

## **Chairman's Report FY2005**

In this, my third report as Chairman of the Surry Hills Neighbourhood Centre, I will be covering what has proved to be a very exciting but also very difficult year for the Centre.

This time last year, I reported to you that the Centre had recruited a new full time Coordinator, Anthony Stratford, and I was able to introduce him to you at the meeting. In the past 12 months, Anthony has settled in very well: he has taken over leadership of the staff and our various projects and services; he has completed a desperately needed reorganisation of Centre administration; he has established excellent working relationships with the external organisations that we have to deal with, including our suppliers, our funders and our landlord; and he has introduced a number of new service activities which, at this early stage, look very promising.

The landlord I mentioned is the City of Sydney, and under the leadership of Lord Mayor Clover Moore, the subject of the redevelopment of our premises at Doherty Hall has at last resurfaced from the depths of confusion associated with the forced merger of South Sydney Council with the City Council. Previous requirements of having to finance the redevelopment with retail space on the Doherty Hall site have now been put aside, and the current proposal is for a three storey construction basically consisting of a new Library on the ground floor, the Neighbourhood Centre, offices and meeting+activity spaces on the first floor, with enlarged childcare facilities on the third floor.

This general configuration, having the Library, the Neighbourhood Centre and the Childcare facilities all together on the one site, meets the strong community preferences expressed in previous consultation processes that these three services should not be split up, and should be kept in the village centre. Accordingly, the previous proposal to relocate Childcare to a new site next to Frogs Hollow Park has also been put aside.

The Surry Hills Neighbourhood Centre Management Committee has expressed its support for the City Council's current specifications for the Doherty Hall redevelopment. We are a "key stakeholder" in the planning process, and the Council's consultants are currently receiving general community input. Some concerns that we have expressed already, prior to architectural design, is that the Neighbourhood Centre has a welcoming "front door" at ground floor level (possibly shared with the Library); that the Centre retains the opportunity to raise funds by space hire to community groups for sympathetic activities of their own choice; and that the dinosaur mural be retained if at all possible.

The renewal of community facilities in Surry Hills is long overdue, and we look forward to partnering with the Council in its planning and implementation. As we understand it, demolition of the current Doherty Hall should commence early in calendar year 2006, and the entire project will take about 12-18 months to complete. This will, of course, disrupt all our activities here (not the mention those of the Library), and transitional arrangements, involving the temporary relocation of all our services, are being put in place with the cooperation and assistance of the Council and other Centres. All clients of the Centre are asked to be patient and be flexible while we deal with the difficulties of the transitional period.

The Centre remains underfunded, and we expect this situation will be perpetual. State and Federal Government support is essential and gratefully received, but it is collectively well below our expenditure, and we are reliant on fundraising to make up the shortfall. Our financial situation remains precarious as will be discussed below.

I've mentioned our fundraising from space hire, and our other major fundraising activities are the annual Festival and our monthly Markets. The Markets are the most consistent fundraiser for the Surry Hills Neighbourhood Centre, as well being an important community focus event.

They have, for many years, been coordinated by Leanne Lightfoot, who has been, in the last year, assisted mostly by Jacqueline Tudbull. In the 2005 financial year, the Market surplus was \$22,000 which was applied directly to supporting our community services.

The 2005 Festival was a great success, again, as a community event, with a crowd of about 50,000 people enjoying the day in good but sometimes threatening weather, with plenty of stalls and entertainment, and no serious incidents. But as a fundraiser it was a failure. It's true that revenue was down and some costs were up, but the singular factor which destroyed the Festival as a fundraiser this year was the imposition of "user pays charges" by the RTA for the closure of Crown Street. We qualify for exemption from these charges under government guidelines, and have received exemption in previous years, but without any change in these guidelines, and indeed without any adequate explanation, the RTA reversed its decision. To add insult to injury, the RTA did not even advise us of the decision until after the Festival, even though we had applied for the exemption as required 6 months before the event. This matter has received some publicity, and we have had tremendous support from Clover Moore, Tanya Plibersek and the South Sydney Herald, but all to no avail. The bottom line is that, at the stroke of an RTA pen, the Festival surplus dropped from a reasonable near \$11,000 to just over \$1,000, making it completely not worth our while to run. The RTA decision has deprived us of an essential fundraising opportunity, and almost put the Surry Hills Neighbourhood Centre into a deficit position overall for the financial year of this report.

With absolutely no undertakings from the RTA, we have resolved not to hold future Festivals in Crown Street. However, we must run a Festival, or replace the lost fundraising with something else. Presently, we are developing a budget for a 2006 Festival to be held on Saturday 20 May 2006 in Prince Alfred Park, Surry Hills. This location would not require a road closure, which should allow us to get the Festival back to decent profitability. If the budget confirms this, we'll go ahead with it.

None of the RTA problems detract from the efforts of our Festival Director, Mel Smith, and we owe a great debt of gratitude to our business supporters and the huge army of volunteer workers and performers who donated their talents and time. As in previous years, the City Council was tremendously supportive in both cash and kind. This year, the Council granted us \$15,000 towards the running of the Festival in recognition of the community contribution it makes.

The funds we attract from government, plus our fundraising success, support the services we offer to the community as the Surry Hills Neighbourhood Centre. The success of these services is a great credit to the staff of the Centre. Under Anthony's guidance, in the last year we have introduced some new services in the Multicultural area, as well as social interaction for senior men, and we've expanded some current programs. New programs for HIV/Aids sufferers and for people with mental health problems are just now getting under way. It was a major job goal for our new Coordinator, and Anthony is doing very well at identifying unfilled needs in the community, and then finding the necessary support to get an appropriate service underway.

During the year, we had to take the sad decision to discontinue Before School Care due to its serious underutilisation. We could not afford to sustain the substantial financial losses this program was causing, but Anthony is working on a new business model for Before School Care which may enable it to be resurrected. A trial is planned for 2006 School Year Term 1.

Another very sad and difficult decision was to abandon publication of the popular community newspaper, The Surry. Again, the financial burden was too great to bear. The advertising revenue came nowhere near to covering the production and distribution costs. The Management Committee will remain alert to business strategies which may make The Surry a viable proposition, but until then, it will not reappear.

The Surry Hills Neighbourhood Centre has embarked upon a major project to convert our organisation from a shareholder based incorporated cooperative, to a membership based incorporated association, with somewhat revised objects. Being a cooperative has served us well over the years, but changing circumstances and several specific factors make this conversion important. A trigger for the conversion that the Office of Fair Trading requires us to modify our rules to meet their requirements, but other compelling factors that drive us in this direction are financial in nature. Firstly we need to become a tax deduction for potential business sponsors, including for the Festival, to allow us to more easily raise funds in this way; and we need to be more attractive to good staff by allowing them to sacrifice their salaries, allowing them a great reduction in income tax.

Following inputs from an information and planning forum held in October, we have developed a modified set of objectives which will, it is intended, help us achieve the objectives of conversion. The new objectives emphasise that we are targeting marginalised and disadvantaged people with our services, but still provide for our full range of current activities, including Childcare.

An extraordinary general meeting will be held in Doherty Hall on Wednesday 18 January 2006 starting at 6:00pm to approve the new rules and the conversion to an association. The Management Committee invites you to attend this very important meeting and commends the changes, which will be put as *special resolutions*. They are crucial to the future sustainability of the Surry Hills Neighbourhood Centre.

Finally, a sincere thank you to everyone who has supported the Surry Hills Neighbourhood Centre during the year. This includes numerous staff and councillors from the City of Sydney; from the funding agencies, the Dept. of Community Services and the Dept. of Family and Community Services; from the various partners Anthony gains assistance from for services and activities. Thanks to everyone who has volunteered their time and talents – this includes the Management Committee, the volunteers and performers at the Festival, and the volunteers who help with our activities. Thanks to the Surry Hills businesses which support us. And thanks to our staff, to Coordinator Anthony Stratford, to Salma Begum and her Multicultural team, and to Spring Lai and Lina Amin and the Childcare team, and to John Ferguson, our bookkeeper, and to Yelena Alpatova, our administrative assistant. I've previously mentioned Leanne and Jacqueline who run the Markets. This Centre would not run without its staff – their efforts have been significant in the past year, and they deserve our gratitude.

**Mike Salon**  
**Chairman, Surry Hills Neighbourhood Centre Management Committee**