

# 2019 - 2020

## Annual Review



## Message from the Independent Chair

I am proud to present BHC's Annual Review for 2019/2020. On behalf of the Board, I would like to commend Rebecca Oelkers for her strong, guiding leadership this year, particularly facing incredibly challenging times due to COVID-19. The Board supports Rebecca's clear and ambitious vision for the organisation and we look forward to contributing to its delivery.

Despite the challenges of the year, we were fortunate to celebrate some important achievements. In January we welcomed residents into our new affordable retirement living complex, Arbor Sherwood. This property has a strong focus on design and liveability, and we are delighted to see a strong sense of community amongst the residents developing already.

Construction on our newest development in Woolloongabba has also commenced, due for completion in early 2021. This property will provide vital new affordable homes for those in Brisbane's inner-south, including five homes specifically designed for young people. We are proud to be partnering with Brisbane Youth Service who will provide wrap-around support services for these young people.

We were delighted during the year to receive the Affordable Development Award in the UDIA Wingate National Awards for Excellence for our Jingeri property. Jingeri challenges preconceptions about what accessible housing looks like and is a testament to the work of our talented staff and consultants. We could not be prouder of this building and the residents who call it home.

On a sadder note, we paused to acknowledge the passing of inaugural BHC Director, Professor John McAuliffe. John was BHC's Independent Chair for a decade and under his leadership, BHC was able to create more than 1,300 new homes for people in need across Brisbane. John was a passionate advocate for affordable housing and BHC's tenants. On a personal note he was a great mentor to me and I will be forever grateful for his guidance.



Looking back over what we have learned from COVID-19, and thinking about what we can take from this pandemic, the importance of having a home is clearer than ever. An unforeseen benefit of the pandemic is that more people now understand how critical it is to have a roof over your head.

Together with our community housing and property sector colleagues, we have been advocating strongly for increased government investment in affordable housing, both to address the enormous need that exists for safe and secure housing, and as an economic stimulus response to the crisis. We have also been working hard to investigate new funding models to increase housing supply, such as unlocking institutional investment and other innovative funding models.

Over the coming year we will continue this work, and our advocacy, and use every opportunity to do what we can to ensure that everyone has a safe and affordable place to call home.

**Eloise Atkinson**  
Independent Chair

## Welcome

### From the CEO

It is with pleasure that I present my first letter as CEO, for BHC's Annual Review 2019/2020. It has been a year of significant change for BHC, with the second half seeing us face incredible challenges due to COVID-19.

Our team, like many, has had to adapt and change the way we work, in ways that we had never imagined, and I am incredibly proud of how we have steered the course of the pandemic. Early in the COVID-19 crisis the BHC team moved to remote working, with service continuity and tenant wellbeing remaining our focus throughout the pandemic. We created the new ResidentConnect service to assist tenants to navigate the various government directives and connect with the supports available to them, which continues to be available to any residents experiencing hardship or distress.

I would like to take this opportunity to specifically acknowledge the strength and resilience of our tenants during the pandemic, and recognise the care and support for each other that was shown by each and every BHC community.

When I became CEO, I outlined a vision for BHC to work towards over the next five years, which was to significantly increase the number of affordable homes we are able to provide, and to ensure our service delivery is focused on enhancing the lives of our tenants. We welcomed the appointment this year of two senior team members who will be instrumental in helping us to achieve these goals: Jamie Muchall as Chief Operations Officer and Greta Egerton as Projects Director, both experienced professionals with considerable expertise in the property sector. I am pleased to report that our collective team is working diligently in creating pathways to realise our shared vision and I look forward to sharing our progress on this with you next year.

BHC's residents come from all walks of life and building awareness in the community of the need for affordable housing is crucial if we are to achieve our aims. During COVID-19 this has gained some welcome support, but we know that much more is needed. This year, we have been privileged to be able to start an initiative, the "Our Stories" project, where we share some of our residents' stories to build understanding of the importance of every Australian having access to an affordable home. We are incredibly grateful to our residents for their openness in sharing their stories and I encourage you to view them on our website.

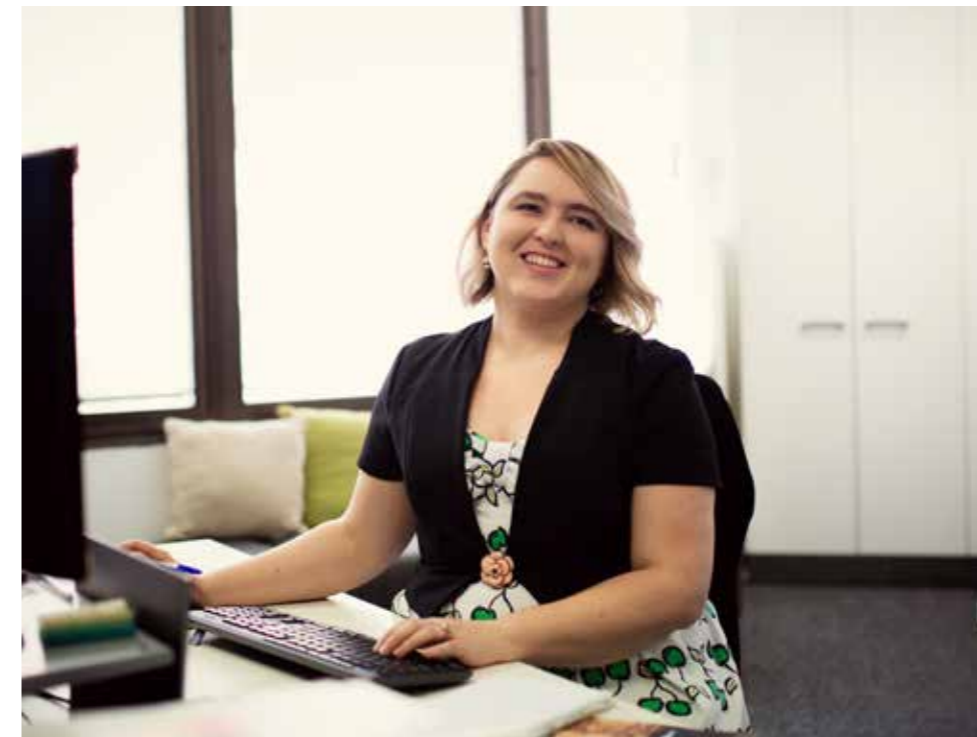
Finally, I want to acknowledge the dedication of BHC Board who have continued to guide the organisation through a year of change and uncertainty. The support and leadership of the Board has been fundamental and has ensured that we are in best position to come through this crisis, more united, safer and stronger than before.

**Rebecca Oelkers**  
Chief Executive Officer

# Navigating the COVID-19 health crisis

Nobody could have predicted at the start of the year the sweeping changes to our daily lives that we have all experienced as a result of COVID-19. As a community housing provider, our highest priority during the pandemic has been to ensure the safety, health and wellbeing of our tenants, staff and our communities.

Whilst the crisis posed significant challenges for so many, we have been humbled by the resilience shown by tenants and their readiness to implement all health directives and support each other and the communities they live in.



“ COVID-19 has demonstrated the critical importance of having a safe, secure place to call home. To be able to self-isolate, to work from home to home-school our kids. Our homes have always been important, but they have never been such a fundamentally essential part of our daily existence, and our future, as they are right now. ”

Rebecca Oelkers, CEO

BHC’s response to the pandemic has been holistic and extensive, with a range of measures implemented to support our tenants and staff, including:



### Reducing potential for community transmission in congregate living spaces

Like many social and affordable housing providers, we recognised the increased health and safety risks of having tenants co-located during the pandemic in congregate living environments, such as our boarding rooms. To reduce the opportunity for community transmission in these spaces we enabled tenants in these properties to relocate to vacancies across the portfolio, and refrained from filling boarding room “pods” where vacancies arose.



### Maintaining service delivery whilst operating remotely

BHC staff moved to remote working from March and the BHC Head Office was temporarily closed. We quickly set up entirely new systems and processes using online technologies and reshaped face to face protocols, to enable us to maintain connection and service delivery for tenants. Despite these rapid changes to our operating practices, both staff and tenants quickly adapted and we acknowledge the understanding and goodwill that was required for these important changes to be effected.



### Increasing cleaning and sanitisation

The protection and safety of our tenants has been at the core of our COVID-19 response and with the commendable assistance of our building caretakers, we significantly increased the cleaning regimes in our properties, particularly in high traffic areas.



### Communicating consistent, regular messages and essential information

With government directives constantly changing, we took a proactive approach to communicating with our tenants through letters, telephone contact, and notices in visible areas of our buildings. Our social media channels provided daily health updates and linkages to essential government and community service information.



### Creating ResidentConnect

We recognised early in the pandemic that this was going to be an incredibly stressful time for our tenants. A brand new service called ResidentConnect was created, to connect tenants with the latest information about the different types of government and community support available, including financial assistance and wellbeing services. Assisting over 100 BHC households affected by employment loss, health concerns or in need of other support and assistance, ResidentConnect also provided the broader BHC team with the necessary information and resources to assist their tenants.



With the ongoing nature of the health crisis, and the long term economic and social impacts it has had, our team is committed to continuing to support tenants through the recovery period and we thank our partners for their ongoing work with us in this regard.

# Arbor Sherwood

BHC's first retirement living community



Completed in December 2019, Arbor Sherwood is BHC's newest community and our first venture into retirement living. Its innovative financial model and considered design make it a sought-after alternative to traditional retirement villages.

Situated in one of Brisbane's most desired neighbourhoods, Sherwood, Arbor was designed by Peddle Thorp Architects, with the 52 one-bedroom with study and two-bedroom apartments spread across four generous levels. All apartments have been designed to Gold and Platinum Livable Housing Design Standards. Recognising that retirement is a time for older Australians to enjoy the things they love, easily and independently, Arbor Sherwood's many community spaces are the perfect setting for residents to socialise, garden, read or exercise.

For many ageing people, a traditional retirement village may not suit their financial situation and Arbor Sherwood provides an alternative option. Arbor has three unique contract models, allowing customers to select their preferred apartment and then choose the financial option that suits them best. This means, for example, a brand new one-bedroom plus study apartment at Arbor Sherwood could be purchased for three different upfront prices and supplemented with a differently weekly contribution depending on the buy-in price. This ensures that those residents who are unable to afford to purchase their property outright still have access to a quality retirement.

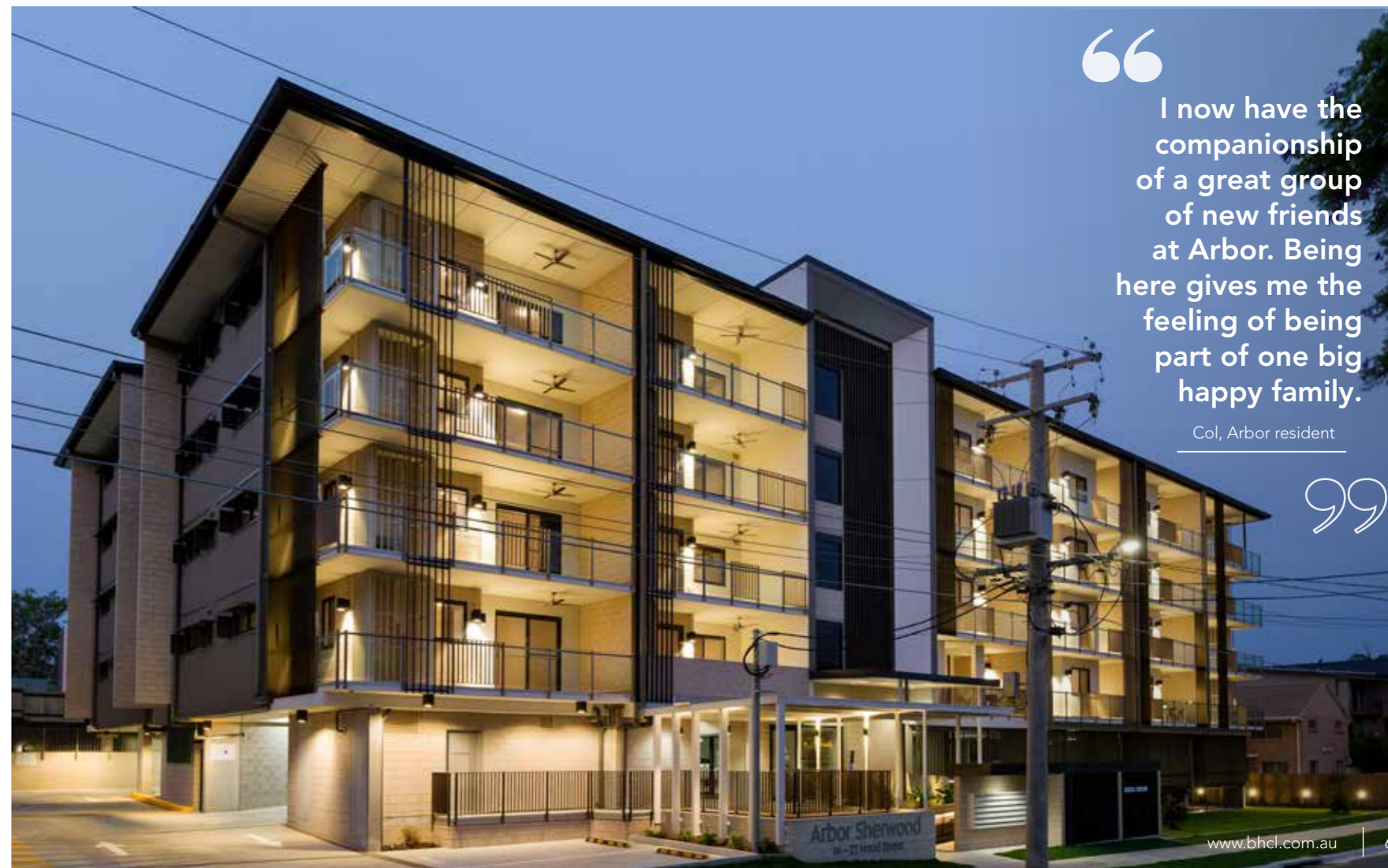
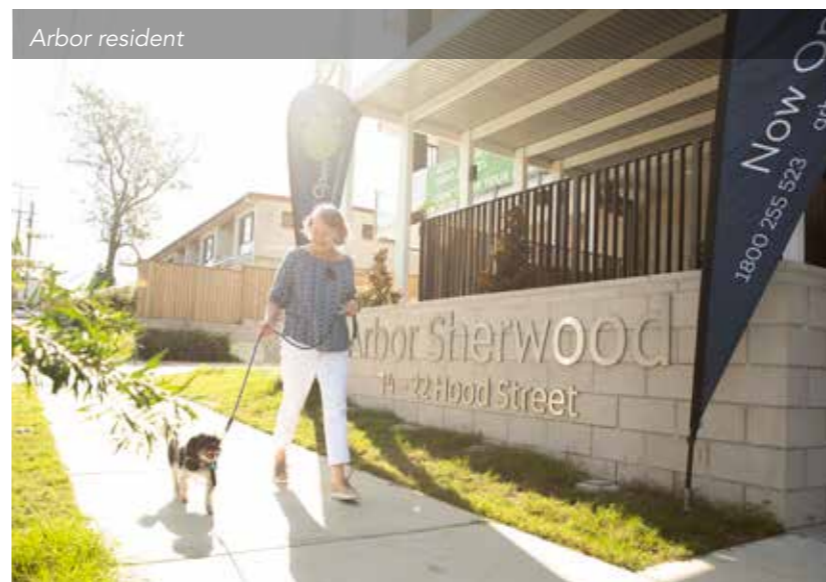
Since moving into their new homes in January, Arbor's residents have already enjoyed a busy social calendar full of activities and clubs from bingo to yoga, supported by our experienced and friendly onsite team, including an onsite Village Manager. The health crisis has understandably posed challenges for the residents, however the building design, with its wide hallways and expansive common areas, has permitted residents to gather and continue to enjoy each other's company, albeit in a physically distanced manner.

Arbor Sherwood is a welcome change in the market that allows older Australians to ease into their retirement, in a more financially flexible manner that is suitable to their personal needs. BHC is incredibly proud of Arbor and the community that is being created at this property. We are committed to making retirement living more accessible for those that need it, whilst at the same time delivering all the benefits of living in a brand new, purpose-built community.

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

“ Moving into Arbor forced me to decide what I really wanted now that I've hit my 80s. I now have more time to do the things I love – book reviews, walking and meditation. ”

Clive, Arbor resident



“ I now have the companionship of a great group of new friends at Arbor. Being here gives me the feeling of being part of one big happy family. ”

Col, Arbor resident





The Elevate Residential team

## Elevate Residential

The team is on a mission to do better for property owners, tenants and the community

Now trading for two years, Elevate Residential continues to deliver exceptional real estate results for its clients. The profit Elevate generates will support BHC to make a difference in the community for those in housing need.

COVID-19 posed many challenges to residential property with government restrictions having immediate impacts on the industry. During the pandemic, the Elevate team worked hard to ensure they stayed on top of emerging legal and operating changes, and adapted quickly to new technologies to ensure continuity of service for clients, including successfully offering online auctions and virtual inspections.

This financial year saw pleasing growth in Elevate's property management portfolio, with consistently strong results achieved for property investors, despite the challenging market conditions. Elevate also continues to expand its sales offering, achieving success with vendors across Brisbane and cementing a robust sales pipeline for the coming year.

The Elevate Residential team continues to grow, with two passionate real estate professionals welcomed to the group. The team is proud of its reputation in the market of delivering exceptional service, with an approach based on trust, experience and integrity.

Elevate has been fortunate to continue to collaborate with marketing partner, NickDidThis. The inspiring and dynamic NDT team, led by founder and creative strategist Nick Pritchard, provided Elevate with expert advice and creative support throughout the year. Elevate is incredibly grateful for NDT's support, energy and belief in the mission of Elevate and BHC. Special thanks are also extended to Nick for his turn as emcee at Elevate's first birthday celebration at Brisbane Powerhouse in late 2019.

Moving forward, the Elevate Residential team is committed to continuing to grow the business and thereby doing as much as possible to support BHC's affordable housing delivery. Every dollar of profit that Elevate generates will assist BHC to support tenants, such as adults living with a disability, people escaping domestic violence and families struggling to make ends meet, achieve their best in life. Elevate Residential will continue to explore new partnerships and collaborations with individuals and organisations who are active in residential property - and those who just want to support Elevate in its mission to change Brisbane's real estate sector for good.

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



Rebecca Oelkers and BYS CEO Annemaree Callander



## Under construction

Cornwall Street, Woolloongabba

In January 2020, we were delighted to see BHC's latest development at Cornwall Street, Woolloongabba commence construction. Through the reactivation of an underutilised site, this project will deliver 32 much-needed affordable homes for those in housing need in Brisbane's inner south. The development contains 27 units to house essential workers with the remaining five homes specifically designed and allocated for young people, including a young family.

We are proud to be partnering with Brisbane Youth Service (BYS) for this project, whose mission is to support homeless and disadvantaged young people and their children. Our partnership will enable young people being assisted by BYS to transition to safe and stable housing. Residents in these five homes will benefit from BYS's wrap-around support services, including assistance to help them to engage in education, training and employment, with the ultimate aim to establish access to long-term sustainable housing options.

Designed by award-winning Brisbane architectural firm KO & Co, this development includes high-quality, purpose-built affordable units with a range of configurations including studios, one and two-bedroom apartments. The property incorporates a rooftop common area and BBQ with undercover car and bike parking facilities. The location offers excellent access to both bus and transport networks and is well located to a range of services and facilities to support independent living and integration within the community.

This project is the first to be constructed under the Queensland Government's Partnering for Growth initiative, with the Queensland Government contributing a substantial \$6.35 million towards this project, through the Housing Construction Jobs Program.

We are looking forward to welcoming residents to their new homes in early 2021.



Working together with our partners BYS we will be able to provide vulnerable young people with secure housing and a path towards an independent and positive future.

Rebecca Oelkers, CEO



# Financial operations summary

2019/2020



Summary Statement of Financial Performance	2019/20 '000	2018/19 '000	2017/18 '000
Revenue			
Rent	\$ 17,516	\$ 16,889	\$ 16,260
Grants	\$ 4,474	\$ 6,988	\$ 4,172
Property Sales	–	–	–
Other	\$ 2,002	\$ 1,195	\$ 1,143
<b>Total Revenue</b>	<b>\$ 23,991</b>	<b>\$ 25,072</b>	<b>\$ 21,575</b>
Total Expenses	\$ 23,629	\$ 21,678	\$ 19,982
Revaluation of Property Assets	\$ 6,684	\$ 8,888	\$ 6,241
<b>Total Comprehensive Income</b>	<b>\$ 7,046</b>	<b>\$ 12,281</b>	<b>\$ 7,835</b>
Cash at the end of the Financial Year	\$ 19,409	\$ 16,150	\$ 27,664
Total Assets	\$ 364,660	\$ 349,263	\$ 341,486
Total Liabilities	\$ 12,652	\$ 4,301	\$ 8,805
<b>Total Equity</b>	<b>\$ 352,008</b>	<b>\$ 344,962</b>	<b>\$ 332,681</b>

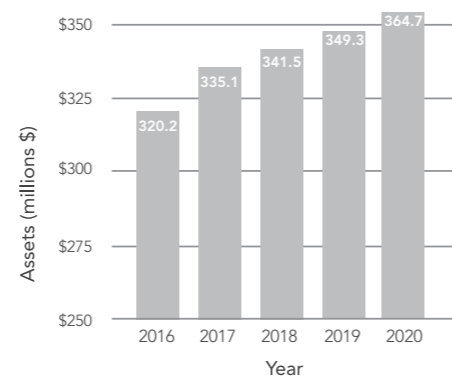
BHC continues to maintain a strong financial foundation through the ownership of more than 1,400 dwellings with no debt.

Revenue for 2019/20 was \$24.0 million which was lower than the previous year due to lower government grant revenue during the year. Expenses for 2019/20 were \$23.6m which was higher than the previous year, primarily arising due to some additional one-off property rectification costs.

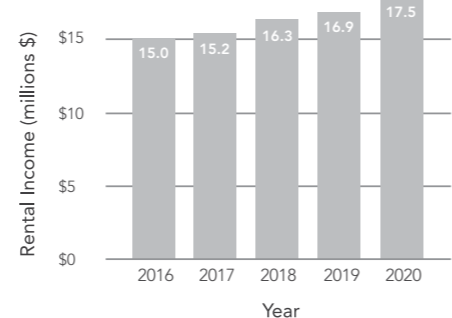
During 2019/20 BHC invested over \$11 million in the construction of two new affordable housing developments, Arbor Sherwood which was completed in December 2019 and Cornwall Street, Woolloongabba which remains under construction with completion expected in December 2020.

BHC's AA- credit rating was reaffirmed by Standard and Poor's during the year. BHC will continue to explore alternative funding options to increase the supply of affordable housing, including potentially accessing long-term funding via the National Housing and Finance Investment Corporation's (NHFIC) new bond aggregator and also utilising BHC's existing bank debt facility.

## TOTAL ASSETS



## TOTAL RENTAL INCOME



BHC is audited by Grant Thornton Brisbane, 145 Ann Street, Brisbane Qld 4000

# Board of Directors



## Eloise Atkinson - Independent Chair

Eloise is an architect with over 25 years' experience in the design of public and affordable housing, and education and has worked with clients in the Queensland Government, community organisations and private sector.

Eloise is the Independent Chair of BHC, contributing to the sector through research and advocacy and is a Churchill Fellow. In her role as Director of design practice Deicke Richards, her broad knowledge of housing and development models also contributes to the practice's work with commercial, not for profit and faith-based providers of aged care and seniors living.

## John Gallimore

A long-time Partner in a leading law firm, John is now a Consultant to that firm and is a Board Member of Multicap. John is a former Board Member of Queensland Sudden Infant Death Research Foundation and has had various roles in the Anglican Church in Brisbane. John is a State Government appointed Director of BHC and is a member of BHC's Property and Audit & Risk Committees.

## Geoff Woolcock

Geoff is a Senior Research Fellow at the University of Southern Queensland's Institute for Resilient Regions, and an Adjunct Associate Professor at Griffith University and University of the Sunshine Coast. Geoff has 30 years' community-based research experience nationally and internationally in the housing, youth and health sectors. Geoff is a board director of the Australian National Development Index (ANDI) and Logan Child-Friendly Community Ltd, and is a member of BHC's Tenancy Management Committee.

## Kirsty Smith

Kirsty is Managing Director of Kelen Property. Previously CEO for the City of Brisbane Investment Corporation, Kirsty was responsible for its property development and investment strategies. Her property experience across both public and private sectors follows an early career in finance and business management roles. Kirsty is a member of the Queensland Division Council of the Property Council of Australia and Mt Alvernia College.

## Julie Heckenberg

Julie holds over 25 years' experience in leadership and organisational development, and education and training at both enterprise and government levels. Julie has successfully translated her skills to the community sector through her work as Founder and Interim Board Member of Under 1 Roof. Julie is the Chair of BHC's Tenancy Management Committee and a member of the Catalyst Board.

## Les Jones

Les is a retired Grant Thornton Partner with extensive involvement in not for profit organisations. At Grant Thornton, Les headed up Assurance Services and was the Office Managing Partner for five years. Les has been a Director of various not for profits and contributed to the Professional Education program for the Australian Institute of Chartered Accountants. Les is Chair of BHC's Audit & Risk Committee and a member of the Finance Committee.

## Stuart Gregory

With over 30 years' experience in professional services as both a Finance Director and Chief Executive, Stuart has a wide array of skills in Finance, Administration and Business Management. Stuart is the Brisbane City Council appointed Director and is the Chair of BHC's Finance Committee and a member of the Audit & Risk Committee.

## Stacey Ross

Stacey is a Director and CEO of The Centre For Women & Co. specialising in domestic and family violence and women's wellbeing services. With over 20 years' experience in the community sector Stacey is passionate about community development at a grassroots level, she leads with integrity and has an endless desire to empower others to reach their full potential. Stacey is a State government appointed Director and is a member of BHC's Tenancy Management Committee.

## Ben Foster

As a professional Quantity Surveying consultant Ben has worked within the construction industry for over 30 years. Ben is currently a Director of the Queensland consultancy firm Steele Wrobel, after many years working on a range of large-scale social infrastructure projects for Government and private enterprise. Ben has also held positions including that of chapter president for the Australian Institute of Quantity Surveyors. Ben is the Chair of BHC's Property Committee.



BACK (L-R): Julie Heckenberg, John Gallimore, Stacey Ross, Stuart Gregory, Kirsty Smith  
FRONT (L-R): Geoff Woolcock, Ben Foster, Eloise Atkinson, Les Jones

Tara - BHC Caretaker



# Our stories

## Video project



Affordable housing residents come from all walks of life and many different backgrounds. Every resident has their own unique life journey and sense of what their home means to them.

We believe it's important to share the stories of our residents and staff. These people embody our Vision of Creating Homes, Empowering Lives and Enabling Transformation.

Visit [bhcl.com.au/our-stories](http://bhcl.com.au/our-stories) to watch our stories.

# BHC's first national UDIA win

## Jingeri, Enoggera



BHC's Jingeri won the 2019 Urban Development Institute of Australia (Queensland) Mitchell Brandtman Award for Excellence in the Affordable Housing category, going on to win the national Affordable Development Award in the 2020 UDIA Wingate National Awards for Excellence. This marks our first national UDIA win.



## ANNUAL REVIEW 2019/20

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Trading as BHC Creating Liveable Communities

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*Dedicated to a better Brisbane*

BHC takes this opportunity to acknowledge the funding received from the Commonwealth, Queensland Government and Brisbane City Council and the continued support of all our community shareholders. BHC is a public company limited by shares, a public benevolent institution, an income tax exempt charity and deductible gift recipient.

All images within this publication are of BHC residents, families and properties. We thank our tenants and investors for their generous input.

