

# South Australian Housing Trust

Annual Report | 2013-14



Government  
of South Australia

Department for Communities  
and Social Inclusion

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The annual report is available from the website of the Department for Communities and Social Inclusion at [www.dcsi.sa.gov.au/services/housing-sa](http://www.dcsi.sa.gov.au/services/housing-sa).

This annual report was prepared by Housing SA, Business Innovation and Professionalism.

Regional office locations can be found on page 110.

# Letter of Transmittal

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## **To the Honourable Zoe Bettison, Minister for Social Housing**

On behalf of the South Australian Housing Trust, I have pleasure in submitting for your information and presentation to Parliament, the 2013-14 Annual Report incorporating audited financial statements for the year ended 30 June 2014 as required by Section 42A of the *South Australian Housing Trust Act 1995* and Section 15 of the *Housing Improvement Act 1940*.



**Mary Patetsos**

Chair

South Australian Housing Trust Board

September 2014

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# Chair's report

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Mary Patetsos  
Chair  
South Australian Housing  
Trust Board

I have been a member of the South Australian Housing Trust (SAHT) Board for a number of years; however, 2014 is the first year I have been engaged as Chairperson. Earlier this year, a Cabinet reshuffle following the State Government election, saw the Hon Zoe Bettison MP appointed to the Social Housing portfolio. Housing plays such an important role in a person's life and it has been a pleasure to work with Minister Bettison and her predecessors in the social housing portfolio.

The Commonwealth Government has indicated its intention to conduct a major review of housing and homelessness funding provided to jurisdictions through the National Partnership Agreements. This includes the overarching National Affordable Housing Agreement, plus the supporting National Partnership Agreement on Homelessness and the National Partnership Agreement on Remote Indigenous Housing.

The housing sector will see a number of challenges arise if the Commonwealth reduces funding, including the ability to provide social housing and homelessness services to the current level within South Australia.

Housing SA has a strong history of innovation and has already commenced consultation with stakeholders to consider the impact of funding changes. Together, we are designing what our state's housing and homelessness sector may look like in the future.

We are using this innovative thinking to help address the unmet need for housing for people with disability, and to prepare for the likely increase in demand for disability-specific housing generated through the National Disability Insurance Scheme. We are also asking others to help broker solutions to grow the community housing sector in our state.

Changes in our client demographic from the 1990s have led to reforms in the way we target our services; ensuring those with the greatest need receive the highest subsidised services. Most recently, the *Housing SA Blueprint 2013 – 2018* provides the framework for the modernisation of the housing and homelessness sector, embracing Housing SA's responsibility to connect people to the place in which they live.

Housing SA's role is moving away from that of the traditional landlord and towards a more holistic service that not only provides support to people to maintain their tenancies, but helps them to be a part of their neighbourhood and the wider community.

We have set a number of challenges over the coming years to implement Housing SA's vision of *Connecting People to Place*. These include changes to our service delivery model; creating an evidence base for a sustainable funding model; developing a strong multi-provider housing sector; transforming our business systems; and introducing greater collaboration with our partners, other government agencies, and the community.

We continue to work towards implementing a new, single housing register for public and community housing. The register will provide a single point of access where clients can register for a range of housing options. It will remove some of the obstacles which can make the process of applying for housing services difficult,



including the need for clients to apply to multiple housing providers and be on several waiting lists.

One of the challenges we continue to face is the management of an increasing level of client debt. The value of client debt has steadily increased for a number of years now, resulting in Housing SA clients owing over \$22 million. We are currently reviewing our debt policy, procedures and reporting mechanisms to ensure we employ best practices. Combined with service delivery changes implemented 1 July 2014, we hope to engage clients earlier to identify any issues which may require support, including financial management.

Finally, I would like to thank the staff of Housing SA for their enthusiasm and hard work over a number of years and would like to thank the Board and Housing SA's executive team for their support over this past year.

The Board looks forward to working with Minister Bettison to achieve Housing SA's vision, and to highlight the need for continued funding to ensure housing and homelessness services are available to all South Australians in need.



Mary Patetsos

CHAIR

SOUTH AUSTRALIAN HOUSING TRUST  
BOARD

# Executive Director's report

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Philip Fagan-Schmidt  
Executive Director  
Housing SA

Housing SA is an organisation that is seeking to transform its services and systems in line with its vision of 'Connecting People to Place'. The Housing SA Blueprint, released in August 2013, recognises our pivotal role in improving people's social and economic opportunities, by linking them with their communities and appropriate supports. Over the past year, Housing SA has worked to implement the Blueprint through organisational change, alongside a continuing commitment to financial accountability and business efficiency.

We recognised that a critical first step in achieving our vision was to review and update the services we offer to tenants and people seeking housing. During 2013-14, Housing SA developed a new service delivery model designed to respond to those experiencing the greatest risk and vulnerability and invest in early engagement with clients to achieve long-term sustainable outcomes. This new model includes a new team structure that focusses on services from initial access to support to ongoing place and tenancy management. The model was implemented in four Housing SA regions (two metropolitan, two country) on 1 July 2014. Housing SA intends to evaluate the model with a view to refining and expanding it across other regions in the future.

This new service model required us to introduce new staffing capabilities within the organisation, at a time when Housing SA was also required to meet significant recurrent savings targets. In response to these factors, and following consultation with staff, in December 2013 Housing SA agreed to implement a Workforce Transition Plan designed to contribute to budget savings requirements and support service reforms. Under this plan, Targeted Voluntary Separation Packages were offered to staff groups, with the intention that a smaller amount of new term contract staff would be recruited to meet new skill requirements. Seventy-nine staff accepted packages, with 37 new staff being recruited to support the new service delivery model.

In October 2013, a new multi-trade maintenance contracting model was implemented within Housing SA to provide more efficient maintenance services to public housing tenants across the state. This innovative program has established 'head contractors' in regions across the state to take responsibility for a range of maintenance services.

We have also been working on supporting the growth of the community housing sector through the Better Places, Stronger Communities project. This project aims to transfer the property and tenancy management of approximately 1100 properties in Mitchell Park and Elizabeth Vale/Elizabeth Grove. Following a comprehensive procurement process, two community housing providers have been chosen and contract negotiations are currently underway. It is expected that these properties will be transferred in the first half of 2015.

In the 2013-14 State Budget, the government announced the Affordable Housing Stimulus Package, using \$50 million that was made available through partial Commonwealth Government housing debt forgiveness and associated savings in interest and guarantee fees.

Through this initiative, \$30 million was allocated to Housing SA and \$20 million allocated to the Affordable Housing Community Housing Capital Grant Program to construct over 230 new dwellings for social housing. Twelve dwellings were completed in 2013-14 with the remainder on track to reach practical completion by the end of June 2015.

As part of this package, South Australia committed significant funding towards the construction of new disability-specific dwellings to address current unmet need, and also prepare for increased demand projected by the National Disability Insurance Agency. To support this strategy, the government has established a new disability housing organisation, Access 2 Place Ltd, to provide disability-specific tenancy and property management for these housing assets.

One hundred and thirty-five newly constructed dwellings for people with disability will be transferred from Housing SA to Access 2 Place Ltd.

South Australia was also able to secure a further year of funding for homelessness services under the National Partnership Agreement on Homelessness (NPAH). This agreement will provide a total of \$17.74 million in support funding to homeless South Australians, which accounts for approximately 30 per cent of all homelessness funding, with the remainder sourced from the National Affordable Housing Agreement (NAHA).

As homelessness funding has not been confirmed past 2014-15, South Australia has started discussions with the Specialist Homelessness Sector to consider future options. This will occur alongside efforts to convince the Commonwealth Government

that continued funding for homelessness services is vital.

The Commonwealth has also highlighted that they will undertake a review of housing and homelessness funding, to be completed by the end of the 2015 calendar year. It is expected that this review will consider the future of both the NPAH and the NAHA. Housing SA will be working closely with the Departments of Premier and Cabinet and Treasury and Finance to promote appropriate funding for both housing and homelessness services with the Commonwealth Government.

It will be a challenging time ahead for Housing SA and our partner organisations. I would like to thank all the staff working in the many South Australian housing and homelessness organisations for their hard work and dedication in 2013-14. I look forward to meeting our challenges and seeking out new approaches together in the next year as we work to improve housing and social opportunities for vulnerable South Australian citizens.



PHILIP FAGAN-SCHMIDT  
EXECUTIVE DIRECTOR  
HOUSING SA



## Our role

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Housing SA aims to work with South Australians to create a range of housing options, from access to emergency and crisis accommodation, private rental assistance, the provision and management of social housing, through to home ownership information. We will achieve this through partnering arrangements with other agencies to maximise affordable housing outcomes for South Australians. We aim to:

- Assist people to secure and maintain affordable and appropriate housing by:
  - managing various forms of public housing in the state
  - providing private rental assistance
  - providing advice and referral on housing options and housing related issues
  - supporting initiatives to increase the supply of affordable housing.
- Provide houses and promote programs within the private or not-for-profit sectors to meet housing needs.
- Facilitate support for South Australians to increase their ability to achieve successful housing outcomes.
- Administer and deliver Aboriginal housing products and services<sup>1</sup>
- Ensure the long term financial viability of social housing in the state.
- Provide advice to the Minister on issues, initiatives or programs associated with the housing needs of the community.

Since 1991, the *South Australian Co-operative and Community Housing Act 1991 (SACCH Act)* provided a legislative framework for the establishment, development, regulation and administration of community housing in South Australia. Community housing providers registered or incorporated under the SACCH Act have had their community housing activities regulated under this state specific legislation.

From 1 April 2014, the *Community Housing Providers (National Law)(South Australia) Act 2013* (the Act) will gradually replace the SACCH Act over an 18 month transition period. As well as transitioning over the above functions from the SACCH Act, the Act adopts mirror legislation for a National Regulatory System for Community Housing (NRSCH) – referred to as the Community Housing Providers National Law (South Australia). Community Housing Providers registered under the SACCH Act have an 18 month transition period to register under the new NRSCH.

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<sup>1</sup>This annual report includes reference and information on housing programs in Aboriginal communities. This is included to represent a complete range of options within the housing continuum. It should be noted that under an agreement with the Commonwealth Government, it is intended that remote Indigenous housing programs be delivered through lease agreements between Aboriginal communities and the Minister for Social Housing.

Under part VII (Rent Control) of the *Housing Improvement Act 1940*, the SAHT also has responsibility to monitor private rental housing conditions. If properties are found to be sub-standard, SAHT has the authority to request the owners of these properties to bring them up to an acceptable standard.

# Strategic alignment

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The State Government has seven priorities for South Australia's future. Housing SA has a large role to play in the success of four of the priorities:

- Creating a vibrant city
- Safe communities, healthy neighbourhoods
- An affordable place to live
- Every chance for every child

*South Australia's Strategic Plan* guides individuals, community organisations, governments and businesses to secure the wellbeing of all South Australians. Housing SA has the lead for four main targets:

**Target: 7. Affordable housing:** South Australia leads the nation over the period to 2020 in the proportion of homes sold or built that are affordable by low and moderate income households.

**Target: 8. Housing stress:** South Australia leads the nation over the period to 2020 in the proportion of low income households not experiencing housing stress.

**Target: 9. Aboriginal housing:** Reduce overcrowding in Aboriginal households by 10 per cent by 2014.

**Target: 10. Homelessness:** Halve the number of 'rough sleepers' in South Australia by 2013 and maintain thereafter.

Housing SA also contributes to the Department for Communities and Social Inclusion's strategic objectives of 'Support independence and participation', 'Make our communities stronger' and 'Provide the best services'.

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## Housing SA Blueprint 2013-2018

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The *Housing SA Blueprint 2013-2018*, launched in August 2013, is a five-year strategy to deliver Housing SA's vision of Connecting People to Place. The Blueprint outlines a comprehensive change agenda that will develop Housing SA as a responsive, resilient and innovative organisation, resulting in improved services and responses to customers, collaboration with partner organisations, and business systems across the agency.

It aims to transform Housing SA to ensure its relevance as a key contributor and driving influence within the housing and homelessness service system.

Ten change projects and two whole-of-organisation initiatives have begun to be implemented. These reforms intend to drive organisational objectives relating to:

**People** – at the centre of everything we do

**Place** – harnessing community potential

**Professionalism** – drives our service delivery outcomes.

Over the next five years, the Housing SA Blueprint will deliver:

- a regionalised approach to collaboration and local decision-making;
- a new service model to make our services more accessible for, and supportive of, clients;
- a strategic approach to future planning for asset development and management;
- a clear vision for supporting growth in the community housing sector;

- improved communication methods, internally and with external partners and service users, new business systems and professional accountability strategies; and
- a new strategy to address future funding structures for the housing and homelessness system.

A new set of service values have been produced to guide decision-making and activities across the organisation.

The Blueprint's implementation is overseen by Housing SA's executives and provides opportunities for engagement with, and contributions from, stakeholders in the development of responses



# People

**Connecting people to place**

**Safe communities, healthy neighbourhoods**  
**Every chance for every child**



# Breaking the cycle of homelessness

## National Partnership Agreement on Homelessness

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In 2013-14, the National Partnership Agreement on Homelessness (NPAH) was extended for a further 12 months, enabling the continuation of all operational services to 30 June 2015. The 2013-14 agreement provided South Australia with \$17.24 million in Commonwealth and State Government funding.

The homelessness sector in South Australia is comprised of 40 government and non-government organisations providing 75 programs over 97 outlets across the state. Specialist homelessness services assisted 23 916 clients over a total of 30 750 support periods.

A support period, as defined by the Australian Institute of Health and Welfare, is the period of time a client receives assistance from an agency.

The quality of service provision is monitored through a newly revised contract performance management procedure and an evaluation strategy, linked with South Australian Universities.

## Aboriginal Transitional Housing Outreach Services

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Aboriginal Transitional Housing Outreach Services (ATHOS) is a homelessness response for transitional Aboriginal people from regional and remote communities presenting in Coober Pedy and Adelaide, who are at risk of rough sleeping or contributing to overcrowding in existing tenancies.

Coober Pedy Homelessness and Support Services (previously known as Coober Pedy ATHOS) is managed through Housing SA. It uses existing Housing SA properties for medium to long term housing. Coober Pedy Homelessness and Support Services also provides assistance to return mobile Aboriginal people to their home communities should this be their preferred option.

From 1 July 2013 to 30 June 2014 a total of 372 people were assisted with a service, including outreach support to 147 people, intensive tenancy support to six people and a further 167 people were assisted to return to their homes.

The Adelaide ATHOS, located at Hendon, is managed by Uniting Communities and Housing SA which work in partnership with other key agencies. Adelaide ATHOS includes a transitional accommodation centre with four short term units and an on-site office which is staffed 24 hours a day, seven days a week. An additional four transitional properties, located in the northern Adelaide region, provide longer term accommodation. From 1 July 2013 to 30 June 2014, 129 people were provided with support and of these, 77 received case management support. One hundred and eighty people were assisted to return to their homes.

## Lakeview accommodation centre

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Lakeview predominantly provides accommodation to transient Aboriginal clients travelling to and from Port Augusta for health, cultural or personal reasons. In addition to providing accommodation, this service develops case plans for all clients accommodated at Lakeview to assist them to obtain longer term, sustainable housing, or to reach their intended destinations as they transition through Port Augusta.

The centre provides intensive holistic support and has developed strong networks with other specialist homelessness, domestic violence and mainstream support services in Port Augusta including local health and education facilities.

Case workers at Lakeview and other support agencies work together with clients to achieve case plan goals through programs such as living skills programs, private rental and public housing application assistance. The service also promotes a family-friendly environment with Indigenous parenting support services to look after children and create play programs while parents are away from home.

During 2013-14, the centre provided 221 occasions of accommodation to 164 clients and 763 occasions of in-centre support to 183 clients.

#### Wangka Wilurrara accommodation centre

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Wangka Wilurrara, located two kilometres east of Ceduna provides sober, safe and secure family friendly short stay accommodation on a 10.4 acre site designed as a camping ground with a mix of accommodation types. The facility can accommodate up to 60 people at any one time and its clients represent a diversity of ages, needs and reasons for being there, including those experiencing long term homelessness and transience. The centre accommodated an average of 46 clients per day, with a total of 16 790 actual active nightly registrations in 2013-14.

Staff work closely with a number of local service providers in engaging with visitors to the town from remote communities who seek culturally appropriate accommodation for their stay in Ceduna. Support to this group of Aboriginal people is provided by a range of agencies and staff work collaboratively with the Indigenous Coordination Centre and the Ceduna Koonibba Aboriginal Health Service Aboriginal Corporation in assisting those who need to return to their community of origin.

#### Supportive Housing Program

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The Supportive Housing Program aims to provide a 'housing first' response, coupled with comprehensive assessment and case management for tenants to maintain their tenancies.

In 2013-14, 484 packages of support, worth approximately \$8000 per package, were allocated to provide support for 1496 clients assisted under the Supportive Housing Program. The support packages are funded through the NPAH.

#### Street to Home

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Housing SA's response to primary homelessness (people without conventional accommodation - living on the streets, in deserted buildings, improvised dwellings, in parks, etc) has significantly escalated over recent years. Staff work in collaboration with the Street to Home service to facilitate the provision of shelter to those sleeping rough in and around the Adelaide Central Business District. This collaboration has included the secondment of key mainstream Housing SA and SA Health staff to form an interface between specialist and mainstream services, co-located in the Street to Home service.

The Street to Home service recognises that many factors may contribute to a person sleeping rough, and that the provision of housing is a first step in a pathway out of homelessness. Working assertively over extended hours, Street to Home provides support that is needed for individuals to make the transition from homelessness into secure and stable housing.

During 2013-14, 81 people were supported into transitional/medium-term accommodation and 78 into long term accommodation.

Three Inner City Rough Sleeper Counts were held with the counts locating adults who were unsheltered or 'sleeping rough'. The count located 73 adults on 6 August 2013, 79 adults on 4 February 2014 and 95 adults on 6 May 2014.

## Common Ground Adelaide

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The Common Ground housing model is a mixed community model, housing homeless people and people on low incomes. The high quality residential complexes include self-contained apartments and communal spaces, as well as office space for support services, workshops and training activities.

The aim of the service is to create a community that provides onsite support to assist people who would otherwise not be able to sustain an independent tenancy, thereby breaking the cycle of homelessness and achieving social and economic participation.

Common Ground Adelaide provides accommodation in Franklin Street, Adelaide, for 38 single individuals and Light Square, Adelaide, a converted building of 52 apartments. Light Square also includes the head office and main service centre for Common Ground Adelaide, providing dental, health, welfare and vocational support services. All accommodation units at Franklin Street were fully tenanted in 2013-14. As at 30 June 2014, 50 of Light Square's 52 units were occupied, with 86 per cent of tenants entering accommodation from homelessness.

Common Ground Adelaide and Housing SA have also worked in partnership to deliver the Common Ground model of housing in Port Augusta. Thirty-five units are located over two Port Augusta sites, Boston Street (15 units) and Augusta Terrace (20 units). Fifty-eight clients were supported across both sites in 2013-14.

Common Ground Adelaide was successful in an application to source capital funding from the Commonwealth Government's NPAH Development Fund to build an additional facility at Mellor Street, Adelaide. Commonwealth Government funding of \$6.6 million combined with up to \$2.8 million from the State Government and funding sourced by Common Ground Adelaide, will finance the development.

The development consists of 52 units, including 26 supported units, 10 units for sole parent families and 16 units for couples or individuals who are homeless, vulnerable or at risk.

Funding for ongoing support will be provided through corporate sponsors including Santos and through fundraising activities. Mellor Street is currently under construction and is expected to be completed and tenanted by December 2014.

Support within Mellor Street will include: individualised case management support; community development programs; and access to further opportunities including job training, education and employment.

## Ladder St Vincent Street

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Ladder St Vincent Street (Ladder SVS) is an innovative youth housing and support program located in Port Adelaide. The program aims to achieve sustainable housing, education and employment outcomes for vulnerable young people. The service operates 23 bedsit and one-bedroom self-contained apartments under a formal partnership between Housing SA, St John's Youth Services and the Ladder organisation.

St John's Youth Service provides case management and on-site support 24 hours a day, seven days a week. Ladder SVS provides young people between the ages of 16 and 21 with stable housing linked to life skills, education, training and workforce participation. Participants of the program are required to make a commitment to individual action plans that will enable them to achieve independence and employment.

Ladder is a not-for-profit organisation formed in 2007 by a number of former Australian Football League (AFL) players. Young people at Ladder SVS are provided with a life skills and mentoring program facilitated by Ladder via a pool of volunteer AFL players and elite female athletes.

From 1 July 2013 to 30 June 2014, 48 young people have been accommodated and supported through the program, 17 identified as Aboriginal or Torres Strait Islander descent. Sixteen young people have been supported to deal with family violence issues, seven have been connected to employment and nine participate in the mentor program.

The 'housing first' approach that Ladder uses allows young people experiencing homelessness to address their housing needs in order to focus on other life domains such as employment, education and training.

In the past 12 months, 24 young people have moved on from Ladder SVS, 12 transitioned into private rental housing, seven into supported housing and five reconnected with family.

#### youth110

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youth110, a youth crisis accommodation service located in the city represents a significant shift in how young people in crisis are responded to, moving from a traditional congregate care model to a 'housing first' approach. Young people are able to access their own self-contained stable accommodation for a short to medium period of time. They are provided with individual support and case management to help them towards sustainable housing.

Housing SA provides 30 apartments to youth110 based in the UNO Apartments, Adelaide. St John's Youth Services Incorporated manages the service on behalf of Housing SA.

#### Boarding House Program

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At 30 June 2014, the SAHT owned 15 boarding house style properties providing a total of 303 rooms. These properties are leased to community agencies that provide accommodation to vulnerable adults in a congregate living environment.

#### Boarding House Outreach Support Program

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Funded through the NPAH, the Boarding House Outreach Support Program provides support to clients residing in boarding houses in the metropolitan area to help them sustain their accommodation and/or access other more suitable forms of housing. It is a key strategy to reduce the cyclic number of people rough sleeping.

During 2013-14, approximately 4129 support services were provided to 533 individuals to maintain their boarding house style accommodation or to seek alternative sustainable accommodation.

#### Integrated Housing Exits Program

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Funded through the NPAH, the Integrated Housing Exits Program (IHEP) is a partnership program between DCSI, Housing SA, the Department for Correctional Services (DCS) and Offenders Aid and Rehabilitation Services SA (OARS).

IHEP aims to reduce the incidence of homelessness and the cycle of people entering and exiting custodial institutions as a consequence of being homeless.

The program targets people exiting custody who have been incarcerated for less than 12 months and assessed as having a Category 1 housing needs (complex issues and a history of homelessness). Clients are assessed for Category 1 through the Housing SA outreach service to prisons.

DCS refers eligible clients to the Ex-Custodial Homelessness Support Service, delivered by OARS for post release support in an IHEP property. People who are not successfully allocated an IHEP property are also referred to OARS for ongoing case management and support through the Integrated Housing Exits Alternative Accommodation and Support program (IHEAAS).

Clients are assisted to develop independent living skills and supported to manage risk factors that may lead to a pattern of reoffending. Sixty properties are provided to the IHEP, with these properties fully allocated at any point in time.

During 2013-14, 172 people were assessed through the program. Of these:

- 69 were referred to the IHEP program;
- 60 were accommodated in IHEP properties; and
- 103 were referred to IHEAAS for case management support.

Four clients currently accommodated in IHEP properties were referred and accommodated prior to 1 July 2013.

Fifty eight people exited the program with:

- 17 accommodated in public housing, long term community housing and private rental accommodation;
- eight exited to reside with family and/or friends;
- 11 disengaged from support services including five formally evicted;
- one was successful in gaining an overseas scholarship and employment;
- 13 returned to custody on a 'breach' of conditions; and
- eight were charged with a new offence and returned to custody.

### Specialised Housing Programs

Housing SA leases properties through a range of specialised programs to government and non-government organisations that provide accommodation support services to people who are homeless, at risk of homelessness, are identified as having a disability, or for other community service purposes. As at 30 June 2014, 1470 properties were leased through these programs to 83 organisations.

A review of the Supported Tenancy Scheme occurred throughout 2013-14 resulting in the division of this program into four specialist programs:

- Crisis Housing Program;
- Transitional Housing Program;
- Community Lease Program; and
- Specialised Lease Program.

In 2014-15, the Transitional Housing Program property management responsibility will migrate from support services to Preferred Growth Providers (PGPs).

A collection of personal stories from people in the Riverland who have received support from Housing SA was released in May 2014.

The booklet, *Home, where we are*, features stories from 24 people, detailing their housing hopes, struggles and experiences. The stories reveal not only a strong affection for the Riverland, but the value and significance of 'home in their lives'.

The residents featured in the booklet participated in the launch event hosted by Housing SA, at the Berri Barmera Town Hall on Thursday 22 May 2014.



# Improving services for people with disability

## Disability Action and Inclusion Plan

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Housing SA has developed a plan Disability Access and Inclusion Plan (DAIP) outlining its key priorities and actions for improving services for, and promoting the rights and inclusion of, people with disability.

Consultation with people with disability, carers, disability service providers and advocates occurred in the development of the DAIP. Housing SA staff were invited to participate in a survey regarding the priority areas for action, and their feedback was reflected in the final DAIP.

The Housing SA DAIP 2014-2019, covers areas such as accessible housing, engagement with clients with a lived experience of disability, workforce development for staff with a disability, and improved systems for people accessing housing services.

Key actions from the Housing SA DAIP are being included in the DCSI DAIP.

## Assistance in the private rental market

### Bond assistance and bond claims

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The provision of a bond guarantee enables clients to access private rental housing. In addition, cash bonds may be provided to facilitate access to other forms of housing, including supported accommodation and boarding houses.

A total of 21 995 bonds, including cash bonds, were issued during 2013-14, a 5.1 per cent increase from 2012-13. The value of bonds issued during 2013-14 was \$23.3 million, a 9.2 per cent increase from 2012-13.

During 2013-14, a total of 10 086 bonds were partly or fully claimed. Of these, 291 bond claims were disputed through the Residential Tenancies Tribunal (RTT) with approximately \$214 537 of revenue returned to Housing SA through these investigations.

### Rent grants

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In certain circumstances, grants for rent payments are provided to clients to assist establish or maintain private rental tenancies. In 2013-14, a total of 25 162 rent grants were paid at a value of \$9.1 million. This is a 7.4 per cent increase in the number of assistances from 2012-13 and an 11.6 per cent increase in value.

### Private Rental Liaison Officer Program

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Housing SA's Private Rental Liaison Officers (PRLO) provide clients with help to find suitable private rental accommodation, give advice regarding their rights and responsibilities as a tenant, and provide referrals to relevant organisations to assist with their needs.

Participants are generally people who have had no previous rental experience, or have experienced difficulty in the private rental market.

PRLOs conduct information sessions where participants are provided with:

- information on applying for private rental;
- assistance with moving into a property; and
- information on maintaining and finalising a tenancy.

PRLOs also conduct various information sessions to high school students, highlighting the costs and the responsibilities of renting in the private rental market.

During 2013-14, the program assisted 1676 people with information about obtaining accommodation and 602 people were assisted into the private rental market.

### Private rental improvement

Under part VII (Rent Control) of the *Housing Improvement Act 1940*, the SAHT Board (as the housing authority) has responsibility to monitor private rental housing conditions and request owners improve properties found to be sub-standard. Housing SA undertakes this service on behalf of the SAHT.

As at 30 June 2014, there were approximately 1600 properties in South Australia with a current Housing Improvement Act Declaration. During the year, there was an increase in the number of complaints received, but this did not result in an increase in properties served a Notice of Intention as many did not warrant Housing SA involvement or the tenant considered alternative action more appropriate.

**Table – Housing improvement activity**

Activity	2013-14
Complaints received	352
Notices of Intention	158
Withdrawal of Notice of Intention	50
Properties declared substandard	108
Revocation of declaration	162
Maximum rent set	92
Rent revisions	75

## Providing social housing

### Lettable social housing properties

Housing SA maintained a portfolio of 50 535 lettable dwellings as at 30 June 2014.

This included:

- 39 024 public housing properties;
- 6356 community housing properties;
- 1788 Aboriginal housing properties;
- 1774 special needs housing properties; and
- 664 Indigenous Community Housing properties.

### Rental subsidies

As at 30 June 2014, the SAHT had 42 586 lettable public and Aboriginal housing properties, including special needs. Each property has a market related rent that is based on a recommendation of the Valuer-General. To ensure that rents remain affordable, a rental subsidy is provided so that eligible households pay no more than 25 per cent of gross assessable household income on rent.

In 2013-14:

- 95.2 per cent of newly allocated public and Aboriginal housing tenants received a rental subsidy;
- 87.0 per cent of current public and Aboriginal housing tenants received a rental subsidy; and
- market rents of \$493.4 million were receivable; however the rent foregone due to rental subsidies was \$221.1 million.

## Applications and allocations

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During 2013-14, 5505 new applications were received from households applying for public and Aboriginal housing, a 0.3 per cent increase from 2012-13. The number of people registered for housing decreased 0.3 per cent over the year, down to 21 227 as at 30 June 2014.

In 2013-14 there were 2270 dwellings allocated to new public and Aboriginal housing tenants, a decrease of 14.2 per cent from 2012-13. Total allocations included 416 allocations under the Short Term Lease housing program, a decrease of 16.8 per cent from 2012-13. Through the Direct Lease housing program, 81 clients were allocated a dwelling, a decrease of 20 per cent from 2012-13.

## Overcrowding

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Housing SA uses the Canadian National Occupancy Standard to match each tenant's household to housing with an appropriate number of bedrooms. The occupancy standards seek to minimise under-occupancy or overcrowding wherever possible.

Application of the occupancy standards is affected by the availability of housing stock with a sufficient number of bedrooms. The SAHT has limited numbers of properties with four or more bedrooms and where very large families present for assistance, the standard is overridden in the interest of providing shelter for those households.

As at 30 June 2014, 2.2 per cent of occupied public rental housing stock was overcrowded.

For cultural reasons, Aboriginal people are often more mobile and more likely to share homes. Sharing with visiting relatives and kin is common amongst Aboriginal people and these factors often lead to overcrowded situations. 8.4 per cent of occupied public and Aboriginal dwellings were overcrowded, where the tenant identified as of Aboriginal or Torres Strait Islander descent.

## Fixed term leases

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Fixed term leases enable Housing SA and Community Housing Providers to manage breaches of tenancy conditions more effectively and promote clear expectations regarding tenant responsibilities.

Leases are for one, two, five or 10 years, depending on the tenant's circumstances and compliance with their Conditions of Tenancy, including paying the rent, looking after the property and being a good neighbour. The fixed term tenancy is reviewed before the end of the lease to determine whether a further fixed term lease will be offered.

Housing SA currently has 4041 tenants on a fixed term lease as follows:

- 144 on a one year lease;
- 136 on a two year lease;
- 1427 on a five year lease; and
- 2334 on a 10 year lease.

Community Housing Providers have established 992 fixed term leases including 413 in 2013-14.

## Disruptive management

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During 2013-14, Housing SA was contacted on 7078 occasions, an average of 590 complaints per month, regarding alleged disruptive behaviour by tenants. The majority of complaints lodged, 53.1 per cent, related to noise and general nuisance. This includes minor and moderate levels of disruption such as playing loud music and noisy parties.

During 2013-14, the Disruptive Management Team received 110 new cases of severe and repeated disruption. The team managed 181 tenants for a minimum period of six months to ensure their behaviour had been successfully modified and to avoid the termination of their tenancies.

At any given point in time there are anywhere from 200 to 300 outstanding complaints regarding disruptive issues being actively managed, of which approximately five to 10 per cent are considered serious and require urgent intervention by Housing SA, the South Australia Police or other agencies.

### Over-claimed benefits

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Tenants in public and Aboriginal housing are required to provide written proof of income at least twice a year to remain eligible for a rental subsidy. During 2013-14, approximately \$350 000 was identified in lost rent charges due to tenants receiving a rent subsidy to which they were not entitled. Any identified debts require repayment by clients.

### Client debt

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Client debt is money owed by tenants and non-tenants for items such as unpaid rent; maintenance charges; water usage charges; charges arising from rent subsidies to which tenants were not entitled; and charges relating to private rental bonds claimed by landlords.

Housing SA staff contact clients to negotiate an arrangement to repay the debt and has a target to arrange 85 per cent of its client debt. Client debt totalled \$22.6 million as at 30 June 2014, an increase of 7.0 per cent from 30 June 2013.

### Evictions and recovery arrangements

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Housing SA uses a number of strategies to support tenants at risk of eviction as a result of breaches to their Conditions of Tenancy. Strategies include early intervention, debt recovery arrangements and engaging specialist supports. In 2013-14, 442 recovery arrangements were made with tenants.

Eviction action is only undertaken when all other means to address the breach to the Conditions of Tenancy has failed. During 2013-14, 194 tenants were evicted for various breaches of tenancy of which:

- 88 were as a result of debt;
- 16 were due to disruption; and
- 84 were due to non-access, non-renewal of probationary tenancy, abandoned premises, or other breaches of their Conditions of Tenancy.

### Property modifications

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Essential modifications are undertaken on properties for tenants (including members of the household) with disability, where the property is deemed suitable for modification. Without these modifications, the household would be unable to fully access the property and utilise the facilities within the home or their independence may be compromised.

Essential modifications are generally provided and maintained by Housing SA, at no cost to the tenant.

In 2013-14, 2774 modifications were undertaken on 2127 properties at a cost of \$3.5 million. Multiple modifications may be undertaken on a single property over the course of a financial year in response to requests from tenants. Modifications to a total of 26 debentured community housing properties were completed at a total cost of \$1.1 million.

### Safety and security

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Security items are provided for tenants who are subjected to domestic/family abuse in accordance with the Domestic Abuse Provision of Security and Property Damage procedure.

Items provided include security doors, security locks to front and rear doors (where appropriate), window locks and security screens (hinged) to windows.

The provision of security items aims to:

- lessen the potential for families to become homeless;
- reduce the disruption from having to vacate a property and take up temporary accommodation or shelter;
- reduce the financial burden on the person experiencing domestic/family abuse; and
- increase the ability for support organisations to begin to work with clients as early as possible to resolve longer term issues.

In 2013-14, the supply and installation of security items was undertaken on 34 properties at a cost of \$237 000.

### Living Skills Program

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Housing SA delivers a tenancy support program, known as the Living Skills Program in Aboriginal communities where Commonwealth Government capital investment has been approved and residents have entered into tenancy agreements with Housing SA.

Funded through the National Partnership Agreement on Remote Indigenous Housing (NPARIH), the program aims to:

- ensure residents understand their rights and obligations under their tenancy agreement;
- ensure residents know how the health hardware in their house works, when to call for maintenance, and the preventative actions residents can take to reduce maintenance call outs;
- reduce overcrowding and disruption due to short stay visitors by working with tenants and visitors on alternative accommodation options;
- deliver tailored support to tenants when their circumstances indicate risk and vulnerability; and

- engage other service providers in delivering support to tenants.

Locations for delivery during 2013-14 included the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, the far north community of Dunjiba, the far west coast communities of Yalata, Koonibba, and the non-remote communities of Port Pearce and Raukkan

During 2013-14, the program was reviewed and a number of changes to the delivery methodology and staffing are underway. These changes will see earlier intervention with vulnerable households and more intensive support delivered when needed.

### Water consumption charges

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Housing SA tenants became responsible for the cost of their water consumption in July 2009 and are required to pay an actual or averaged water charge. This charge is determined on the basis of whether the property has a separate water meter or shares a water meter with other tenants.

Tenants on a separate meter pay for their actual usage. Where a property does not have its own water meter, Housing SA pays for 30 per cent of water used with the remaining 70 per cent shared equally between the tenants at that site. In addition, tenants in Housing SA group sites are only charged at the first and second tier rates, unlike separately metered properties which may also be charged at the third tier rate.

To help with the cost of water usage, tenants can apply for a State Government concession. From 1 July 2013, the water concession for eligible recipients increased from 25 per cent to 30 per cent of the total annual water account. In 2013-14, the minimum concession for eligible tenants was \$120 per year with a maximum of \$230.



## Appeals

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Clients are able to access an independent appeal mechanism if they believe a decision has been made contrary to policy or without due consideration of circumstances.

The appeal process has two levels of review which are:

1. Internal review by original decision maker, management, senior policy officer and Director; and
2. Independent review by the Housing Appeal Panel (members appointed by the Minister).

During 2013-14, 438 internal reviews were finalised. Of these, 138 decisions were fully upheld, 186 decisions were overturned by Housing SA, 82 had no basis for appeal, 10 were partly upheld and 22 were resolved.

The Housing Appeal Panel conducted 72 independent reviews, with 47 decisions (65 per cent) upheld by the panel.



# Place

**Harnessing community potential**

**Creating a vibrant city**

**An affordable place to live**

# Developing affordable housing

## New construction

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To cater for our clients' changing needs, Housing SA has an ongoing program to replace obsolete and ageing houses with newly constructed dwellings. In April 2012, the responsibility for delivering Housing SA's urban renewal and land development projects, including the Better Neighbourhoods Program, transferred to Renewal SA under the Minister for Housing and Urban Development.

Housing SA's Newbuild and Redevelopment Program is responsible for delivering the new construction outcomes for a range of projects managed by Housing SA and Renewal SA.

In 2013-14, 252 new houses were completed including:

- 77 for the Better Neighbourhoods Program;
- 35 for the Playford Alive program;
- 13 for the Northway program;
- 36 for the newbuild program;
- 15 for the Aboriginal housing capital program;
- 37 for community housing; and
- 39 as part of the National Partnership Agreement on Remote Indigenous Housing.

In March 2013, the State Government announced the bringing-forward of a number of construction projects. This included a commitment of \$27 million for the Disability Housing Program to construct 90 specialised dwellings for people with a disability. Eight were completed in 2013-14.

One dwelling was completed for the \$23.6 million accelerated Better Neighbourhoods Program and eight for the \$50 million Affordable Housing Stimulus Package. Through the stimulus package, \$20 million was allocated to the Community Capital Grant Program for community housing providers to deliver 130 new rental properties.

The remaining \$30 million is being utilised by Housing SA to construct a total of 108 new social housing dwellings on land owned by the SAHT. During 2013-14, seven dwellings for the Community Capital Grant Program and one for the social housing program were completed.

All new housing has achieved a minimum six-star energy rating and over 75 per cent of dwellings constructed also meet Housing SA's universal design standards.

## Nation Building – Economic Stimulus Plan

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In 2009, South Australia received \$434.3 million through the Nation Building – Economic Stimulus Plan (NBESP); \$404.3 million to build 1360 new dwellings and \$30 million to upgrade 400 existing social housing properties. The upgrade component of the program was finished in 2010 with 503 properties completed. The new build program delivered 1470 dwellings and was completed in 2012-13.

This program enabled Housing SA to construct larger and more complex multi-unit dwellings such as UNO Apartments and Stage 1 of the Woodville West Urban Renewal Project, which would not have been possible otherwise.

To support the growth of the South Australian community housing sector, Housing SA transferred ownership of 616 NBESP properties to this sector.

## National Partnership Agreement on Remote Indigenous Housing

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The National Partnership Agreement on Remote Indigenous Housing (NPARIH) is a 10 year agreement between the Commonwealth Government and State and Territory jurisdictions, scheduled to expire in 2018. The agreement focuses on reducing overcrowding, homelessness, poor housing conditions and severe housing shortages in remote Aboriginal communities across the state.

Over the life of the agreement, South Australia expects to receive \$291.5 million in funding. This funding is intended to achieve various targets, including: the introduction of public housing-like tenancy and property management, programmed repairs and maintenance, and construction and upgrading of properties.

Initiatives under the agreement are guided by reference to the National Partnership Agreement on Remote Service Delivery and contribute to other initiatives in health, education and employment for Closing the Gap between Aboriginal and non-Aboriginal Australians.

During 2013-14, a total of 39 new dwellings and 26 refurbishments achieved practical completion in remote Indigenous communities. Construction of these dwellings took place on the APY Lands (Kalka, Pukatja and Indulkana), the far north community of Dunjiba and the west coast communities of Yalata and Koonibba.

## Employment Related Accommodation

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Rollout of Employment Related Accommodation (ERA) continued throughout 2013-14. The ERA program provides housing in locations that offer a greater range of employment and educational opportunities, thus addressing one of the key barriers to successful relocation for remote Aboriginal residents.

In October 2013, the Umuwa Trade Training Centre in the APY Lands was completed as part of the ERA Program.

In December 2013, the Commonwealth Government approved the purchasing of a further nine ERA properties. As at 30 June 2014, the department had signed contracts for nine three-bedroom properties across Adelaide. These properties will be used for residents from remote Indigenous communities who are on, or about to commence, an employment or training pathway.

Through NPARIH, jurisdictions have committed to achieving an average of 20 per cent local Aboriginal employment in the procurement of new housing construction and refurbishment works. South Australia exceeded this target in 2013-14, achieving 24 per cent local Aboriginal employment on capital projects delivered through the agreement.

Housing SA and the Commonwealth Department of Prime Minister and Cabinet provided substantial support throughout the year to help local Aboriginal employees acquire nationally recognised qualifications while working with Housing SA contractors.

Housing SA continued its partnership this year with the Peachey Place living skills centre which offers health and living skills programs to local residents. Housing SA sponsored a range of workshops on home safety and home and garden maintenance. Participants benefited from learning about low cost alternatives for repairs and connected to a range of activities at the centre including the tool library and community garden.

Housing SA commenced the conversion of a pair of double units as the new location for Peachey Place with the new premises due to open in July 2014. The centre will offer a greater range of programs, learning opportunities and resident engagement in the centre.



## Northway at Elizabeth Park

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The SAHT is investing over \$18 million to deliver an improved mix of tenure and housing choice in Elizabeth Park. The concentration of public housing in the project area will be reduced from 44 per cent to around 22 per cent.

The demolition of 142 ageing SAHT dwellings will create land for 246 new allotments, of which 170 will be sold for the construction of new and affordable housing. The remaining 76 allotments will be retained for new social housing dwellings. A further 100 SAHT properties will be refurbished, 33 will be sold for affordable housing and the remainder will be retained as social housing. The project is currently being managed by Renewal SA on behalf of Housing SA.

At 30 June 2014:

- Stage 1 development works were complete, delivering land for the construction of 30 new affordable dwellings;
- Stage 2 development works were complete, delivering 73 housing allotments;
- Stage 3 development work on the project's premium land release was completed including new roads and a public reserve. This created 57 allotments, 47 of which are being marketed in a series of sales releases. Landscaping work to establish the new reserve was tendered and a contract awarded together with contributions from the City of Playford;
- A further 17 allotments were selected for the construction of the remaining social housing outcomes the project was approved to deliver; and
- A total of 51 social housing dwellings have been constructed on land created through this project with a further 25 to be completed by the 2014-15 financial year.

## Playford Alive

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The Playford Alive Urban Renewal Project is a partnership between the SAHT, Renewal SA, the City of Playford and the community. It is managed by Renewal SA and in 2013-14:

- 64 new allotments were created, with nine allotments retained for new social housing and 55 allotments for sale to the private market;
- 35 new social housing dwellings were constructed;
- 62 public housing dwellings were renovated with 55 of these retained for social housing; and
- 43 allotments and 24 renovated homes were sold.

The delivery of programs to provide a range of training and employment opportunities to the local community continued. Clients within the local area were referred to these programs by the Elizabeth Housing SA office.

The Boystown Social Enterprise in Playford Alive continued, with local youth being employed. Boystown carried out renovation works on two public housing dwellings and was also engaged to provide landscape maintenance works and graffiti removal across the renewal and Greenfield developments.

## Inspire at Noarlunga

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Under the Noarlunga Central Affordable Housing Project, 4.7 hectares of land within the Noarlunga Regional Centre has been developed over several stages as a community oriented sustainable development. There has been particular emphasis on a pedestrian friendly design, environmentally sensitive and affordable housing. The project is currently being managed by Renewal SA on behalf of Housing SA.



During the year, six house and land packages remained unsold and it was agreed that the package option was no longer appropriate in the current market conditions. Housing SA agreed that these allotments be offered for sale subject to Urban Design Guidelines to preserve the ethos of the development. As at 30 June 2014, the remaining allotments were contracted to Fusco Property Pty Ltd and are due to settle in the 2014-15 financial year.

As at 30 June 2014, one apartment also remains unsold; however, an offer has been accepted and a contract will be executed in July 2014, followed by settlement in August 2014. Once the remaining allotments and apartment are finalised the project will be completed.

### National Rental Affordability Scheme

The National Rental Affordability Scheme (NRAS) is a Commonwealth Government initiative to stimulate the supply of new affordable rental dwellings. The scheme offers financial incentives to private investors and community housing organisations to build and rent dwellings to low and moderate income households at 20 per cent below market rates for 10 years.

The Commonwealth Government's target for the scheme was 50 000 new dwellings by 30 June 2014 with South Australia's original target of 3800 based on the state's proportion of the national population.

As at 30 June 2014, a total of 3674 incentives had been approved under rounds 1 to 4. Of the 3674 approved NRAS dwellings, 2486 dwellings have been completed and are either tenanted or available for rent. A number of incentives have been withdrawn from prior rounds due to late delivery, cancellation of projects or other reasons.

The 3674 approved incentives include 339 dwellings approved as part of a Shovel Ready round which was released in 2013-14. This round requires dwellings to be

constructed and tenanted by December 2014.

The Commonwealth Government had announced an additional round, Round 5, partly using incentives that have been withdrawn due to non-delivery from previous rounds. Applications were received and assessed; however, as part of the 2014 Federal Budget, the Commonwealth Government announced it will not be supporting this round.

Community housing Preferred Growth Providers (PGPs) have constructed 612 properties under NRAS as at 30 June 2014. An additional 463 have been completed by other community housing organisations.

Housing SA has worked closely with the South Australian Police and residents in Westwood Street, Davoren Park, to address safety concerns. Security has been greatly improved through upgrades to fencing, signage and common garden areas. Residents are now working together to develop their own community garden.

### Affordable Housing Innovations Fund

The Affordable Housing Innovations Fund (AHIF) was established in March 2005 to provide a source of funds for the development of affordable housing initiatives for individuals and families with low to moderate incomes, in partnership with not-for-profit organisations, local government and the private sector.

The primary focus of government grants approved under the AHIF has been to support the development of leveraged affordable rental projects in conjunction with the not-for-profit housing sector.

As at 30 June 2014, commitments of approximately \$58 million have been made to 39 leveraged rental housing projects. These projects have delivered 478 affordable housing outcomes for low to moderate income households.

Partnering organisations contributed equity of \$65 million (approximately 53 per cent of project costs) through a combination of land, borrowings and philanthropic contributions.

## Growing the community housing sector

The funded South Australian community housing sector totals 6356 properties, comprising 5119 properties in mainstream programs (i.e. properties provided through 100 per cent grants and capital transfers) and a further 1237 properties provided through affordable housing and special purpose programs.

### Better Places, Stronger Communities

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In May 2009, the Commonwealth Government, States and Territories agreed to develop a large scale community housing sector in Australia comprising up to 35 per cent of social housing by 2014. The community housing sector currently represents about 12 per cent of social housing in South Australia.

The Better Places Stronger Communities project includes the transfer of up to 5000 public housing tenancies to the community housing sector. The first management transfer is for approximately 1100 tenancies in two groups, situated in Mitchell Park and Elizabeth Grove/Elizabeth Vale. A two stage tender process has been undertaken where community housing providers were asked to submit proposals to take on the management of these areas.

Subject to successful contract negotiations, the initial transfer is expected to occur in the first half of 2015.

### Julia Farr project

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Housing SA was responsible for managing the transfer of \$21m of capital assets to the Julia Farr Housing Association and to deliver new, purpose built housing and identify existing properties for modifications.

New housing is specifically designed for clients currently living in Highgate Park, Fullarton, as well as other Disability SA clients requiring accessible housing to allow them to benefit from a community living environment.

The final two remaining houses in Christies Beach were completed and handed over in December 2013. The transfer of capital assets has seen 52 houses (38 new and 14 upgrades) transferred to the Julia Farr Housing Association.

### National Regulatory System for community housing providers

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In August 2012, South Australia committed to the national reform of community housing regulation as a signatory to the Inter-Government Agreement on the National Regulatory System for Community Housing Providers. The National Regulatory System for Community Housing Providers was incorporated into the new *Community Housing Providers (National Law) (South Australia) Act 2013*, which commenced on 1 April 2014.

There is now an 18-month transition period, ending 1 October 2015, for all existing community housing providers to register under the national system.

One community housing provider in South Australia has successfully completed the registration process, and they are amongst 15 registered nationally under the system.

Sixteen South Australian community housing providers have already commenced the registration process with a further 36 scheduled to commence before December 2015.

## Managing social housing assets

### House purchases

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The house purchase program enables Housing SA to respond quickly to priority housing requirements in areas where there are limited social housing options. The program also supports the integration and balance of social housing levels across the community and assists the relocation of clients to facilitate urban renewal.

In 2013-14, five properties were purchased at a cost of \$1.63 million. The purchases were made to match specific regional requirements. There were no community housing spot purchases from the open market during 2013-14.

### House sales

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The house sales program provides home ownership opportunities to sitting tenants and other low to moderate income earners to purchase houses which are surplus to requirements of the SAHT.

Revenue generated through the house sales program is used to support other capital programs including maintenance, stock replacement, new construction, renovations and other initiatives.

During 2013-14, 582 houses were sold, comprising of 96 per cent vacant properties and four per cent sales to tenants, generating revenue of \$119.7 million. This includes properties sold through the Affordable Homes Program.

In addition, 45 community housing properties were sold for \$8.1 million, including two tenant sales.

### Affordable Homes Program

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The Affordable Homes Program ensures that affordable housing is directed to eligible South Australians wishing to buy a home of their own but who are currently being priced out of the housing market.

The program includes newly constructed properties and house and land packages secured through the State Government's 15 per cent affordable housing requirement in new significant developments as well as the sale of former SAHT properties.

Properties listed through the Affordable Homes Program are sold under a set price point and are available for a limited time exclusively to eligible low to moderate income home buyers. Properties are listed on [realestate.com.au](http://realestate.com.au) and are identified by an orange key icon.

In March 2012, management of the program transferred to Renewal SA. During 2013-14, 192 SAHT properties were sold through the program to eligible buyers during the exclusive listing period.

### Land sales

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A critical part of the Better Neighbourhoods Program is to create land parcels to sell to fund the construction of new housing on other SAHT owned land. In 2013-14 a total of 44 lots were sold in the normal program and a further 46 lots were sold in the accelerated program providing a current net revenue of \$26.81 million for 2013-14.

A further 39 vacant allotments were sold for \$6.97 million to support SAHT financial viability targets and two community housing vacant allotments were sold for \$219 000.

## EquityStart

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The EquityStart home loan scheme in conjunction with HomeStart Finance is designed to facilitate affordable home ownership to social housing tenants.

Forty-one loans settled in 2013-14, taking the total of number of loans settled since the program started in 2005 to 1304.

## Maintaining social housing

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Maintenance is undertaken on properties to ensure the accommodation standards are maintained; including the condition, amenity, environmental sustainability, quality, serviceability, health, safety, and security.

Housing SA's Liveable Home Standards guide the expected minimum standard of all public, community and Aboriginal housing assets and have the *Housing Improvement (Standards) Regulations 2007* as their minimum standard.

## Maintenance centre

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The Maintenance Centre operates 24 hours a day, seven days per week and is responsible for the receipt, assessment and dispatch of all enquiries and maintenance requests relating to SAHT properties within South Australia. In addition, the Maintenance Centre provides an Aboriginal Community Maintenance Enquiry Service, exclusively for remote and regional Aboriginal communities.

During 2013-14, the Maintenance Centre received a total of 231 536 telephone calls for maintenance services from 7am to 7pm. These comprised of 201 625 direct tenant maintenance enquiries, 13 911 referred calls from the Housing SA Contact Centre, 9984 contractor enquiries and 5616 staff referrals.

The Maintenance Centre also received 400 telephone calls that required an interpreter service.

## Multi-Trade Maintenance Contracts

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Housing SA Multi-Trade Contracts for maintenance and property services commenced on 1 October 2013. Previously there were more than 350 contractors, with over 561 individual contracts, providing maintenance and property services to Housing SA.

This has been reduced to five Multi-Trade Contractors, with 14 individual contracts, based on geographic contract areas across the state.

The contracts are for a maximum term of eight years, comprising a three year base term and two extension options of three and two years each, subject to performance and at the discretion of Housing SA. Over the eight years, it is estimated that the total value of expenditure under these contracts will be \$912 million.

Of the five appointed Multi-Trade Contract companies, three are existing South Australian companies (Doherty Plumbing Pty Ltd, Bettio Building Contractors and WCK Pty Ltd), one is a national company already operating in South Australia (Programmed Facility Management Pty Ltd) and one is a New South Wales company (RTC Facilities Maintenance Pty Ltd), undertaking similar works for Housing NSW.

The Multi-Trade Contractor is responsible for managing all works orders issued by Housing SA for responsive, programmed and capital maintenance programs, within a defined geographic contract area.

## Capital maintenance

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Capital maintenance improves the overall condition, amenity, quality and serviceability of properties that have been identified for longer term retention. Capital maintenance activities are undertaken in either a planned or reactive manner (in response to either the needs of tenants or work identified on site which had not been foreseen prior to an inspection of the property).



During 2013-14, \$12.8 million was spent on capital maintenance (compared to \$17.8 million spent in 2012-13), with a total of 744 properties upgraded (compared with 981 properties upgraded in 2012-13). Delays in the delivery of planned capital maintenance activities, lower than anticipated volumes of asbestos removal, and a lower than expected number of upgrades on vacancy all contributed to reduced expenditure (and numbers of properties upgraded) in 2013-14.

Progressing planned capital maintenance activities also proved problematic due to the later than anticipated identification of new work at scoping by Multi-Trade Contractors.

### Programmed maintenance

Programmed maintenance maintains the condition, amenity, environmental sustainability, quality and serviceability of Housing SA properties.

Programmed maintenance activities are undertaken in either a planned or reactive manner. It also includes facilities maintenance, fee for service arrangements with service providers, and fire safety management.

During 2013-14, \$23.3 million was spent on programmed maintenance (compared to \$37.8 million in 2012-13). This is a decrease in annual expenditure of \$14.5 million, mostly due to delays in the delivery of planned programmed maintenance activities, lower than anticipated volumes of asbestos removal and a reduction in fee for service payments.

Gearing up of other planned programmed maintenance activities also proved problematic over the course of the financial year due mainly to lower than anticipated volumes of new work being identified by Multi-Trade Contractors.

The reduction in fee for service payments can be attributed to the commencement of the Multi-Trade Contract Model which replaced the previous Works Manager Contract Model from 1 October 2013.

### Responsive maintenance

Responsive maintenance is unplanned and reactive work and/or repairs reported by tenants to the Housing SA Maintenance Centre, in relation to health, safety and security and urgent maintenance works. It also includes the refurbishment of unoccupied properties that require repairs to bring them up to Accommodation Standards prior to re-letting.

During 2013-14, \$65.3 million was spent on responsive maintenance (compared to \$69.8 million in 2012-13). The reduction in expenditure is mostly due to delays in invoicing by Multi-Trade Contractors, as well as invoices submitted for payment by Multi-Trade Contractors being returned for amendment for amounts relating to incorrect or missing information.

### Doorways 2 Construction

The Doorways 2 Construction Program has been running across various metropolitan and regional locations since 2001. It is a collaborative program between Housing SA, the Department of Education and Children Development, Construction Industry Training Board and the Master Builders Association.

The program enables school students to work in partnership with Housing SA maintenance staff to gain knowledge and hands on experience in all domestic building trade activities. At the conclusion of the one year program, students complete a Certificate 1 in Construction.

During 2013-14, 60 Year 11 and 12 students from six schools participated in renovating properties, gaining valuable first-hand work experience on building sites.



The upgrading of two properties in Davoren Park were completed during 2013-14 at a total cost of \$154 000. During the year, upgrades commenced on two properties located in Elizabeth South, with costs of \$16 000 incurred as at 30 June 2014. These upgrades will be completed in 2014-15 and the properties will be returned to Housing SA for re-letting once upgraded.

### Asbestos management

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Multi-Trade Contractors are responsible for the coordination of contractors undertaking all asbestos sampling, testing, and removal of building fabric found to contain asbestos products as well as the re-instatement of building fabric (post asbestos removal) on public housing properties.

Housing SA is not bound to comply with the Across Government Asbestos Management Framework (which is applicable for buildings that are classified as workplaces and does not apply to residential properties); however, its policies and procedures closely reflect the framework where relevant.

## Energy efficiency and water conservation

### Energy usage

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The University of South Australia has developed a solar thermal air-conditioner using funding provided by Renewables SA. The unit is being trialled on a Housing SA property and is providing hot water, heating and cooling. The university will monitor the system for 12 months to evaluate and provide information regarding the output and running costs. Results of the trial are expected to be available in 2015.

### Solar photovoltaic systems

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Housing SA supports and encourages the installation of solar photovoltaic (PV) systems where feasible, in housing associated with demonstration, pilot or special projects.

Housing SA has procedures in place that allow tenants to install their own solar photovoltaic system. In 2013-14, 65 installations were approved.

The State Government has proposed to pilot a Solar (PV) Panel Scheme in public housing to reduce electricity charges for tenants. Up to 200 homes are to be selected for the trial and the scheme will be introduced more broadly if successful, to include up to 5000 homes over the next five years.

### Solar hot water installations

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In 2013-14, 314 solar hot water units were installed through maintenance replacement programs.

The State Government has announced a commitment to replace 1000 inefficient hot water systems with solar hot water systems for larger family households, in order to extend the benefit of lower utility costs to people living in social housing.

This will help tenants reduce their energy bills, as well as their cost of living, estimated to be up to 30 per cent on current energy bills. The replacements will also reduce carbon dioxide emissions by almost two tonnes per annum.

### Water conservation and stormwater management

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In accordance with current legislation, a 1000 litre gravity fed rainwater tank is plumbed to the toilet of all newly constructed dwellings.

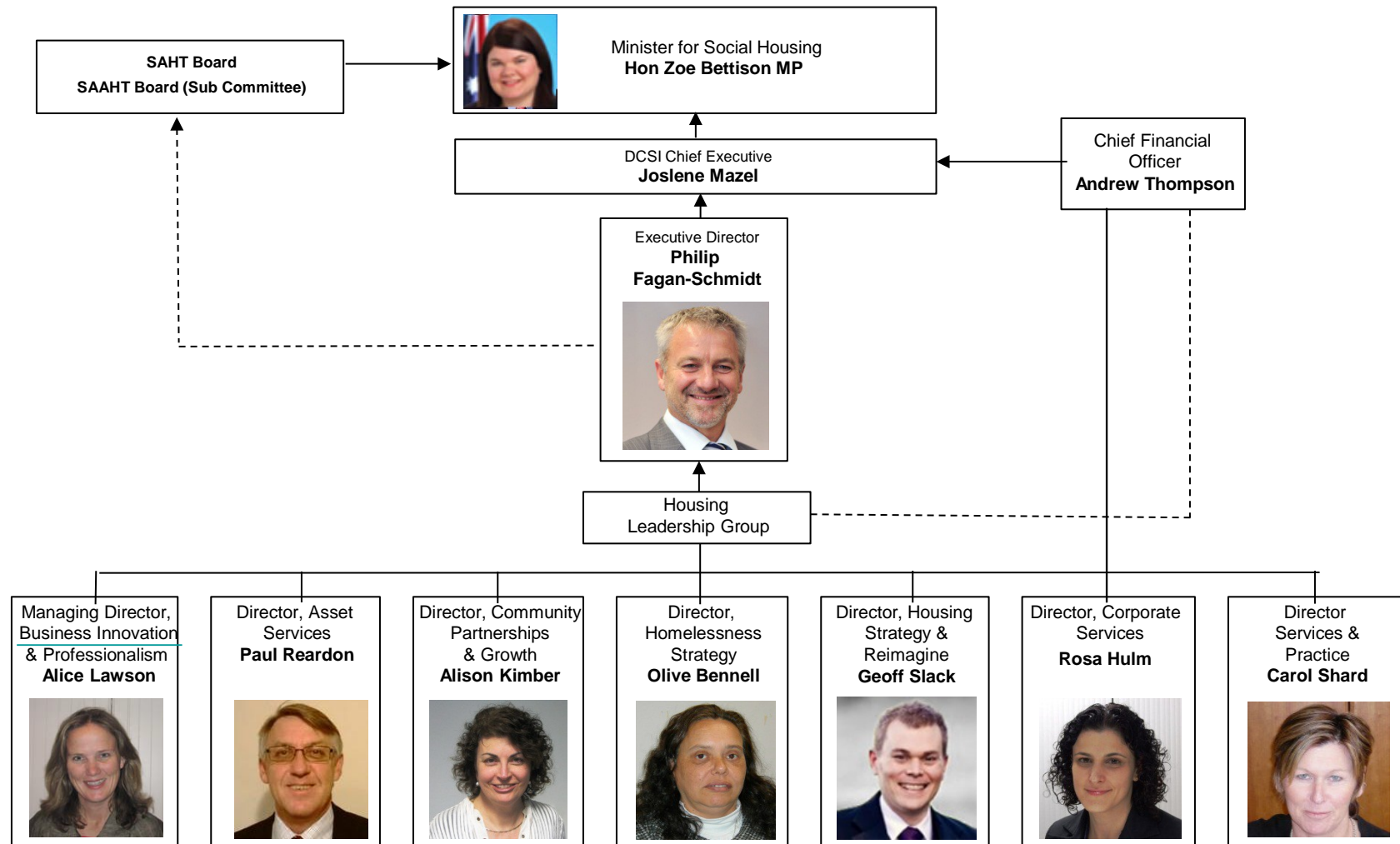
During 2013-14, 3538 water conservation devices, such as low flow shower roses and/or dual flush toilet cisterns, were installed in 3386 properties through the maintenance program. Multiple installations of water conservation devices may be undertaken over the course of a financial year in response to requests from tenants.

Installations carried out through the maintenance program relate to the provision, renewal or retrofitting of water conservation devices. Water conservation devices have been installed in 36 206 properties as at 30 June 2014.



# Professionalism

**Drives our service delivery outcome**



# Governance arrangements

The SAHT is established under the *South Australian Housing Trust Act 1995* (the SAHT Act) and is managed by the SAHT Board of Management. It falls within the portfolio of the Minister for Social Housing and is subject to the control and direction of the Minister as per Section 8 of the SAHT Act.

Under Section 17 of the SAHT Act, the SAHT uses staff employed by the Department for Communities and Social Inclusion for the provision of services. The delivery of housing services on behalf of the SAHT is undertaken by Housing SA under a Service Level Agreement.

## South Australian Housing Trust Board

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The SAHT Board, through the SAHT Act, is responsible to the Minister for overseeing the operations of the SAHT. The Board has a close relationship with the Minister for Social Housing and meets as required to discuss key issues.

Under the SAHT Act, the Board consists of up to seven members. From July 2013 to December 2013, the Board consisted of six members:

- Mr Claude Long (Chair);
- Ms Mary Patetsos;
- Hon Greg Crafter;
- Dr Malcolm Hemmerling;
- Ms Josephine King; and
- Mr Bob Boorman.

From January 2014 to June 2014, the Board consisted of seven members:

- Ms Mary Patetsos (Chair);
- Hon Greg Crafter;
- Dr Malcolm Hemmerling;
- Ms Josephine King;
- Mr Bob Boorman;
- Ms Amanda Blair; and
- Mr Craig Holden.

Also in attendance at SAHT Board meetings were the Executive Director Housing SA, the Director Corporate Services, the Director Services and Practice, the Director Asset Services and the Managing Director Business Innovation and Professionalism.

## Disclosure by Board members

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The SAHT Act requires a member of the SAHT Board who has a direct or indirect personal or pecuniary interest in a matter under consideration by the SAHT Board, to disclose such interest.

During the year there was one occasion where two SAHT Board members indicated they may have a personal or pecuniary interest. In this instance, the members concerned did not participate in discussions relating to the matter, nor did they receive any papers, including minutes, in relation to the topic.

## Board meetings

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Scheduled meetings of the SAHT Board are held monthly with supplementary meetings called to deal with matters requiring special attention. In 2013-14, 11 SAHT Board meetings were held. Member attendance at SAHT Board meetings can be found in Appendix 1.



## Ministerial directives

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There were no Ministerial directives during 2013-14.

## SAHT Board Audit and Finance Sub-committee

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The SAHT Board of Management Audit and Finance Sub-Committee is a sub-committee of the SAHT Board. Its role is to assist the Board in discharging its corporate governance responsibilities in regard to the financial viability of the SAHT, its accounting and financial reporting obligations, as well as overseeing internal audit, internal risk management framework and business review processes.

The SAHT Board of Management Audit and Finance Sub-Committee met five times in 2013-14. Member attendance at meetings can be found in Appendix 1.

## South Australian Affordable Housing Trust Board

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The South Australian Affordable Housing Trust (SAAHT) Board was created to help deliver more affordable homes for South Australians who are locked out of the housing market, by meeting the housing needs of low income workers and families.

The SAAHT Board is a sub-committee of the SAHT Board under Section 18 of the SAHT Act.

In line with the transfer of governance of affordable housing to the Minister for Urban Development, the Department of the Premier and Cabinet reviewed the remuneration of the SAAHT Board and recommended a sessional fee and that members meet as required. There were no SAAHT Board meetings held during 2013-14.

# Community housing regulation

The Office of Housing Regulation was established in November 2013, and is responsible for regulating community housing providers under the *South Australian Co-operative and Community Housing Act 1991* (SACCH Act). The SACCH Act was repealed in March 2014, as the *Community Housing Providers (National law) (South Australia) Act 2013* (the National Law) commenced on 1 April 2014.

## Community housing interventions and administration

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Housing SA may intervene in the functions of community housing providers where there are particular concerns about an organisation's management practices. There were no new interventions in 2013-14.

## Community housing sector management

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Sixteen organisations designated as Preferred Growth Providers (PGPs) continue to grow through consolidation with smaller organisations, and their own increasing capacity to develop additional affordable housing to add to their portfolios.

The implementation of the National Regulatory System for community housing providers has accelerated the rate of consolidation within the sector.

Two PGPs, Womens Housing Association and Southern Junction Community Services Incorporated, merged during 2013-14 to form Junction and Women's Housing Limited.

Common Equity Housing South Australia (CEHSA) was established in early 2012 and has continued to add to its members in 2013-14. Three housing co-operatives, Slovanic Life, Porridge Bowl and Ponderosa, joined CEHSA in this financial year. There are now nine CEHSA member co-operatives, up from six in 2012-13.

Housing SA supported the development of this umbrella organisation, and it was sponsored by the Community Housing Council of South Australia, the peak body for community housing organisations. CEHSA is designed to take responsibility for the more complex operational tasks of small co-operatives which join the new organisation.

#### Community housing registrations and incorporations

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During 2013-14, Access 2 Place was the only entity newly registered under the SACCH Act.

Unity Housing Company Ltd were the first and only entity to register as a community housing provider under the National Law during 2013-14.

#### Amalgamations and separations

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The subsidised premises of the following community housing providers were transferred to the latter named organisations during 2013-14, in order to facilitate winding up or amalgamation:

- Independent Housing Co-operative transferred eight properties to the Frederic Ozanam Housing Association, with six properties transferred to Portway Housing Association Inc in September 2013.
- Aussal Housing Co-operative transferred 18 properties to Frederic Ozanam Housing Association and two properties transferred to AnglicareSA in October 2013. A further two properties were sold to sitting members/tenants.

- Eastern Eyre Housing Association (Cleve) transferred five properties to Lutheran Community Housing Support Unit in October 2013.
- Crystal Brook Redhill Housing Association (Crystal Brook) had four properties transferred to Wesley Community Housing in December 2013.
- Saddleworth James Masters Housing Association (Saddleworth) transferred nine properties to Barossa and Districts Housing Association in March 2014.
- Porridge Bowl Housing Co-operative transferred all 12 properties to CEHSA in July 2013.
- Ponderosa Housing Co-operative transferred all six properties to CEHSA in May 2014.
- Slovanic Life transferred all 13 properties to CEHSA in May 2014.

#### Contributions received and receivable from associations and co-operatives

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The current funding agreement was implemented in January 2006. Contributions are paid to the SAHT from associations and co-operatives once allowances for necessary expenses such as administration, property and maintenance costs are deducted from the organisation's rental income. From the 4479 debentured dwellings under the agreement, contributions of \$9.6m were received in 2013-14, representing a 22.7 per cent increase on the previous year. Contributions can be found in Appendix 2.

## Risk management

#### Risk management and internal audit

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The risk management team provides services in the development and implementation of a risk management framework specific to Housing SA's business needs within the scope of the AS/NZS ISO 31000:2009.

The team works with a network of risk assessment facilitators, located in Housing SA's business units, who provide advice and assistance on the identification, management and reporting of risks at an operational and strategic level.

In 2013-14, the Internal Audit team provided assurance services to the SAHT Board in the following reviews:

- Renewal SA delegations and controls review;
- Housing SA APY Lands, Umuwa office review;
- Housing SA Fleurieu, Murray and Hills offices review;
- financial management compliance review; and
- purchase card and petty cash controls review.

Advisory services were also provided on an ad hoc basis for travel allowances and fraud control.

### Fraud control

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Two incidences of alleged fraud were referred to Internal Audit for investigation during 2013-14. Housing SA has ongoing strategies to manage fraud which include:

- fraud and corruption control policies, procedures and codes on ethical standards, conduct policies and procedures on information technology security;
- training on compliance and development of control self-assessment materials.
- tendering procedures consistent with probity and transparency;
- routine inspection and verification of work performed by contractors;

- segregation of duties and applying limits of authority for approval of expenditure and other allocations of resources;
- regular reviews of client eligibility for rent subsidies, including obtaining proof of income, supported by Centrelink certification;
- monthly financial management reporting; and
- reports on internal audit activities, risk management and other corporate governance matters to the SAHT Board Audit and Finance Committee.

### Business continuity

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Housing SA has a Business Continuity Committee to ensure its critical activities are maintained in the event of a significant incident.

The committee oversees development of the Housing SA Business Continuity Plan (BCP); plans, manages and runs business continuity exercises; and provides business continuity advice and recommendations to business units across Housing SA.

During 2013-14, the committee:

- established BCPs for all Housing SA business units and regional offices;
- significantly updated the Housing SA BCP to ensure it reflects current best practice;
- provided general access to BCP information by establishing a business continuity intranet site; and
- established a procedure to capture, announce and report on business interruptions.

## Occupational health, safety and injury management

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For information and data on Occupational Health, Safety and Injury Management, please refer to the DCSI Annual Report.

## Whistle Blowers Act

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For information on the Whistle Blowers Act, please refer to the DCSI Annual Report.

# Information and services

## Housing information on [sa.gov.au](http://sa.gov.au)

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The State Government has a single online entry point to make it easier for people to access government information and services. Housing SA is the lead agency ensuring appropriate information is being developed and maintained for the housing component of [www.sa.gov.au](http://www.sa.gov.au). In 2013-14, the housing website was visited 724 793 times by 293 362 people. People who visited the site viewed over 1.7 million pages.

Housing related information can be accessed via [www.sa.gov.au/housing](http://www.sa.gov.au/housing).

## Memorandum of Understanding with the South Australia Police

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The Memorandum of Understanding (MOU) with the South Australia Police fosters and supports a coordinated, collaborative and integrated approach to:

- address issues of social disorder and criminal activity in SAHT properties;
- reassure and protect the community from crime; and
- build communities, improve wellbeing and keep South Australia safe.

In 2013-14, 1638 referrals or exchanges of information were made under the MOU, most of which were initiated by Housing SA. Cooperation between the agencies continues to assist in the management of a range of issues, including disruptive tenancies.

## Memorandum of Understanding with Mental Health Services

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The MOU with Mental Health Services supports interagency collaboration between Housing SA, including community housing organisations, and Mental Health Services.

The objective is to facilitate the coordinated delivery of mental health services, psychiatric disability support and housing services to Housing SA clients with mental health issues.

In 2013-14, 82 referrals or exchanges of information were made under the MOU. Referrals relate mainly to requests for mental health assessments, case management plans, disruption and poor property condition.

## Operational Protocol with the Department for Correctional Services

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Housing SA's Operational Protocol with the Department for Correctional Services facilitates a collaborative approach toward the release of detainees on sentenced home detention, court ordered home detention or intensive bail supervision into Housing SA properties. It provides a framework to support open communication and appropriate information sharing between the agencies and enhance community safety. In 2013-14, 364 referrals or exchanges of information were made under the protocol.

Following a review, a new protocol was signed for 2014–2017, which includes detainees being released on intensive bail supervision and detainees being released into community housing properties.

## Memorandum of Understanding with Families SA

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Housing SA is developing an MOU with Families SA to support a coordinated response to housing and child protection issues. The MOU will assist Housing SA staff to identify factors that may give rise to concerns about a child or young person's safety and wellbeing; and collaborate with Families SA and other agencies to address the concerns, where necessary. The MOU is expected to be finalised during 2014-15.

## Employment and training

### DCSI Aboriginal Employment Strategy

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In 2013-14, DCSI launched the new DCSI Aboriginal Employment Strategy 2014-2016 with a target of four per cent of its workforce to be Aboriginal people by 2016. As Housing SA provides a number of services to Aboriginal people and Aboriginal communities, it has a responsibility to reflect its client base in its workforce. For further information, refer to the DCSI Annual Report.

### DCSI Disability Employment Strategy

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Launched in 2013-14, the DCSI Disability Employment Strategy 2014-2016 promotes a strategic approach to the employment of people with disability. For further information, refer to the DCSI Annual Report.

For information regarding SAHT's commitment to meeting the requirements of the *Disability Discrimination Act 1992* and the *Equal Opportunity Act 1984*, please refer to the DCSI Annual Report.

## Community housing learning and development program

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In 2013-14, more than 1600 participants representing community housing providers attended workshops or information sessions. This includes private training and information sessions delivered to individuals and groups in their agency/community housing organisation.

Capacity building opportunities offered during 2013-14 included organisational health checks for community housing providers; and a preparation program for the National Regulatory System implemented in South Australia from April 2014.

Housing SA also continues to support representatives of the community housing sector to undertake formal studies in Housing Management and Policy through scholarships to Swinburne University of Technology. In 2013-14, two scholarships were awarded to applicants from the community housing sector.

### Overseas travel

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Overseas travel is defined in the Commissioner's Public Sector Management Standard 3.2, Travel, which states that: 'Travel within Australasia (including visits to New Zealand, Papua New Guinea and Australian Territories) is not subject to the overseas travel requirements of this standard, unless it forms part of a more extensive itinerary encompassing other overseas destinations. For information on Overseas Travel, please refer to the DCSI Annual Report.'



## Employee numbers, gender and status

The following data is provided from the South Australian Public Sector Workforce Information Collection (WIC) Department for Communities and Social Inclusion Annual Report 2013-14. The data is extracted from the Complete Human Resource and Information System (CHRIS) and uploaded onto the Workforce Analysis and Comparison Application (WACA) website. Data is based on all employees (including casuals) who were paid on the system as at 30 June 2014. Data does not include unpaid casuals and employees on short or long term unpaid leave.

### Employee numbers, gender and status

Total number of employees	
Persons	912
Full-time equivalent (FTE)	868.9

Gender	Persons (%)	FTE (%)
Male	35.3	36.8
Female	64.7	63.2

Number of persons during the 2013-14 financial year	
Separated from the agency	193
Recruited to the agency	147

Number of persons at 30 June 2014	
On leave without pay	27

### Number of employees by salary bracket

Salary bracket	Male	Female	Total
\$0 - \$54,799	40	182	222
\$54,800 - \$69,699	101	245	346
\$69,700 - \$89,199	119	120	239
\$89,200 - \$112,599	58	37	95
\$112,600+	4	6	10
<b>Total</b>	<b>322</b>	<b>590</b>	<b>912</b>

## Status of employees in current position<sup>2</sup>

<b>FTEs</b>	<b>Ongoing</b>	<b>Short-term contract</b>	<b>Long-term contract</b>	<b>Other (casual)</b>	<b>Total</b>
Male	252.4	55.1	12	0	319.5
Female	400.3	142.1	7	0	549.4
<b>Total</b>	<b>652.7</b>	<b>197.2</b>	<b>19</b>	<b>0</b>	<b>868.9</b>
<b>Persons</b>	<b>Ongoing</b>	<b>Short-term contract</b>	<b>Long-term contract</b>	<b>Other (casual)</b>	<b>Total</b>
Male	254	56	12	0	322
Female	435	148	7	0	590
<b>Total</b>	<b>689</b>	<b>204</b>	<b>19</b>	<b>0</b>	<b>912</b>

## Executives

### Executives by gender (M = male, F= female), classification and status

<b>Classification</b>	<b>Ongoing</b>		<b>Tenured contract</b>		<b>Untenured contract</b>		<b>Other (casual)</b>		<b>Total</b>	
	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>	<b>M</b>	<b>F</b>
SAES1	0	1	0	0	3	5	0	0	3	6
SAES2	0	0	0	0	1	0	0	0	1	0
<b>Total</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>6</b>

## Leave management

The South Australian Public Sector Workforce Information Collection (WIC) Annual Report is the base human resource data report provided to the Commissioner for Public Employment each year, with data extracted from the Complete Human Resource and Information System (CHRIS) for the relevant financial year's pay periods. WIC only provides total number of leave days taken. To comply with reporting requirements, the leave totals for 2013-14 have been divided by the number of WIC reported FTEs, including casuals, to determine the average rates of leave.

### Average days leave per full time equivalent employee

<b>Leave type</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Sick leave (paid and unpaid)	10.8	11.3	9.8	11.4
Family carer's leave	0.4	0.5	0.3	0.3
Miscellaneous special leave	2.0	2.3	2.3	2.5

<sup>2</sup> FTEs shown to one decimal place.

**Aboriginal or Torres Strait Islander employees**

Salary bracket	Aboriginal employees	Total employees	% of Aboriginal employees	% Target*
\$0 - \$54,799	18	222	8.11	2.0
\$54,800 - \$69,699	18	346	5.20	2.0
\$69,700 - \$89,199	14	239	5.86	2.0
\$89,200 - \$112,599	3	95	3.16	2.0
\$112,600+	1	10	10.00	2.0
<b>Total</b>	<b>54</b>	<b>912</b>	<b>5.92</b>	<b>2.0</b>

\*Target from *South Australia's Strategic Plan*

**Number of employees by age bracket by gender**

Age bracket	Male	Female	Total	% of total	2014 workforce benchmark <sup>3</sup>
15 – 19	0	2	2	0.22	5.5%
20 – 24	7	31	38	4.16	9.7%
25 – 29	20	74	94	10.30	11.2%
30 – 34	28	46	74	8.11	10.7%
35 – 39	53	79	132	14.47	9.6%
40 – 44	30	85	115	12.60	11.4%
45 – 49	48	71	119	13.03	11.1%
50 – 54	43	79	122	13.36	11.4%
55 – 59	55	69	124	13.58	9.1%
60 – 64	27	44	71	7.78	6.7%
65+	11	10	21	2.30	3.6%
<b>Total</b>	<b>322</b>	<b>590</b>	<b>912</b>	<b>100</b>	<b>100%</b>

<sup>3</sup> Source: Australian Bureau of Statistics (ABS) Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) by sex, age, state, marital status – employed – total from Feb78 Supertable, South Australia at November 2013.

## Cultural and linguistic diversity

Number of employees	Male	Female	Total	% of Agency	% of SA community <sup>4</sup>
Born overseas	69	112	181	19.82	22.1
Speak language(s) other than English at home	40	81	121	13.25	14.4

## Number of employees with disabilities (according to Commonwealth DDA5 definition)

Male	Female	Total	% of Agency
16	33	49	5.4

## Number of employees with disabilities requiring workplace adaptation<sup>6</sup>

Male	Female	Total	% of Agency
16	33	49	5.4

## Performance development

### Leadership and management training expenditure

Training and development	Total cost (\$)	% of staffing costs (excl. TVSPs)
Total training and development expenditure	1 823 000	2.4
Total leadership and management development expenditure*	239 643	0.3

\*Only includes expenditure through the DCSI's College for Learning and Development.

<sup>4</sup> Benchmarks from ABS Publication Basic Community Profile (SA) Cat No. 2001.0, 2011 census.

<sup>5</sup> Commonwealth Disability Discrimination Act 1992.

<sup>6</sup> Note: The department does not collect data on the type of disability that employees have. There is no active field in CHRIS, the human resources management system, to record such data.

**Type and number of qualifications achieved by staff through the DCSI College for Learning and Development**

<b>Course type</b>	<b>No of staff</b>
Certificate III in Government	61
Certificate IV in Business	6
Certificate IV in Social Housing	25
Certificate IV in Frontline Management	10
Certificate IV in Project Management Practice	6
Diploma of Government	2
Diploma of Government (Management)	7
<b>Total</b>	<b>117</b>

**Documented review of individual performance management**

<b>Employees with...</b>	<b>% of total workforce</b>
a review within the past 12 months	53.07
a review older than 12 months	37.83
no review	9.10



# Financial management

## Rents

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Since 2003-04, market-based rent on SAHT properties has increased by 10.9 per cent in real terms. During the same period, the value of rental rebates provided to tenants on low incomes has increased by 20 per cent. As a result, the amount of rent received by the SAHT as revenue has increased by only 4.5 per cent during this period. In 2013-14 only 55 per cent of market rent was charged to tenants, with 45 per cent foregone through the provision of rebates.

## Goods and Services Tax (GST)

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The SAHT makes supplies that are predominantly input taxed. Input taxed supplies include the lease of residential premises and the sale of residential premises that are not new (those previously purchased or leased for more than five years). This means that although no GST is charged on the lease or sale of these premises, any GST incurred on costs that relate to these input taxed supplies cannot be recovered from the Australian Taxation Office. This has increased the cost of public rental services as GST incurred on maintenance and other expenses cannot be reclaimed. In 2013-14, GST input tax payments totalled \$20.3 million, compared to \$22.2 million in 2012-13.

In addition, the SAHT is unable to include the GST compensation provided to tenants on statutory incomes in rent calculations, reducing the rental that would otherwise be charged.

## Revenue from asset sales

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With other sources of revenue declining, asset sales are the main source of funding for debt repayment and capital programs. Revenue is generated from the sale of existing SAHT houses and redeveloped land, or new housing, from capital projects.

In 2013-14, an accounting profit of \$5.9 million was realised from the sale of assets. This consisted of \$195 million sales proceeds, less \$189.1 million cost of sales. Approximately \$177 million of the cost of sales figure relates to the accounting or book value of the assets sold (as determined by the Valuer-General(VG)) and does not represent the actual expenditure of cash.

The SAHT recorded a reduction in the value of its property assets of \$15.8 million in 2013-14. This represents the reduction in property values between 1 July 2012 and 1 July 2013 as determined by the VG, so does not reflect conditions in the real estate market that were evident during 2013-14.

Housing SA introduced a viability strategy in 2007, with the aim of not only reducing the amount of debt (\$839 million) held by the SAHT, but increasing the number of affordable home ownership opportunities available to low to moderate income households. Under a new financial strategy developed in consultation with the Department of Treasury and Finance in 2011, the SAHT was able to make early repayments, with its last outstanding debt repayment made in full during June 2014.

### Account payment performance

The information in the table below includes all payments made through the department's accounts payable system during 2013-14, excluding purchase card expenditure, grants and payroll payments.

Particulars	Number of accounts paid	% of accounts paid by number	Value in \$A of accounts paid	% of accounts paid by value
Paid by the due date	281 397	94.75	809 454 868	86.13
Paid late but paid within 30 days or less from the due date	11 993	4.04	77 422 654	8.24
Paid late and paid more than 30 days from due date	3 602	1.21	52 896 117	5.63
<b>Total for the year</b>	<b>296 992</b>	<b>100</b>	<b>939 773 639</b>	<b>100</b>



*Our ref: A14/208*

25 September 2014

Ms M Patetsos  
Chair  
South Australian Housing Trust  
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Dear Ms Patetsos

**The audit of the South Australian Housing Trust  
for the year ended 30 June 2014**

The audit of the accounts of the South Australian Housing Trust (the Trust) for the year ended 30 June 2014 has been completed.

The scope of the audit covered the principal areas of the financial operations of the Trust and included the test review of systems and processes and internal controls and financial transactions.

The notable areas of audit coverage included:

- revenue including raising rent and recoveries
- accounts payable
- staffing costs
- maintenance expenditure
- council and water rates
- fixed assets including rental properties
- inventory
- general ledger
- financial management compliance program
- multi-trade contractor – procurement and contract management.

The audit coverage and its conduct is directed to meeting statutory audit responsibilities under the *Public Finance and Audit Act 1987* and also the requirements of Australian Auditing Standards.

## For Official Use Only

In essence, two important outcomes result from the annual audit process, notably:

- the issue of the Independent Auditor's Report (IAR) on the integrity of the Trust's financial statements
- the issue during the year or at the time of financial statement preparation and audit or close thereto, of audit management letters advising of deficiencies/weaknesses in areas of governance, financial system and process and control and financial reporting, together with recommendations for improvement in controls.

In this regard, returned herewith are the financial statements of the Trust together with the IAR, which is unmodified.

My Annual Report to Parliament indicates that an unmodified IAR has been issued on the Trust's financial statements.

In addition, during the year audit management letters were forwarded to the Trust, detailing findings and recommendations from the audits of the areas reviewed. The findings and recommendations relate to deficiencies/weaknesses noted by Audit and improvements needed in the areas reviewed. The audit recommendations provided in the letters are directed to achieving a sufficient standard of governance, financial management, financial reporting and control. Responses to the matters raised were received and will be followed up in the 2014-15 annual audit.

My Annual Report to Parliament includes a controls opinion and summary commentary for the Trust with reference to the matters raised and responses received. The Report indicates those matters that were assessed as not meeting a sufficient standard of governance and financial control.

Finally, I would like to express my appreciation to the management and staff of the Trust in providing assistance during the year to my officers in the conduct of the annual audit.

Yours sincerely



S O'Neill  
**AUDITOR-GENERAL**

enc



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## To the Chair South Australian Housing Trust

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 27(4) of the *South Australian Housing Trust Act 1995*, I have audited the accompanying financial report of the South Australian Housing Trust for the financial year ended 30 June 2014. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2014
- a Statement of Financial Position as at 30 June 2014
- a Statement of Changes in Equity for the year ended 30 June 2014
- a Statement of Cash Flows for the year ended 30 June 2014
- Disaggregated Disclosures - Expenses and Revenues for the year ended 30 June 2014
- Disaggregated Disclosures - Assets and Liabilities as at 30 June 2014
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair, Acting Executive Director and the Director Corporate Services, South Australian Housing Trust.

## The Members of the South Australian Housing Trust's Responsibility for the Financial Report

The members of the South Australian Housing Trust are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the members of the South Australian Housing Trust determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the members of the South Australian Housing Trust, as well as the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the South Australian Housing Trust as at 30 June 2014, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



**S O'Neill**  
**AUDITOR-GENERAL**  
25 September 2014



**SOUTH AUSTRALIAN  
HOUSING TRUST**

# **FINANCIAL STATEMENTS**

**FOR THE PERIOD**

**1 July 2013 TO 30 June 2014**

## South Australian Housing Trust

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### INTERNAL REPRESENTATION LETTER

#### TO THE MEMBERS OF THE SOUTH AUSTRALIAN HOUSING TRUST

We, the undersigned, hereby certify that:


- (a) the attached General Purpose Financial Statement has been prepared pursuant to the *South Australian Housing Trust Act 1995*, the *South Australian Co-operative and Community Housing Act 1991 (SACCH Act)*, and the *Community Housing Providers (National Law) (South Australia) Act 2013* and presents fairly, in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements in South Australia, the financial position of the South Australian Housing Trust as at 30 June 2014, its financial performance and its cash flows for the reporting period;
- (b) the attached financial statements are in accordance with the accounts and records of the Trust and give an accurate indication of the financial transactions of the authority for the reporting period; and
- (c) the internal controls over financial reporting have been effective for the reporting period.

We have taken the necessary action to ensure that:

- (a) all known debts have been written-off and an adequate provision for doubtful debts was made;
- (b) all current assets have been recorded at amounts not exceeding the values which, in the ordinary course of business, they may be expected to realise;
- (c) all non-current assets are shown at amounts not exceeding their replacement costs as at 30 June 2014, having regard to their value to the Trust as a going concern;
- (d) the financial statements and accompanying notes contain sufficient detailed information and explanations to prevent them from being misleading by reason of the over-statement of the values of assets or the understatement of liabilities; and
- (e) the financial statements give an accurate indication of the financial position as at the reporting date and the financial performance and cash flows for the reporting period.



.....  
P Reardon  
Acting Executive Director  
South Australian Housing Trust



.....  
R Hulm  
Director Corporate Services  
South Australian Housing Trust

Dated: 12/9/2014

Dated: 12/9/14

**CERTIFICATION OF THE FINANCIAL STATEMENTS**

We certify that the attached general purpose financial statements for the South Australian Housing Trust:

- comply with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Trust; and
- present a true and fair view of the financial position of the Trust as at 30 June 2014 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Trust for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



M Patetsos  
Chair  
South Australian Housing Trust Board



P Reardon  
Acting Executive Director  
South Australian Housing Trust



R Hulm  
Director Corporate Services  
South Australian Housing Trust

# South Australian Housing Trust

## STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Expenses</b>			
Staffing Costs	6	84 955	69 831
Supplies and Services	7	34 481	40 387
Business Services Fees	8	18 675	17 725
Rental Properties Expenses	9	365 637	382 552
Depreciation and Amortisation	10	85 760	88 377
Grants and Subsidies	11	106 915	84 062
Finance Costs	12	6 659	28 565
Impairment Expenses	13	16 571	26 084
Net Loss from Disposal of Assets	14	-	3 973
Loss on revaluation of non-current assets		790	-
<b>Total Expenses</b>		<b>720 443</b>	<b>741 556</b>
<b>Income</b>			
Rental Income	15	283 998	273 369
Interest Revenue	16	9 813	10 712
Recoveries	17	39 792	31 087
Recurrent Commonwealth Revenues	18	103 527	108 419
Capital Commonwealth Revenues	19	7 300	3 897
Other Revenue	20	5 646	327 713
Net Gain from Disposal of Assets	14	5 921	-
<b>Total Income</b>		<b>455 997</b>	<b>755 197</b>
<b>Net (Revenue from)/Cost of Providing Services</b>		<b>264 446</b>	<b>( 13 641)</b>
<b>Revenues from SA Government</b>			
Recurrent Revenues from SA Government	21	132 242	218 374
Capital Revenues from SA Government	22	-	490
<b>Total Revenues from SA Government</b>		<b>132 242</b>	<b>218 864</b>
<b>Net Result Before Income Tax Equivalent</b>		<b>( 132 204)</b>	<b>232 505</b>
Income Tax Equivalent		-	-
<b>Net Result After Income Tax Equivalent</b>		<b>( 132 204)</b>	<b>232 505</b>
<b>Other Comprehensive Income</b>			
<i>Items that will not be reclassified to net result</i>			
Changes in asset revaluation surplus		( 19 229)	( 411 162)
<b>Total Comprehensive Result</b>		<b>( 151 433)</b>	<b>( 178 657)</b>

The Net Result and Comprehensive Result are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes



# South Australian Housing Trust

## STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Current Assets</b>			
Cash and cash equivalents	23	249 338	295 791
Receivables	24	37 577	21 106
Inventories	25	82 378	104 775
Non-current assets classified as held for sale	26	23 957	28 260
<b>Total Current Assets</b>		<b>393 250</b>	<b>449 932</b>
<b>Non-Current Assets</b>			
Inventories	25	888	1 427
Property, Plant and Equipment	27	9 660 402	9 799 343
Intangible Assets	28	7 059	7 266
<b>Total Non-Current Assets</b>		<b>9 668 349</b>	<b>9 808 036</b>
<b>Total Assets</b>		<b>10 061 599</b>	<b>10 257 968</b>
<b>Current Liabilities</b>			
Payables	29	73 684	39 761
Staff Entitlements	30	9 027	8 606
Interest Bearing Liabilities	31	243	2 288
Provisions	32	2 005	2 125
Other Liabilities	33	10 546	11 202
<b>Total Current Liabilities</b>		<b>95 505</b>	<b>63 982</b>
<b>Non-Current Liabilities</b>			
Payables	29	1 160	1 270
Staff Entitlements	30	12 512	13 762
Interest Bearing Liabilities	31	1 761	109 953
Provisions	32	3 445	3 444
Other Liabilities	33	1 362	1 550
<b>Total Non-Current Liabilities</b>		<b>20 240</b>	<b>129 979</b>
<b>Total Liabilities</b>		<b>115 745</b>	<b>193 961</b>
<b>Net Assets</b>		<b>9 945 854</b>	<b>10 064 007</b>
<b>Equity</b>			
Retained Earnings		3 304 949	3 305 713
Asset Revaluation Surplus		6 603 589	6 758 294
Contributed Capital		37 316	-
<b>Total Equity</b>		<b>9 945 854</b>	<b>10 064 007</b>

The total equity is attributable to the SA Government as owner

Unrecognised Contractual Commitments

34

Contingent Assets and Liabilities

35

The above statement should be read in conjunction with the accompanying notes

**South Australian Housing Trust**

**STATEMENT OF CHANGES IN EQUITY**

For the Year Ended 30 June 2014

	Note	Contributed Capital '\$000	Asset Revaluation Surplus '\$000	Retained Earnings '\$000	Total '\$000
<b>Balance at 30 June 2012</b>		-	7 267 575	2 975 089	10 242 664
<b>Net Result after income tax equivalent for 2012-13</b>		-	-	232 505	232 505
Revaluation of property during 2012-13					
Movement in rental houses due to revaluation:					
- Transferred to Capital Works		-	( 1 660)	-	( 1 660)
- Subject to sales contracts		-	( 5 952)	-	( 5 952)
Decrement in Inventory Vacant Land due to revaluation		-	( 72)	-	( 72)
Decrement in freehold land and buildings due to revaluation		-	( 403 478)	-	( 403 478)
<b>Total Comprehensive Result for 2012-13</b>		-	( 411 162)	232 505	( 178 657)
Transfer to retained earnings of increment realised on sale of freehold land and buildings		-	( 98 119)	-	( 98 119)
Realisation of asset revaluation surplus on sale of freehold land and buildings		-	-	98 119	98 119
<b>Total transfer between equity components 2012-13</b>		-	( 98 119)	98 119	-
<b>Balance as at 30 June 2013</b>		-	6 758 294	3 305 713	10 064 007
<b>Net Result after income tax equivalent for 2013-14</b>		-	-	( 132 204)	( 132 204)
Revaluation of property during 2013-14					
Movement in rental houses due to revaluation:					
- Transferred to Capital Works		-	769	-	769
- Subject to sales contracts		-	( 5 012)	-	( 5 012)
Decrement in freehold land and buildings due to revaluation		-	( 14 986)	-	( 14 986)
<b>Total Comprehensive Result for 2013-14</b>		-	( 19 229)	( 132 204)	( 151 433)
Transfer to retained earnings of increment realised on sale of freehold land and buildings		-	( 135 476)	-	( 135 476)
Realisation of asset revaluation surplus on sale of freehold land and buildings		-	-	135 476	135 476
<b>Total transfer between equity components 2013-14</b>		-	( 135 476)	135 476	-
Equity contribution received		37 316	-	-	37 316
Assets transferred to Renewal SA as part of administrative restructure	36	-	-	( 4 036)	( 4 036)
<b>Total transfer between SA Government as owner 2013-14</b>		37 316	-	( 4 036)	33 280
<b>Balance as at 30 June 2014</b>		37 316	6 603 589	3 304 949	9 945 854

All changes in equity are attributable to the SA government as owner

The above statement should be read in conjunction with the accompanying notes

# South Australian Housing Trust

## STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Cash flows from Operating Activities</b>			
<b>Cash Outflows</b>			
Staffing Costs		( 85 731)	( 68 925)
Supplies and Services		( 16 581)	( 45 524)
Business Service Fee		( 3 322)	( 17 725)
Rental Property Expenses		( 192 737)	( 203 173)
Grants and Subsidies		( 110 648)	( 85 771)
Interest Paid		( 4 916)	( 21 424)
Other Finance Costs		( 1 986)	( 7 384)
Land Tax Equivalents Paid		( 177 603)	( 180 785)
GST paid to the Department for Communities and Social Inclusion		( 1 481)	( 2 352)
Payments for Paid Parental Leave Scheme		( 81)	( 229)
Purchase of Rental Property		( 137 746)	( 122 343)
<b>Cash used in operations</b>		<b>( 732 832)</b>	<b>( 755 635)</b>
<b>Cash Inflows</b>			
Rent Received		262 918	263 703
Recoveries Received		33 813	31 004
Other Receipts		5 056	4 255
Receipts from Commonwealth		110 827	112 316
Interest Received		9 813	10 712
Proceeds from Sale of Rental Property		197 478	188 233
GST receipts from the Department for Communities and Social Inclusion		8 793	6 665
<b>Cash generated from operations</b>		<b>628 698</b>	<b>616 888</b>
<b>Cash Flows from SA Government</b>			
Receipts from SA Government		132 242	210 272
<b>Cash generated from SA Government</b>		<b>132 242</b>	<b>210 272</b>
<b>Net Cash provided by/(used in) Operating Activities</b>	<b>38</b>	<b>28 108</b>	<b>71 525</b>
<b>Cash flows from Investing Activities</b>			
<b>Cash Outflows</b>			
Purchase of Property, plant and equipment		( 566)	( 3 749)
Purchase of Intangibles		( 1 609)	( 2 355)
<b>Cash used in investing activities</b>		<b>( 2 175)</b>	<b>( 6 104)</b>
<b>Net Cash used in Investing Activities</b>		<b>( 2 175)</b>	<b>( 6 104)</b>
<b>Cash flows from Financing Activities</b>			
<b>Cash Outflows</b>			
Repayment of Borrowings		( 109 702)	( 49 715)
<b>Cash used in financing activities</b>		<b>( 109 702)</b>	<b>( 49 715)</b>
<b>Cash Inflows</b>			
Capital contributions from SA Government		37 316	-
<b>Cash generated from financing activities</b>		<b>37 316</b>	<b>-</b>
<b>Cash used in financing activities</b>		<b>( 72 386)</b>	<b>( 49 715)</b>
<b>Net Cash used in Financing Activities</b>		<b>( 72 386)</b>	<b>( 49 715)</b>
<b>Net Increase/(Decrease) in Cash Held</b>		<b>( 46 453)</b>	<b>15 706</b>
<b>Cash at the Beginning of the Financial Year</b>		<b>295 791</b>	<b>280 085</b>
<b>Cash at the End of the Financial Year</b>	<b>23</b>	<b>249 338</b>	<b>295 791</b>

The above statement should be read in conjunction with the accompanying notes

South Australian Housing Trust

**DISAGGREGATED DISCLOSURES - EXPENSES AND REVENUES**

For the Year Ended 30 June 2014

Refer Note 5	Public Housing		Indigenous Housing		Community Housing		Private Rental Assistance		Homelessness Services & Support		Program Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Expenses</b>												
Staffing Costs	60 667	50 712	9 566	7 650	3 331	1 763	6 134	4 999	5 257	4 707	84 955	69 831
Supplies and Services	24 470	30 577	4 884	5 252	2 409	821	1 526	1 843	1 192	1 894	34 481	40 387
Business Service Fees	13 108	12 319	2 473	2 701	658	375	1 265	1 211	1 171	1 119	18 675	17 725
Rental Property Expenses	349 296	365 362	16 092	16 900	244	283	4	5	1	2	365 637	382 552
Depreciation and Amortisation	68 053	71 647	6 590	5 446	11 117	11 284	-	-	-	-	85 760	88 377
Grants and Subsidies	7 806	12 785	5 359	2 267	12 659	511	18 012	16 624	63 079	51 875	106 915	84 062
Finance Costs	6 659	28 565	-	-	-	-	-	-	-	-	6 659	28 565
Impairment Expenses	10 379	19 720	715	1 101	484	738	4 993	4 525	-	-	16 571	26 084
Loss on Revaluation of Non-current Assets	790	-	-	-	-	-	-	-	-	-	790	-
Net Loss from Disposal of Assets	-	3 711	-	( 19)	-	281	-	-	-	-	-	3 973
<b>Total Expenses</b>	<b>541 228</b>	<b>595 398</b>	<b>45 679</b>	<b>41 298</b>	<b>30 902</b>	<b>16 056</b>	<b>31 934</b>	<b>29 207</b>	<b>70 700</b>	<b>59 597</b>	<b>720 443</b>	<b>741 556</b>
<b>Income (excluding Capital Grants)</b>												
Rental Income	259 400	251 740	15 007	13 816	9 591	7 813	-	-	-	-	283 998	273 369
Interest Revenue	9 813	10 712	-	-	-	-	-	-	-	-	9 813	10 712
Recoveries	26 830	18 191	3 453	2 478	467	3 049	8 354	7 351	688	18	39 792	31 087
Recurrent Commonwealth Revenues	94 907	95 599	-	4 643	-	-	-	-	8 620	8 177	103 527	108 419
Other Revenue	4 104	326 612	415	375	6	1	1 112	724	9	1	5 646	327 713
Net Gain from Disposal of Assets	6 640	-	18	-	( 737)	-	-	-	-	-	5 921	-
Recurrent Revenues from SA Government	120 654	210 225	167	597	43	56	87	113	11 291	7 383	132 242	218 374
<b>Total Income (excluding Capital Grants)</b>	<b>522 348</b>	<b>913 079</b>	<b>19 060</b>	<b>21 909</b>	<b>9 370</b>	<b>10 919</b>	<b>9 553</b>	<b>8 188</b>	<b>20 608</b>	<b>15 579</b>	<b>580 939</b>	<b>969 674</b>
<b>Net Cost of Providing Services, before Capital Grants</b>	<b>( 18 880)</b>	<b>317 681</b>	<b>( 26 619)</b>	<b>( 19 389)</b>	<b>( 21 532)</b>	<b>( 5 137)</b>	<b>( 22 381)</b>	<b>( 21 019)</b>	<b>( 50 092)</b>	<b>( 44 018)</b>	<b>( 139 504)</b>	<b>228 118</b>
<b>Capital Grants</b>												
Capital Revenues from SA Government	-	110	-	380	-	-	-	-	-	-	-	490
Capital Commonwealth Revenues	-	-	-	105	-	-	-	-	7 300	3 792	7 300	3 897
<b>Total Capital Grants</b>	<b>-</b>	<b>110</b>	<b>-</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 300</b>	<b>3 792</b>	<b>7 300</b>	<b>4 387</b>
<b>Net Result Before Income Tax Equivalent</b>	<b>( 18 880)</b>	<b>317 791</b>	<b>( 26 619)</b>	<b>( 18 904)</b>	<b>( 21 532)</b>	<b>( 5 137)</b>	<b>( 22 381)</b>	<b>( 21 019)</b>	<b>( 42 792)</b>	<b>( 40 226)</b>	<b>( 132 204)</b>	<b>232 505</b>
Income Tax Equivalent	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Result After Income Tax Equivalent</b>	<b>( 18 880)</b>	<b>317 791</b>	<b>( 26 619)</b>	<b>( 18 904)</b>	<b>( 21 532)</b>	<b>( 5 137)</b>	<b>( 22 381)</b>	<b>( 21 019)</b>	<b>( 42 792)</b>	<b>( 40 226)</b>	<b>( 132 204)</b>	<b>232 505</b>

South Australian Housing Trust

**DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES**

For the Year Ended 30 June 2014

Refer Note 5	Public Housing		Indigenous Housing		Community Housing		Private Rental Assistance		Homelessness Services & Support		Program Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>												
Cash and cash equivalents	249 337	295 790	1	1	-	-	-	-	-	-	249 338	295 791
Receivables	33 877	17 915	3 700	3 117	-	74	-	-	-	-	37 577	21 106
Inventories	83 266	105 659	-	459	-	84	-	-	-	-	83 266	106 202
Non-current assets classified as held for sale	23 957	28 260	-	-	-	-	-	-	-	-	23 957	28 260
Property, Plant and Equipment	7 858 868	8 020 878	596 119	570 337	1 205 407	1 208 119	-	-	8	9	9 660 402	9 799 343
Intangible Assets	7 059	7 266	-	-	-	-	-	-	-	-	7 059	7 266
<b>Total Assets</b>	<b>8 256 364</b>	<b>8 475 768</b>	<b>599 820</b>	<b>573 914</b>	<b>1 205 407</b>	<b>1 208 277</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>9</b>	<b>10 061 599</b>	<b>10 257 968</b>
<b>Liabilities</b>												
Payables	73 973	39 746	871	1 285	-	-	-	-	-	-	74 844	41 031
Staffing Entitlements	15 381	16 242	2 425	2 451	845	565	1 555	1 602	1 333	1 508	21 539	22 368
Provisions	5 413	5 508	14	14	23	47	-	-	-	-	5 450	5 569
Interest Bearing Liabilities	2 004	112 241	-	-	-	-	-	-	-	-	2 004	112 241
Other Liabilities	11 908	12 752	-	-	-	-	-	-	-	-	11 908	12 752
<b>Total Liabilities</b>	<b>108 679</b>	<b>186 489</b>	<b>3 310</b>	<b>3 750</b>	<b>868</b>	<b>612</b>	<b>1 555</b>	<b>1 602</b>	<b>1 333</b>	<b>1 508</b>	<b>115 745</b>	<b>193 961</b>



## South Australian Housing Trust

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### Note 1 Objectives of the South Australian Housing Trust

#### 1.1 Objectives

The South Australian Housing Trust (the Trust) is the State's principal housing authority. The Trust's roles and powers are based on the *South Australian Housing Trust Act 1995* (The Act), the *South Australian Co-operative and Community Housing Act 1991* (SACCH Act), the *Community Housing Providers (National Law) (South Australia) Act 2013* and the *Housing Improvement Act 1940*. The Board of the Trust is responsible to the Minister for Social Housing for overseeing the operations of the Trust. This responsibility may be formalised in a Ministerial Performance Agreement in accordance with section 28 of the Act that defines the objectives and responsibilities of the Trust.

The primary objective of the Trust includes the provision of affordable housing to households and families on low to moderate incomes, including affordable home purchase opportunities, homelessness and support services; and the funding and regulation of Community Housing. The Board is responsible to the Minister for overseeing the operations of the Trust with the goals of:

- Ensuring the sound administration of the Act and the implementation of the Minister's Housing policies and plans
- Achieving continuing improvements in the provision of secure and affordable public housing [S16 (1) (a)]
- Providing transparency and value in managing the resources available to the Trust and meeting Government and community expectations as to probity and accountability [S16 (1) (b)]
- Achieving appropriate social justice objectives and the fulfilment of the Housing Trust's community service obligations [S16 (1) (c)]
- Management of the Service Level Arrangement with the Department For Communities and Social Inclusion (DCSI), Housing SA [S16 (2) (b)]

### Note 2 Summary of Significant Accounting Policies

#### 2.1 Statement of Compliance

The South Australian Housing Trust has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*, and section 27 of the *South Australian Housing Trust Act 1995*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with:

- Treasurer's Instructions and the Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*
- Relevant Australian Accounting Standards.

The Trust has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Trust is a not-for-profit entity.

Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Trust for the reporting period ending 30 June 2014. Refer to Note 4.

#### 2.2 Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in these financial statements:
  - a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies;
  - b) expenses incurred as a result of engaging consultants;

## South Australian Housing Trust

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- c) employee targeted voluntary separation package information;
- d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees; and
- e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Trust's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets that have been revalued.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014 and the comparative information presented.

### 2.3 Reporting Entity

The South Australian Housing Trust's financial statements include only Trust activities and do not incorporate any administered items. The Trust's financial statements include assets, income, expenses and liabilities, controlled or incurred by the Trust in its own right.

### 2.4 Transferred Functions

On 26 April 2012, pursuant to the provisions of Section 23 of the *South Australian Housing Trust Act 1995*, a transfer of properties from the Trust to the newly formed Urban Renewal Authority (URA), trading as Renewal SA, was effected by Government Gazettal. These properties consisted of all the non-tenanted properties of the Woodville West and River Street, Marden urban renewal projects.

Subsequently properties that were tenanted at the time of the original transfer were transferred to Renewal SA by Government Gazettal on 15 August 2013 (refer to note 36). All properties from the Woodville West and River Street, Marden urban renewal project have now been transferred.

### 2.5 Comparative Figures

The presentation and classification of items in the financial statements are consistent with prior periods except where adjusted to reflect the early adoption of specific revised Accounting Policy Statements or Australian Accounting Standards.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements.

The restated comparative amounts do not replace the original financial statements for the preceding period.

### 2.6 Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

### 2.7 Income and Expenses

Income and expenses are recognised in the Trust's Statement of Comprehensive Income when and only when it is probable that the flow of economic benefits to or from the entity will occur and can be reliably measured.

Income and expenses have been classified according to their nature and have not been offset unless required or permitted by another accounting standard.

The notes accompanying the financial statements disclose income, expenses, financial assets and financial liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

## South Australian Housing Trust

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### **Expenses**

#### *Staffing Costs*

Staffing costs includes all costs related to employment including wages and salaries and leave entitlements. These are recognised when incurred.

#### *Superannuation*

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Trust to the superannuation plan in respect of current services of current Trust employees. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

#### *Finance costs*

All finance costs, including borrowing costs, are recognised as expenses.

#### *Grants and Subsidy Expenses*

Expenses are generally recognised when paid, which occurs in accordance with relevant funding agreements.

### **Income**

#### *Rent Receivable*

Rent receivable in respect of each property is recognised as revenue and charged to tenants weekly, in advance.

The Trust determines a market rent for each property, structured on the basis of regional rental markets. This represents the potential rental income derivable from the rental stock. The Trust's rental policy is that no tenant will be required to pay more than 25 percent of their household income in rent. The difference between the assessed rent for the property and the market rent is recognised as a rental rebate subsidy provided to tenants.

#### *Revenues from Government*

Revenues received from SA Government are recognised as revenues when the Trust obtains control over them, normally upon receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the Trust and the appropriation is recorded as contributed equity.

#### *Grants Received*

Grants for program funding are recognised as revenues when the Trust obtains control over the funding. Control over the funding is normally obtained upon receipt.

#### *Disposal of Non-Current Assets*

Income from the disposal of non-current assets is recognised when the control of the asset has passed to the buyer and has been determined by comparing proceeds with carrying amount

Gains on disposal of real property asset sales are recognised by the Trust when settlements are complete, which is determined to be the point when control of the asset has passed to the buyer. Refer to note 14 for further details.

When revalued assets are sold, the revaluation increments are transferred to retained earnings.

#### *Recoveries*

Recoveries for costs on-charged to tenants by the Trust are included as income.

### **2.8 Taxation**

In accordance with section 25 of the Act, the Trust may be required to pay to the State Government tax equivalents. Tax Equivalent Payments are required in respect of income tax and land tax.

The income tax liability is based on applying the Treasurer's accounting profit method which requires that the corporate income tax rate be applied to the net operating profit of the Trust, adjusted for any items approved by the Under Treasurer for exclusion from the profit figure. In 2013 the Under Treasurer approved the exclusion of \$320 million of revenue associated with the Trust's debt write-off for the determination of the Trust's accounting profit. Land tax is calculated in the same manner as if it were payable under the *Land Tax Act 1936* which uses a site valuation of multiple holdings.

## South Australian Housing Trust

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Treasury reimburses the full cost of an Income Tax Expense resulting in a nil effect of these payments on the net result.

Land Tax Expense is no longer fully reimbursed by the State Government, as part of a budget arrangement to transfer the benefit of housing debt relief from Housing SA to the broader State budget. The shortfall in funding impacting the net result for 2013-14 is \$78.951m.

The Trust is liable for the cost of Payroll Tax, Fringe Benefits Tax, Stamp Duty and Goods and Services Tax (GST).

With respect to GST, the Trust is part of a GST group of which the nominated representative of the group is DCSI, which is responsible for paying GST on behalf of the Trust and is entitled to claim input tax credits. Administrative arrangements between DCSI and the Trust provide for the reimbursement of the GST consequence incurred/earned by the Trust. The reimbursement receivable from/payable to the Trust has been recognised as a payable/receivable in the Statement of Financial Position.

Revenues, expenses and assets are recognised net of the amount of GST except that:

- The amount of GST incurred by the Trust as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

### 2.9 Current and Non-Current Items

Assets and liabilities are characterised as either current or non-current in nature. The Trust has a clearly identifiable operating cycle of twelve months. Therefore assets and liabilities that will be realised as part of the normal operating cycle will be classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

### 2.10 Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank, cash on hand, including petty cash, cash management funds and deposits at call that are readily converted to cash and are used in the cash management function on a day-to-day basis and which are subject to insignificant risk of changes in value.

Cash is measured at nominal value.

### 2.11 Receivables

Receivables include amounts receivable from debtors, GST input tax credits recoverable, prepayments and other accruals.

The majority of receivables relate to rent in respect of rental properties. Rents are recognised as revenue and charged to tenants weekly, in advance.

Trade receivables that arise in the normal course of selling goods and services to other agencies and to the public are normally settled within 30 days.

Other debtors that arise outside the normal course of selling goods and services to other agencies and to the public are subject to 30 days settlement terms.

The provision for doubtful debts/impairment loss is based on an actuarial review conducted by the consulting actuaries Brett & Watson Pty Ltd in May 2012 (refer note 24). The actuarial assessment conducted by Brett & Watson Pty Ltd was based on the requirements of AASB 139 *Financial Instruments: Recognition and Measurement*. The basic assumptions used in calculating the impairment loss included a discount rate of 2.6 per cent per annum, based on the risk free rate as at 30 June 2012, an estimated future debt write off of 2.6 per cent per annum and an assumption that 72 per cent of first arrangements will be written off by the end of their twelfth year. The provision covers variations to the net present value of debts as well as the debts not expected to be recovered. The next actuarial review will be undertaken in 2015.



## South Australian Housing Trust

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### 2.12 Inventories

Inventories include capital work in progress, developed properties and vacant land that are expected to be sold in the ordinary course of business. Inventories are carried at the lower of cost and net realisable value. The amount of any inventory write-down to net realisable value is recognised as an expense in the period the write-down occurred. Any write-down reversals are recognised as an expense reduction.

- (i) Capital work in progress relates to development projects containing both land and building components that are expected to be sold on completion.
- (ii) Developed properties relates to land and building components that have been developed and may be sold in its current condition or transferred to capital work in progress as part of a development project. It is carried at cost.
- (iii) Vacant land consists of land that is expected to be sold.

### 2.13 Non-current Assets Held for Sale

Non-Current Assets classified as Held for Sale relate to rental properties and administrative properties that are no longer required for public rental or occupation and are expected to be sold, through the private property market, within the next 12 months. These assets are measured at the lower of their carrying amount and fair value less costs to sell and are no longer depreciated, pending sale.

### 2.14 Property, Plant and Equipment

- (i) Acquisition and recognition

Assets acquired at no value, or minimal value, are recorded at their fair value in the Statement of Financial Position unless they are acquired as part of a restructuring of administrative arrangement, in which case they are recorded at the value recorded by the transferor prior to transfer.

All other assets are initially brought to account as follows:-

*Rental Properties, Administrative Properties, Commercial Properties, Leasehold Improvements, Vacant Land and Plant and Equipment*

These assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition and are depreciated as outlined below. The Trust capitalises assets with a value of \$5 000 or greater.

Subsequent costs are included in the asset's carrying amount, as appropriate, including capitalised maintenance costs on rental properties.

#### *Assets Under Arrangement*

Assets under arrangement are tenable properties which have had their legal title transferred to, a Community Housing Organisation (CHO) in return for which the CHO has issued a debenture at fair value, or to a Preferred Growth Provider (PGP) under a legal arrangement with similar control provisions. Properties transferred to PGP's are those built using Nation Building Economic Stimulus Plan funding. Recognition is based on the Trust's ability to control the future service potential of the assets and that these are probable and can be reliably measured. Control of these properties resides with the Trust through the SACCH Act and Funding Agreements which prescribe how the properties are to be used and managed on behalf of the government, the eligible tenants that are entitled to use them and the rent that can be charged by the CHO or PGP.

The SACCH Act provides for members of Housing Co-operatives and tenants of Associations to acquire equity in the properties they occupy, by the Co-operative or Association issuing equity shares to members. The equity shares reflect a proportional interest in the value of a specific Co-operative property.

Assets under arrangement are initially recognised at market value.

#### *Anangu Pitjantjatjara Yankunytjatjara (APY) Land Leased Properties*

The Minister for Social Housing has entered into a 50 year lease arrangement with the Anangu Pitjantjatjara Yankunytjatjara (APY) Board to lease parcels of APY land to allow the construction of new houses and the upgrade of existing houses in remote areas utilising National Partnership

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## South Australian Housing Trust

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Agreement funding. The Trust, as agent for the Minister, will oversee all capital works on the properties and overall management of the agreement. Under the terms of the Ground Lease, ownership of the new dwellings will pass to the APY Board at the end of the lease term.

The constructed assets are recorded as capital works in progress and once complete are recognised as APY Lands Leased Properties.

### *Capital Work in Progress*

Capital work in progress reflects assets under construction that will either be sold or utilised in the Trust's operation.

The carrying amount for capital work in progress includes all construction costs, charges for administrative expenses and a revaluation increment or decrement where the property has previously been revalued but excludes any borrowing costs and feasibility or pre-construction costs.

## (ii) Valuation

### *Rental Properties, Administrative Properties, Commercial Properties, Vacant Land and Assets Under Arrangement*

In compliance with AASB 116 and APF III, all land and buildings are subsequently measured at fair value less accumulated depreciation.

The Trust revalues all land and buildings annually using the Valuer-General's values for rating purposes, issued as at 1 July 2013 reflecting "the capital amount that an unencumbered estate of fee simple in the land might reasonably be expected to realise upon sale" in accordance with the *Valuation of Land Act 1971* and is determined in line with the property market evidence at that time. This value is deemed to be fair value for financial reporting purposes.

Revaluation occurred at 31 October 2013, using the 1 July 2013 values, for all land and buildings acquired or completed before 31 October 2012.

Any revaluation increment is credited to the asset revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in revaluations reserve for that asset class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Upon disposal or de-recognition, any revaluation surplus relating to that asset is transferred to retained earnings.

### *APY Properties*

APY properties are amortised over the period of the relevant ground lease, forty or fifty years, respectively. Each property is revalued every three years, using depreciated replacement cost. This cost is derived from information provided by Housing SA construction programs for similarly configured properties being constructed remotely. There is no observable market for these properties, nor consistent Valuer-Generals information that could be applied to an alternative valuation method. The first of these revaluations is due to occur at 31 October 2014.

### *Leasehold Improvements*

The value of leasehold improvements is recorded at cost and amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

### *Capital Work in Progress*

## South Australian Housing Trust

The carrying value of a constructed asset is compared to its market value upon transfer out of work in progress, either for use or for future sale and an adjustment is affected to ensure that the carrying amount does not exceed fair value.

### *Plant and Equipment*

Plant and equipment is brought to account at historical cost (deemed fair value).

### (iii) Depreciation and Amortisation

Property, plant and equipment assets have a limited useful life and are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential ranging from 3 to 50 years. The useful lives of all major assets held by the Trust are reassessed on an annual basis.

The value of leasehold improvements is amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

Land, vacant land improvements and capital work in progress are not depreciated.

Depreciation of property, plant and equipment is determined as follows:

Class of Asset	Depreciation Method	Useful Life (Years)
Rental Properties (Dwellings)*	Straight Line	50
Administrative Properties	Straight Line	10 – 30
Commercial Properties	Straight Line	20
Assets under Arrangement	Straight Line	50
Leased Assets APY	Straight Line	40 - 50
Leasehold Improvements	Straight Line	3 - 10
Plant and Equipment	Straight Line	3 - 10

\* An estimated useful life of 50 years is assumed for rental dwellings and depreciation expense is calculated at a rate of 2 percent per annum on the opening revalued amount for each property.

### *2.15 Intangibles*

Intangible assets are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation.

The acquisition or internal development of software is capitalised when the expenditure meets the definition and recognition criteria of an asset as outlined in AASB 138 *Intangible Assets* and when the amount of expenditure is greater than or equal to \$5 000. Amortisation is calculated on a straight-line basis over 3 years from the date that the asset is ready for use.

All research and development projects that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed.

### *2.16 Impairment*

Receivables were tested for indications of impairment by way of an actuarial review at 30 June as detailed in note 2.11. The impairment loss has been offset against receivables and has been recognised in the Statement of Comprehensive Income under Impairment Expenses.

All other non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. If the amount by which the asset's carrying amount exceeds the recoverable amount is material it is recorded as an impairment loss.

For revalued assets an impairment loss is offset against the asset revaluation surplus.

### *2.17 Payables*

Payables include creditors, accrued expenses and staff entitlement on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Trust.

## South Australian Housing Trust

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Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All amounts are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Staff entitlement on-costs include payroll tax and superannuation contributions in respect to outstanding leave liabilities for salaries and wages, long service leave, annual leave and skills and experience retention leave.

### *Paid Parental Leave Scheme*

The Commonwealth paid parental leave scheme payable represents amounts which the DCSI has received from the Commonwealth Government to forward on to eligible employees via the department's standard payroll processes. That is the department is acting as a conduit through which the payment is made to eligible employees on behalf of the Family Assistance Office.

### *2.18 Staff Entitlements*

Under Section 17 of the *South Australian Housing Trust Act 1995* the Trust utilises staff of the DCSI for the provision of services. The delivery of housing services is undertaken by Housing SA, DCSI under a Service Level Agreement whereby the Trust delivers its services through DCSI.

Benefits accrue for staff as a result of services provided up to the reporting date that remain unpaid. Long-term staff benefits are measured at present value and short-term staff benefits are measured at nominal amounts.

Liability for salaries and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

### *Annual leave, skills and experience retention leave and sick leave*

The annual leave liability and the skills and experience retention leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as sick leave is non-vesting and the anticipated average sick leave to be taken in future years by staff is estimated to be less than the annual entitlement for sick leave.

### *Long service leave*

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA government entities. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The current/non-current classification of the Trust's long service leave liabilities has been calculated based on historical usage patterns.

### *Staff entitlement on-costs*

Staff entitlement on-costs of payroll tax and superannuation are recognised separately under payables.

### *2.19 Provisions*

#### *Insurance*

The Trust has arranged, through South Australian Government Financing Authority SAICORP Division (SAICORP), to insure all major risks of the Trust. The excess payable under this arrangement varies depending on each class of insurance held. The amount of insurance expense recognised is the premium paid to SAICORP and any losses met by the Trust as deductibles under the cover.

The Trust undertakes annual reviews of insurance risks and provides for losses or other charges that are not covered by the Treasurer's indemnity with respect to each category of potential loss or claim reflected below.

## South Australian Housing Trust

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The provision for Public Risk and Professional Indemnity includes estimates for future claim payments for reported claims with an allowance for claims incurred but not reported at balance date. This provision is internally calculated.

For all classes of insurance, claims liabilities are measured as the present values of the expected future payments.

### *Workers Compensation*

The DCSI is an exempt employer under the *Workers Rehabilitation and Compensation Act 1986*.

The workers compensation liability recognised for the staff who provide services to the Trust is based on an apportionment of an actuarial assessment of the whole-of-government workers compensation liability conducted by Taylor Fry Consulting Actuaries based on 30 June 2014 data.

### *2.20 Borrowings*

The Trust measures financial liabilities including borrowings/debt at historical cost, except for interest free loans (measured at the present value of expected repayments).

### *2.21 Leases*

#### *Operating Leases*

Leases where the lessor effectively retains substantially all the risks and benefits incidental to ownership of the leased items are classified as Operating leases. Operating lease payments are charged to the Statement of Comprehensive Income on a straight line basis, which is representative of the pattern of benefits derived from the leased assets.

#### *Finance Leases*

Leases where the Trust as lessee assumes substantially all the risks and benefits associated with ownership of the assets are classified as Finance Leases. Finance Leases are recognised in accordance with AASB 117 *Leases* as assets and liabilities in the Statement of Financial Position at the lower of fair value or the present value of the minimum lease payments as determined at the inception of the lease.

### *2.22 Unearned Revenue*

Unearned Revenue includes lump sums received for leases assigned on Trust properties which are progressively brought to account as income on a straight-line basis over the term of their respective agreements.

### *2.23 Unrecognised Contractual Commitments and Contingent Assets and Liabilities*

Commitments include those operating, capital and outsourcing commitments arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to DCSI. If GST is not payable to, or recoverable from DCSI, the commitments and contingencies are disclosed on a gross basis.

### *2.24 Fair Value measurement*

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

The Trust classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

## South Australian Housing Trust

- Level 3 – not traded in an active market and are derived from unobservable inputs.

The valuation processes and fair value changes are reviewed by the Director, Corporate Services and Audit & Finance Committee at each reporting date.

### 2.25 Non-financial assets

In determining fair value, the Trust has taken into account the characteristic of the asset (eg condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Trust's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Trust did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' are deemed to approximate fair value.

### 2.26 Financial assets/liabilities

The Trust does not recognise any financial assets or financial liabilities at fair value.

## Note 3 Financial Risk Management

While the Trust has significant financial assets and liabilities, such as cash on hand and on call, receivables and payables its exposure to market risk and cash flow risk is minimal.

The Trust is exposed to credit risk associated with the amounts due to it from tenants for rent and other charges. Credit risk is ameliorated by the fact that amounts due from individual tenants are relatively small. The Trust manages credit risk associated with its tenants by establishment of a Credit Policy which is communicated to Trust staff and tenants. The performance of individual tenants and of components of the total population of tenants are monitored and reported upon to Trust management and the Board.

The Trust is also exposed to risk arising from property values in the real estate market, due to its reliance on asset sales to fund capital works and debt repayment. The property market is slowly improving relative to last year with improved sales performance, meeting budgeted targets. The Trust manages any risk of not meeting its sales revenue requirements by regular monitoring and reporting of sales performance.

The fair value of the Trust's financial assets and liabilities which are subject to normal trade credit terms, is considered to be book value.

In relation to liquidity/funding risk, the continued existence of the Trust in its present form, and with its present programs, is dependent on Government policy for the Trust's administration and outputs.

## Note 4 New and Revised Accounting Standards and Policies

The Trust did not voluntarily change any of its accounting policies during 2013-14.

In accordance with the new AASB 13 *Fair Value Measurement*, which became effective for the first time in 2013-14, the Trust has:

- reviewed its fair value valuation techniques (both internal estimates and independent valuation appraisal) for non-financial assets to ensure they are consistent with the standard. Previously, the Trust has used the cost approach or the market approach to determine fair value. The Trust will continue to measure its non-financial assets using either the cost or market approach. The application of AASB 13 has not had a material impact on the fair value measurements; and
- included additional disclosures where required to assist users in assessing the valuation techniques and inputs used to ascertain fair value measurements used for asset and liability measurements.

The Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective, have not been adopted by the Trust for the reporting period ending 30 June 2014. The Trust has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Trust.



## South Australian Housing Trust

### Note 5 Activities of the South Australian Housing Trust

In achieving its objectives, the Trust has organised its operations into the following business activities:

**Public Housing** – management of public housing tenancies and assets, and promotion of the development of the social housing sector. Managing tenancies includes assessment of customers for eligibility, allocation of public houses to those in need, provision of rental subsidies, linking customers with appropriate support services, provision of transitional housing and management of supported tenancies by providing properties to support agencies. Managing assets includes maintenance, area regeneration and urban renewal programs, stock replacement programs (construction, purchase and disposal), modification of houses for those with a disability and strategic management and planning for future public housing stock needs. Promoting development of the social housing sector includes furthering the Government's strategies to address the key issues of affordable housing and homelessness, as well as promoting innovation and partnering with private sector organisations.

**Indigenous Housing** – management of tenancies and housing assets specifically for indigenous customers (who may also choose to access assistance via general Public Housing), and management of the Commonwealth Government's National Partnership Agreement for Remote Indigenous Housing. This Agreement provides funding for the purpose of addressing issues of overcrowding in remote indigenous communities by increasing the supply of new houses, improving the condition of existing houses and ensuring ongoing maintenance and management of rental houses in remote indigenous communities.

**Community Housing** – development, support and promotion of the community housing sector, including administering the *South Australian Co-operative and Community Housing Act 1991* and the *Community Housing Providers (National Law) (South Australia) Act 2013*, and assisting in the establishment, regulation and administration of Housing Co-operatives and Housing Associations in South Australia.

**Private Rental Assistance** – provision of financial assistance, information, referral, advocacy and counselling to assist households who are experiencing instability, poverty or housing difficulty in the private rental market.

**Homelessness Services and Support** – reforming and supporting the homelessness services sector to enable more integrated and responsive service provision. This includes provision and management of grant funding to non-Government organisations that deliver services aimed at stopping people from becoming homeless, lessening the impact of homelessness, and assisting people to transition from being homeless to having stable housing and employment.

## South Australian Housing Trust

### Note 6 Staffing Costs

	2014	2013
	\$'000	\$'000
Salaries and Wages	55 275	53 048
Superannuation	6 836	6 618
Annual Leave	5 967	5 509
Payroll Tax	4 119	3 478
Other staff expenses	2 677	2 265
Long Service Leave	2 134	1 766
Retention Leave	331	417
Workers Compensation	1 254	785
Targeted Voluntary Separation Packages	9 687	135
Board Fees	226	270
Charged to Capital Program	( 3 551)	( 4 460)
<b>Total Staffing Costs</b>	<b>84 955</b>	<b>69 831</b>

#### Targeted Voluntary Separation Packages (TVSPs)

Amount paid to staff

TVSPs	9 687	135
Annual Leave, Retention Leave and long service leave paid to those employees	2 868	30

Receivable raised to the Department of Communities and Social Inclusion	9 542	135
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<b>Net cost to Trust</b>	<b>3 013</b>	<b>30</b>
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Number of employees who received a TVSP during the reporting period was:	79	1
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#### Remuneration of Staff

The number of staff whose remuneration received or receivable falls within the following bands:

	Executive		Staff	
	2014	2013	2014	2013
\$141 500 to \$151 499	1	1	2	2
\$151 500 to \$161 499	3	2	2	-
\$161 500 to \$171 499	-	1	-	1
\$171 500 to \$181 499	-	2	-	-
\$181 500 to \$191 499	3	-	-	-
\$191 500 to \$201 499	1	-	1	-
\$201 500 to \$211 499	-	1	-	-
\$261 500 to \$271 499	-	1	-	-
\$271 500 to \$281 499	1	-	-	-
\$291 500 to \$301 499	-	-	1*	-
\$301 500 to \$311 499	-	-	2*	-
\$341 500 to \$351 499	-	-	1*	-
\$401 500 to \$411 499	-	-	3*	-
<b>Total number of employees</b>	<b>9</b>	<b>8</b>	<b>12</b>	<b>3</b>

The table includes DCSI executives and staff paid by the Trust under the service level agreement with DCSI who received remuneration equal to or greater than the base Executive Remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by these staff for the year was \$4.904 million (\$1.915 million).

\*The table includes the TVSP component paid where the employee meets the \$141,500 threshold on normal remuneration. In 2013-14, seven employees included in the table received a TVSP.

## South Australian Housing Trust

### Remuneration of Board and Committee Members

Membership for various Boards and Committees during 2013-14 were:

<b>SAHT Governing Board</b> <i>(appointed by the Governor)</i>	<b>South Australian Affordable Housing Trust Board</b> <i>(appointed by the Board)</i>	<b>Audit and Finance Committee</b> <i>(appointed by the Board)</i>
M Patetsos (Chair)	M Patetsos (Chair)	J King (Chair)
C Long (Chair, retired January 2014)	C Long (Chair, retired January 2014)	M Patetsos (retired as Chair January 2014)
J King	J King	
M Hemmerling	M Hemmerling	M Hemmerling
G Crafter	G Crafter	N Rantanen
R Boorman	R Boorman	
C Holden (appointed January 2014)	C Holden (appointed January 2014)	
A Blair (appointed January 2014)	A Blair (appointed January 2014)	

The following additional committee has been disclosed in accordance with *Accounting Policy Framework II General Purpose Financial Reporting Framework APS 4.12*:

### Housing Appeal Panel

*(appointed by the Minister)*

K McEvoy  
M Castles  
U Dahl  
K Dahl  
A Faulkner  
A King  
A McLean

The fees paid to Board members in their capacity as Board Members are set by Executive Council.

Some Board members sit on more than one Board.

The number of Board and Committee members whose remuneration from the Trust falls within the following bands:

	2014	2013
\$0 - \$9 999	7	7
\$10 000 - \$19 999	2	-
\$20 000 - \$29 999	6	-
\$30 000 - \$39 999	1	6
\$50,000 - \$59,999	-	1
	<b>16</b>	<b>14</b>

	2014 \$'000	2013 \$'000
Total remuneration received, or due and receivable by Board and Committee members	245	294
Amounts paid to a superannuation plan for Board and Committee members	19	24

Transactions with members were on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

## South Australian Housing Trust

### Note 7 Supplies and Services

	2014	2013
	\$'000	\$'000
Operating Lease	6 817	6 981
Insurance	4 903	6 004
Contractors	3 649	5 288
Accommodation Expenses	4 048	4 005
Renewal SA Recharges	3 960	3 466
Administration Expenses	2 396	3 051
Fleet Management	2 368	2 934
Computer Expenses	2 815	2 923
Printing, Stationery and Postage	1 594	1 701
Travel and Accommodation	931	1 114
Communications	886	851
Tenant Relocation	752	605
Debt Management	652	714
Agent Fees	608	620
Other Customer Related Expenses	482	509
Staff Development	346	432
Audit Fees - Auditor-General's Department <sup>(1)</sup>	463	400
Consultants	394	299
Brokerage	108	104
Charged to Capital Program	( 3 691)	( 1 614)
<b>Total Supplies and Services</b>	<b>34 481</b>	<b>40 387</b>

(1) Audit fees paid/payable to the Auditor – General's Department relating to the audit of financial statements.  
No other services were provided by the Auditor-General's Department.

The number and dollar amount of  
consultancies paid/payable (included in  
supplies and services expense) that fell within  
the following bands:

	2014	2014	2013	2013
	Number	\$'000	Number	\$'000
Below \$10 000	4	19	8	33
Between \$10 000 and \$50 000	3	67	4	101
Above \$50 000	2	308	2	165
<b>Total paid/payable to the consultants engaged</b>	<b>9</b>	<b>394</b>	<b>14</b>	<b>299</b>

## South Australian Housing Trust

### Note 8 Business Service Fees

	2014	2013
	\$'000	\$'000
Computing Services and Processing Charges	7 797	7 607
Motor Vehicle Hire Charges	333	332
Legal & Financial Services	420	420
GST Expense	929	404
Staff Development	853	840
Human Resources Services	1 515	1 476
Records Management and Mail Services	697	701
Administration Premises Management	812	795
Procurement Services	897	875
Geographical Information Services	264	258
Payroll Services	635	588
Internal Audit	552	538
Business Planning, Strategy and Quality Assurance	263	257
Insurance	254	254
Media & Communications Services	344	340
SA Government Shared Services	1 952	1 885
Telecommunications Management and Charges	158	155
<b>Total Business Service Fees</b>	<b>18 675</b>	<b>17 725</b>

### Note 9 Rental Property Expenses

	2014	2013
	\$'000	\$'000
Land Tax Equivalent	177 603	180 785
Maintenance	103 439	115 300
Council Rates	43 993	42 728
Water Rates	38 177	40 367
Construction Variances	1 800	2 643
Property Expenses	334	267
Emergency Services Levy	116	174
Stamp Duty & Search Fees	23	137
Valuations	152	151
<b>Total Rental Property Expenses</b>	<b>365 637</b>	<b>382 552</b>

### Note 10 Depreciation and Amortisation

	2014	2013
	\$'000	\$'000
<b>Depreciation</b>		
Rental properties	68 890	72 103
Assets under Arrangement	11 195	11 239
Plant and Equipment	672	418
Administrative properties	207	187
Commercial Properties	62	22
<b>Total Depreciation</b>	<b>81 026</b>	<b>83 969</b>
<b>Amortisation</b>		
Intangible Assets	1 816	2 056
Leasehold Improvements	411	755
APY Buildings	2 507	1 597
<b>Total Amortisation</b>	<b>4 734</b>	<b>4 408</b>
<b>Total Depreciation and Amortisation</b>	<b>85 760</b>	<b>88 377</b>

## South Australian Housing Trust

### Note 11 Grants and Subsidies

	2014	2013
	\$'000	\$'000
National Affordable Housing Agreement: Specialist Homelessness Services	36 369	35 887
National Partnership Agreement: Homelessness	26 710	15 989
Private Rental Assistance	16 048	15 041
Community Housing Construction Stimulus	12 445	-
National Partnership Agreement: Remote Indigenous Housing	5 262	1 249
National Rental Affordability Scheme Subsidies	4 249	2 396
Subsidies to Other Housing Providers	2 373	2 441
Emergency Accommodation Assistance	1 872	1 583
Affordable Housing Grants	881	2 217
Upgrade of Disability SA Housing	296	-
Community Housing Organisation Maintenance Liability	157	225
Emergency Management Grants	98	27
Indigenous Community Housing Program	96	972
Subsidies to Community Housing Organisations	58	287
Other Recurrent Grants	1	45
Housing Affordability Fund	-	4 403
National Partnership Agreement: Social Housing	-	1 300
<b>Total Grants and Subsidies</b>	<b>106 915</b>	<b>84 062</b>

### Note 12 Finance Costs

	2014	2013
	\$'000	\$'000
Interest on borrowings	4 916	21 424
Treasurer's Guarantee Fee	1 743	7 141
<b>Total Finance Costs</b>	<b>6 659</b>	<b>28 565</b>

### Note 13 Impairment Expenses

	2014	2013
	\$'000	\$'000
Asset Write-offs <sup>(2)</sup>	5 965	13 973
Doubtful Debts Expense	10 606	12 111
<b>Total Impairment Expenses</b>	<b>16 571</b>	<b>26 084</b>

<sup>(2)</sup> Expensing of book value of assets demolished.



## South Australian Housing Trust

### Note 14 Net Gain/Loss from Disposal of Assets

	2014	2013
	\$'000	\$'000
Rental Properties		
Proceeds from disposal	127 843	97 347
Less net book value of assets disposed <sup>(3)</sup>	( 132 894)	( 105 415)
Net Loss from disposal of rental properties	( 5 051)	( 8 068)
Inventory - Capital Work in Progress		
Proceeds from disposal	59 996	75 242
Less net book value of assets disposed <sup>(3)</sup>	( 49 290)	( 70 932)
Net Gain/Loss from disposal of completed assets	10 706	4 310
Inventory - Vacant Land		
Proceeds from disposal	7 190	9 930
Less net book value of assets disposed <sup>(3)</sup>	( 6 909)	( 10 145)
Net Gain/Loss from disposal of vacant land	281	( 215)
Plant and Equipment		
Proceeds from disposal	-	-
Less net book value of assets disposed	( 15)	-
Net Gain/Loss from disposal of plant and equipment	( 15)	-
Total Assets		
Total proceeds from disposal	195 029	182 519
Less net book value of assets disposed <sup>(3)</sup>	( 189 108)	( 186 492)
Total Net Gain/Loss from Disposal of Assets	5 921	( 3 973)

<sup>(3)</sup>The net book value of assets disposed comprises the carrying amount of the properties, plus the costs of marketing and agent fees and the cost of separating services and titles in respect of double units sold. In establishing the property value, the Valuer includes the impact of capital improvements effected by the tenants. Tenants purchasing properties are allowed discounts consistent with their personal investment in the property.

### Note 15 Rental Income

	2014	2013
	\$'000	\$'000
Rent received/receivable from entities external to the SA Government		
Market Rent Income	493 351	483 854
less Rental Rebates	( 221 123)	( 219 860)
Other Rent	11 770	9 375
Total Rental Income	283 998	273 369

### Note 16 Interest Revenue

	2014	2013
	\$'000	\$'000
Interest from entities within the SA Government	9 781	10 661
Interest from entities external to the SA Government	32	51
Total Interest Revenue	9 813	10 712

## South Australian Housing Trust

### Note 17 Recoveries

	2014	2013
	\$'000	\$'000
TVSP Recoveries	9 542	135
Maintenance	5 484	5 385
Private Rental Assistance	7 683	7 330
Water charges	12 911	13 864
General Service Recoveries	885	538
Grant Recoveries	-	2 989
Insurance	3 082	593
Other	205	253
<b>Total Recoveries</b>	<b>39 792</b>	<b>31 087</b>

### Note 18 Recurrent Commonwealth Revenues

	2014	2013
	\$'000	\$'000
National Affordable Housing Agreement Base Funding	94 400	95 100
National Partnership Agreement: Homelessness	8 620	8 177
National Partnership Agreement: Remote Indigenous Housing	-	4 643
Sturt Street Accommodation Program	507	499
<b>Total Recurrent Commonwealth Revenues</b>	<b>103 527</b>	<b>108 419</b>

### Note 19 Capital Commonwealth Revenues

	2014	2013
	\$'000	\$'000
National Partnership Agreement: Remote Indigenous Housing	-	105
National Partnership Agreement: Homelessness	6 750	3 792
Funding Contribution to Common Ground Mellor Street	550	-
<b>Total Capital Commonwealth Revenues</b>	<b>7 300</b>	<b>3 897</b>

### Note 20 Other Revenue

	2014	2013
	\$'000	\$'000
Bad Debts Recovered	4 638	3 960
Assets Received Free of Charge	380	2 945
Forgiveness of Interest Bearing Liability	-	320 000
Interest Discount due to early repayment of loans	292	642
Shared Value Mortgages	78	-
Sundry Revenue	258	166
<b>Total Other Revenue</b>	<b>5 646</b>	<b>327 713</b>

### Note 21 Recurrent Revenues from SA Government

	2014	2013
	\$'000	\$'000
Tax Equivalent Reimbursement	98 652	180 785
General Purpose Grant	18 530	25 693
National Partnership Agreement: Homelessness	8 620	6 550
National Rental Affordability Scheme	2 196	2 089
Violence Intervention Program	533	526
Enterprise Bargaining Supplementation Funding	1 262	1 492
Equal Remuneration Order Supplementation Funding	1 241	633
Common Ground Funding	617	-
Other State Grants	591	606
<b>Total Recurrent Revenues from SA Government</b>	<b>132 242</b>	<b>218 374</b>

## South Australian Housing Trust

### Note 22 Capital Revenues from SA Government

	2014	2013
	\$'000	\$'000
Other State Grants	-	490
<b>Total Capital Revenues from SA Government</b>	<b>-</b>	<b>490</b>

### Note 23 Cash and Cash Equivalents

	2014	2013
	\$'000	\$'000
Cash held at SAFA Cash Management Facility	177 419	234 754
Deposits with the Treasurer	70 322	59 475
Cash – Development Projects	1 560	1 525
Cash on hand	37	37
<b>Total Cash and Cash Equivalents</b>	<b>249 338</b>	<b>295 791</b>

#### Deposits with the Treasurer

Relates to working cash held in the Commonwealth Bank Working account through the SA Department of Treasury and Finance.

#### Cash - Development Projects

Relates to the ANZ accounts held for the Playford development projects.

### Note 24 Receivables

	2014	2013
	\$'000	\$'000
Receivables	37 596	27 020
Less allowance for doubtful debts	( 19 944)	( 18 958)
Accrued revenues	19 147	12 621
GST receivable from Department for Communities and Social Inclusion	686	240
Prepayments	92	183
<b>Total Current Receivables</b>	<b>37 577</b>	<b>21 106</b>
<b>Total Receivables</b>	<b>37 577</b>	<b>21 106</b>

#### Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Rent is payable in advance and charged weekly. All other receivables are subject to a term of 30 days.

Other than what is recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being received on demand. The credit risk is concentrated in the rental area due to the nature of the business of the Trust.

Prepayments, accrued revenues and the majority of receivables are non-interest bearing.

#### Allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence that a receivable is impaired. An allowance for impairment has been recognised in impairment expenses in the Statement of Comprehensive Income for specific debtors and debtors assessed on a collective basis for which such evidence exists.

Movements in the allowance for doubtful debts (impairment loss)	2014	2013
	\$'000	\$'000
Carrying amount at the beginning of the period	18 958	16 156
Increase in the provision	10 606	12 111
Amounts written off	(9 620)	(9 309)
<b>Carrying amount at the end of the period</b>	<b>19 944</b>	<b>18 958</b>

#### Bad and doubtful debts

The Trust has recognised a doubtful debts expense of \$10.606m (\$12.111m) in the Statement of Comprehensive Income.

Provision for doubtful debts policy – refer to Note 2.11

Maturity analysis of receivables – refer to table 39.3 in Note 39

Categorisation of financial instruments and risk exposure information – refer to Note 39

## South Australian Housing Trust

### Note 25 Inventories

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Capital Work in progress	68 473	76 787
Developed properties	2 915	14 162
Vacant land	10 990	13 826
<b>Total Current Inventories</b>	<b>82 378</b>	<b>104 775</b>
<b>Non-Current</b>		
Capital Work in progress	888	1 427
<b>Total Non-Current Inventories</b>	<b>888</b>	<b>1 427</b>
<b>Total Inventories</b>	<b>83 266</b>	<b>106 202</b>

### Note 26 Non-Current Assets Classified as Held for Sale

	2014	2013
	\$'000	\$'000
Land	14 116	16 751
Buildings	9 841	11 509
<b>Total Non-Current Assets Classified as Held for Sale</b>	<b>23 957</b>	<b>28 260</b>

### Note 27 Property, Plant and Equipment

	2014	2013
	\$'000	\$'000
<b>Rental Properties</b>		
<i>Land</i>		
Land at fair value	4 775 948	4 814 847
<i>Buildings</i>		
Buildings at fair value	3 392 429	3 515 379
Accumulated depreciation	( 45 411)	( 47 098)
<b>Total Buildings</b>	<b>3 347 018</b>	<b>3 468 281</b>
<b>Total Rental Properties</b>	<b>8 122 966</b>	<b>8 283 128</b>
<b>Administrative Properties</b>		
<i>Land</i>		
Freehold Land	2 031	1 993
<i>Buildings</i>		
Buildings	3 514	4 617
Accumulated depreciation	( 131)	( 142)
<b>Total Buildings</b>	<b>3 383</b>	<b>4 475</b>
<i>Leasehold Improvements</i>		
Leasehold Improvements at cost (deemed fair value)	7 411	6 758
Accumulated depreciation	( 6 619)	( 6 208)
<b>Total Leasehold Improvements</b>	<b>792</b>	<b>550</b>
<b>Total Administrative Properties</b>	<b>6 206</b>	<b>7 018</b>
<b>Commercial Properties</b>		
<i>Land</i>		
Commercial Properties	306	588
<i>Buildings</i>		
Buildings	1 165	1 433
Accumulated depreciation	( 55)	( 22)
<b>Total Commercial Properties - Buildings</b>	<b>1 110</b>	<b>1 411</b>
<b>Total Commercial Properties</b>	<b>1 416</b>	<b>1 999</b>

## South Australian Housing Trust

### Assets Under Arrangement

#### Land

Assets Under Arrangement	650 304	641 619
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#### Buildings

Assets Under Arrangement	555 659	559 507
Accumulated depreciation	( 7 477)	( 7 309)
<b>Total Assets Under Arrangement - Buildings</b>	<b>548 182</b>	<b>552 198</b>
<b>Total Assets Under Arrangement</b>	<b>1 198 486</b>	<b>1 193 817</b>

### Vacant Land

#### Land

Freehold Land	53 566	82 573
<b>Total Vacant Land</b>	<b>53 566</b>	<b>82 573</b>

### APY Leased Properties\*

APY Buildings	126 411	99 587
Accumulated amortisation	( 4 585)	( 2 154)
<b>Total APY Leased Properties</b>	<b>121 826</b>	<b>97 433</b>

### Plant and Equipment

Plant and Equipment at cost (deemed fair value)	7 321	6 851
Accumulated depreciation	( 2 199)	( 1 788)
<b>Total Plant and Equipment</b>	<b>5 122</b>	<b>5 063</b>

### Capital Works in Progress

Buildings & Land	150 814	128 312
<b>Total Capital Works in Progress</b>	<b>150 814</b>	<b>128 312</b>
<b>Total Property, Plant and Equipment</b>	<b>9 660 402</b>	<b>9 799 343</b>

Total property, plant and equipment at fair value	9 561 333	9 722 143
Total property, plant and equipment at cost	165 546	141 921
Total accumulated depreciation	( 66 477)	( 64 721)
<b>Total Property, Plant and Equipment</b>	<b>9 660 402</b>	<b>9 799 343</b>

Refer to Note 41 for reconciliation of Property, Plant and Equipment.

\* Anangu Pitjantjatjara Yankunytjatjara

## South Australian Housing Trust

### Note 28 Intangible Assets

	2014	2013
<b>Computer Software</b>	<b>\$'000</b>	<b>\$'000</b>
Internally Generated Computer software	12 532	11 043
Accumulated amortisation	( 9 208)	( 7 577)
<b>Total Computer Software</b>	<b>3 324</b>	<b>3 466</b>
Work in progress Computer System Development	3 735	3 800
<b>Total Work in progress Computer Systems Development</b>	<b>3 735</b>	<b>3 800</b>
<b>Total Intangible Assets</b>	<b>7 059</b>	<b>7 266</b>

	Internally Generated Software		Work in Progress Computer System Development		Total	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance	3 466	4 344	3 800	2 623	7 266	6 967
Additions	1 674	1 178	1 609	2 355	3 283	3 533
Transfers to Internally Generated Software	-	-	( 1 674)	( 1 178)	( 1 674)	( 1 178)
Amortisation	( 1 816)	( 2 056)	-	-	( 1 816)	( 2 056)
Closing Balance	3 324	3 466	3 735	3 800	7 059	7 266

### Note 29 Payables

	2014	2013
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
Creditors	52 139	28 233
Accrued expenses	20 322	10 372
Staff oncosts	1 223	1 156
<b>Total Current Payables</b>	<b>73 684</b>	<b>39 761</b>
<b>Non-Current</b>		
Staff oncosts	1 160	1 270
<b>Total Non-Current Payables</b>	<b>1 160</b>	<b>1 270</b>
<b>Total Payables</b>	<b>74 844</b>	<b>41 031</b>

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the percentage of the proportion of long service leave taken as leave has remained at the 2013 rate of 40% and the average factor for the calculation of employer superannuation cost on-cost has increased from the 2013 rate of 10.2% to 10.3%.

These rates are used in the employment oncost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost and employee benefit expense of \$0.013m. The estimated impact on 2015 and 2016 is considered to be immaterial.

#### Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

**Maturity analysis of payables** - refer to table 39.3 in Note 39.

**Categorisation of financial instruments and risk exposure information** - refer to Note 39



## South Australian Housing Trust

### Note 30 Staff Entitlements

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Annual leave	5 298	5 328
Long service leave	3 031	2 861
Retention leave	427	417
Accrued Salaries and Wages	271	-
<b>Total Current Staff Entitlements</b>	<b>9 027</b>	<b>8 606</b>
<b>Non-Current</b>		
Long service leave	12 512	13 762
<b>Total Non-Current Staff Entitlements</b>	<b>12 512</b>	<b>13 762</b>
<b>Total Staff Entitlements</b>	<b>21 539</b>	<b>22 368</b>

AASB119 *Employee Benefits* contains the calculation methodology for long service liability. The actuarial assessment performed by the Department of Treasury and Finance has provided a set level of liability for the measurement of long service leave liability.

AASB119 requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service liability. The yield on long term Commonwealth Government bonds has decreased from 2013 (3.75%) to 2014 (3.50%).

This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability. However the actual reported long service leave liability decreased due to the 79 TVSP's taken during the year.

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of \$0.310m and employee benefits expense of \$0.345m. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4%. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

### Note 31 Interest Bearing Liabilities

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Borrowings - Treasurer <sup>(4)</sup>	-	2 045
Managed houses scheme	243	243
<b>Total Current Interest Bearing Liabilities</b>	<b>243</b>	<b>2 288</b>
<b>Non-Current</b>		
Borrowings - Treasurer <sup>(4)</sup>	-	107 949
Managed houses scheme	1 761	2 004
<b>Total Non-Current Interest Bearing Liabilities</b>	<b>1 761</b>	<b>109 953</b>
<b>Total Interest Bearing Liabilities</b>	<b>2 004</b>	<b>112 241</b>

<sup>(4)</sup> The Commonwealth Government agreed to provide relief of \$320m of South Australian housing debt effective from 30 June 2013. Of the total \$365m benefit in reduced payments, interest and guarantee fees, \$315m is returned to the State Government over the next four years by reduced grant payments to SAHT and \$50m is to be reinvested in a range of new housing projects. The Trust elected to pay the remainder of borrowings off during the 2013-14 year.

## South Australian Housing Trust

### Note 32 Provisions

	2014	2013
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
Public risk & Professional Indemnity	830	940
Workers compensation	1 173	1 161
Other Warranties	2	24
<b>Total Current Provisions</b>	<b>2 005</b>	<b>2 125</b>
<b>Non-Current</b>		
Workers compensation	3 425	3 421
Other Warranties	20	23
<b>Total Non-Current Provisions</b>	<b>3 445</b>	<b>3 444</b>
<b>Total Provisions</b>	<b>5 450</b>	<b>5 569</b>

An asset of \$0.072m (\$0.027m) for workers compensation recoveries has been recognised for 2013-14. Refer Note 24.

2013-14	Public risk & Professional Indemnity	Workers Compensation	Other Warranties	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at beginning of financial year	940	4 582	47	5 569
Additional provisions recognised	190	1 254	-	1 444
Reduction in provisions	( 242)	-	( 25)	( 267)
Payments made	( 58)	( 1 238)	-	( 1 296)
Carrying amount at end of financial year	830	4 598	22	5 450

### Note 33 Other Liabilities

	2014	2013
<b>Current</b>	<b>\$'000</b>	<b>\$'000</b>
Rent received in advance	7 805	8 285
Deposits Held:		
Tenant deposits held	2 496	2 458
Sale deposits held	57	17
Unearned revenue	188	442
<b>Total Current Other Liabilities</b>	<b>10 546</b>	<b>11 202</b>
<b>Non-Current</b>		
Unearned revenue	1 362	1 550
<b>Total Non-Current Other Liabilities</b>	<b>1 362</b>	<b>1 550</b>
<b>Total Other Liabilities</b>	<b>11 908</b>	<b>12 752</b>

### Note 34 Unrecognised Contractual Commitments

	2014	2013
<b>Remuneration Commitments</b>	<b>\$'000</b>	<b>\$'000</b>
Commitments for payment of salaries and other remuneration under fixed-term employment contracts in existence at reporting date but not recognised as liabilities in the financial statements, are payable as follows:		
Not later than one year	10 015	7 204
Later than one year but not later than five years	7 463	4 592
Later than five years	-	-
<b>Total Remuneration Commitments</b>	<b>17 478</b>	<b>11 796</b>

Amounts disclosed include commitments arising from executive and other service contracts. The Trust does not offer fixed-term contracts greater than 5 years.

## South Australian Housing Trust

### Capital Commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements, are payable as follows:

Not later than one year	39 691	13 447
Later than one year but not later than five years	4 022	6 226
Later than five years	-	-
<b>Total Capital Commitments</b>	<b>43 713</b>	<b>19 673</b>

### Recurrent Commitments

The Trust's recurrent commitments are for agreements for expenditure on operations, maintenance and grant funded programs contracted but not provided for and payable, are as follows:

Not later than one year	72 068	62 988
Later than one year but not later than five years	825	1 203
Later than five years	-	-
<b>Total Recurrent Commitments</b>	<b>72 893</b>	<b>64 191</b>

### Management Agreement Commitments

The Trust's management agreement commitments are to manage houses subject to lease arrangements with Funds SA (formerly Colonial First State and Motor Accident Commission) which are contracted but not provided for are payable as follows:

Not later than one year	321	315
Later than one year but not later than five years	5 472	5 355
Later than five years	6 039	7 482
<b>Total Management Agreement Commitments</b>	<b>11 832</b>	<b>13 152</b>

### Operating Lease Commitments

The Trust's operating leases are for office accommodation. The leases are non-cancellable with terms ranging up to 10 years with some leases having the right of renewal.

Commitments under non-cancellable operating leases at the reporting date that are not recognised as liabilities in the financial statements, are payable as follows:

Not later than one year	4 036	4 630
Later than one year but not later than five years	6 050	5 429
Later than five years	102	513
<b>Total Operating Lease Commitments</b>	<b>10 188</b>	<b>10 572</b>

## Note 35 Contingent Assets and Liabilities

### Contingent Assets

#### *Shared Value Affordable Home Initiative*

The Shared Value Affordable Home Initiative, funded by the Commonwealth Government in conjunction with Local Government, allows eligible buyers the opportunity to purchase a property at a price less than market value. Each purchase is subject to a shared appreciation arrangement and a mortgage is affixed to the property. Under this arrangement when the property is sold or the mortgage discharged, the amount of the original discount, plus a share in any appreciation or depreciation in value, must be paid to the Trust for reinvestment in Affordable Housing outcomes. There are currently 16 properties under this scheme with a total discount provided of \$1.088m. The current share of depreciation of these properties is approximately \$0.227m.

### Contingent Liabilities

#### *Progressive Purchase Scheme*

Under this scheme the Trust owns portions of properties as tenant in common with other persons. Where the Trust has signed agreements with lending institutions advancing persons mortgage monies, the Trust can be called upon in cases of default to purchase the defaulter's interest at current market value. The 22 (24) properties included in the scheme are subject to mortgages with a collective loan balance of \$0.384m (\$0.438m). The Tenant's share of the value of the properties subject to mortgage is estimated to be \$2.642m (\$2.890m), based on the Valuer-General's overall capital value.

#### *Rental Purchase and Sale Under Agreement House Purchase Schemes*

The rental purchase and sale under agreement portfolio was transferred to HomeStart Finance on 10 December 1993 and due to conditions in some of the agreements, the Trust remains responsible to make good for loss or damage to the subject properties for specific events. There are 13 (17) properties currently under this scheme. The Trust remains the

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legal owner of these properties until they are transferred to the purchasers upon completion of this agreement. The properties included in the scheme that are subject to indemnity clauses have a collective estimated replacement value of \$2.562m (\$3.621m). These properties together with the Trust's rental properties are subject to an agency agreement with South Australian Government Financing Authority, SAICORP Division (SAICORP) and in the event of a claim will be indemnified by the Treasurer so as to limit the exposure of the Trust to \$1.0m.

### **Bond Guarantee Scheme**

Under the bond guarantee scheme a guarantee for the bond is given to the landlord. In the event of a claim by a landlord, the Residential Tenancies Branch makes a payment. The Trust then reimburses the Residential Tenancies Branch and the private rental customer becomes liable to the Trust for the amount. The value of bond guarantees issued and outstanding at 30 June 2014 is \$43.984m (\$38.280m). The value of claims made this financial year is \$7.304m (\$7.032m).

The Trust pays interest at an agreed market determined rate to the Residential Tenancies Branch based on the daily outstanding balance of bond guarantees issued.

### **Equity Shares**

The *South Australian Co-operative and Community Housing Act 1991* provides for members of Housing Co-operatives and tenants of Associations to acquire equity in the properties they occupy, by the Co-operative or Association issuing equity shares to members. The equity shares reflect a proportional interest in the value of a specific Co-operative or Association property. The Trust is obliged to repurchase the equity shares from holders who leave relevant Co-operatives or Associations at a value reflecting their proportion of the current value of the property at the time the equity shares are redeemed. The value of these equity shares at 30 June 2014 is \$9.683m (\$9.687m).

## **Note 36 Transferred Functions**

The following assets and liabilities were transferred to Renewal SA

	2014	2013
	\$'000	\$'000
<b>Transferred Out</b>		
Non Current Assets		
Property, Plant and Equipment	4 036	-
<b>Total Non Current Assets</b>	4 036	-
<b>Total Net Assets Transferred Out</b>	4 036	-

### **Transfer of properties to Renewal SA**

On 26 April 2012, pursuant to the provisions of Section 23 of the South Australian Housing Trust Act 1995, a transfer of properties from the Trust to the newly formed Urban Renewal Authority (URA), trading as Renewal SA, was effected by Government Gazettal. These properties consisted of all the non-tenanted properties of the Woodville West and River Street, Marden urban renewal projects.

Subsequently in August 2013, a transfer of 13 properties from the Trust to Urban Renewal Authority (URA), trading as Renewal SA, was effected by Government Gazettal. These properties consisted of remaining non-tenanted properties of the Woodville West urban renewal project. All properties from the Woodville West and River Street, Marden urban renewal project have now been transferred.

## **Note 37 Unexpended Funding Commitments**

### **Unspent Grant Commitments**

The following table shows grant revenue received during the financial year, but which remained unspent at year-end.

	2014	2013
	\$'000	\$'000
<i>Unspent SA Government Revenues</i>		
National Partnership Agreement – Homelessness	-	825
Muggy's Youth Accommodation Redevelopment	-	86
<b>Total Unspent SA Government Commitments</b>	-	911
<i>Unspent Commonwealth Revenues</i>		
National Partnership Agreement: Remote Indigenous Housing	-	4 748
National Partnership Agreement: Homelessness (A Place to Call Home)	-	14
Sturt Street Supported Tenancy Accommodation	70	32
<b>Total Unspent Commonwealth Grant Commitments</b>	70	4 794
<b>Total Unspent Grants</b>	70	5 705

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All grants are subject to written agreements outlining the conditions of the funding, including the objectives, outcomes, performance criteria and reporting obligations. Non-compliance with these conditions may result in the Commonwealth or State recovering parts of the funding in accordance with the Implementation Plans (where applicable) for each agreement. The conditions attached to these grants can be summarised as:

### *National Partnership Agreement: Homelessness*

A matching contribution by the State Government to assist in implementing programs that reduce homelessness in key groups including rough sleepers, people escaping violence, indigenous people, and people exiting social housing, institutional care or adult prisons.

### *Muggy's Youth Accommodation Redevelopment*

Funding contribution towards the redevelopment of an existing youth accommodation facility in Plympton, operated by the Muggy's Accommodation service.

### *National Partnership Agreement: Nation Building - Economic Stimulus Plan*

Funding is contingent on the State agreeing to implement a number of reforms in the social housing sector and making a detailed periodic progress report to the Council of Australian Governments (COAG). The reforms include increasing the supply of social housing dwellings through construction of environmentally sustainable dwellings or major upgrade of existing uninhabitable dwellings, integration of public and community housing waiting lists, implementation of support programs for social housing tenants to transition to affordable private rental or home ownership, facilitating the transition from homelessness to secure accommodation and locating social housing closer to transport, facilities and employment opportunities.

### *National Partnership Agreement: Remote Indigenous Housing*

Funding is granted for the purpose of addressing issues of overcrowding in remote indigenous communities by increasing the supply of new houses, improving the condition of existing houses and ensuring ongoing maintenance and management of rental houses in remote indigenous communities

### *National Partnership Agreement: Homelessness*

The Commonwealth Government provides grants to assist in implementing programs that reduce homelessness in key groups including rough sleepers, people escaping violence, indigenous people, and people exiting social housing, institutional care or adult prisons. This is supported by the state matching component.

### *Sturt Street Supported Tenancy Accommodation*

Funding has been provided by the Commonwealth Government for the purpose of providing intensive support for 6 indigenous women/family groups at any one time for 3-6 months in purpose-built transitional accommodation in Sturt Street Adelaide and other support services. The project will also provide post-transition support to the groups for up to 6-12 months after they exit the accommodation.

Of the revenue reported as unspent at 30 June 2013, \$4.794m remains unspent at 30 June 2014. This total comprises the following: \$0.032m for the National Partnership Agreement - Homelessness (State matching funds), \$4.748m for the National Partnership Agreement: Remote Indigenous Housing and \$0.014m for the National Partnership Agreement: Homelessness (A Place to Call Home). These amounts have been incorporated into approved budgets for future expenditure.

Of the revenue reported as unspent in previous years \$15.700m remains unspent at 30 June 2014. This total comprises, \$0.070m for the Alice Springs Safe House, \$14.338m for the National Partnership Agreement: Nation Building - Economic Stimulus Plan and \$1.292m for the National Partnership Agreement: Remote Indigenous Housing. These amounts have been incorporated into approved budgets for future expenditure.

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### Note 38 Cash Flow Reconciliation

	2014	2013
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Statement of Cash Flows	249 338	295 791
Statement of Financial Position	249 338	295 791
<b>Reconciliation of Net Cash Inflows from Operating Activities to Net (Revenue from)/Cost of Providing Services:</b>		
Net Cash provided by/(used in) Operating Activities	28 108	71 525
Less Revenues from SA Government	( 132 242)	( 210 272)
	( 104 134)	( 138 747)
<b>Add/Less non cash items</b>		
Forgiveness of Liability	-	320 000
Depreciation and Amortisation	( 85 760)	( 88 377)
Loan Amortisation	243	243
Assets received free of charge	380	2 945
Allowance for Doubtful Debts	( 986)	( 2 802)
Interest Discount due to early repayment of loans	292	642
Provision adjustment	( 1 177)	724
Net gain (loss) from disposal of assets	5 921	( 3 973)
Construction Variance, surplus on property	( 1 800)	( 2 643)
Loss on Revaluation of Non-current Assets	( 790)	-
Buildings and Other Assets Written Off	( 5 965)	( 13 973)
	( 89 642)	212 786
<b>Changes in Assets / Liabilities</b>		
(Decrease) Increase in Receivables	17 457	( 4 300)
(Decrease) Increase in Property, Plant and Equipment	( 57 283)	( 60 177)
Decrease (Increase) in Payables	( 33 813)	4 052
(Increase) Decrease in Staff Entitlements	829	( 805)
(Increase) Decrease in Provisions	1 296	( 406)
Decrease (Increase) in Other Liabilities	844	1 238
	( 70 670)	( 60 398)
<b>Net Revenue from/(Cost of) Providing Services</b>	( 264 446)	13 641



## South Australian Housing Trust

### Note 39 Financial instruments/Financial Risk Management

#### Table 39.1 Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 *Summary of Significant Accounting Policies*.

Category of financial assets	Note	Statement of Financial Position line item	Carrying Amount 2014 \$'000	Fair Value 2014 \$'000	Carrying Amount 2013 \$'000	Fair Value 2013 \$'000
Financial Assets						
Cash and cash equivalents	23	Cash and cash equivalents	249 338	249 338	295 791	295 791
Loans and Receivables	24	Receivables (at cost)	36 799	36 799	20 683	20 683
Financial Liabilities						
Payables	29	Payables (at cost)	70 991	70 991	37 744	37 744
Borrowings	31	Interest Bearing Liabilities (at cost)	2 004	2 004	112 241	105 687

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables

#### Credit risk

Credit risk arises when there is the possibility of the Trust's debtors defaulting on their contractual obligations resulting in financial loss to the Trust. The Trust measures credit risk on a fair value basis and monitors risk on a regular basis.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Currently the Trust does not hold any collateral as security to any of its financial assets.

#### Table 39.2 Ageing analysis of financial assets

The following table discloses the ageing of financial assets, past due, including impaired assets past due.

	2014	Overdue for < 30 days \$'000	Overdue for 30 - 90 days \$'000	Overdue for > 90 days \$'000	Total \$'000
Not Impaired Receivables		651	121	4 779	5 551
Impaired Receivables		1 674	311	12 288	14 273
2013					
Not Impaired Receivables		588	163	4 630	5 381
Impaired Receivables		1 513	418	11 906	13 837

Receivable amounts disclosed here exclude amounts relating to statutory receivables.

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**Table 39.3: Maturity analysis of financial assets and liabilities**

The following table discloses the maturity analysis of financial assets and financial liabilities.

2014	Carrying Amount \$'000	<1 year \$'000	1-5 years \$'000	> 5 years \$'000
<b>Financial Assets</b>				
Cash & cash equivalents	249 338	249 338	-	-
Receivables <sup>(5)</sup>	36 799	36 799	-	-
<b>Total financial assets</b>	<b>286 137</b>	<b>286 137</b>		
<b>Financial Liabilities</b>				
Payables	70 991	70 991	-	-
Interest bearing liabilities	2 004	243	972	789
<b>Total financial liabilities</b>	<b>72 995</b>	<b>71 234</b>	<b>972</b>	<b>789</b>

2013	Carrying Amount \$'000	<1 year \$'000	1-5 years \$'000	> 5 years \$'000
<b>Financial Assets</b>				
Cash & cash equivalents	295 791	295 791	-	-
Receivables <sup>(5)</sup>	20 683	20 683	-	-
<b>Total financial assets</b>	<b>316 474</b>	<b>316 474</b>		
<b>Financial Liabilities</b>				
Payables	37 744	37 744	-	-
Interest bearing liabilities	112 241	2 288	10 130	99 823
<b>Total financial liabilities</b>	<b>149 985</b>	<b>40 032</b>	<b>10 130</b>	<b>99 823</b>

(5) The total value of receivables, net of the provision for doubtful debts is \$17.652m. Of this amount \$10.764m is SA Government debtors which are considered current. The remaining \$6.888m of non-SA Government debtors is a figure derived based on the application of an actuarial assessment of provisions which makes no judgement regarding age. Therefore any attempt to age this figure is problematical.

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables

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### Note 40 Fair Value Measurement

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Trust categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 30 June 2014.

The Trust had no valuations categorised into level 1.

	2014 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Fair Value Measurements at 30 June 2014</b>			
<b>Recurring fair value measurement</b>			
Land (note 27)	5 428 589	5 428 589	-
Buildings (note 27)	3 899 693	3 899 693	-
Vacant Land (note 27)	53 566	53 566	-
Leasehold Improvements (note 27)	792	-	792
Plant and Equipment (note 27)	5 122	-	5 122
APY Leased Properties* (note 27)	121 826	-	121 826
Capital Works in Progress (note 27)	150 814	150 814	-
<b>Total recurring fair value measurements</b>	<b>9 660 402</b>	<b>9 532 662</b>	<b>127 740</b>
<b>Non-recurring fair value measurement</b>			
Land held for sale (note 26) <sup>(6)</sup>	14 116	14 116	-
Buildings held for sale (note 26) <sup>(6)</sup>	9 841	9 841	-
<b>Total non-recurring fair value measurements</b>	<b>23 957</b>	<b>23 957</b>	<b>-</b>
<b>TOTAL</b>	<b>9 684 359</b>	<b>9 556 619</b>	<b>127 740</b>

	2013 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Fair Value Measurements at 30 June 2013</b>			
<b>Recurring fair value measurement</b>			
Land (note 27)	5 459 047	5 459 047	-
Buildings (note 27)	4 026 365	4 026 365	-
Vacant Land (note 27)	82 573	82 573	-
Leasehold Improvements (note 27)	550	-	550
Plant and Equipment (note 27)	5 063	-	5 063
APY Leased Properties* (note 27)	97 433	-	97 433
Capital Works in Progress (note 27)	128 312	128 312	-
<b>Total recurring fair value measurements</b>	<b>9 799 343</b>	<b>9 696 297</b>	<b>103 046</b>
<b>Non-recurring fair value measurement</b>			
Land held for sale (note 26) <sup>(6)</sup>	16 751	16 751	-
Buildings held for sale (note 26) <sup>(6)</sup>	11 509	11 509	-
<b>Total non-recurring fair value measurements</b>	<b>28 260</b>	<b>28 260</b>	<b>-</b>
<b>TOTAL</b>	<b>9 827 603</b>	<b>9 724 557</b>	<b>103 046</b>

\* Anangu Pitjantjatjara Yankunytjatjara

(6) Land and Buildings held for sale were revalued to the fair value less costs to sell when this was less than the carrying amount.

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2014. The Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

#### Valuation techniques and inputs

Valuation techniques used to derive level 2 and 3 fair values are at note 2. There were no changes in valuation techniques during 2014.

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### Quantitative information about fair value measurement using significant unobservable inputs (level 3)

The key unobservable inputs in the valuations categorised into level 3 is the estimated useful life of the asset. Refer to Note 2 for the estimated life of Plant and Equipment and Leasehold Improvements.

### Reconciliation of fair value measurements – Level 3

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

	Plant & Equipment \$'000	Leasehold Improvements \$'000	APY Leased Properties \$'000
Opening balance at the beginning of the period	5 063	550	97 433
Acquisitions	64	739	-
Transfer into level 3 <sup>(7)</sup>	682	-	28 612
Transfer out of level 3 <sup>(7)</sup>	-	( 12)	( 1 712)
Disposals	( 15)	( 74)	-
Total gains (losses) for the period recognised in net result:			
Depreciation and Amortisation expenses	( 672)	( 411)	( 2 507)
<b>Closing balance at the end of the period</b>	<b>5 122</b>	<b>792</b>	<b>121 826</b>

(7) Transfers into and out of level 3 relate to transfers from and to other asset classes disclosed in different fair value hierarchy levels.

## Note 41 Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2013-14:

	Rental Properties – Land		Rental Properties – Buildings		Admin Properties – Land	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July	4 814 847	5 050 829	3 468 281	3 698 592	1 993	2 180
Additions	22	1 188	358	76	-	-
Transfer In from other asset category	25 740	36 106	39 553	64 585	230	11
Maintenance Upgrades	-	-	15 177	17 410	-	-
Assets Classified as Held for Sale	2 195	( 2 888)	1 668	( 3 227)	-	-
Disposals	( 80 970)	( 64 029)	( 44 554)	( 38 633)	-	-
Transfer out to other asset category	( 31 772)	( 39 740)	( 12 705)	( 21 404)	( 230)	( 28)
Assets transferred due to Admin restructure	-	-	-	-	-	-
Revaluation Increment (Decrement) <sup>(6)</sup>	45 886	( 166 619)	( 52 424)	( 177 646)	38	( 170)
Depreciation and Amortisation expenses	-	-	( 68 890)	( 72 103)	-	-
Depreciation and Amortisation on disposals	-	-	554	631	-	-
<b>Carrying Amount as at 30 June</b>	<b>4 775 948</b>	<b>4 814 847</b>	<b>3 347 018</b>	<b>3 468 281</b>	<b>2 031</b>	<b>1 993</b>

	Admin Properties – Buildings		Admin Properties – Leasehold Improvements		Commercial Property - Land	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July	4 475	3 657	550	2 491	588	-
Additions	-	-	739	166	-	-
Transfer In from other asset category	63	1 060	-	-	178	588
Maintenance Upgrades	-	-	-	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	-	-	( 74)	( 1 771)	-	-
Transfer out to other asset category	( 65)	( 79)	( 12)	-	( 177)	-
Assets transferred due to Admin restructure	-	-	-	-	-	-
Revaluation Increment (Decrement) <sup>(6)</sup>	( 886)	24	-	-	( 283)	-
Depreciation and Amortisation expenses	( 207)	( 187)	( 411)	( 755)	-	-
Depreciation and Amortisation on disposals	3	-	-	419	-	-
<b>Carrying Amount as at 30 June</b>	<b>3 383</b>	<b>4 475</b>	<b>792</b>	<b>550</b>	<b>306</b>	<b>588</b>

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	Commercial Property - Buildings		Assets Under Arrangement - Land		Assets Under Arrangement - Buildings	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July</b>	<b>1 411</b>	<b>-</b>	<b>641 619</b>	<b>667 039</b>	<b>552 198</b>	<b>575 014</b>
Additions	-	-	-	-	-	-
Transfer In from other asset category	134	1 433	5 576	8 720	10 951	22 812
Maintenance Upgrades	-	-	-	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	-	-	( 304)	( 558)	( 261)	( 385)
Transfer out to other asset category	( 164)	-	( 3 328)	( 7 105)	( 1 516)	( 3 774)
Assets transferred due to Admin restructure	-	-	-	-	-	-
Revaluation Increment (Decrement) <sup>(8)</sup>	( 216)	-	6 741	( 26 477)	( 2 015)	( 30 269)
Depreciation and Amortisation expenses	( 62)	( 22)	-	-	( 11 195)	( 11 239)
Depreciation and Amortisation on disposals	7	-	-	-	20	39
<b>Carrying Amount as at 30 June</b>	<b>1 110</b>	<b>1 411</b>	<b>650 304</b>	<b>641 619</b>	<b>548 182</b>	<b>552 198</b>

	Vacant Land – Land		APY Leased Properties*		Plant and Equipment	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July</b>	<b>82 573</b>	<b>81 978</b>	<b>97 433</b>	<b>42 939</b>	<b>5 063</b>	<b>1 364</b>
Additions	-	-	-	-	64	94
Transfer In from other asset category	27 671	27 111	28 612	57 165	682	4 023
Maintenance Upgrades	-	-	-	-	-	-
Assets Classified as Held for Sale	-	-	-	-	-	-
Disposals	( 343)	( 732)	-	-	( 276)	( 270)
Transfer out to other asset category	( 43 718)	( 23 463)	( 1 788)	( 1 101)	-	-
Assets transferred due to Admin restructure	-	-	-	-	-	-
Revaluation Increment (Decrement) <sup>(8)</sup>	( 12 617)	( 2 321)	-	-	-	-
Depreciation and Amortisation expenses	-	-	( 2 507)	( 1 597)	( 672)	( 418)
Depreciation and Amortisation on disposals	-	-	76	27	261	270
<b>Carrying Amount as at 30 June</b>	<b>53 566</b>	<b>82 573</b>	<b>121 826</b>	<b>97 433</b>	<b>5 122</b>	<b>5 063</b>

	Capital Work in Progress		Total Property, Plant and Equipment	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July</b>	<b>128 312</b>	<b>233 807</b>	<b>9 799 343</b>	<b>10 359 890</b>
Additions	110 592	97 554	111 775	99 078
Transfer In from other asset category	59 382	54 693	198 772	278 307
Maintenance Upgrades	-	-	15 177	17 410
Assets Classified as Held for Sale	-	-	3 863	( 6 115)
Disposals	-	-	( 126 782)	( 106 378)
Transfer out to other asset category	( 143 436)	( 257 742)	( 238 911)	( 354 436)
Assets transferred due to Admin restructure	( 4 036)	-	( 4 036)	-
Revaluation Increment (Decrement) <sup>(8)</sup>	-	-	( 15 776)	( 403 478)
Depreciation and Amortisation expenses	-	-	( 83 944)	( 86 321)
Depreciation and Amortisation on disposals	-	-	921	1 386
<b>Carrying Amount as at 30 June</b>	<b>150 814</b>	<b>128 312</b>	<b>9 660 402</b>	<b>9 799 343</b>

\* Anangu Pitjantjatjara Yankunytjatjara

(8) \$14.986 million applied as a reduction in revaluation surplus and \$0.790 million recognised as a loss on revaluation as the previous revaluation surplus for commercial buildings was exhausted.

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### Note 42 Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at 30 June 2014, classified according to their nature.

Note		SA Government		Non-SA Government		Total	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	<b>EXPENSES</b>						
6	Staffing Costs	4 119	3 478	80 836	66 353	84 955	69 831
7	Supplies and Services						
	Accommodation Expenses	1 969	1 653	2 079	2 352	4 048	4 005
	Administration Expenses	397	430	1 999	2 621	2 396	3 051
	Agent Fees	-	-	608	620	608	620
	Audit Fees - Auditor-General's Department	463	400	-	-	463	400
	Brokerage	-	-	108	104	108	104
	Charged to Capital Program	-	-	(3 691)	(1 614)	(3 691)	(1 614)
	Communications	442	394	444	457	886	851
	Computer Expenses	-	175	2 815	2 748	2 815	2 923
	Consultants	-	-	394	299	394	299
	Contractors	-	-	3 649	5 288	3 649	5 288
	Debt Management	395	486	257	228	652	714
	Fleet Management	2 365	2 934	3	-	2 368	2 934
	Insurance	-	2 556	4 903	3 448	4 903	6 004
	Operating Lease	5 473	5 659	1 344	1 322	6 817	6 981
	Other Customer Related Expenses	-	-	482	509	482	509
	Printing, Stationery and Postage	-	-	1 594	1 701	1 594	1 701
	Renewal SA Recharges	3 960	3 466	-	-	3 960	3 466
	Staff Development	-	-	346	432	346	432
	Tenant Relocation	-	-	752	605	752	605
	Travel and Accommodation	-	-	931	1 114	931	1 114
8	Business Service Fees	18 675	17 725	-	-	18 675	17 725
9	Rental Property Expenses						
	Construction Variances	-	-	1 800	2 643	1 800	2 643
	Council Rates	-	-	43 993	42 728	43 993	42 728
	Emergency Services Levy	116	174	-	-	116	174
	Land Tax Equivalent	177 603	180 785	-	-	177 603	180 785
	Maintenance	-	-	103 439	115 300	103 439	115 300

# South Australian Housing Trust

Note		SA Government		Non-SA Government		Total	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	Property Expenses	-	-	334	267	334	267
	Stamp Duty & Search Fees	-	137	23	-	23	137
	Valuations	152	151	-	-	152	151
	Water Rates	38 177	40 367	-	-	38 177	40 367
10	Depreciation and Amortisation	85 760	88 377	-	-	85 760	88 377
11	Grants and Subsidies						
	Affordable Housing Grants	736	765	145	1 452	881	2 217
	Community Housing Construction Stimulus	-	-	12 445	-	12 445	-
	Community Housing Organisation Maintenance Liability	-	-	157	225	157	225
	Emergency Accommodation Assistance	-	-	1 872	1 583	1 872	1 583
	Emergency Management Grants	-	-	98	27	98	27
	Housing Affordability Fund	-	4 403	-	-	-	4 403
	Indigenous Community Housing Program	-	-	96	972	96	972
	National Affordable Housing Agreement: Specialist Homelessness Services	1 489	1 579	34 880	34 308	36 369	35 887
	National Partnership Agreement: Homelessness	733	1 215	25 977	14 774	26 710	15 989
	National Partnership Agreement: Remote Indigenous Housing	3 787	592	1 475	657	5 262	1 249
	National Partnership Agreement: Social Housing	-	-	-	1 300	-	1 300
	National Rental Affordability Scheme Subsidies	-	-	4 249	2 396	4 249	2 396
	Other Recurrent Grants	-	-	1	45	1	45
	Private Rental Assistance	8 493	8 137	7 555	6 904	16 048	15 041
	Subsidies to Community Housing Organisations			58	287	58	287
	Subsidies to Other Housing Providers		-	2 373	2 441	2 373	2 441
	Upgrade of Disability SA Housing			296	-	296	-
12	Finance Costs	6 659	28 565	-	-	6 659	28 565
13	Impairment Expenses (Incl doubtful debts)						
	Asset Write-offs	5 965	13 973	-	-	5 965	13 973
	Doubtful Debts Expense			10 606	12 111	10 606	12 111
14	Net Loss from Disposal of Assets	-	-	-	3 973	-	3 973
	Loss on revaluation of non-current assets	790	-	-	-	790	-
	<b>TOTAL EXPENSES</b>	<b>368 718</b>	<b>408 576</b>	<b>351 725</b>	<b>332 980</b>	<b>720 443</b>	<b>741 556</b>
	<b>INCOME</b>						
15	Rental Income	-	-	283 998	273 369	283 998	273 369
16	Interest Revenue	9 781	10 661	32	51	9 813	10 712



# South Australian Housing Trust

Note	SA Government			Non-SA Government			Total	
	2014 \$'000	2013 \$'000		2014 \$'000	2013 \$'000		2014 \$'000	2013 \$'000
17 Recoveries								
General Service Recoveries	276	-		609	538		885	538
Grant Recoveries	-	-		-	2 989		-	2 989
Insurance	3 016	376		66	217		3 082	593
Maintenance	-	-		5 484	5 385		5 484	5 385
Other	150	158		55	95		205	253
Private Rental Assistance	-	-		7 683	7 330		7 683	7 330
TVSP Recoveries	9 542	135		-	-		9 542	135
Water charges	-	-		12 911	13 864		12 911	13 864
18 Recurrent Commonwealth Revenues	-	-		103 527	108 419		103 527	108 419
19 Capital Commonwealth Revenues	-	-		7 300	3 897		7 300	3 897
20 Other Revenue								
Assets Received Free of Charge	-	2 945		380	-		380	2 945
Bad Debts Recovered	-	-		4 638	3 960		4 638	3 960
Forgiveness of Interest Bearing Liability	-	320 000		-	-		-	320 000
Interest Discount due to early repayment of loans	292	642		-	-		292	642
Shared Value Mortgages	-	-		78	-		78	-
Sundry Revenue	120	-		138	166		258	166
21 Recurrent Revenues from SA Government	132 242	218 374		-	-		132 242	218 374
22 Capital Revenues from SA Government	-	490		-	-		-	490
14 Net Gain on Disposal of Assets	-	-		5 921	-		5 921	-
<b>TOTAL INCOME</b>	<b>155 419</b>	<b>553 781</b>		<b>432 820</b>	<b>420 280</b>		<b>588 239</b>	<b>974 061</b>
<b>FINANCIAL ASSETS</b>								
24 Receivables								
Accrued revenues	15 728	10 349		3 419	2 272		19 147	12 621
Receivables	10 764	5 330		6 888	2 732		17 652	8 062
<b>TOTAL FINANCIAL ASSETS</b>	<b>26 492</b>	<b>15 679</b>		<b>10 307</b>	<b>5 004</b>		<b>36 799</b>	<b>20 683</b>
<b>FINANCIAL LIABILITIES</b>								
29 Payables								
Accrued expenses	5 320	4 790		14 477	5 582		19 797	10 372
Creditors	29 317	12 353		21 877	15 019		51 194	27 372
31 Interest Bearing Liabilities								
Borrowings	-	109 994		-	-		-	109 994

## South Australian Housing Trust

Note		SA Government		Non-SA Government		Total	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	Managed House Scheme	2 004	2 247	-	-	2 004	2 247
33	Other Financial Liabilities						
	Deposits Held	-	-	2 553	2 475	2 553	2 475
	<b>TOTAL FINANCIAL LIABILITIES</b>	<b>36 641</b>	<b>129 384</b>	<b>38 907</b>	<b>23 076</b>	<b>75 548</b>	<b>152 460</b>

# Appendix 1

## Board member attendance

### SAHT Board member meeting attendance

Member	Number of meetings		Total no of meetings possible to attend
	Attended	Missed	
Mary Patetsos	10	1	11
Greg Crafter	9	2	11
Mal Hemmerling	10	1	11
Josephine King	10	1	11
Bob Boorman	10	1	11
Craig Holden	5	0	5
Amanda Blair	4	1	5
Claude Long	6	0	6

### SAHT Board Audit and Finance Sub-committee member meeting attendance

Member	Number of meetings		Total no of meetings possible to attend
	Attended	Missed	
Mary Patetsos	5	0	5
Josephine King	5	0	5
Mal Hemmerling	3	2	5

## Appendix 2

### Community housing growth

#### Mainstream community housing programs in South Australia as at 30 June 2014

Number of registered housing co-operatives	34
Number of registered housing associations (includes PGPs) <sup>7</sup>	38
<b>Total number of registered community housing organisations</b>	<b>72</b>
Number of properties managed by housing co-operatives	638
Number of properties managed by housing associations	4464
Leased to SAHT	0
Total tenantable properties	5102
Un-tenantable	17
<b>Total number of community housing properties<sup>8</sup></b>	<b>5119<sup>9</sup></b>

#### Core growth in mainstream programs for registered community housing organisations

Year	Number of registered...			Total number of properties	Annual growth %
	Housing co-operatives	Housing associations	Total		
2003-04	72	47	119	4216	3.87
2004-05	72	49	121	4414	4.70
2005-06	71	48	119	4440	0.59
2006-07	66	48	114	4460	0.45
2007-08	58	45	103	4538	1.75
2008-09	56	43	99	4537	0.00
2009-10	53	42	95	4552	0.33
2010-11	50	42	92	5090	11.82
2011-12	44	42	86	5133	0.7
2012-13	40	39	79	5121	-0.2
<b>2013-14</b>	<b>34</b>	<b>38</b>	<b>72</b>	<b>5119<sup>10</sup></b>	<b>-0.04</b>

<sup>7</sup> the term 'association' includes companies and legal forms other than co-operatives. Common Equity Housing SA is counted as one umbrella association; its member co-operatives are not separately included in the count.

<sup>8</sup> includes debentured, stimulus and supportive accommodation for people with disability and ageing carers/parents properties; excludes Local Government and Community Housing Program and other affordable housing and special purpose programs outlined in Table C.

<sup>9</sup> total number of community housing properties was incorrectly reported as 5521 in the 2012-13 SAHT Annual Report.

<sup>10</sup> Figure excludes additional growth in the affordable housing and special purpose programs outlined below.

In recent years, growth in the community housing sector has predominantly been through joint funding, subsidy and leverage arrangements rather than the 100 per cent grants and capital transfers typical of the programs previously listed. As at 30 June 2014, a total of 1237 additional properties were held by the community housing sector as a result of the following programs.

Program or initiative	Number of dwellings funded as at 30 June 2014
<b>National Rental Affordability Scheme (NRAS)</b> A 10 year Commonwealth Government affordable housing subsidy program, NRAS supplemented capital funding available for not-for-profit organisations from other affordable housing initiatives including the State Government's Affordable Housing Innovations Fund (298 properties), the National Partnership Agreement on Social Housing (59 properties) and SA Health's Mental Health supported accommodation program (55 properties)	1073
<b>Affordable Housing Innovations Fund (AHIF)</b> Established in March 2005, the main focus of AHIF was to provide a source of funds for the development of affordable housing initiatives for individuals and families with low to moderate incomes, in partnership with not-for-profit organisations, local government and the private sector. While AHIF combined funding with NRAS and other programs has delivered 478 houses to date, 143 of these were solely funded from this initiative.	478
<b>'A Place to Call Home'</b> A Commonwealth Government housing initiative, this program provided places for homeless youth, primarily in combination with existing program funding outlined above.	67
<b>National Partnership Agreement on Social Housing</b>	103

Note: a property may have received funding through multiple programs hence the above table will not total 1237.

## Contributions received and receivable from associations and co-operatives

Financial year	Number of debentured dwellings	Total debenture property value (\$'000)	Total annual capital contributions from associations and co-operatives (\$'000)
2003-04	4 142	569 771	7 501
2004-05	4 304	649 902	7 643
2005-06	4 348	702 884	7 018
2006-07	4 404	760 889	5 396
2007-08	4 395	890 987	6 123
2008-09	4 416	902 545	5 787
2009-10	4 426	971 354	6 027
2010-11	4 478	1 100 038	6 190
2011-12	4 480	1 052 858	7 022
2012-13	4 466	1 049 562	7 813
2013-14	4 479	1 055 731	9 591

## Appendix 3

### Contractual arrangements

In 2013-14, there were 43 contracts with a total contract term estimated at a value greater than \$4m.

Organisation	Description of contract	Duration of arrangement	Total Contract Term Estimated Value (\$'000)
Aboriginal Family Support Service Inc	Youth Accommodation Aboriginal Specific Homelessness Service	1/12/2010 to 30/6/2015	4 304
Adelaide Property and Gardens	Horticultural Maintenance Services	1/11/2009 to 30/10/2016	5 407
Anglican Community Care Incorporated	Southern Country Generic Homelessness Service	1/07/2010 to 30/6/2015	9 463
Anglicare SA Incorporated	Northern Generic Homelessness Service	1/07/2010 to 30/6/2015	11 485
Baptist Care (SA) Inc	Inner Southern Youth Homelessness Service	1/07/2010 to 30/6/2015	5 006
Bettio Building Contractors	Multi-Trade Contract (Murray and Fleurieu)	1/10/2013 to 30/9/2021	53 728
Catherine House Inc	Catherine House	1/07/2010 to 30/6/2015	4 035
Catholic Church Endowment Society Inc	Outer Northern Youth Homelessness Service	1/07/2010 to 30/6/2015	5 655
Catholic Church Endowment Society Inc through Centacare Catholic Family Services	Young Family Support Program	1/07/2010 to 30/6/2015	8 217
Central Domestic Violence Service Inc	Eastern Adelaide Domestic Violence Service	1/12/2010 to 30/6/2015	4 307
Central Domestic Violence Service Inc	Western Adelaide Domestic Violence Service	1/12/2010 to 30/6/2015	4 405
Contact 121	Maintenance Call Centre Services	1/8/2013 to 31/1/2016	7 061
Doherty Plumbing Pty Ltd Southern Marion	Multi-Trade Contract	1/10/2013 to 30/9/2021	71 567
Doherty Plumbing Pty Ltd Western Port Adelaide	Multi-Trade Contract	1/10/2013 to 30/9/2021	77 021
Doherty Plumbing Pty Ltd Northern Elizabeth	Multi-Trade Contract	1/10/2013 to 30/9/2021	79 106



Organisation	Description of contract	Duration of arrangement	Total Contract Term Estimated Value (\$'000)
Electrolux Home Products Pty Ltd	Whitegoods	1/4/2013 to 31/3/2017	9 620
Furnell Plumbing	APY Lands Maintenance	1/10/2011 to 1/10/2014	9 826
Programmed Facility Management	Multi-Trade Contract (Southern Noarlunga)	1/10/2013 to 30/9/2021	67 737
Lutheran Church of Australia, SA and NT District	Outer Southern Generic Homelessness Service	1/7/2010 to 30/6/2015	5 516
Northern Domestic Violence Service Inc	Northern Adelaide Domestic Violence Service	1/12/2010 to 30/6/2015	5 993
Offenders Aid and Rehabilitation Services of SA Inc (OARS SA)	Ex-Custodial Homelessness Support Service	1/7/2010 to 30/6/2015	7 044
Programmed Facility Management	Multi-Trade Contract (Western The Parks)	1/10/2013 to 30/9/2021	57 105
Programmed Facility Management	Multi-Trade Contract (Eastern Adelaide)	1/10/2013 to 30/9/2021	64 961
Programmed Facility Management	Multi-Trade Contract (Northern Salisbury)	1/10/2013 to 30/9/2021	62 482
Reece Pty Ltd	Hot Water Units	1/2/2014 to 31/1/2018	15 350
RTC Facilities Maintenance Pty Ltd	Multi-Trade Contract (Limestone Coast)	1/10/2013 to 30/9/2021	56 295
Relationships Australia South Australia Health Promotion Services	Child Focused Support Together 4 Kids	1/7/2010 to 30/6/2015	4 664
RTC Facilities Maintenance Pty Ltd	Multi-Trade Contract (Mid North and Barossa)	1/10/2013 to 30/9/2021	64 340
RTC Facilities Maintenance Pty Ltd	Multi-Trade Contract (Far North)	1/10/2013 to 30/9/2021	61 381
Southern Domestic Violence Service Inc	Southern Adelaide Domestic Violence Service	1/12/2010 to 30/6/2015	4 137
Southern Junction Community Services Inc	Outer Southern Youth Homelessness Service	1/7/2010 to 30/6/2015	5 400
Uniting Care Wesley Adelaide Incorporated	Therapeutic Youth Service – Adelaide and Mount Gambier	1/7/2010 to 30/6/2013	8 584
The Salvation Army (SA) Property Trust	Inner North and North East Youth Homelessness Service	1/7/2010 to 30/6/2015	5 558
The Salvation Army (SA) Property Trust	Towards Independence	1/7/2010 to 30/6/2015	4 241

Organisation	Description of contract	Duration of arrangement	Total Contract Term Estimated Value (\$'000)
Uniting Care Wesley Adelaide	Therapeutic Youth Service - Adelaide and Mount Gambier	1/7/2010 to 30/6/2015	14 664
Uniting Care Wesley Bowden	Inner Southern Generic Homelessness Service	1/7/2010 to 30/6/2015	5 047
Uniting Care Wesley Country SA Inc	Yorke/Mid North Generic Homelessness Service	1/7/2010 to 30/6/2015	6 216
Uniting Care Wesley Port Adelaide Inc	Western Adelaide Generic Homelessness Service	1/12/2010 to 30/6/2015	6 068
Uniting Care Wesley Port Adelaide Inc	Western Adelaide Youth Homelessness Service	1/7/2010 to 30/6/2015	5 664
UrbanVirons	Horticultural Maintenance Services	1/11/2009 to 30/10/2016	17 950
WCK Pty Ltd	Multi-Trade Contract (Whyalla)	1/10/2013 to 30/9/2021	83 255
WCK Pty Ltd	Multi-Trade Contract (Ceduna and Port Lincoln)	1/10/2013 to 30/9/2021	39 682

## Appendix 4

# Freedom of Information Act

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The information contained in this Appendix forms part of the Information Statement as required under the terms of S9 (2) of the *South Australian Freedom of Information Act 1991*.

Housing SA determined 116 Freedom of Information (FOI) requests in 2013-14.

### Structure and functions

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The SAHT overall structure and functions are set out in detail elsewhere in this report. The SAHT is represented by Housing SA in its day-to-day operations.

### Public participation in agency policy development

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There are a number of avenues through which the public can contribute to policy development. Policy advice is received through advisory committees which comprise government, non-government and client representation. Advice is also taken from other peak non-government organisations with an interest in housing matters.

### Documents held

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Housing SA holds a range of information on behalf of the SAHT including:

- Annual Report
- Business plans
- Asset management plans
- Contracts and agreements
- Documents relating to the control of rents of substandard housing
- Client files, payment and debt records
- Administrative files, reports and reviews

- Operational policies, guidelines and procedures
- Property maintenance work orders and invoices.

### Access to documents

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Documents providing information for clients, including policy documents, are available from Housing SA offices, free of charge during normal business hours (9.00 am to 5.00 pm, Monday to Friday – other than public holidays).

Copies of relevant Acts are available from the Services SA Government Information Centre (charges may apply). They may also be viewed on the internet at [www.legislation.sa.gov.au](http://www.legislation.sa.gov.au).

Applications for access to, or amendment of, personal files held by Housing SA on behalf of SAHT should be addressed to:

FOI Officer  
Housing SA  
GPO Box 292  
Adelaide SA 5001

Applications made under the FOI Act for access to documents must be in writing and be accompanied by the application fee. A fee reduction may be granted in certain circumstances.

## Appendix 5

### Office locations

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#### Metropolitan

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Adelaide  
120 Flinders Street  
ADELAIDE SA 5000

Croydon Park  
342-346 Torrens Road  
Croydon Park SA 5008

Gawler  
Unit 1/4 Seventh Avenue  
GAWLER SOUTH SA 5118

Elizabeth  
1st Floor, Raleigh Chambers  
ELIZABETH CITY CENTRE SA 5112

Marion  
235 Sturt Road  
STURT SA 5047

Modbury  
100 Reservoir Road  
MODBURY SA 5092

Noarlunga  
1st Floor Noarlunga House  
Ramsey Place  
NOARLUNGA CENTRE SA 5168

Port Adelaide  
296 St Vincent Street  
PORT ADELAIDE SA 5015

Salisbury  
1 Ann Street  
SALISBURY SA 5108

#### Regional

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Berri  
29 Vaughan Terrace  
BERRI SA 5343

Ceduna  
22 McKenzie Street  
CEDUNA SA 5690

Coober Pedy  
Lot 334 Hutchinson Street  
COOBER PEDY SA 5723

Mount Gambier (South East)  
9 Elizabeth Street  
MOUNT GAMBIER SA 5290

Murray Bridge  
Mobilong House  
Seventh Street  
MURRAY BRIDGE SA 5253

Port Augusta  
13 Mackay Street  
PORT AUGUSTA SA 5700

Port Lincoln  
10 Hallett Place  
PORT LINCOLN SA 5606

Port Pirie  
76 Florence Street  
PORT PIRIE SA 5540

Whyalla  
173 Nicolson Avenue  
WHYALLA NORRIE SA 5608

APY Lands (Umuwa)  
PMB 227 Umuwa  
Via ALICE SPRINGS NT 0872

# Glossary

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ABS	Australian Bureau of Statistics	Ladder SVS	Ladder St Vincent Street
AFL	Australian Football League	MOU	Memorandum of Understanding
AHIF	Affordable Housing Innovations Fund	NAHA	National Affordable Housing Agreement
APY	Anangu Pitjantjatjara Yankunytjatjara	NBESP	Nation Building - Economic Stimulus Plan
ATHOS	Aboriginal Transitional Outreach Services	NPAH	National Partnership Agreement on Homelessness
BCP	Business Continuity Plan	NPARIH	National Partnership Agreement on Remote Indigenous Housing
CEHSA	Common Equity Housing South Australia	NRAS	National Rental Affordability Scheme
CHRIS	Complete Human Resources and Information System	OARS	Offenders Aid and Rehabilitation Services
DAIP	Disability Access and Inclusion Plan	PGP	Preferred Growth Provider
DCS	Department for Correctional Services	PRLO	Private Rental Liaison Officer
DCSI	Department for Communities and Social Inclusion	RTT	Residential Tenancies Tribunal
ERA	Employment Related Accommodation	SAAHT	South Australian Affordable Housing Trust Board
FOI	Freedom of Information	SACCH	South Australian Co-operative and Community Housing
FTE	Full Time Equivalent	SAHT	South Australian Housing Trust
GST	Goods and Services Tax	WIC	Workforce Information Collection
IHEAAS	Integrated Housing Exits Alternative Accommodation and Support Program		
IHEP	Integrated Housing Exits Program		

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