



Homes for
the community

STRATEGIC PLAN

FY 2024-28



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Ngunnawal people as traditional custodians of the ACT and recognise any other people or families with connection to the lands of the ACT and region. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

Aboriginal Art by Kelsey Hindle – An Aboriginal woman and Assets Manager at CHC. Kelsey generously donated this artwork to Common Ground Dickson (CGD), a housing development comprising 40 units dedicated to social and affordable housing. CHC undertakes the property maintenance and tenancy management of CGD.



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INTRODUCTION

The FY24-28 Strategic Plan defines what success looks like for CHC over the next five years and charts a course to achieve this.

It has been informed through a series of formal and informal engagements with internal and external stakeholders throughout the past year. The plan is intended to create alignment, ensuring that our employees, stakeholders, and partners are working towards common goals.

CHC operates within a constantly changing external environment, in terms of broader housing and capital markets, inflation, interest rates, construction costs and appetite of Governments to support the community housing sector for example, but one constant that has existed for each of our 25 years of operation is the clear need for increased supply of housing options that are affordable.

This is especially so today for low to moderate income earners in our area of operations, the majority of whom are in housing stress when faced with renting in the private market. The negative flow-on impacts of this on households, the communities in which they live, and demand for Government and other services is significant, and outstrips the cost of directly tackling the supply shortfall of housing options that are affordable.

1. VISION, MISSION AND VALUES

Our Vision

Empowered individuals, stronger communities.

Our Mission

To enable more people in the Canberra region to live in quality homes at a price that is affordable.



Our Values



CUSTOMER-CENTRIC

Everything we do directly or indirectly delivers value to our current or prospective future customers.



AUTHENTIC

We are genuine and respectful in our dealings with our customers and all other stakeholders.



COLLABORATIVE

We proactively partner with others to deliver greater value and manage risk.



INNOVATIVE

We bring fresh thinking to tackle industry challenges and to better meet our customer needs.



CONTINUOUS IMPROVEMENT

We strive to continuously improve all we do, and accept that some of the greatest learnings and advances will result from initiatives that fail.

2. WHO WE ARE AND WHAT WE DO

We are a Canberra-based award-winning, tier-1 registered community housing provider with a 25-year successful track record delivering innovative and market leading homes and programs in a financially sustainable manner.

We deliver social and affordable rental homes and programs to meet the needs of low to moderate income households, and through doing so help enable strong, diverse, and thriving communities.

We are a registered not-for-profit, with Deductible Gift Recipient and Public Benevolent Institution status. We are also a registered real estate agency, operating through our HomeGround Real Estate Canberra brand, with licences to operate in both NSW and the ACT, and are an accredited provider of specialist disability accommodation.

We provide quality rental homes to eligible low-to-moderate income individuals and households at a price that is affordable, and deliver associated tenancy and property management services, and connect tenants to third party support service providers as needed.

We seek to provide pathways into affordable home ownership, primarily via our ability to leverage and offer properties for sale via the ACT Government's [Land Rent Scheme](#), but we also explore innovative new channels such as via our build-to-rent-to-buy pilot.

We leverage multiple channels to source quality homes and grow our stock, such as via property development, acquisition, and head lease or fee-for-service management of third-party owned homes. In undertaking property development, we sometimes need to include a component of market sales or market rentals to make the project viable.

We partner with others to enhance our impact – governments, private developers, institutional landholders, private investors, and support service providers. We seek to influence governments, directly and via active contribution to the work of leading policy development and advocacy organisations of which we are a member.

We provide community development services and programs for tenants and provide scholarships and opportunities to support tenants further their education, build capabilities and create pathways to greater independence. Coupled with direct financial benefits through provision of homes that are affordable, we help our tenants to successfully progress along the housing continuum, into market rental or home ownership.

3. OUR STAKEHOLDERS

TENANTS AND WIDER COMMUNITY



Our tenants are our primary customer and are the reason that we exist and are at the heart of all we do. We actively engage formally and informally with tenants and use feedback to continuously improve the homes and services that we provide.

All our activities are focused on building stronger communities in the Canberra region.

LANDLORDS



More than 50% of the tenancies that we provide are in homes that we do not own.

We provide tenancy and property management services to government, institutional and retail owners of properties on a fee-for-service basis and are actively exploring opportunities to access properties under head leases where it makes sense.

SUPPORT SERVICES PROVIDERS



We partner with a diverse range of support services organisations to provide our tenants with supports that they may need, helping them enrich their lives, build new skills, and participate in their community.

PROJECT PARTNERS



We work proactively with property developers, real estate agents, financiers, and philanthropic organisations to develop our own social and affordable housing projects that will allow us to provide homes for more people in need.

We also source repair and maintenance services for our properties from businesses.

HOME PURCHASERS



Our home purchasers are valued customers. In our mixed tenure developments, they become neighbours to our tenants, contributing to building a strong and diverse local community.

We recognise that our affordable home purchasers have often previously been our tenants and have successfully advanced into home ownership.

STAFF



Our staff are crucial for delivering our vision and mission.

We work to attract and retain our staff, treat them with respect, and offer competitive compensation, professional growth opportunities, and flexibility. We involve our staff in enhancing our processes and systems, recognising their valuable insights.

GOVERNMENTS



We seek to influence government policy at the Federal, State/Territory and Local level, directly and indirectly, and seek to partner to meet mutual objectives.

We are responsive to Government tenders that align with our vision and mission, seeking to capitalise on the provision of subsidies that support project viability.

REGULATORS



We are regulated by the Australian Charities and Not-For-Profits Commission (ACNC), and the National Regulatory System for Community Housing (NRSCH) and operate within their policies and regulatory frameworks.

We actively work with the NRSCH Registrar to ensure ongoing compliance.



4. OUR OPERATING ENVIRONMENT

High rental stress

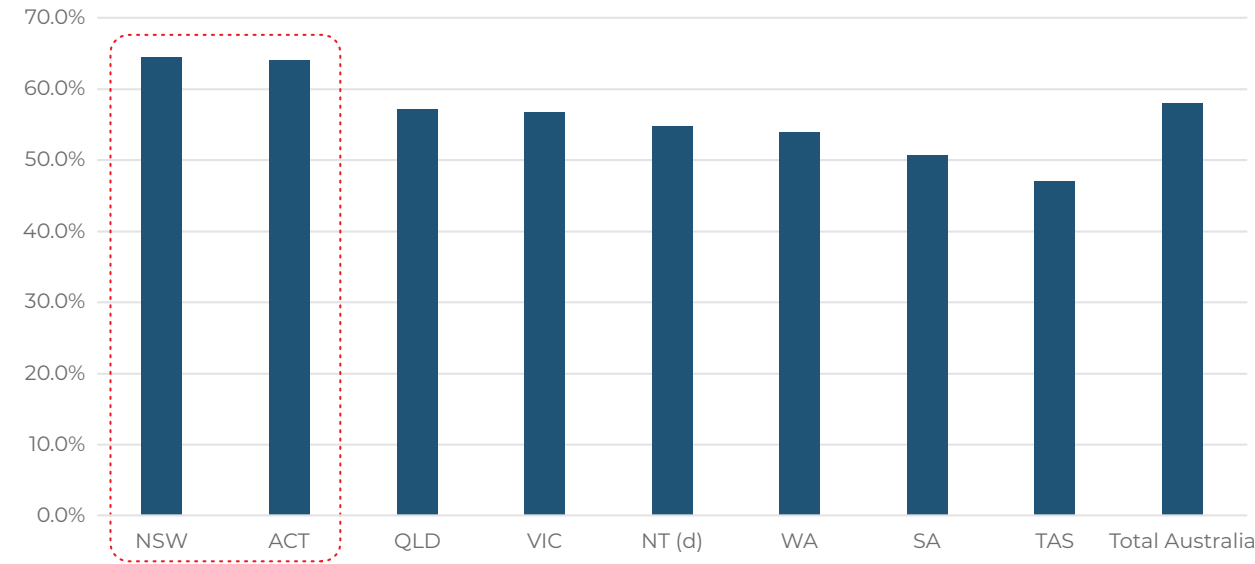
Cost of living pressures are extremely high in the Canberra region, with annual underlying inflation currently at highs not seen in decades, outstripping growth in wages.

An increasing number of low to moderate income households today are struggling to put food on the table for their families, and keep a roof above their heads, and there is no end in sight.

Canberra continues to hold the unenviable position of having the highest or second highest median rents for both houses and units out of any major city in the country.

Demand for social and affordable rental homes has continued to increase, with households renting in the private rental market increasingly being pushed into a state of unsustainable housing stress.

Figure 1: Low to moderate* income private renters in rental stress**



Source: Graph based on Table 8.1 HOUSING AFFORDABILITY, State and territory, By selected household characteristics, Lower income households from the [Housing Occupancy and Costs, Australia, 2019-20](#) report

* Low to moderate income equates to income quintiles 1 and 2
** Housing stress results from low to moderate income earners paying greater than 30% of their gross income on rent

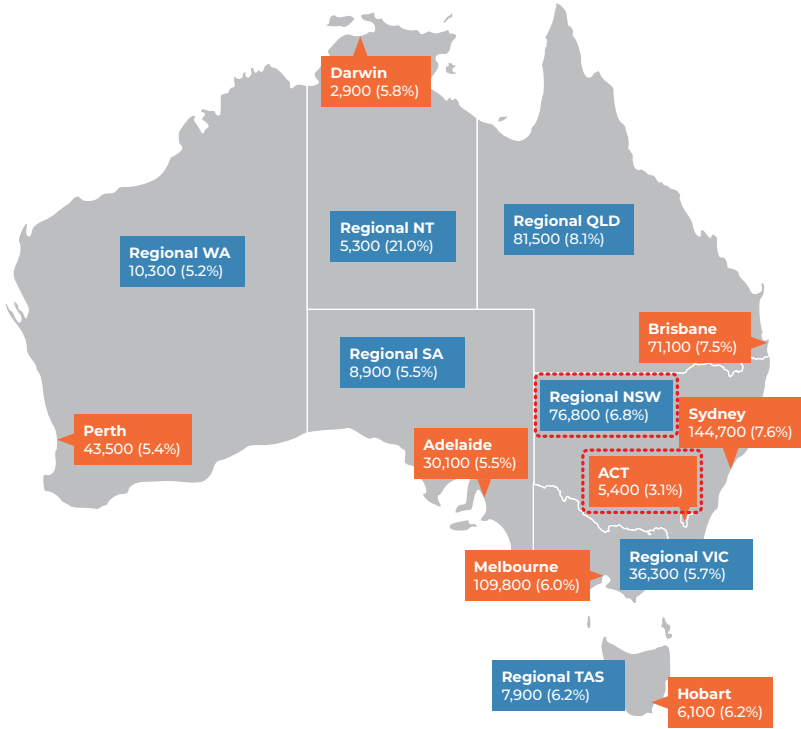
Need for Increased Supply

Current unmet housing need within the ACT for low to moderate income earners is 5,400, comprising 3.1% of all households, with 53% of this being for families. Of these 56% are in income quintile 1 (low-income earners), and 44% are in income quintile 2 (low-moderate income earners). The total projected unmet need to 2041 is 10,800.¹

The impacts of this are far reaching, such as on individual health and well-being, the ability to maintain education and employment, and the ability to partake fully in the community.

¹ [UNSW City Futures Research Centre, Quantifying Australia's unmet housing need, November 2022](#) (prepared for Community Housing Industry Association)

Figure 2: Needs are unmet across all parts of the country



Source: UNSW City Futures Research Centre, Quantifying Australia's unmet housing need, November 2022

Government Support

At the Federal Government level, the proposed new \$10B Housing Australia Future Fund (HAFF) is currently held up in the Senate. If implemented, this will see investment earnings contributed as subsidies to ensure financial viability of delivery of growth in social and affordable rental supply, which is welcome news for the community housing sector and the tenants and prospective future tenants that we exist to support. The 20,000 social housing dwellings and 10,000 affordable rental dwellings targeted to be delivered through the HAFF over five years nationally (including a commitment of 1,200 for the ACT) are much in need but will merely scratch the surface of the scale of need that exists of over 640,000 households today, growing to over 940,000 by 2041.² In addition, the National Housing Accord includes a budget allocation to support delivery of a further 10,000 affordable rental dwellings (equating to 175 for the ACT on a per capita basis).

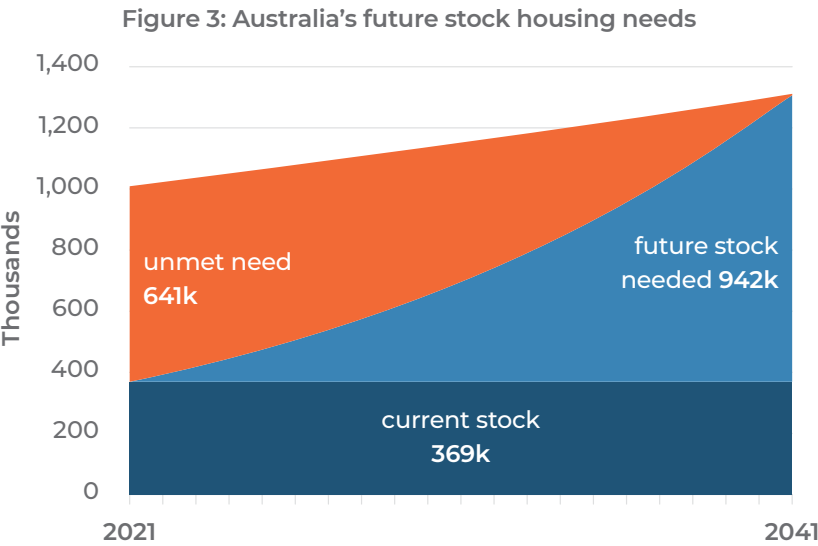
Tangible steps are being taken by the ACT Government in delivering on its Parliamentary and Governing Agreement commitment of 2020 to support delivery of 600 additional affordable rental dwellings over five years, principally through the establishment of a \$60m Affordable Housing Project Fund announced in July 2023, with initial allocations being made to support four projects that will deliver up to 182 affordable rental dwellings in total. These dwellings will contribute towards the ACT Government's matched obligation under the National Housing Accord of 175 affordable rentals. A new \$50m Social Housing Accelerator Fund announced in July 2023 will also support growth in social housing provision.

² [UNSW City Futures Research Centre, Quantifying Australia's unmet housing need, November 2022](#) (prepared for Community Housing Industry Association)

If above programs are fully implemented and provided that the programs are funded to enable subsidies to be sufficiently sized to support project financial viability, the programs could result in over 1,800 new social or affordable rental dwellings added to existing supply in the ACT by 2028 – the impact of this on lower income Canberran households will be maximised if the community housing sector is chosen as the delivery vehicle of choice by Federal and ACT Governments.

CHC has commenced engagement with the NSW Government and Local Councils within the Canberra region to build relationships and establish areas of opportunity to meet mutual objectives, consistent with a Canberra region focus.

CHC has a pipeline of development and acquisition prospects, and is ready to co-invest alongside Governments, leveraging Federal concessional debt finance on offer via the National Housing Finance and Investment Corporation (NHFIC) and other sources of institutional capital, to contribute to delivery of increased social and affordable rental supply, with an alignment of interest and objectives between CHC and Governments.



Source: UNSW City Futures Research Centre, Quantifying Australia's unmet housing need, November 2022



5. STRATEGIC GOALS

STRATEGIC GOALS	OBJECTIVES	KEY SUCCESS FACTORS
1. Deliver sustainable growth in social and affordable housing supply	<p>(i) Grow supply in response to Canberra region social and affordable housing needs</p> <p>(ii) Leverage partnerships to support growth where it makes sense</p> <p>(iii) Influence policy makers to support ability to deliver growth</p>	<p>1. Additional 500 social or affordable rentals created over 5 years, with at least 350 being additive³</p> <p>2. Additional 50 affordable home purchase opportunities created over 5 years</p> <p>3. All growth is in line with the needs of the community and is value accretive for CHC</p>
2. Deliver quality homes and related services	<p>(i) Ensure quality is designed into all new homes developed, homes renewed or acquired</p> <p>(ii) Maintain, or where necessary, enhance existing stock to a quality level to promote tenant satisfaction and consistent with the strategic asset management plan</p> <p>(iii) Support high overall tenant satisfaction of over 75%</p> <p>(iv) Support high home purchaser and landlord satisfaction of over 75%</p> <p>(v) Foster strong community support and goodwill</p>	<p>1. New homes developed or acquired meet minimum silver level accessibility and 7-star energy ratings</p> <p>2. Existing stock is regularly inspected (at least annually) and appropriately maintained</p> <p>3. Overall customer satisfaction levels of over 75% are achieved, across tenants, home purchasers and landlords</p>

³ Additive means resulting in a net add to social or affordable rentals for the community

STRATEGIC GOALS	OBJECTIVES	KEY SUCCESS FACTORS
3. Enhance business operating model to support delivery of strategic goals	<p>(i) Ensure financial sustainability of underlying business</p> <p>(ii) Continuous improvement to governance, risk and compliance management</p> <p>(iii) Continuous improvement to business processes and systems to increase efficiency and effectiveness</p> <p>(iv) Foster a high-performance culture that supports achievement of individual and collective goals, with overall staff satisfaction of over 75% achieved</p> <p>(v) Measure and report against Environmental, Social and Governance (ESG) performance standards and prepare the business for a future targeted transition to net zero</p>	<p>1. Positive underlying⁴ cashflow and EBITDA⁵</p> <p>2. Better practice Governance, Risk and Compliance management practices are implemented</p> <p>3. Better practice business processes and systems are implemented</p> <p>4. Workforce management plan is implemented, aligned to strategic goals</p> <p>5. Overall staff satisfaction levels of over 75% are achieved</p> <p>6. Voluntary annual ESG reporting is undertaken and a plan for a staged future transition to net zero is prepared</p>

⁴ Underlying performance excludes development revenue and expenses, and one-offs such as asset acquisition / divestment or grants awarded

⁵ EBITDA is Earnings Before Interest Tax Depreciation and Amortisation





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