

Loddon Mallee Housing Services Ltd's

Annual Stakeholders Meeting

November 19, 2009

Chairperson's address by Antoinette Danaher

Welcome.

It's been a VERY BIG year! The most frequently used word in the organisation in 2008/9 was, and still is, UNPRECEDENTED!

To put that in context:

In 1994 - one generation ago – 15 years - we had a local volunteer board, 3 houses in Bendigo, one Housing Support worker – Ken Marchingo - and \$130K of income. Our limited services were based around homelessness and short term crisis accommodation.

How much things can change and how quickly! In 1994 those three houses were probably valued at less than \$200,000 in total, now insufficient to buy even one!

Since then change has been constant and as the exterior environments and political climates have changed, the Board and Management of LMHS have positioned the company to take advantage of opportunities to improve housing options for people.

We continue to develop a company that is unique in the sector.

We have become one of the nation's leading providers of integrated services to assist the homeless and continue to focus on that traditional business in the Loddon Mallee region.

Our Bendigo client centre had 583 client contacts in March. That was up to 887 by August. The dedication from that team is outstanding; this is the SHARP end of the business; sometimes gruelling, sometimes rewarding; not as "sexy", dynamic or high profile as property development; but what happens in the client centre is what we are really here for! This is why we exist; everything we do is designed to support the ongoing opportunity to help people make positive changes in their lives through the provision of secure housing and support where it is required.

In that vein I must acknowledge the outstanding response of the organisation to the devastation wreaked on our community members in Bendigo and Redesdale Bushfires. I took great pride when I was told by a senior State Government manager that LMHS was “extraordinary!” Within hours our team, led by our CFO Paul Somerville in the absence of our CEO, had manned the Crisis Centre, armed with vouchers for emergency provisioning and were developing the first data base that informed all the other agencies who and where affected people were and what help they needed.

We opened a new office to house our Bush Fire Recovery team – for the ongoing case management and support for the 97 individuals impacted locally.

Beyond responding to such emergencies we will continue through direct service provision, research & innovation and social and political lobbying to drive change for the homeless and those in housing crisis; the elderly; the mentally ill; released prisoners; abused kids and families and young people with no safe places in their lives.

But you simply can't begin to resolve homelessness unless you start by increasing housing availability. So the utterly unprecedented political focus and political will to make a real and positive difference in the availability of affordable housing is music to our ears, notwithstanding the fact that sometimes the tempo is extraordinarily challenging!

The Victorian State Government led the way funding their Fairer Victoria housing strategy and more recently the Federal Government have provided an extraordinary package of Nation Building Stimulus funding for housing development.

We were extremely successful in competing for funding against 7 other Victorian AHA'S and the Govt Public Housing Department and which has enabled us to pursue an assertive growth strategy – building and affordably renting high quality new homes and units across the breadth of Victoria.

While we have a very keen focus on the regions, as evidenced by a further expansion with a new office in Geelong to service the south west of the state, we are balancing our Affordable Housing property portfolio with developments in Melbourne and suburbs.

Much has been made in the press about imagined negative impacts of affordable housing – beat ups that attempt to align and perhaps malign the best of affordable housing with the worst of public housing – accusing us of building silos of disadvantage and social unrest!

As far as we are concerned nothing could be further from the truth.

Our housing - a mixture of low, medium and some high density properties - provides affordable, high quality accommodation to a vast range of people – for single parent families, retired people, low income families (sometimes referred to as the working poor), young families struggling to get a decent start in life, individuals with disabilities / families with disabled children.... real people with real needs.

There will be the occasional problem – but all landlords sometimes have problems – we have a long history of excellent tenancy management and intend for it to stay that way!

So, where are we up to?

- we now have a balance sheet of \$85M
- own or manage 500+ houses with commitments to build a further \$100+ million in the next couple of years
- more than 100 staff
- 5 offices from Mildura to Geelong
- valuable partnerships across the state and the nation
- a highly professional Board that includes top legal, property development, risk management & finance specialists. Our commitment to good governance is strong, by March next year half of the Board will have completed the Australian Institute of Management's gruelling Company Directors Course. The Directors have formed a very strong team and are to be thanked for handling the increasing workload with skill and professionalism.
- we strategically hire in the "big guns" like KPMG and high profile legal firms to inform policy and procedure – and have an ongoing commitment to use local professional services where practical.
- and most important of all we have an extraordinary team of staff – most of whom have been "home grown," highly trained and developed to the extent of their ambition and ability.

Rapid growth of these dimensions is organisationally challenging and on behalf of the Board I commend our CEO on his management of the company in these unprecedented times. As always he sits at the heart of the organisation leading with a depth of commitment, passion and professionalism that is inspirational. His commitment to growing organisational capacity is shown in the seamless functioning of the organisation when he hands over the reins to senior management in Acting CEO roles – the breadth of talent across the organisation is remarkable.

LMHS has a number of unique factors that we believe make us TRULY different and genuinely high performing.

We don't just state our values – we LIVE our values.

We don't just talk about what others "should" do - we take what actions we can in genuine partnerships wherever we can, but alone if necessary, to get the best possible solutions to what "should" be a reasonably simple goal – to ensure that all people that need housing can access it and live sustainably in it.

Our Tenant Reference Group are very supportive of our growth and have had a very positive impact, making recommendations to the Board on matters as diverse as our building standards through to our tenancy management and communication processes.

From the cleaning team through to the Board there is an extremely high level of commitment to our mission.

I'd like to commend Michael McCartney & Trevor Crockford, well known local accountants bringing their financial talents and vast experience as external auditors to their pro bono positions on Finance and Audit Reference Group, fostering vital commercial thinking around our financial model and refining our focus and practices.

Whatever our roles we all know we play an important and integral part in ensuring that taxpayers money is well spent, well managed and most importantly that we use it well to deliver housing where it is needed, offering security of tenure enabling people to create stable homes from which they can build secure lives!

I acknowledge EVERYONE who paid or unpaid who participates in any role at LMHS & thanks their families for the support they give them; they frequently have to forgo private time – we know it and we appreciate your support given to our team!

As to the future we are committed to Bendigo. In fact, I am thrilled to announce that after years of having it on the Board's agenda and the CEO's radar, just minutes before this meeting started we signed the contract on our new office building in Forest Street and expect to be taking occupancy within 18 months. It is a credit to our staff that they have delivered at high performance levels in an overcrowded and difficult premises for so long. Well, finally we can deliver a quality environment that they fully deserve.

Further tests lay ahead for us all but, once again, I am confident that wherever possible and in whichever ways it is possible, we will continue to pursue excellence and will continue to show that we are indeed ".....where the heart is" ... right across Victoria!