

Co-operative Housing, it's more than just housing



ANNUAL REPORT
2021 - 2022

We are pleased to present the Common Equity Housing Limited (CEHL) Annual Report for 2021-22. This report describes CEHL's performance over the past financial year under our strategic goals and priorities.



Heidi Lee
CEHL Chairperson



Elizabeth Thomas
CEHL Managing Director



Acknowledgement of Traditional Owners

CEHL respectfully acknowledges the Traditional Custodians of the land we work on and the land where our housing co-operatives and other properties are located.



Embracing social and cultural diversity

CEHL aims to represent and reflect the full social and cultural diversity of the Victorian community. We embrace diversity in our organisation and in our housing community.

Common Equity Housing Limited

Email us: info@cehl.com.au

Phone us: 1800 353 669

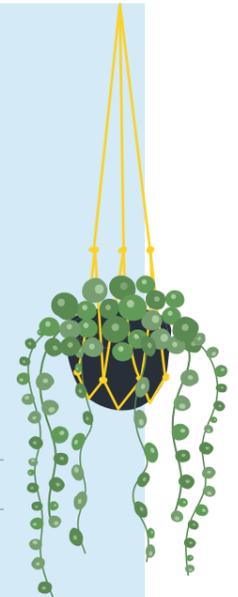
Write to us: PO Box 504, Carlton South, VIC 3053



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OUR PURPOSE

To partner with member co-operatives to deliver an effective, sustainable and member-led co-operative housing program.

Empowered people

OUR VISION

Thriving co-operatives

Better housing solutions

OUR VALUES

We work **TOGETHER**

We work together to achieve a positive impact in our community. We share perspectives, concerns and information to create considered solutions in the work we do.

We are **RESPONSIBLE**

We take pride in what we do, we are responsible for our actions. We make and support business decisions through informed experience and good judgement.

We **CARE** for one another

We treat everyone with care and value their contribution. We build trust and understanding through open and honest interaction with our team members, stakeholders and associates.

We make a **DIFFERENCE**

Our history informs our future. We learn and adapt. We believe that meaningful change comes from looking at challenges and opportunities

OUR COMMITMENT TO INTERNATIONAL CO-OPERATIVE PRINCIPLES

Just like co-ops all over the world, our work is informed and guided by the international co-operative principles.

- Voluntary and open membership
- Democratic member control
- Members' economic participation
- Autonomy and independence
- Education, training and information
- Co-operation among co-operatives
- Concern for community



From the Chair | Heidi Lee & the Managing Director | Liz Thomas

The inherent benefits of co-op housing were challenged and highlighted during the year in review as the impact of the pandemic continued to reinforce the importance of community and connection. CEHL member co-ops and co-op members demonstrated their adaptability to constantly changing circumstances to maintain our cooperative community. We acknowledge and celebrate their resilience and commitment.

We also commend the CEHL team, who continued to adapt to a vastly different world of working from home so that service delivery could be maintained and property repairs, maintenance, upgrades and developments could be delivered as seamlessly as possible.

Our united commitment to the CEHL vision of thriving cooperatives and better housing solutions continued to inspire us throughout the year.

We have made considerable progress in implementing CEHL's Towards 2025 Strategic Plan, particularly in building the CEHL property portfolio and developing a shared understanding of the value members expect their co-ops and CEHL to deliver.

The organisation delivered a solid operating surplus of \$509,332 and consistent with valuation increases across the Victorian property market, there was a \$130 million increase in the value of CEHL's property portfolio. In addition, \$1.2 million in capital grant funding was received during the year, contributing to the construction of six new co-op properties. As a result of successful bids for funding in the Victorian Big Housing Build (BHB), we expect to deliver another fourteen new homes. CEHL commends the Victorian Government's commitment to the BHB, which includes \$1.38 billion for 4,200 new social housing dwellings. CEHL will continue to be an active

participant in the funding rounds and promote the solution cooperative housing can deliver to Victoria's housing crisis by providing long-term, affordable housing within a supportive co-op housing community. The co-op members' stories included in this report are a remarkable testimony to the life changing impact co-operative housing delivers - living proof that co-op housing truly is more than just housing.

CEHL accepts the challenge to lead the way towards fairer, more sustainable affordable housing outcomes. In the year ahead, we will actively promote cooperative housing as a critical component of the Australian affordable housing portfolio. The international experience is that where traditional housing models often fail, housing co-operatives offer renter empowerment, housing stability and community resilience. When many Australians face a housing crisis, now is the time to increase diversity and choice in affordable housing and enhance the broader economic, social and community benefits.

In response to member feedback we received during the year in review, in the year ahead, we will embark on a wide-ranging program of change, including the way we engage, listen, and prioritise the things that matter most to our co-op members and renters.

Good corporate governance is essential for CEHL's sustainability and success and will be a particular focus for the CEHL Board in 2022/23. We have commenced a significant governance review project that will preserve and strengthen stakeholder confidence, provide the foundations for continued growth and high performance and respond to changes in our external operating environment.

We acknowledge the efforts of our Board of Directors and independent committee members, who bring unique perspectives and skills, for their commitment to CEHL and our journey of self-improvement. This year we farewell Pallavi Khanna as the Finance, Audit and Risk Committee (FAR) independent committee member, and next year we will welcome Simon Levy (FAR) and Alan Cusack (Property Committee) as new independent committee members. A special thank you to the members of the Co-op Program Committee who provide

the Board with advice on the CEHL cooperative housing program and who also play a vital role in developing positive and constructive relationships with the CEHL housing co-ops.

We have an ambitious work plan for 2022/23 that embraces CEHL's commitment to thought leadership and innovation in the Australian community housing sector.

We look forward to the year ahead, the return to a business as usual operating environment, and most importantly, reconnecting with our co-op community.

In co-operation



Heidi Lee & Liz Thomas



Our Strategic Goals & Priorities

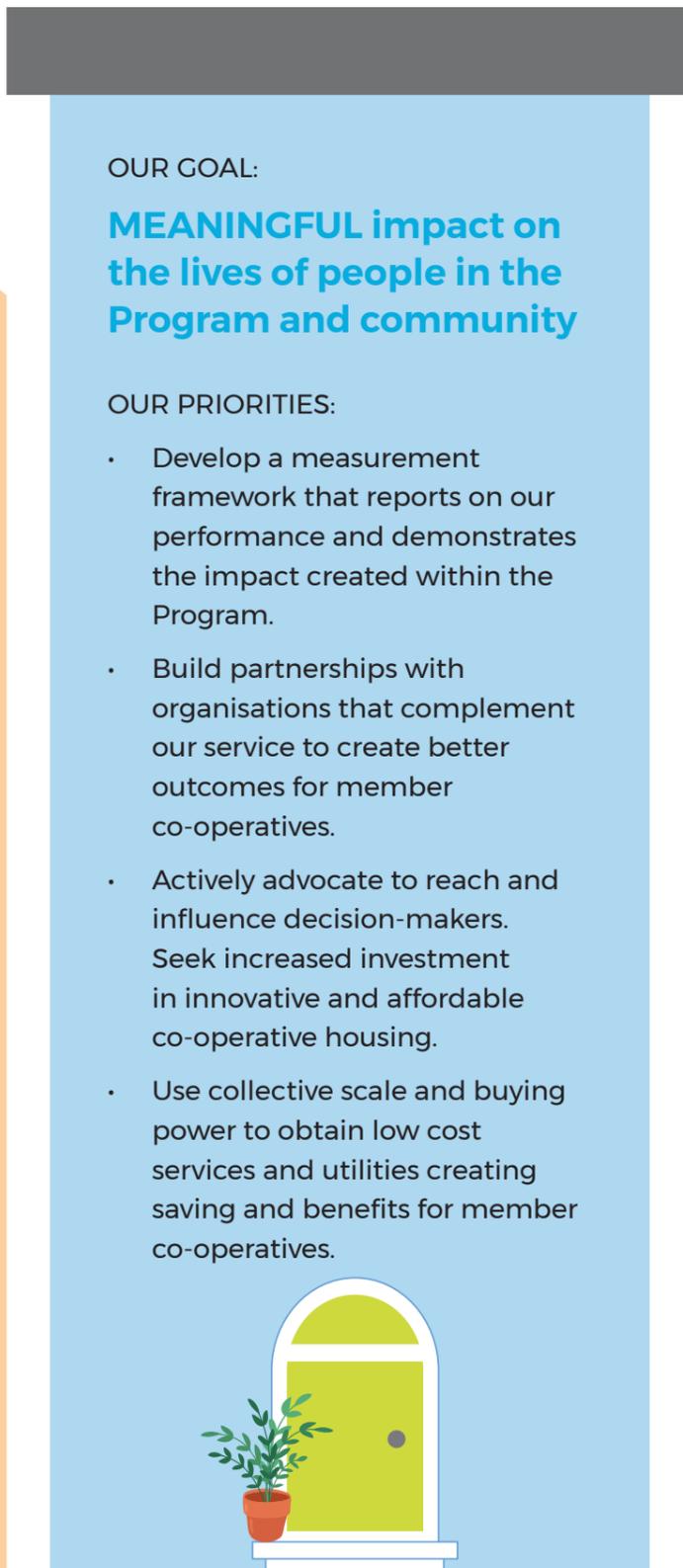
Creating growth and achieving positive outcomes for members, co-operatives and communities sit at the heart of the strategy. Over the next five years our strategic priorities are about creating:



OUR GOAL:
EMPOWERED members, co-ops and communities living well through co-operatives

OUR PRIORITIES:

- Work in partnership with co-ops to engage and connect members using communication and engagement tools. Provide opportunities for co-op members to participate in co-op and program activities.
- Work in partnership with co-ops to build member co-op skills and capability to influence and the Program. Provide easy to use resources that support this capability.
- Acknowledge and promote the social, economic and cultural benefits of co-operatives to the broader community.



OUR GOAL:
MEANINGFUL impact on the lives of people in the Program and community

OUR PRIORITIES:

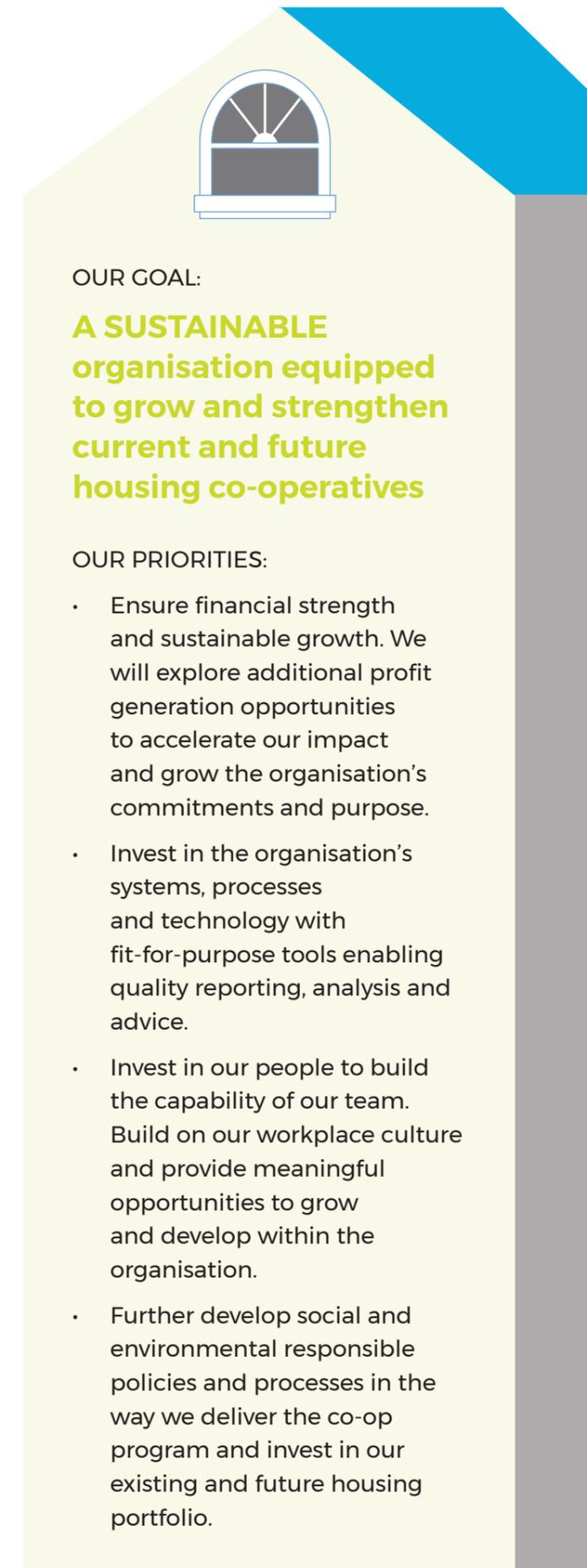
- Develop a measurement framework that reports on our performance and demonstrates the impact created within the Program.
- Build partnerships with organisations that complement our service to create better outcomes for member co-operatives.
- Actively advocate to reach and influence decision-makers. Seek increased investment in innovative and affordable co-operative housing.
- Use collective scale and buying power to obtain low cost services and utilities creating saving and benefits for member co-operatives.



OUR GOAL:
A THRIVING, trusted member-led co-operative housing program providing quality housing

OUR PRIORITIES:

- In collaboration with member co-operatives, we will design, develop and implement a program direction that will be adaptive and responsive to current and future members for the years ahead.
- Develop innovative choices for co-ops that respond to the needs and aspirations of member co-operatives.
- Provide clear opportunities for co-ops to influence the Program and key program decisions.
- Invest in our housing portfolio to ensure we manage, maintain and deliver quality housing.
- Develop governance processes and build the governance capability of member co-ops to ensure we together, meet compliance obligations. co-operatives.



OUR GOAL:
A SUSTAINABLE organisation equipped to grow and strengthen current and future housing co-operatives

OUR PRIORITIES:

- Ensure financial strength and sustainable growth. We will explore additional profit generation opportunities to accelerate our impact and grow the organisation's commitments and purpose.
- Invest in the organisation's systems, processes and technology with fit-for-purpose tools enabling quality reporting, analysis and advice.
- Invest in our people to build the capability of our team. Build on our workplace culture and provide meaningful opportunities to grow and develop within the organisation.
- Further develop social and environmental responsible policies and processes in the way we deliver the co-op program and invest in our existing and future housing portfolio.

2021 - 2022 | Snapshot



4214
People housed



61
Median age of
co-op members



158
New tenancies

2119
Homes

97
Housing co-ops

60
Different local
government areas



8 New build
properties

802 Property
upgrades

97% Satisfaction with
maintenance
works

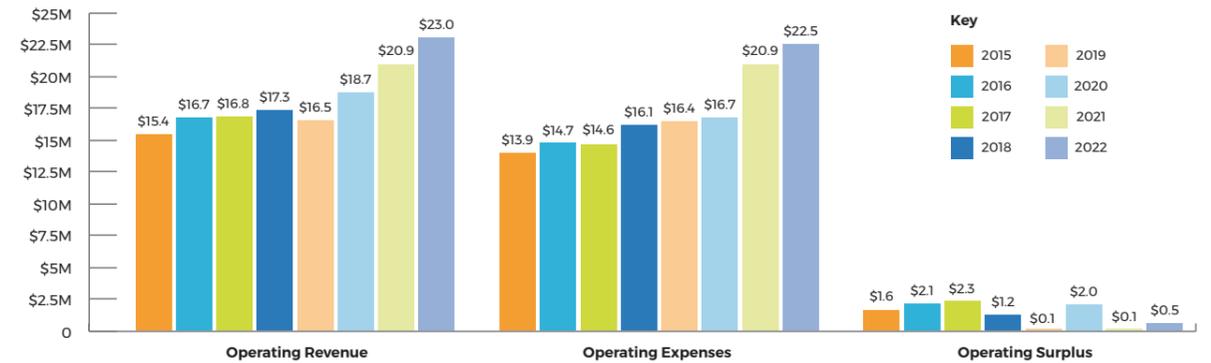
\$1,186,931,314 Total Asset Value (13% increase from 2020/21)

\$24,200,122 Operating Revenue (8% increase from 2020/21)

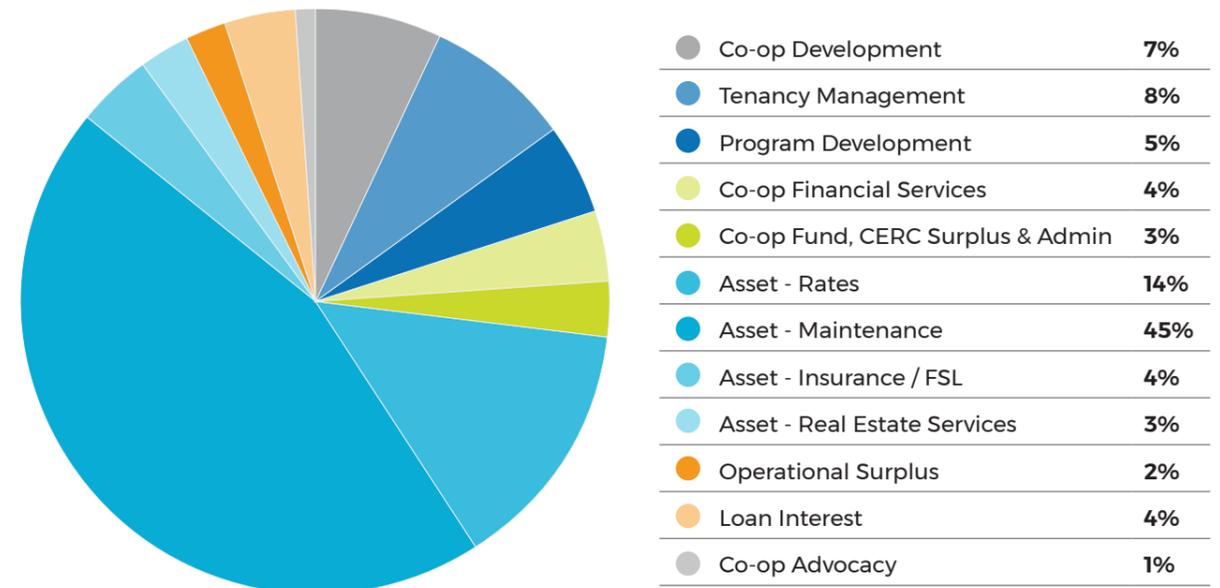
\$22,464,184 Operating Expenses (8% increase from 2020/21)

\$509,332 Operating Surplus (before Capital Grants)

Financial Outline



Application of \$29M Program Revenue - FY 2021/22

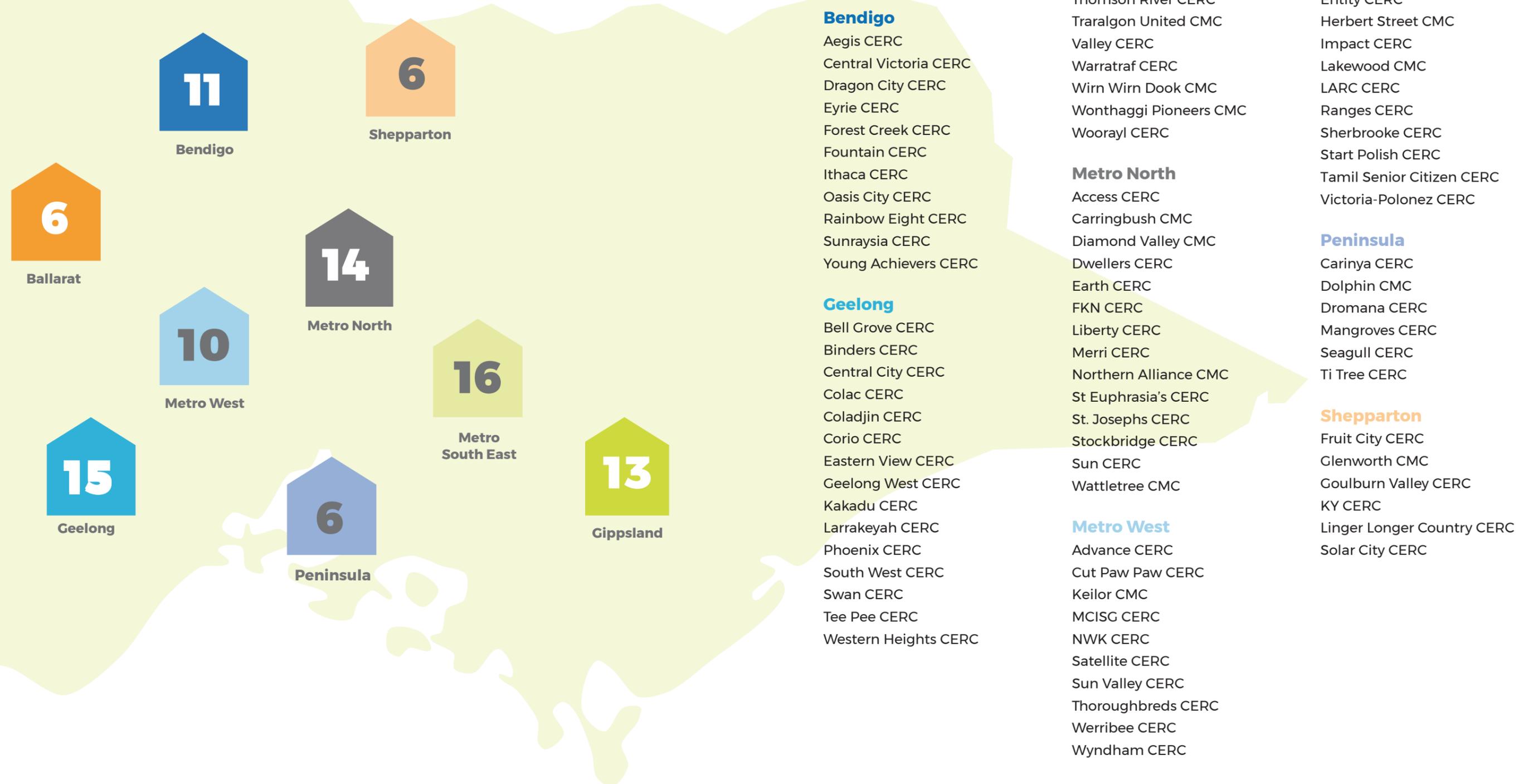


CEHL | Housing Co-operatives

Co-operative Housing Models

Common Equity Rental Housing Co-operative (CERC): The housing co-operative leases its properties from CEHL. Tenancy management and maintenance are carried out by the co-operative, under the direction of the Co-operatives Board of Directors.

Community Managed Co-operatives (CMC): CEHL manages the tenancies and maintenance of the housing co-operative properties. Members participate in the co-op community.



CO-OPERATIVE HOUSING, it's about the people who live, work and play here.

Gayle Carley | Lakesdale Co-op

When I joined my co-op in 1996, I was a single mum with one child, fleeing domestic violence..

My journey has been unbelievable. I have been grateful every day that I was fortunate enough to become involved with the CEHL Co-op Housing Program and to have a safe place to call home.

The co-op training we did was an opportunity to learn in a supportive space and gain new skills for other life events as well.

I feel without being in the co-op I would not have had the friendships that have been forged with other co-ops. Being able to be involved on committees has given me a lot of confidence in myself. I have had nearly 21 years of being in a secure housing establishment which I would never have had prior to being a co-op member. Thank you Lakesdale Co-op and CEHL for your support over the years.



Sharon Scott | Dragon City Co-op

My journey with CEHL Program started 11 years ago now.

A 32-year relationship breakdown, emergency housing no vacancies, and homeless, living in a tent at the showgrounds. No assistance from Centrelink as they required a fixed address, no savings and out there with the clothes on my back. The thought of living was becoming slim for me.

12 months prior to this a friend suggested to fill out an application for the CEHL program, this decision saved my life. four months living in a tent, making tea from toilet block tap water, terrified and relying on organisations, eating cold bake beans and food that did not need heating I received the call that changed my life.

A CERC called me to advise of a vacancy.

I attended the interview and was advised my application was successful.

Moving in with no belongings however the security to lock a door was amazing. 11 years now not a day that goes by that I am not thankful to the CEHL Program.

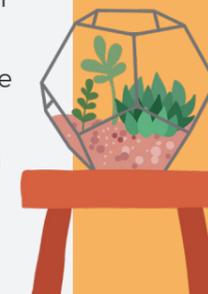
I was able to access a study grant through CEHL to further my studies and completed a dual diploma which enabled me to participate and volunteer in my CERC and diverse community.

Over the years I have undertaken Rent Officer and Tenant Selection roles and am currently Maintenance director which is rewarding. The support and friendship shown by all of my CERC Directors has been amazing and given me a sense of belonging.

In closing, without the CEHL Program I would quite simply not have survived and I am very grateful for that.

Opportunity to be involved, learn, and most importantly gain self esteem and confidence when all was taken from me.

The CEHL Program really has been "More than just Housing" to me.



2022 | Study Grants

CEHL study grants support CEHL co-op members to further their study and pursue their dreams..

Six study grants worth \$2,000 each were awarded. Congratulations to all recipients, we wish them the very best as they pursue their personal development and career goals.

Co-op Member	Co-op	Area of study
Colleen Ray	Swan	Leisure and Health
Fathima Ferosa Mohamad Naleem	MCISC	Applied Fashion Design and Merchandising Degree
Emma Flaim	Access	Bachelor of Health and Science (Naturopathy)
Jocelyn Osorio	Endeavour	Bachelor (Hons) Industrial Design/ Environment and Sustainability
Lee-Anne Stevenson	Ti Tree	Bachelor of Health and Science
Michael Skutenko	Nell St	Bachelor of Music



Co-op Development Award

This is the first year of the Co-op Development Award. The award is given for studies that enhance or support improving co-op practices and program engagement.

This award was given to:

Mark Morris of Endeavour Co-operative

for his further studies in *Financial Accounting and Reporting*.



Helen Tyndall Award

Rachel Purcell of Swan Co-operative

received the Helen Tyndall Award to contribute towards fees for the Cert IV Accounting and Bookkeeping.

The award was established in memory of Helen Tyndall, a highly respected CEHL Administration Team Co-ordinator for many years, for study in business administration, information technology or commerce.



Emma Flaim | Access Co-op

"I couldn't believe the opportunity of a Study Grant was available to me"

I joined the CEHL program four years ago after I had been on the 'housing list' (VHR) for nearly 10 years. My partner and I have seven children aged from 11 - 27 years. We currently live in a central location with three of our children, with the other four adult children living nearby. We could not afford to live here if it wasn't for the CEHL program.

I could not believe that CEHL also offers study grants.

I applied because I needed to do something for myself. I also have a medical issue that affects my heart and I need to stay home. I had no qualifications and no spare money for studying. I applied for the study grant and got it. I was so grateful because this enabled me to apply for a Bachelor of Naturopathy, and to buy a refurbished computer and books

that I needed to do my study. I do the course part-time online and it is my time. My world was very small being at home but studying has expanded my life and my well-being. I feel good to have the knowledge and interest and hope it will lead to employment, or at least to help myself and others with their health issues. I am also pleased that I can be a good role model for my children and inspire them.



Honour Board | **Karren Walker**

Karren Walker's outstanding commitment to the co-operative movement has been applauded by the CEHL Board and co-operative housing community. In recognition of her outstanding and ongoing dedication to co-operatives, Karren Walker was added to the CEHL Honour Board at the Annual General meeting in December 2021.

Elected to the CEHL Board of Directors in 2005 and Chairperson for nine years, Karren led CEHL during a period of major growth and development of the Program.

In 2018 Karren's contribution to the broader co-operative sector was recognised by the Business Council of Co-operatives and Mutuals when she was inducted into the BCCM's Honour Roll.

1988 - ongoing	Active co-op member in all aspects of co-op life and community
2005-2018	CEHL Board Director (2009-2017 Chairperson)
2018	BCCM Honour Roll
2020-2022	Co-op Program Committee member
2021	CEHL Honour Board. Inducted at the CEHL Annual General Meeting in November



A Shared Vision | for the future

Having a shared understanding of what we are working towards is the first step towards achieving our vision of empowered people, thriving co-operatives and better housing solutions.

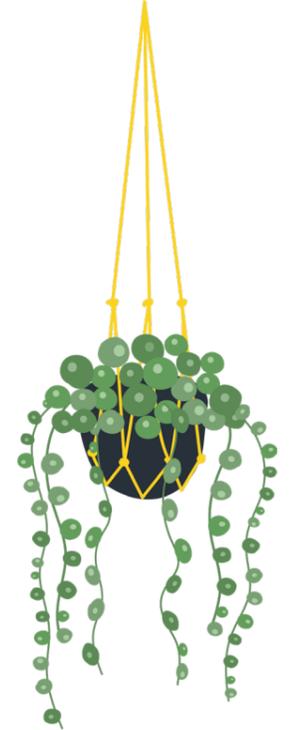
In 2022 extensive consultation was undertaken with members of the CEHL Housing Program to understand the 'Benefits of Living in a CEHL Co-op'. This has informed the development of a Program Outcomes Framework and a Member Value Statement to guide CEHL and co-ops around how we can positively impact members' lives and measure tangible outcomes.

The finalisation of the work is expected in late 2022. It will shape how we work in partnership with co-ops and members in the future, including what services and supports are most important, where to target funds and resources, and how to foster strong, effective, and connected co-ops.

The consultation for the project was facilitated by nine co-op members appointed as Engagement Co-ordinators to lead the design and delivery of an extensive member consultation process and to develop a shared understanding of the benefits of living in co-operative housing.

The Engagement Co-ordinators facilitated 12 regional events across Victoria. It was a wonderful example of collaboration between Engagement Co-ordinators, CEHL staff, the Co-op Program Committee and co-op member participants.

We acknowledge and celebrate the valuable contribution the Engagement Co-ordinators made to this important pilot project.



Engagement Co-ordinator	Co-op
Christine Tenney	Southern Cross
Damian Dickson	Sun
Dianne Gorman	Tee Pee
John Cooper	Serenity
Kim-Maree Sarvary	Corio
Leanne Warner	Mangroves
Rachel Purcell	Swan
Sally Stamm	Lakewood
Tracey Bruton	Solar City

"I am very honoured I was given the opportunity to meet as many members as I have with the Engagement Co-ordinator position. This will bring a positive outcome for all. We will all move forward together."

Christine Tenney,
Engagement Co-ordinator

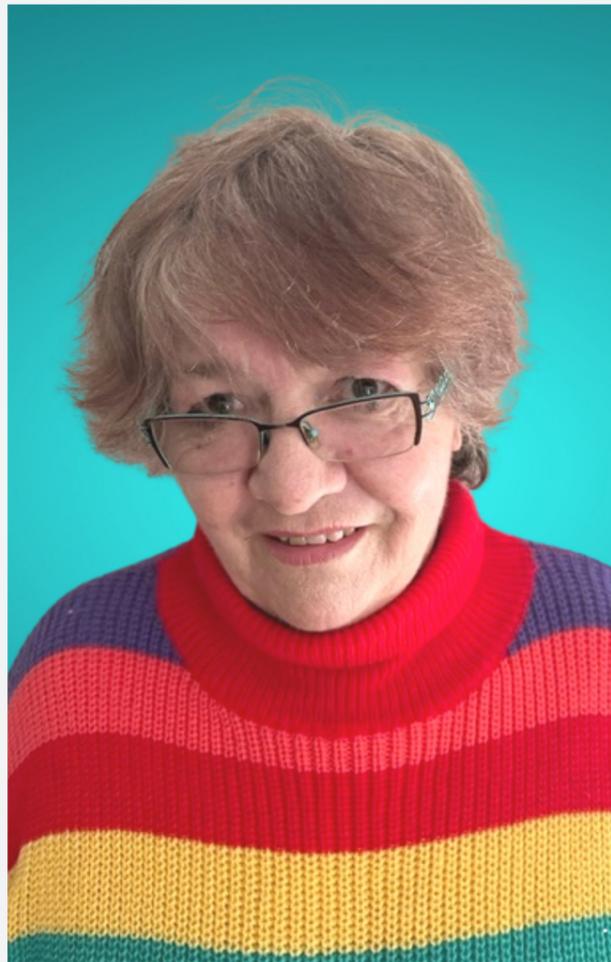
Christine Tenney | Southern Cross Co-op

I came home after work one day in 2013, and my husband of 43 years told me I had one hour to pack and to leave our home and his life. I had nowhere to go, I hadn't seen my family in almost three decades and I felt like I had no future.

I drove to southern NSW and attempted to take my life. I was found just in time, but I spent the next year struggling with my mental health and sense of self-worth. I made it back to Ballarat and had a difficult time finding stable housing. I will always be thankful that one of my support workers encouraged me to apply for co-op housing. After moving into Southern Cross Co-op, it took three years from my darkest day for me to finally see a future again.

Being part of my co-op community was an important part of the healing process. I have now been in my co-op for six years and am currently the Maintenance Director.

When I came into the Engagement Co-ordinator group I went through a lot of anxiety and lack confidence, but through the process I have realised I can communicate and listen. It has taken me back to what I was earlier in my life - a human being committed to positive and good ethics. I am very honoured I was given the opportunity to meet so many co-op members during my time as an Engagement Co-ordinator. The project will bring a positive outcome for all. We will all move forward together. I would love to thank the team for all the hard work and training that was provided.



Simone Skyatt | Stockaders Co-op

In learning to run a co-op, you certainly develop as a person in all sorts of ways. I've seen this development happen to many members who have joined my co-op.

The skills learnt are immeasurable. When I was asked to be Co-op Secretary, I didn't have any computer skills. I thought it was going to be beyond me, but by applying myself, I realised I could achieve things I thought I couldn't.

As a Co-op Board Member, other co-op members turn to you, and you can help them realise their own skills and talents. As a co-op, we make possible a learning experience for each other.

There are so many ways you can contribute to a co-op. You can be a director, or just come into the office and help, or go along with the Maintenance Director to help with house inspections and maintenance issues. These are only a few ways that co-ops help their members to develop.



Blossom Cook | Bell Grove Co-op

Before entering a co-op, I was working two jobs as a single parent to cover private rental.

Although I had the motivation, I didn't have the time to complete further study which would enable me to work as more than a waitress or a cleaner. Co-op gave me this ability through affordable rent and encouragement from other co-op members. I was able to finish a degree, find better work and am now completing a Graduate Diploma in Counselling. I have gained so many new skills and a huge amount of confidence in my abilities because of my roles in my co-op and through CEHL training.

Co-op means having the opportunity to grow, to spread your wings, to learn, to upskill, to be the best you can be.

Co-op housing changes lives and can positively influence educational and employment outcomes for all its members.



Newsletter Advisory Group | NAG

The Newsletter Advisory Group works collaboratively to finalise the content of the quarterly newsletter; *Co-operatively Speaking*. NAG members also provide feedback about other CEHL publications as required.

Co-op Member	Co-op
Sarah Andrew	Liberty
Liza Dezfouli	Liberty
Gayle Carley	Lakesdale

- Average readership has fallen slightly over the past year. On average 710 members read each edition of the newsletter compared to 822 in 2020-21
- Four newsletters were delivered in 2021-22, each of which featured a co-op-focused lead story
- NAG members wrote more stories including interviews with other members in the past year

Training Advisory Committee | TAC

The Training Advisory Committee facilitates collaboration between CEHL employees and co-op members in the review and development of training activities and materials.

Co-op Member	Co-op
Sharon Quinn – Chairperson 2022	Wattletree
Gayle Carley	Lakesdale
Lesley Cooper	Serenity
Damian Dickson	Sun
Judith Nash	Mangroves
Susan Goosen-Street	Lakesdale
Para Kangasingam (Jul-Dec 2021)	Herbert St

- Advised CEHL on the content and delivery of training sessions including, Complaints Handling for Co-ops in the CEHL Housing Program – delivered in May 2022
- Worked with CEHL on:
 - Training survey (held every two years)
 - Proposed annual training plan for training for co-ops, based on survey feedback and changing sector priorities
 - The TAC Terms of Reference
- Articles by TAC member representatives for every edition of the *Co-operatively Speaking* newsletter



Mark Wilkinson Hayes | CEHL Cooperative Development Co-ordinator

I joined CEHL after 30 years working in Public & Community Housing, so I was keen to learn what the “more” in “More than just Housing” might be – I mean, what more could there be?!



After five years working with our members I have learned that “more” can mean -

- more help and support to and from the community you’re living in
- more opportunities to learn new skills
- more options to participate in the running of a small business
- more freedom to go back to school & gain new qualifications
- more chance to become a Director of the largest Housing Association in the State
- more ways for me to learn about co-operative housing than I thought possible!

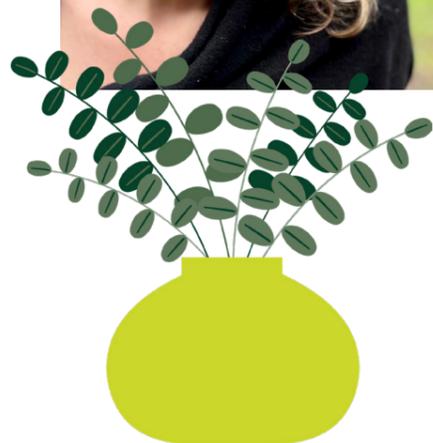


Taegen Hannah | Engagement Manager

I am new to CEHL. I started in early 2022 with over 20 years’ experience in the housing sector, but soon found that working with co-ops turned everything I knew on its head.

I no longer plan and deliver services ‘for people’, I do this ‘with people’. I am learning that this shift in power-dynamics is at the heart of what changes many peoples’ lives who are living in a CEHL co-op. For many, they are no longer someone that needs help, but instead they are part of a community that helps each other. Often they become the responsible one – collecting the rent, solving the maintenance issues, calling other members to check if they are ok.

I wonder whether working in partnership with ‘clients’, coupled with intentional community, could supersede the need for many ‘wrap-around services’ that we traditionally depend upon within the social services sector.



Member Collaboration | a snapshot of our year

Meet and Greet

The Meet and Greet sessions held in April and May 2022 saw a welcome return to ‘in-person’ gatherings after a two-year break due to the COVID-19 pandemic. Members of the CEHL Board and committees and staff met with co-op members and direct renters across Victoria and held one online session.



100th International Co-ops Day

In celebration of the 100th International Co-ops Day, co-ops members and CEHL got together to share how each of us can play a part in building a better world.

The provided an opportunity for CEHL staff and co-op members to share their views about how we can support co-ops and work together to “Build a Better World”.

Better Housing | the year in review and the year ahead

CEHL delivers sustainable, efficient and safe new homes to co-ops and their members.

In the 2021/2022 financial year six new homes were built in the Greater Geelong area, funded jointly by CEHL and Homes Victoria through the Victorian Government's Social Housing Growth Fund.

These projects were delivered as part of the Government's historic \$5.3 billion Big Housing Build which is targeting the delivery of more than 12,000 new homes and boosting Victoria's social housing supply by 10 per cent over a four year program.

In 2022/2023 CEHL and Homes Victoria will jointly fund a further 14 homes followed by 11 more in 2023/2024 for co-ops in Metro and Regional areas. Also scheduled for delivery in 2023/2024 are 16 apartments jointly funded by CEHL and the Victorian Property Fund.



Hamlyn Heights



Geelong West



Newcombe

Liveable Housing Australia - Design Elements

CEHL new homes incorporate the seven core design elements of Liveable Housing Australia (LHA)- Silver Level that ensure the future flexibility and adaptability of the home.

By including the core liveable housing design elements, members can reduce or avoid the costs associated with retrofitting a home to improve accessibility.

Delivering Quality Homes

Features implemented in the design of newly built homes include:

Safety

A safe home with common area lighting, a street fence adjoining the footpath and front gardens for street facing units.

Security

Security doors and deadlocks to all external doors, dual block out roller blinds with privacy sheers on bedroom windows.

Universal Design

Homes are designed for people with varying abilities and access to the home is provided by a continuous, step-free pathway from the street entrance and/or parking area to a level home entrance.

Room sizes, corridor and door widths can be readily adapted for improved accessibility.

Energy Efficiency and Conservation

The design of CEHL new homes reduces energy consumption for heating & cooling through the inclusion of energy efficient LED lighting, wall, floor and ceiling insulation, double glazed windows and sliding doors and 2000 litre rainwater tanks plumbed to toilets for toilet flushing.

CEHL- Continuous Improvement

Feedback from Co-ops and Members is key to reviewing and updating CEHL's Building Design Principles guidelines and ensuring continuous improvement.

In the 2022-2023 year CEHL will undertake a post occupancy evaluation of the new homes constructed. We will work with co-ops and members to assess the performance of their homes and use the feedback to develop guidelines for future CEHL developments.

The aim of the guidelines is to describe a clear and consistent set of principles and establish a mutual understanding between CEHL, co-ops, members and potential building contractors regarding delivery expectations in design, scope and quality of the development and maintenance of their homes.

Nationwide House Energy Rating Scheme (NatHERS)

CEHL constructs new homes to a minimum target of 6.5 star rating, using the Nationwide House Energy Rating Scheme (NatHERS).

The homes cost less to heat and cool, are more comfortable to live in and are more resilient to extreme weather.



How We Performed | Key Performance Measures

CEHL is a Registered Housing Association (RHA). As a Registered Housing Association, CEHL must comply with performance standards established under the Housing Act 1983 (Vic) and administered by the Victorian Housing Registrar. These standards have been established to protect housing assets and ensure quality services to CEHL renters (including co-op members). They represent the standard of operation required of an RHA.



CEHL submits an annual report of performance against the standards to the Victorian Housing Registrar. For the year in review, most standards were met but there is more work to be done to meet the performance standard required for renter satisfaction and vacancy management. Specifically, we have introduced a range of initiatives to improve how we listen and respond to our renters and co-op members, reduce the time taken to tenant vacant properties and improve our response to the maintenance of properties. An improved result is expected to be reflected in the 2023 results.

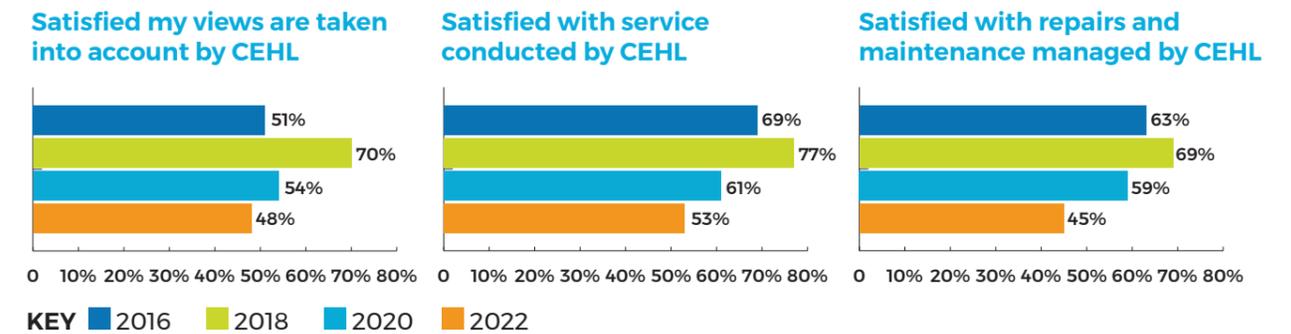


* Data only relates to maintenance services provided by CEHL to CMC and VicWide properties. It does not report on the service provided by CERC co-ops as that is not currently captured, even though there is a Housing Registrar performance obligation to do so. Enhancements to CIRCUIT will enable full capture of CERC time performance from the quarter ending 30 September 2022.

Renter Satisfaction Survey

The Renter Satisfaction Survey, conducted in March 2022, showed satisfaction with services provided by CEHL has declined in the past two years.

Service delivery continues to be affected by the challenging operating environment due to COVID-19. As the impact of the pandemic lessens, we will have a keen focus on improving renter satisfaction.



Governance | How we work

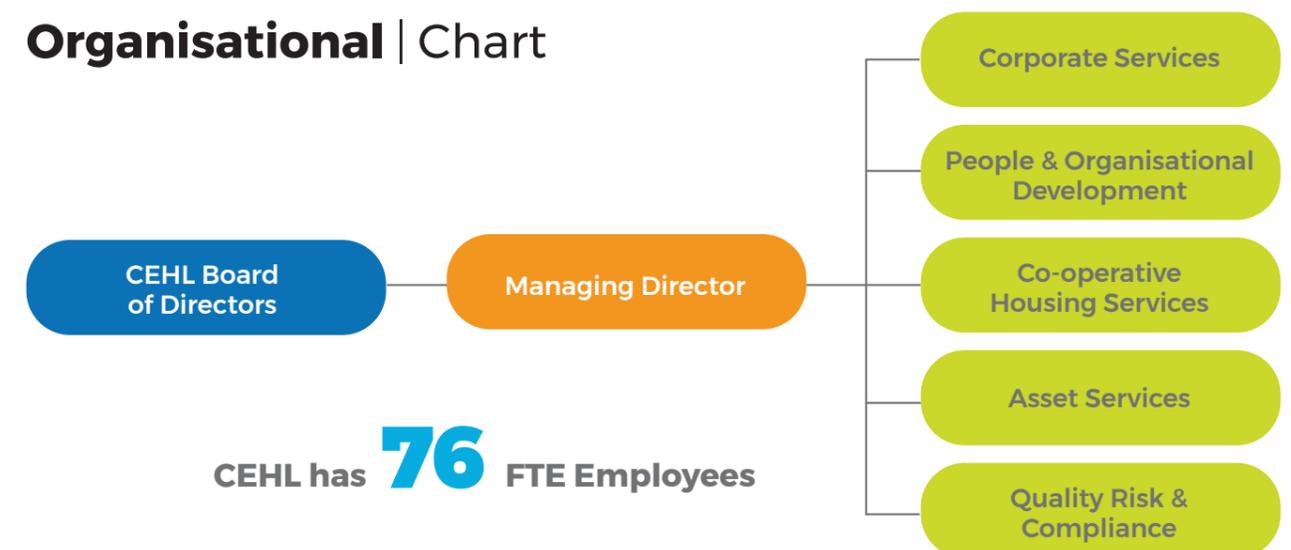
CEHL's primary purpose is to provide affordable cooperative housing and housing for people on low incomes.



It is a not-for-profit company, limited by shares under the Corporations Act 2001. The Board is accountable to the Australian Securities and Investment Commission (ASIC), which regulates and administers the Corporations Act.

CEHL shareholders are the CEHL housing cooperatives (co-ops) and eleven Board Directors. Each co-op holds one share which gives them the right to elect five eligible co-op members onto the Board. In addition to the five co-op elected Directors and the Managing Director, the Board appoints five external Directors on the basis of their technical expertise in law, accounting, social housing, real estate, finance and other similar areas.

Organisational | Chart



CEHL has **76** FTE Employees

Board of Directors



Heidi Lee
Elected Director since 2015

Qualifications
Master of Architecture (Research); Bachelor of Arts (Architecture) (Hons); MAICD

Experience
Heidi was appointed as Chairperson in November 2018, she has been participating in the CEHL Housing Program since 2011 and is a member of Merri CERC.



Fiona Herman
Elected Director since 2015

Qualifications
Bachelor of Health (Nursing), Master of Health and Human Services Management, NFP Directors Course, AICD

Experience
Fiona has been a member of the CEHL Program since 1999 and is a member of Endeavour CERC and Chair of the Policy Advisory Committee.



Robyn Evans
Elected Director since 2019

Qualifications
AICD NFP Directors Course; Prince 2 Project Management Foundation Course and Graduate Certificate in Business Management.

Experience
Robyn has been a member of the CEHL Program since 2005 and is a member of Merri CERC. Robyn has extensive experience in project management and planning for Local Government.



Jean Nankin
Appointed Director since March 2021

Qualifications
Bachelor of Economics (Monash University), Graduate Diploma Urban & Regional Planning (RMIT) and Graduate Diploma Property (RMIT).

Experience
Jean has over 25 years of extensive experience in acquiring and developing properties across the retail, social housing and State Government sectors.



Samantha Winter
Appointed Director since 2019

Qualifications
Master of Business Administration, Bachelor of Economics. Samantha is a Chartered Accountant and also a Graduate of the Australian Institute of Company Directors.

Experience
Samantha has extensive finance, governance and management experience.



Gordon Kieselbach
Elected Director since 2018

Experience
Gordon has been a member of the CEHL program for 22 years and was an active member of Southwestern Association of CERCS (SWAC) as SWAC Vice Chairman for five years. Gordon has also sat on the Training Advisory Committee (TAC) of CEHL and currently is Chairman and CEHL Liaison Director for Geelong West CERC.

In 2019 Gordon participated in and completed the AICD NFP Directors Course and is well versed in the principles of AICD governance, property management, risk and finance.

Gordon has served as a police officer in the South Australian Police Department and employed for 40 years in the Workplace Assessment & Training (Workplace Certificate IV) and Financial Service (Diploma in Insurance (General) industries for many years.

Gordon is also a Board nominated member of the Co-op Program Committee.



Keith Bayliss
Appointed Director since 2019

Qualifications
AICD NFP Directors Course,

Associate Australian Property Institute, Member Royal Institute of Chartered Surveyors, Certified Practising Strata Manager and Associate Diploma in Valuations.

Experience
Keith has over 30 years' experience as a senior executive and director in the property industry.



Tony De Domenico OAM
Appointed Director since 2013

Experience
Tony is a Director of the National Housing Finance and Investment Corporation (NHFIC). He was previously the Chair of AHURI, Deputy Chair of Development Victoria and CEO of the Urban Development Institute of Australia (Vic). Tony received an Order of Australia Medal in 2018 for his contribution to urban planning, research and development in Victoria. Tony is Chair of Bertocchi Smallgoods and Chair of Plastic Oceans Australasia.



Sylwia Greda Bogusz OAM
Elected Director since 2016

Qualifications
Doctor of Education - Sociology (PhD Soc.), Masters of Educational Studies - Behavioural Psychology (MEdSc. - Psych. Beh.). Bachelor of Education - Management (BEd -Management). Diploma of Management, Prince2, Project Management. Diploma of Teaching (Technical Teaching), Cert IV Workplace Assessment and Training

Experience
Sylwia has been a member of the CEHL Program since 2009 and has been a Castle CERC member since 2013. Sylwia was a member of the Australian Multicultural Advisory Council (2008- 2012), member of the Department of Human Services VIC Multicultural Advisory Committee, Member and Deputy Chair, Australian Multicultural Centre for Women's Health. Sylwia is the Chair of PolCare - Aged care service provider. Sylwia received an Order of Australia Medal in 2019 for her contributions to the Polish community of Victoria.



Brodie Woodland
Appointed Director since 2015

Qualifications
MA. Public Administration, Bachelor of Law (LLB) (Hons), GAICD

Experience
Brodie is a lawyer and governance adviser who has worked extensively in State Government.



Elizabeth Thomas
Managing Director since November 2021

Qualifications
Bachelor of Arts, Graduate Australian Institute of Company Directors.

Experience
Liz has more than 25 years of governance experience as an executive and non-executive Board Director, primarily in the for-purpose sector.

The directors have been in office since the start of the financial year to the date of this report unless otherwise stated.



Governance | Board Committees

Finance, Audit + Risk Committee

The Board has established the CEHL Finance, Audit & Risk Committee to assist it with oversight of effective arrangements regarding:

- Financial Management
- Financial Reporting, Annual Audit and Internal Audits
- Insurance
- Risk Identification and management
- Legal Compliance

Members

Name	Role
Samantha Winter	Chairperson Appointed Director
Heidi Lee (Jan 2022)	Elected Director
Robyn Evans (Jun-Dec 2021)	Elected Director
Liz Thomas (Nov 2021)	Managing Director
Brad Hosking	Corporate Director
Vacant	Independent member

Year in review

- Reviewed committee Terms of Reference
- Restructured the committee meetings to focus on finance, audit, risk and compliance separately, giving each of these important governance functions a dedicated focus
- Comprehensive risk and compliance review

People Culture and Governance Committee

The Board has established the CEHL People, Culture and Governance Committee to assist it with oversight of effective arrangements regarding:

- Strategic staffing matters;
- Sustaining a positive and high performance organisational culture;
- Governance succession, performance review and development;
- Managing Director recruitment, development and performance review.

Members

Name	Role
Tony De Domenico OAM	Chairperson Appointed Director
Sylwia Greda-Bogusz OAM (Jul -Dec 2021)	Elected Director
Liz Thomas	Managing Director
Brodie Woodland (Dec 2021)	Appointed Director

Year in review

- Co-ordinated the recruitment and appointment of the Managing Director
- Co-ordinated the development of Managing Director key performance measures
- Reviewed outcomes of CEHL employee health and well-being pulse survey
- Reviewed Board Committee member surveys
- Reviewed Board Committee Charters

Property Committee

The Board has established the CEHL Property Committee to assist it with oversight of effective arrangements regarding:

- Property development, acquisition, disposal, and project management
- Asset management

Members

Name	Role
Keith Bayliss	Chairperson Appointed Director
Robyn Evans (Jan-Jun 2022)	Elected Director
Heidi Lee	Elected Director
Jean Nankin	Appointed Director
Liz Thomas	Managing Director
Alan Cusack	Independent member

Year in review

- CEHL has been able to take advantage of government stimulus funding to significantly progress maintenance works.

- The Committee's priorities include improved management of property maintenance, ensuring that the property portfolio is compliant with legislative safety standards and managing the backlog of maintenance inspections that arose during lockdown.
- In 2021/2022, six new housing projects were funded and completed with the support of the Victorian Government Social Housing Growth Fund:
 - Geelong West 2 x 2 bedroom single storey townhouses
 - Hamlyn Heights 2 x 2 bedroom single storey units
 - Newcomb 2 x 2 bedroom single storey units

Co-op Program Committee

The Board has established the CEHL Co-op Program Committee (CPC) to assist it with oversight of effective arrangements regarding:

- Program direction and development
- The Program Framework
- Program engagement

Members

Name	Role
Denise Franscisco	Chairperson Independent
Gillian McFee	Independent co-op advisor
Damian Dickson	Co-op member
Elizabeth Ellen	Co-op member
Dianne Gorman	Co-op member
Sylwiz Greda-Bogusz OAM	Co-op Elected Director
Gordon Kieselbach	Co-op Elected Director
Liz Thomas	Managing Director
Karren Walker	Co-op member

Year in review

- Conducted whole program survey to identify priorities for incoming Managing Director
- Provided advice to CEHL on the Co-op Program Outcomes Framework and Member Value

Proposition project. As a result of CPCs advice, Engagement Co-ordinators were selected from the co-op membership to conduct consultations with members, which were effective.

- CPC members participated in the regional Meet and Greet sessions (March-April 2022), providing an opportunity for further member feedback on important issues

Policy Advisory Committee Report

The Board has established the CEHL Policy Advisory Committee (PAC) to advise the Board in relation to Program Policies and other documents that affect the Program and co-op operation. PAC considers:

- Program policies and strategies
- Best Practice advice for co-ops

Members

Name	Role
Fiona Herman	Chairperson Co-op Elected Director
Gayle Carley	Co-op member
Liza Dezfouli	Co-op member
Beth Rundell	Co-op member
Wudad Salim	Co-op member
Christine Tenney	Co-op member
Leanne Warner	Co-op member

PAC would also like to acknowledge the contributions of David Bowles, Michelle Boxell and Ian Curwood throughout the past year.

Year in review

- Change in the consultation cycle to three cycles to best meet co-op and member's needs
- Consulted on and approved a new Policy and Procedure Template
- Started an ongoing process to plain English the policies and improve clarity

Policies and procedures reviewed by PAC

- Member Home Purchase Policy
- Member Home Purchase Evaluation Process

Summary | Financial Report

Extracts from our audited Financial Report

Set out on the following pages are the following extracted pages from our Financial Statements for the year ended 30 June 2022:

- Directors' Report Page 1
- Directors' Declaration Page 29
- Statement of Surplus or Deficit and Other Comprehensive Income Page 7
- Statement of Financial Position Page 8
- Statement of Cash Flows Page 10
- Independent Auditor's Report Page 30

All amounts are expressed in Australian dollars.

Directors' Report

Principal activities and significant changes in nature of activities

The principal activities of Common Equity Housing Limited during the financial year was the management of residential properties leased to Housing Cooperatives, the management of the Cooperative Housing Program and the development of properties for the Cooperative Housing Program.

There were no significant changes in the nature of Common Equity Housing Limited's principal activities during the financial year.

Review of operations

The operating surplus of the Company amounted to \$1,735,938 (2021: \$1,292,037). The surplus after property portfolio transactions and fair value adjustments was \$138,003,957 (2021: \$100,840,935).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

Subsequent to 30 June 2022, a combination of political and economic circumstances, including a rise in interest rates, has resulted in a fall in house prices across the urban and regional property markets in Australia. In line with the advice provided by the Company's property valuers, the Company has estimated a potential impairment of approximately \$27.8m to its property portfolio as at the date of this report. The Company's portfolio of investment properties will increase or decrease in value relative

to shifts in trends in the Victorian property market over time.

On 10 July 2022 the Company exercised the termination of the agreement for the Catholic Homes nomination rights for \$1.26m.

Other than the matters noted above, no other circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

The Company expects to maintain the present status and level of operations.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Shares under option and issued under the exercise of options

There were no unissued ordinary shares of the Company under option outstanding at the date of this report.

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

Company Secretary

The Company Secretaries are Bradley Hosking and Timothy Dart.

Extract from the Audited Financial Statements

	2022 (\$)	2021 (\$)
Operating Surplus	509,332	54,250
Capital Grants	1,226,606	1,237,787
GROSS SURPLUS FROM OPERATIONS	1,735,938	1,292,037
Fair value property adjustments	130,331,454	98,723,422
Other adjustments	5,936,565	825,476
SURPLUS (DEFICIT) FOR THE YEAR	138,003,957	100,840,935

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance & Risk Committee		People, Culture & Governance Committee		Property Committee		Policy Advisory Committee		Co-op Program Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Heidi Lee*	12	11	7	7	4	4	7	3	-	-	-	1
Sylwia Greda-Bogusz	12	12	-	-	2	2	-	-	-	-	6	4
Fiona Herman	12	12	-	1	-	-	-	-	5	5	-	-
Gordon Kieselbach	12	12	-	-	-	-	-	-	-	-	14	13
Robyn Evans	12	11	2	1	-	-	4	3	-	-	-	-
Brodie Woodland	12	12	-	-	2	2	-	-	-	-	8	5
Tony De Domenico OAM	12	12	-	-	4	4	-	-	-	-	-	-
Samantha Winter	12	11	7	7	-	-	1	1	-	-	-	-
Keith Bayliss	12	12	2	2	-	-	7	7	-	-	-	-
Jean Nankin	12	12	1	1	-	-	7	6	-	-	-	-
Elizabeth Thomas	7	7	5	5	3	3	4	4	-	-	7	7

* The Chairperson is eligible (but not required) to attend any meeting of the Committees of the Board.

Indemnification and insurance of officers and auditors

The Company had insurance provided on its behalf by the Victorian Managed Insurance Authority during the financial year to indemnify Directors and Officers of the Company against liability incurred as a director or officer, to the extent permitted by the *Australian Charities and Not-for-profit Commission Act 2012*.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses as such disclosure is prohibited under the terms of the contract. The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

Proceedings on behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the year.



Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out in the full audited Financial Statements, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2013*; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, 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 the Board of Directors.

Director: 
Heidi Lee

Director: 
Samantha Winter

Dated: 27 September 2022

Summary financial report

Statement of Surplus or Deficit and Other Comprehensive Income

For the Year Ended 30 June 2022

	2022 \$	2021 \$
Revenue	24,200,122	22,186,554
Administrative expenses	(10,115,741)	(8,977,385)
Finance costs	(1,125,732)	(1,103,474)
Depreciation and amortisation	(402,842)	(464,138)
Property expenses	(10,819,869)	(10,349,520)
Gross surplus	1,735,938	1,292,037
Gain on disposal of assets	6,116,925	298,913
Fair value adjustment - investment property	130,331,454	98,723,422
Fair value adjustment - other financial assets and liabilities	(180,360)	526,563
Surplus for the year	138,003,957	100,840,935
Other comprehensive income for the year	-	-
Total comprehensive income for the year	138,003,957	100,840,935

The above statement of surplus or deficit and other comprehensive income is extracted from the full version of our audited financial statements for the year ended 30 June 2022.

Summary financial report

Statement of Financial Position

As At 30 June 2022

	2022 \$	2021 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	30,694,840	38,903,278
Trade and other receivables	4,743,652	3,603,226
Other financial assets	1,260,000	-
Prepayments and accrued income	649,444	889,108
Non-current assets held for sale	1,383,000	6,348,957
TOTAL CURRENT ASSETS	38,730,936	49,744,569
NON-CURRENT ASSETS		
Other financial assets	131,556	1,597,295
Property, plant and equipment	6,840,046	1,257,260
Investment properties	1,141,228,778	999,212,588
TOTAL NON-CURRENT ASSETS	1,148,200,378	1,002,067,143
TOTAL ASSETS	1,186,931,314	1,051,811,712
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	5,265,925	8,332,094
Borrowings	210,000	210,000
Employee benefits	1,054,900	1,106,663
TOTAL CURRENT LIABILITIES	6,530,825	9,648,757
NON-CURRENT LIABILITIES		
Borrowings	90,993,173	90,729,787
Employee benefits	115,783	145,588
TOTAL NON-CURRENT LIABILITIES	91,108,956	90,875,375
TOTAL LIABILITIES	97,639,781	100,524,132
NET ASSETS	1,089,291,533	951,287,580
EQUITY		
Issued capital	111	115
Reserves	550,214,303	550,214,303
Retained earnings	539,077,119	401,073,162
TOTAL EQUITY	1,089,291,533	951,287,580

The above statement of financial position is extracted from the full version of our audited financial statements for the year ended 30 June 2022.

Statement of Cash Flows

For the Year Ended 30 June 2022

	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from rental income and grants	23,402,098	19,727,137
Payments to suppliers and employees	(23,045,421)	(17,585,639)
Interest received	89,336	67,038
Finance costs paid	(1,093,377)	(1,103,474)
Net cash provided by/(used in) operating activities	(647,364)	1,105,062
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from disposal of plant and equipment	11,227,893	1,570,101
Proceeds from disposal of investment property	3,970,925	8,822,016
Purchase of property, plant and equipment	(5,977,640)	(452,913)
Payment for investment properties and projects	16,832,920	(8,101,891)
Share capital bought back	(4)	(1)
Net cash (used in)/provided by investing activities	(7,611,746)	1,837,312
CASH FLOWS FROM FINANCING ACTIVITIES:		
Movement in borrowings	50,672	15,216,132
Net cash (used in)/provided by financing activities	50,672	15,216,132
Net increase in cash and cash equivalents held	(8,208,438)	18,158,506
Cash and cash equivalents at beginning of year	38,903,278	20,744,772
Cash and cash equivalents at end of financial year	30,694,840	38,903,278

The above statement of cash flows is extracted from the full version of our audited financial statements for the year ended 30 June 2022.



Independent Auditor's Report on the Summary Financial Report to the Members of Common Equity Housing Limited



Our Opinion

The accompanying summary financial report of Common Equity Housing Limited (the Company), which comprises the summary statement of financial position as at 30 June 2022, the summary statements of surplus or deficit and other comprehensive income, and cash flows for the year then ended, related notes, and the directors' declaration is derived from the audited financial report of the Company for the year ended 30 June 2022.

In our opinion, the accompanying summary financial report derived from the audited financial report of the Company for the year ended 30 June 2022 are consistent, in all material respects, with that audited financial report, and has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*, and complies with Australian Accounting Standards, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Summary Financial Report

The summary financial report does not contain all of the disclosures required by the ACNC Act. Reading the summary financial report and auditor's report thereon, therefore, is not a substitute for reading the full financial report and the auditor's report thereon. The summary financial report and the full financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited full financial report.

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The Full Financial Report and Our Report Thereon

We have expressed an unmodified audit opinion on the full financial report in our report dated 27 September 2022. That financial report, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on that financial report.

The Directors' Responsibility for the Summary Financial Report

The directors of the Company are responsible for the preparation and presentation of the summary financial report that gives a true and fair view in accordance with the Australian Accounting Standards, the ACNC Act, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial report is consistent, in all material respects, with the full financial report based on our procedures, which were conducted in accordance with Australian Auditing Standard 810 *Engagements to Report on Summary Financial Statements*.

PKF

PKF

Melbourne, 14 October 2022

Kaitlynn Brady

Kaitlynn Brady
Partner

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