

Australian Government
Aboriginal Hostels Limited



Corporate Plan 2021-25



Introduction

Aboriginal Hostels Limited acknowledges the Traditional Owners and Custodians of Country throughout Australia and their continuing connection to land, waters and community. We pay our respects to Aboriginal and Torres Strait Islander people and cultures, and we pay our respects to Elders past, present and emerging.

The Directors of Aboriginal Hostels Limited (AHL), as the accountable authority, present the AHL Corporate Plan for 2021–2022, which covers the period 2021–2025, as required under s 95(1) of the *Public Governance, Performance and Accountability Act 2013*.

AHL provides accommodation through a national network of facilities for Aboriginal and Torres Strait Islander people who are travelling, relocating or who need to be away from home to access services and economic opportunities.

AHL is an Australian Government Company limited by guarantee and incorporated under the Corporations Act 2001. The Australian Government, through the responsible Minister, is the sole member of the Company.

This Corporate Plan sets out a series of core operational and strategic priorities which AHL will continue to pursue. Priorities include communicating our purpose with clarity, rebuilding our cultural identity, maximising partnerships, rationalising our asset base and improving our service offering. We will also look to continue to strengthen our people, fiscal and governance capabilities.

The actions that AHL will take in 2021–22 in support of each of the priority areas are outlined within. These actions will ensure AHL is well positioned to continue to meet the needs of over 20,000 Aboriginal and Torres Strait Islander men, women and children who stay with us each year.

Use of Aboriginal flag colours is by permission of the original artist, Mr. Harold Thomas (agreement in relation to past and future use enacted December 2016).



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Welcome from the Chair

Welcome to Aboriginal Hostels Limited (AHL) Corporate Plan for 2021-2022. As I reflect upon the challenges we have faced over the last year, I feel proud of our achievements in being able to maintain service continuity, while keeping our residents and staff safe as a result of the challenges of the COVID-19 pandemic. I intend to harness and maintain the resilience and flexibility which AHL has demonstrated throughout this period, as we collectively enter a phase of recovery and rebuilding. The Board has recently had the opportunity to take stock of where we are at and agree priorities and actions to work on, which reflect our clear purpose. Some of the objectives that we will be focusing on, over the short term, include working on maximising our partnerships and engagement, improving our product and service offering and maintaining robust and effective governance.

We will also be focusing on rebuilding our cultural identity and connections. **Our identity is fundamental to who we are as an organisation - AHL has a long and proud history, stretching back to 1973. Since establishment, we have been constantly adapting, to ensure we can meet the needs of Indigenous Australians who rely upon our accommodation and services.** We look forward to continuing this journey into the future, in partnership with our valued stakeholders.


Regards

Anthony Ashby
Chairperson



Our Vision

AHL's vision is to improve the quality of life and economic opportunity for Indigenous Australians.



**“I had nowhere to go ...
I knew a person who worked
here, and I rang up to see
about staying here. I now
have a fulltime job and am
waiting for a house. This is
much better...”**

AHL Resident, Silas Roberts Hostel, Darwin



Our Purpose

AHL's purpose is to provide safe, culturally appropriate and affordable accommodation for Indigenous Australians who need to be away from home to access services and economic opportunities.

Across its network of hostels, dedicated AHL staff provide accommodation and meals in an environment which supports our residents, including through strong relationships with local Indigenous service providers and referral agencies.

AHL will focus on a range of strategies to ensure quality of service and the ability to offer affordable accommodation on a sustainable basis.

“Whether helping students live near their school, giving people a home base while they secure a job, or temporary accommodation for health or other reasons, AHL provides a safe place.”

THE HON. KEN WYATT, MINISTER FOR INDIGENOUS AUSTRALIANS

Our Values

In delivering on its core purpose, AHL's values include:

Respect for

- our residents
- Aboriginal and Torres Strait Islander cultures, protocols and languages
- our staff
- our partner organisations and stakeholders

Accountability and commitment to

- Australian Government priorities for Indigenous Australians
- efficient and effective business practices and use of Company funds
- culturally safe and appropriate accommodation

Dignity and opportunity by

- being a learning organisation for residents and staff
- fostering teamwork, collaboration and meaningful engagement
- being an employer of choice for Indigenous Australians.

These values are embedded throughout all levels of the organisation as part of AHL's Cultural Statement, produced in collaboration with our staff and designed to foster a sense of pride and commitment in delivering services for Indigenous Australians:



Professional



Respectful



Open



Understanding



Dedicated



Accommodation Services

AHL is a not-for-profit Company wholly owned by the Australian Government, with an independent non-Executive Board of Directors.

Each year, AHL provides a place to stay for more than 20,000 Aboriginal and Torres Strait Islander men, women and children.

Residents are charged a tariff that is affordable for recipients of Australian Government income support. Through an annual appropriation, the Australian Government provides funds to cover the gap between tariff income and the cost of providing hostel services.

Being employed is positively linked to health and prosperity and AHL is proud to be one of the largest Government providers of employment and training for Aboriginal and Torres Strait Islander people.

AHL's hostel network is segmented into three service categories:

1. **Multipurpose (21 facilities, 1083 beds, 65 percent of resident capacity)**

AHL's multipurpose offering provides accommodation in towns and cities for individuals and families awaiting housing, seeking employment, meeting general business and other commitments away from their homes and communities. Some residents stay until they are able to access long-term accommodation.

“I have a safe place to stay...”

AHL Resident, Tonky Logan Hostel, Townsville

2. **Secondary and tertiary education (12 facilities, 242 beds, 14 per cent of capacity)**

Secondary students are accommodated and supported by a Head of Boarding and team of youth workers, while they attend high school away from their homes.

Eligible students attract Abstudy payments to support the full cost of boarding.

AHL also provides accommodation for Indigenous people participating in higher education, training and employment programs through our tertiary hostels.

“If you ever get the chance to experience hostel life, give it 110%, don't go in halfhearted, it really is a life changing opportunity. It changed my life and I'll be forever grateful.”

AHL Student, Grey St Hostel, Dubbo

3. **Health and medical (12 facilities, 356 beds, 21 per cent of capacity)**

Medical hostels cater specifically for Indigenous people who need to be away from home to access medical treatment, including renal dialysis and antenatal or postnatal care for mothers and babies.

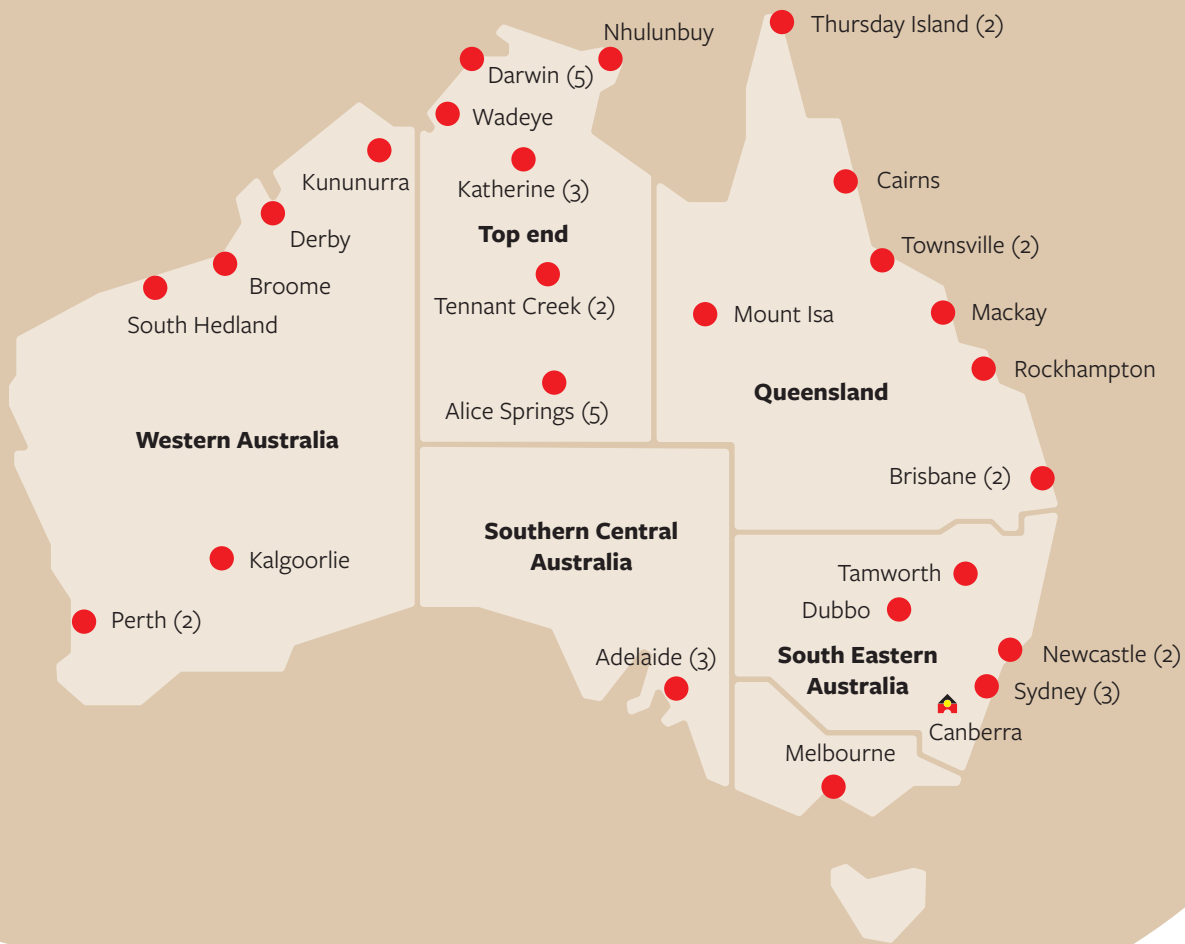
Financial assistance and help with transport are available through state and territory patient-assisted travel schemes.

“I get scared with my health. It's good having people here. They can help if I get sick. A lot of family visit also.”

AHL Resident, Wangkana Kari Hostel, Tennant Creek



AHL's hostel network



Darwin

Daisy Yarmirr Hostel
Galawu Hostel
Silas Roberts Hostel
Gudang Dalba Hostel
Nagandji Nagandji-Ba Hostel

Wadeye

Kardu Darrikardu
Numida Hostel

Kununurra

Kununurra Hostel

Derby

Kabayji Booroo Hostel

Broome

Broome Hostel

South Hedland

South Hedland Hostel

Kalgoorlie

Trilby Cooper Hostel

Perth

Allawah Grove Hostel
Derbal Bidjar Hostel

Adelaide

Luprina Hostel
Nindee Hostel
Mulgunya Hostel

Alice Springs

Apmere Mwerre Visitor Park
Ayiparinya Hostel
Topsy Smith Hostel
Sid Ross Hostel
Alyerre Hostel

Tennant Creek

Wangkana Kari Hostel
Tennant Creek Secondary

Katherine

Katherine Women's
Medical Hostel
Corroboree Hostel
Fordimail Student Hostel

Nhulunbuy

Nhulunbuy Hostel

Thursday Island

Jumula Dubbins Hostel
Canon Boggo Pilot Hostel

Cairns

Kuiyam Hostel

Townsville

Iris Clay Hostel
Tonky Logan Hostel

Mackay

Mackay Hostel

Mt. Isa

Kabalulumana Hostel

Rockhampton

Neville Bonner Hostel

Brisbane

Yumba Hostel
Elley Bennet Hostel

Tamworth

Tamworth Hostel

Dubbo

Grey Street Hostel


Newcastle

Durungaling Hostel
Kirinari Newcastle Hostel

Sydney

Tony Mundine Hostel
Biala Hostel
Kirinari Sylvania Hostel

Canberra

 AHL National Office

Melbourne

William T Onus Hostel



Operating Environment

AHL is an Indigenous Portfolio Body within the Department of the Prime Minister and Cabinet portfolio.

AHL is a Commonwealth Company that operates under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

The Australian Government’s priorities for Aboriginal and Torres Strait Islander peoples include working in partnership to realise improved employment, education and health outcomes. AHL, through the provision of accommodation, supports improved access to employment, education and health services in place-based settings across Australia.

The work AHL does towards meeting the Government’s commitment to increasing access to education is particularly important; a good education is key to advancing the independence of current and future generations of Indigenous young people.

The National Agreement on Closing the Gap (developed in partnership between Australian Governments and the Coalition of Aboriginal and

Torres Strait Islander organisations) recognises the importance of access to appropriate, affordable housing that is aligned with priorities and need. As a leading provider of accommodation for Indigenous Australians and embedded within the communities it works with, AHL is keenly attuned to local need and plays an important role in supporting the Government’s efforts to increase opportunities for Aboriginal and Torres Strait Islander Australians.

The work AHL does day to day represents practical and tangible efforts towards addressing priorities identified in the National Agreement on Closing the Gap.

AHL will also continue to contribute to growing the Indigenous economy and supporting economic wellbeing, including through continued achievement in Indigenous procurement and Indigenous employment.

AHL’s outcome under the Portfolio Budget Statements for Indigenous Affairs is measured in occupancy rate.

PBS Targets: Occupancy level as a percentage of resident bed nights available per annum

2021 - 22	2022 - 23	2023 - 24	2024 - 25
70%	70%	70%	70%

Accommodation supply and demand

AHL continues to review demand for services and adjust service offerings as required. In 2021-22, AHL will shift the tertiary hostels offering to increase focus on residents accessing employment programs and training, recognising a decline in demand for tertiary-only hostels. Secondary education offerings have been strengthened through stronger partnership support and occupancy has improved, demonstrating a sound demand for culturally sensitive education boarding for young Aboriginal and Torres Strait Islander people.

The continued demand for AHL accommodation services, throughout the COVID-19 pandemic demonstrates AHL is meeting the ongoing need for accommodation services.

AHL’s occupancy across the hostel network was 70% in 2020-21.

AHL continued to provide much needed accommodation services across the network, with every hostel remaining open and only restricting new residents in multipurpose hostels and education hostels during the peaks of the pandemic. Medical hostels continued to accept new residents, with multipurpose hostels also accommodating people with regular and immediate high care needs, including those accessing renal health services, to assist with addressing ongoing demand.

AHL’s COVID-19 Management Plan has required hostels to be agile in responding to State and Territory requirements on a continuing basis. This need to be responsive to change will continue throughout 2021-22. Despite this, occupancy is expected to continue to remain strong as people recommence travel and select non-essential medical services resume.



Outlook for 2021-22

AHL will continue to operate efficiently, while providing accommodation to individuals unable to afford accommodation at commercial rates. While some cost recovery is possible in the current model, there will be an ongoing need for subsidy, to ensure vulnerable people can continue to access services.

While AHL is not budgeting to achieve a break-even operating result in 2021-22 and the out years, all efforts will be employed to maintain cost controls to reduce deficits going forward. AHL's 2021-22 Budget assumes that tariff income will continue to be affected by COVID-19. Restricted spending measures will remain in place and a modest tariff increase will be implemented, which should assist with revenue, while maintaining affordability for residents.

Strengthening Fiscal Capability is one of the agreed Strategic Priorities within the Roadmap, which includes action areas to support this focus on revenue diversification, and improved fiscal planning and management. These actions will inform discussions with Government around a potential rebasing of AHL's annual appropriation in the future years.



Strategic Focus

To ensure that AHL continues to achieve meaningful impact, a five-year Strategic Roadmap has been developed by the Board. The Roadmap sets out the direction through to 2025 and was formalised after undertaking an environmental scan, to establish how AHL is positioned. These discussions helped to establish a shared understanding of AHL's strategic environment, mandate, priorities, and objectives.

Over its nearly fifty-year history, AHL has demonstrated versatility in its approaches and the Roadmap will enable AHL to be responsive to changes in the environment, while remaining faithful to our core values. The needs of our residents and the broader Aboriginal and Torres Strait Islander community were guiding factors in designing the Roadmap, as they are at the forefront of all that we do.

In line with AHL's mandate, the Roadmap is based on the following underlying principles:

- While AHL itself does not provide wraparound support services, AHL will look to improve our connections with wraparound services, so that residents' needs can be supported, in an integrated way.

- AHL should not be in competition with other providers and should operate only in areas of market failure.
- AHL should not provide services in areas the Commonwealth already funds. AHL's service footprint should be in the health, secondary education and multipurpose segments.
- AHL must continue to operate within budgets, and will explore alternative funding sources and partnerships where needed to achieve its objectives.
- AHL will reassess its contribution to the growth in demand for more medium-term, transitional accommodation. However, AHL will not move into social or other forms of public housing provision.



The Hon. Ken Wyatt, Minister for Indigenous Australians, with members of the AHL Board and Executive



Strategic priorities in 2021-22

Be clear in our purpose	Rebuild cultural identity and connections	Maximise partnerships and engagement	Improve AHL's product and service offering	Grow people capability	Strengthen fiscal capability	Maintain governance capability	Rationalise asset base
Track contribution to Closing the Gap	Establishment of a Cultural Committee of the Board	Investment in proactive communications	Improve connection to wrap around services	Build on achievements to date to increase Indigenous employment to 66%	Improved fiscal planning and management	Strengthen governance and financial capability	Explore options to grow the Indigenous estate
	Progress work on Reconciliation Action Plans	Further focus on Stakeholder Engagement Plans	Ensure service provision is resident-centric	Develop workforce strategy	Develop revenue diversification strategy		
			Innovate to ensure hostels meet local need				
			Review secondary education intake processes				
			Improve meal services, with a focus on supporting the needs of renal residents				

The achievement of these Strategic Priorities will be aided by a continued focus on business efficiency during this period. This will include efforts to improve Work Health and Safety indicators, strengthen our ICT environment, ensure continued compliance with regulatory requirements and management of identified risks within tolerances.



Partnerships and Engagement

AHL will continue to focus on partnerships and engagement with key stakeholders to support and contribute to the Company’s business objectives. As a small organisation, we recognise the value of bringing together organisations with different and complementary knowledge, expertise and skills.

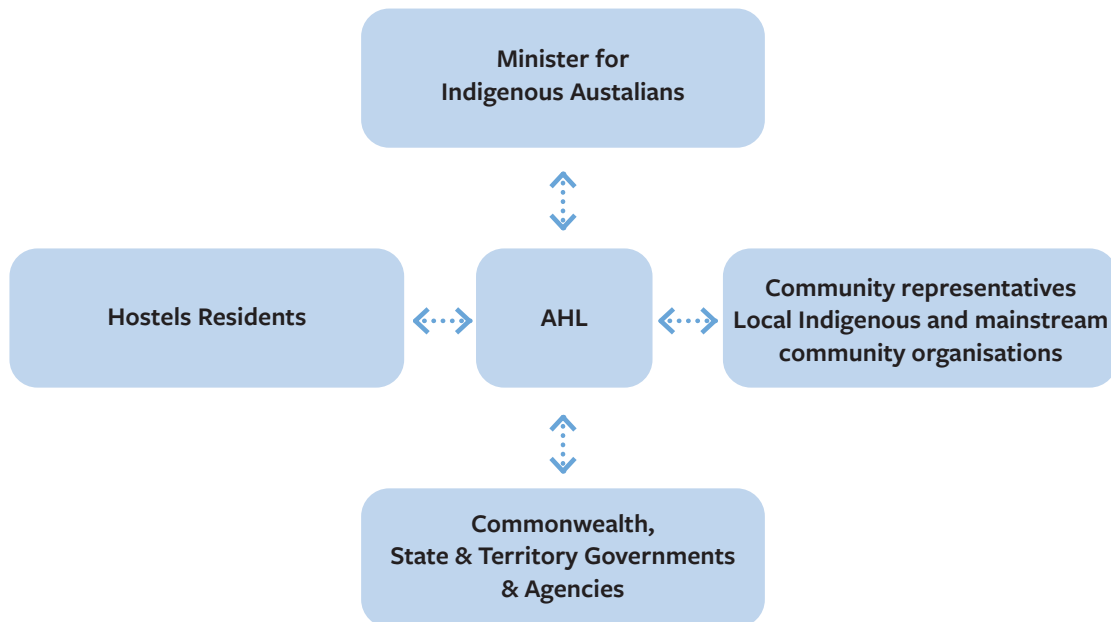
AHL is increasingly working with partners and potential partners to improve accommodation offerings to better meet the needs of residents. AHL is committed to strengthening these partnerships and engaging with stakeholders to ensure adequate provision of services to support our residents during their stay.

Board members, as well as AHL’s Executive, Business Managers and hostel staff, actively engage with stakeholders to develop and strengthen connections to create opportunities for better service alignment. This includes through collaboration across agencies at the Commonwealth and State/Territory levels, as well as with service providers and organisations at the local level.

In 2021–22, engagement initiatives will focus on lifting occupancy across the network, recovery from COVID-19 impacts, supporting secondary student success and improving meal services, particularly for medical residents.

At the local level, each hostel will drive tailored stakeholder engagement plans to meet the requirements of the local resident base and the communities it services. There will be greater emphasis on engaging with residents and listening to their suggestions for improved service and facility offerings.

More broadly, AHL will continue to work with the National Indigenous Australians Agency and the Minister for Indigenous Australians in 2021–22 to ensure the Company maintains delivery of valuable accommodation services which assist in addressing priorities under the National Agreement on Closing the Gap.



Key partnerships in 2021–2022

Responding to accommodation needs in the Northern Territory (NT)

Darwin

Purpose

Deliver services to alleviate Indigenous accommodation pressures in Darwin, NT

Engagement Approach

Supported accommodation agreements with NT Government.

Stakeholders

- Territory Families, Housing and Communities
- Darwin City Council
- Larrakia Nation
- Danila Dilba Health Service
- Local housing and allied support organisations

Tennant Creek

Purpose

Deliver services to alleviate Indigenous accommodation pressures in Tennant Creek, as part of the Barkly Regional Deal

Engagement Approach

Alignment with Barkly Regional Deal objectives, targeted service offer with referral partners.

Stakeholders

- Barkly Regional Council
- Northern Territory Government
- Department of Infrastructure, Regional Development and Cities
- Department of the Prime Minister and Cabinet
- National Indigenous Australians Agency
- Local non-government organisations and service providers

Improving performance in secondary education hostels

Purpose

Ensure AHL is supporting student success in secondary education hostels.

Engagement Approach

Continue engagement with local stakeholders, students, families and communities.

Stakeholders

- School principals and Indigenous support units
- Students, families and communities
- State and Territory education departments
- Indigenous cultural, sporting, wellbeing and recreation organisations
- Indigenous education support programs and providers
- Government and local health services
- Local charity and community groups

“Catholic Care took me here. I was living in a tin house on Top Camp... I like staying here. I have a niece staying with me...”

AHL Resident, NT



Capabilities

Facilities

Facilities management continues to improve with greater focus on engaging preferred suppliers under Deeds of Standing offer arrangements and increasing engagement with Indigenous businesses to provide goods and services. This will provide a strong foundation for future facilities management.

The Corporate Plan period to 2025 will see more standardised asset offerings across the hostel network and a greater focus on fit for purpose amenities, driven by resident requirements.

Maintenance schedules were put in place in 2020-21 and these will continue to support cost effective management of the facilities in future years.

Financials 2021-22

- › \$119 million property portfolio
- › \$35.7 million appropriation in 2021-22
- › \$21 million self-generated revenue (tariff + contracted services)
- › \$30.6 million payroll

AHL's fixed annual appropriation against rising costs places significant pressures on the organisation going forward. As a result, tight financial controls and fiscal restraint will remain in place during the period of this Corporate Plan.

Customer service

AHL's Customer Service Charter is an expression of the organisation's commitment to its customers to strengthen its focus on frontline services.

The Charter commits AHL to consistently deliver well-maintained hostels with clean and comfortable rooms, nutritious meals and welcoming, professional-standard customer service. The Charter is supported by customer feedback and complaint management mechanisms. A Resident Satisfaction Survey was also undertaken in 2021 across a number of hostels, which will further inform improved customer service.

Corporate Governance

AHL operates in a complex regulatory and accountability environment. In carrying out its governance role, the Board must ensure that AHL complies with its contractual, statutory and other legal obligations.

AHL's Board members bring a diversity of skills including broad public and private sector expertise to their roles. The Board's extensive corporate governance experience ensures that objectives are pursued within an environment of accountability and transparency. This capability is complemented by the deep cultural expertise of Aboriginal and Torres Strait Islander Board members from across the country.

AHL's Governance Charter calls for on-going professional development of Directors, particularly given the complex and evolving nature of corporate governance and the changing environment in which AHL operates.

To ensure best practice corporate governance, the Board conducts an annual review of its performance and effectiveness, including:

- governance structure, roles and relationships
- performance of Board functions
- Board decision-making processes
- Board skills, culture and development.

Directors receive comprehensive inductions and briefings on their appointment to assist them to meet their Board and Committee responsibilities.



Performance Framework

Key Activities and Performance Measures 2021–22 to 2024–25

Priorities	Activity	Objective	Measures
Be clear in our purpose	Defining our role in providing accommodation services for Indigenous people including in regard to supporting targets of the National Agreement on Closing the Gap.	An improved ability to define our service delivery in areas of demand and development of processes to better track and report on AHL's contribution to the Closing the Gap agenda.	Development and implementation of processes which allow for better understanding and communication of AHL's purpose and value.
Rebuild cultural identity and connections	Establishment of a Cultural Committee of Board.	To ensure that Aboriginal and Torres Strait Islander cultural perspectives are at the centre of our work.	Committee established and providing advice to the Board and Executive.
	Ensure hostels are culturally safe environments that can support the holistic wellbeing of residents.	To ensure systems and frameworks support the cultural safety of residents.	Achievement of positive results on this aspect through AHL's established feedback processes.
Maximise partnerships and engagement	Link in with local service providers, particularly those in the Health sector.	To support multi-sector partnerships, to ensure vulnerable people have access to the support that they need.	Effective asset utilisation, through increased occupancy.
	Engage with a broad range of Indigenous organisations.	To strengthen partnerships with Indigenous organisations, to ensure that services are connected to community.	Establishment of Company and individual hostel stakeholder engagement plans.
Improve AHL's product and service offering	Improve partnerships, to connect with wrap-around services.	To ensure residents are supported to meet their diverse needs.	Case studies, highlighting service integration.
	Innovate to leverage hostels to suit local need.	To ensure hostels are on the front foot in terms of catering to changing demographics.	Effective asset utilisation through increased occupancy.
	Secondary education strategy and education outcomes.	Increase student participation, to facilitate greater access to education for young Indigenous Australians.	Increase in secondary student enrolments (measured as occupancy rate). Increase in retention rates across the school year. Number of children staying in multipurpose facilities (and attending school). Year twelve graduates.
	Resident Satisfaction Survey.	Benchmark quality of service levels with residents to drive operational improvements and facility enhancements.	Minimum 80% resident satisfaction rating.



Priorities	Activity	Objective	Measures
Improve AHL's product and service offering Continued	Targeted occupancy strategies.	Increase utilisation and tariff revenue.	Minimum 70% occupancy rate. Number of residents accommodated (measured as unique occasions of stay).
	Quality Assurance Program.	Ensure regulatory compliance and safe, comfortable facilities.	Continued improvement in accommodation amenity, food and safety ratings.
	Strategic Asset Management Plans.	Maintain hostel assets to uniform building standards.	Implementation of site based asset management plans. Maintain industry benchmark repair and maintenance investment in hostel assets (at least 2% of replacement value). Compliance with building and safety codes, all hostels fit for occupation. Planned vs unplanned maintenance ratio shifted from 50/50 to 70/30.
	Hostel Accommodation Standards.	Provide consistent standards of hostel accommodation to residents.	Development and implementation of uniform hostel accommodation standards by accommodation category.
Grow people capability	Workforce Strategy, encompassing training and development of Indigenous staff, and providing career pathways.	To maximise workforce engagement and service focus and to support Indigenous leadership development.	Meet target of 66% Indigenous employment with increased staff retention rates. APS staff census results in line with comparator agencies. Investment in targeted learning and development opportunities to aide career progression.
Strengthen fiscal capability	Financial planning and controls.	Identify savings and reduce projected deficits.	Operating result consistent with or better than Government approved budget.
Maintain governance capability	Connect AHL leadership, directors and committee members with professional development opportunities.	To ensure the leadership has access to contemporary thinking and tools, in governance and directorship.	Participation in professional development activities.
Rationalise asset base	Explore options to partner with community organisations.	To build partnerships with communities and organisations to expand and improve the AHL asset base.	Increased partnerships supporting Indigenous accommodation demand.



People

AHL staff come from diverse backgrounds and have a broad range of professional experience that assists us to meet the needs of our residents. With an Indigenous workforce of 50%, AHL has one of the highest proportions of Indigenous employees in the Australian Public Service.

The year ahead will see continued investment in our people through:

- a review of our approach to the recruitment of Indigenous staff in order to increase the Indigenous component of our workforce to 66%
- well-structured learning and development programs, training and networking opportunities
- acknowledgement of high performance through our P.R.O.U.D. and NAIDOC Recognition and Service Awards
- the development of a meaningful and sustainable Reconciliation Action Plan to support initiatives to enhance reconciliation with our stakeholders
- a commitment to better understand Indigenous Australia through Cultural Awareness Training
- the development of a Workforce Strategy that enables us to attract and retain capable people who can help us deliver our outcomes in a continuously changing environment.

‘The People, its like home to me. They know you.... They look after us.’

AHL Resident, Galawu Hostel, Darwin

‘As a proud employee of Aboriginal Hostels, I have had the privilege of sharing in the lives of many Indigenous people and families. I am humbled by their generosity of spirit in allowing me in to their lives whilst staying at our hostels and I have grown enormously from these experiences. We have a responsibility to recognise the human aspect of our work in order to provide the best service to our residents and to work towards being an employer of choice for Indigenous Australians.’

AHL staff member, Top End



Risk Management

AHL manages risk by ensuring compatibility between its business strategy, business plans and Enterprise Risk Management (ERM) framework.

The Audit, Risk and Finance Committee assists the Board in discharging its responsibilities under the *Public Governance, Performance and Accountability Act 2013*. The Committee's role is to provide independent assurance to the Board on the following functions:

- Risk oversight and management
- System of internal control and internal audit
- Financial planning
- Financial reporting
- Delegations
- Business continuity management
- Ethical and lawful behaviour
- Performance reporting
- Legislative and policy compliance.

Committee membership is comprised of AHL Board members and independent subject matter experts, to ensure the Committee discharges its responsibilities effectively. As is protocol across the Commonwealth, the Australian National Audit Office (ANAO) has a standing invitation to attend all Audit, Risk and Finance Committee meetings.

Enterprise Risk Management (ERM)

ERM is a structured, consistent and continuous process used across AHL at the strategic and operational levels and is in line with ISO31000:2018 standards. It is used for identifying, assessing, responding to and reporting on opportunities and threats that affect the achievement of AHL's business objectives.

AHL's risk appetite is articulated through its risk appetite statement, its descriptions of likelihood and consequence, and its matrix for rating risk and its risk registers.

Risk tolerance is determined in reference to the Company's Risk Management Plan. The plan sets

out the process for monitoring compliance with risk tolerance, and any risks outside tolerance. The plan also provides instructions to the Board, management and staff regarding the implementation of consistent risk management practices throughout AHL.

The risk management process is embedded into the planning and delivery of AHL business to ensure that risks are identified, managed and mitigated as they arise.

Roles and responsibilities relating to risk management within AHL are as follows:

- **AHL Board** — overall responsibility for risk management
- **Audit, Risk and Finance Committee** — quarterly review of the enterprise risk register and independent assurance for the Board on risk management
- **Asset Management Committee** — active monitoring of any risks related to Company assets
- **CEO** — compliance with AHL's Risk Management Policy and Risk Management Plan
- **CFO/Company Secretary** — compliance with ERM framework and process
- **All AHL staff** — active management of risk in accordance with Risk Management Policy and Risk Management Plan.

Monitoring and Review

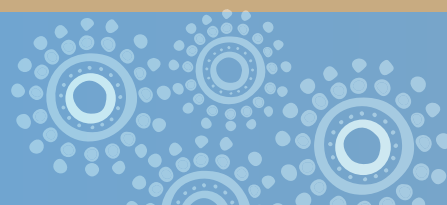
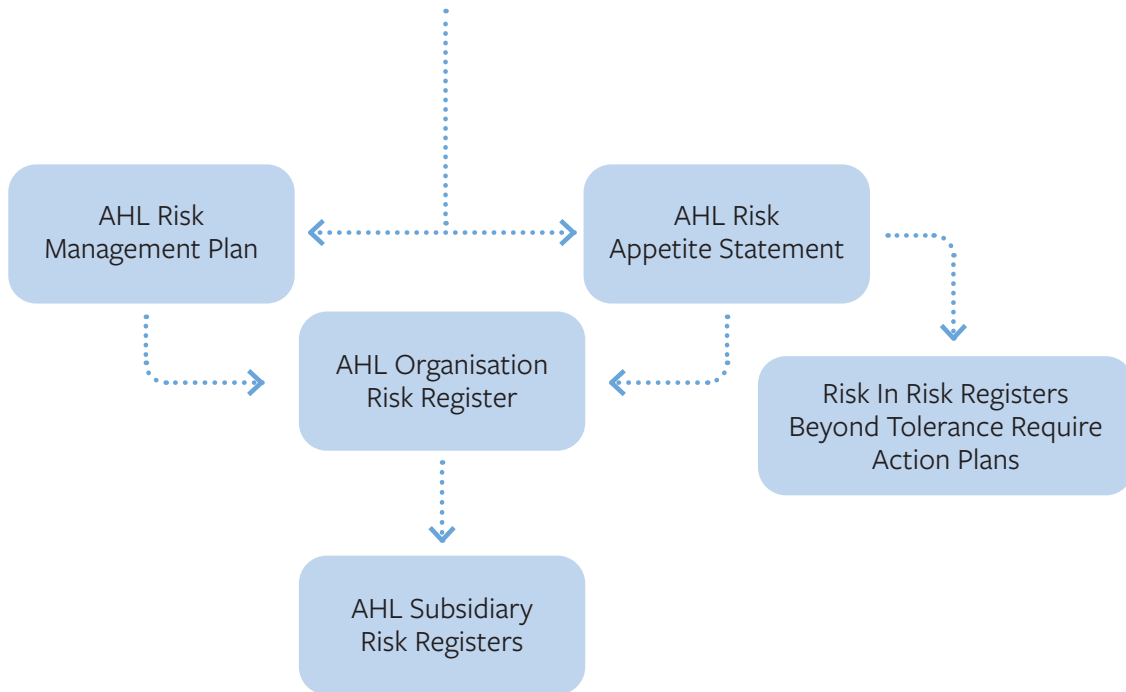
AHL's ERM framework is reviewed annually as part of the process of continuous improvement set out in AS/NZS ISO 31000.

The Board is regularly appraised of significant risk mitigation activities. It also receives assurance that Risk Management Plans are in place for each key risk, and that appropriate risk mitigation is being undertaken for operational and strategic risks.



AHL Enterprise Risk Framework

AHL Risk Management Policy



Enterprise Risk Priorities 2021 – 22

ERM Component	Risk	Mitigation
DUTY OF CARE		
COVID-19 Pandemic	Inability to prevent or effectively manage pandemic prevention or outbreak	Comprehensive COVID-19 Management Plan
Protecting Children and Vulnerable People	Harm to children and vulnerable people at Secondary Education and other hostels	Continued implementation of the updated Child Protection Framework and delivery of associated training program
BUSINESS EFFICIENCY AND FINANCIAL SUSTAINABILITY		
Long term financial sustainability	<ul style="list-style-type: none"> • Unsustainable AHL funding model • Poor management of expenditure • Unable to achieve targeted tariff revenue • Erosion of cash reserves 	<ul style="list-style-type: none"> • Comprehensive monthly financial reporting and monitoring of income and expenditure • Repurposing hostels to suit local demand • Mid-year budget review and full year forecast • Revenue Diversification Strategy
Low Secondary Student (SE) Enrolments	<ul style="list-style-type: none"> • Unable to obtain budgeted levels of secondary student enrolment • Poor reputation in some localities • Lack of engagement with local schools and communities • Cultural awareness issues • Lack of appropriate staff • Inadequate supervision and monitoring 	<ul style="list-style-type: none"> • Project Plan to increase student enrolment • Partnering with key stakeholders (i.e. schools, community organisations) to increase enrolments • Ongoing improvement to secondary education hostel standards
Information Technology	Failure to maintain system integrity	ICT Strategy and Security Plans
SUSTAINABLE ASSET MANAGEMENT		
Asset portfolio	<ul style="list-style-type: none"> • Sites not fit for purpose and/ or unsafe • Sites not in locations of market failure 	<ul style="list-style-type: none"> • Ongoing site inspections and full condition audits • Asset management systems in place and maintained • Effective contractor management • Oversight by Board Asset Management Committee



Relevant Legislation

This Corporate Plan has regard to and draws on:

The Constitution of Aboriginal Hostels Ltd

Corporations Act 2001

*Public Governance, Performance and Accountability Act 2013
(PGPA Act) and the PGPA Rule*

Australian Charities and Not-for-Profits Commission Act 2012

Aboriginal and Torres Strait Islander Act 2005

Australian Public Service Act 1999

Auditor-General Act 1997

Privacy Act 1988

Freedom of Information Act 1982

Public Interest Disclosure Act 2013


Work Health and Safety Act 2011

Archives Act 1983

Fair Work Act 2009

Safety, Rehabilitation and Compensation Act 1988





**“I like staying here...
Living here feels like
it is our home.”**

AHL Resident, Wangkana Kari Hostel,
Tennant Creek



