>Total current liabilities</b>		<b>13,607</b>	11,776
<b>NON CURRENT LIABILITIES</b>			
Borrowings	3(g)	<b>43,360</b>	37,373
Provisions	4(d)	<b>138</b>	111
<b>Total non current liabilities</b>		<b>43,498</b>	37,484
<b>Total liabilities</b>		<b>57,105</b>	49,260
<b>Net assets</b>		<b>351,440</b>	334,542
<b>EQUITY</b>			
Other reserves	5(a)	<b>115,089</b>	115,089
Retained earnings	5(B)	<b>236,351</b>	219,453
<b>Total equity</b>		<b>351,440</b>	334,542

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2018

	ASSET REVALUATION RESERVE	VESTED CAPITAL ASSETS RESERVE	VESTED SURPLUS RESERVE	RETAINED EARNINGS *	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2016 (restated)</b>	75	110,101	4,913	205,267	320,356
<b>Total comprehensive income for the year</b>	-	-	-	<b>14,186</b>	<b>14,186</b>
<b>Balance at 30 June 2017</b>	<b>75</b>	<b>110,101</b>	<b>4,913</b>	<b>219,453</b>	<b>334,542</b>
<b>Balance at 1 July 2017</b>	75	110,101	4,913	219,453	334,542
<b>Total comprehensive income for the year</b>	-	-	-	<b>16,898</b>	<b>16,898</b>
<b>Balance at 30 June 2018</b>	<b>75</b>	<b>110,101</b>	<b>4,913</b>	<b>236,351</b>	<b>351,440</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2018

CONSOLIDATED ENTITY

	NOTES	2018 \$'000	2017* \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers (inclusive of goods and services tax)		<b>52,088</b>	46,165
Payments to suppliers and employees (inclusive of goods and services tax)		<b>(63,179)</b>	(52,666)
Interest income		<b>350</b>	213
Interest paid		<b>(1,575)</b>	(1,561)
Receipt from grant		<b>13,300</b>	13,061
<b>Net cash inflow from operating activities</b>	6	<b>984</b>	5,212
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of financial assets		<b>(253)</b>	(8,115)
Payments for property, plant and equipment	4(a)	<b>(376)</b>	(899)
Payments for intangibles		<b>(392)</b>	(278)
Proceeds from sale of financial assets		-	8,089
Proceeds from sale of property, plant and equipment		<b>153</b>	-
Payments for investment properties and WIP		<b>(6,162)</b>	(4,748)
<b>Net cash (outflow) from investing activities</b>		<b>(7,030)</b>	(5,951)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		<b>5,180</b>	4,593
Repayment of borrowings		<b>(1,518)</b>	(1,233)
<b>Net cash inflow from financing activities</b>		<b>3,662</b>	3,360
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(2,384)</b>	2,621
Cash and cash equivalents at beginning of financial year		<b>11,447</b>	8,800
Foreign exchange gain		-	26
<b>Cash and cash equivalents at the end of the financial year</b>	3(a)	<b>9,063</b>	11,447



## DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes set out on pages 9 to 32 are in accordance with the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012, including:
  - (i) complying with Accounting Standards, the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



**KWESI ADDO**  
DIRECTOR

Newcastle  
22 October 2018



**SUSAN WILLIAMS**  
DIRECTOR

## DIRECTOR'S DECLARATION

In my opinion:

- (a) the consolidated statement of comprehensive income and notes set out on pages 9 to 32 give a true and fair view of all income and expenditure of Compass Housing Services Co Ltd with respect to fundraising appeals;
- (b) the consolidated balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals;
- (c) the provision of the Charitable Fundraising Act 1991, the Charitable Fundraising Regulation 2015 under the Act and the conditions attached to the authority have been complied with for the year ended 30 June 2018; and
- (d) the internal controls exercised by Compass Housing Services Co Ltd are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.



**KWESI ADDO**  
DIRECTOR

Newcastle  
22 October 2018

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS HOUSING SERVICES CO LIMITED



### Independent auditor's report

To the members of Compass Housing Services Co Limited

### Report on the audit of the financial report

#### Our opinion

In our opinion:

The accompanying financial report of Compass Housing Services Co Limited (the Company) and its controlled entities (together the Group) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### What we have audited

The Group financial report comprises:

- the consolidated balance sheet as at 30 June 2018
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

#### Independence

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS HOUSING SERVICES CO LIMITED CONTINUED



## Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018, including the Directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.



## Report on the requirements of the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulations 2015

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Act 1991. The directors of the group are responsible for the preparation and presentation of the financial report in accordance with the Charitable Fundraising Act 1991 (NSW) and the NSW Charitable Fundraising Regulations 2015. Our responsibility is to express an opinion on the financial report based on our audit.

## Auditor's opinion

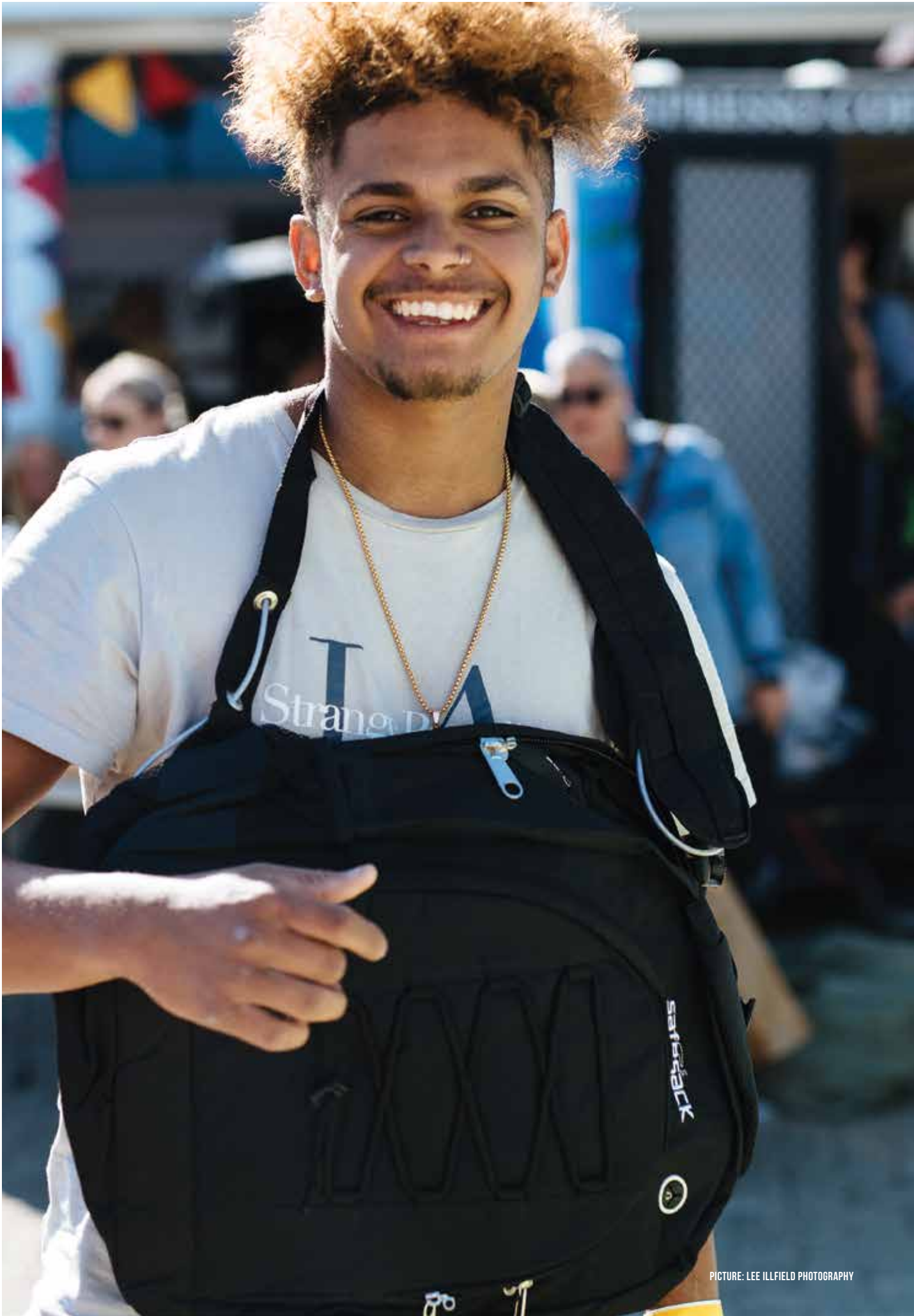
In our opinion, in all material respects:

- a. The financial report of Compass Housing Services Co Limited and its controlled entities is prepared and associated records have been properly kept, during the financial year ended 30 June 2018, in accordance with:
  - i. sections 20(1), 22(1-2) and 24(1-3) of the NSW Charitable Fundraising Act 1991; and
  - ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015; and
- b. money received as a result of fundraising appeals activities conducted by the company during the year ended 30 June 2018 has been properly accounted for and applied in accordance with the above mentioned Acts and Regulations.

*PricewaterhouseCoopers*  
PricewaterhouseCoopers

*CMara*  
Caroline Mara  
Partner

Newcastle  
22 October 2018



PICTURE: LEE ILLFIELD PHOTOGRAPHY

