

# HOUSING ACT

---

## Purpose

Housing ACT's principal objective is to provide those people in the community experiencing housing stress and suffering social and financial disadvantage with safe, affordable and appropriate housing that responds to their individual circumstances and needs. In doing so, Housing ACT helps to alleviate disadvantage, social isolation and foster a safer, stronger and more cohesive society.

Housing ACT undertakes its activities in accordance with the Community Services Directorate's *Service Delivery Platform*, which is based around the following five strategic themes:

- improving outcomes for our clients;
- engaging and involving our clients;
- building better community partnerships;
- serving and contributing to good governance; and
- performing as a best practice organisation.

Through focussing on these themes, Housing ACT aims to improve linkages between programs and ensure that the emphasis on clients remains the highest priority, thereby helping to reduce poverty and exclusion for some of the most vulnerable in the community.

## 2011-12 Priorities

Strategic and operational issues to be pursued in 2011-12 include:

- finalising the construction and allocation of dwellings under the *Nation Building and Jobs Plan* economic stimulus package;
- continuing to implement the public housing asset management strategy to refurbish or replace public housing to better meet tenant needs, including the redevelopment of multi-unit sites and re-housing aged tenants into more suitable housing within the same neighbourhood;
- completing a review of the youth homelessness services to better align those services with the targets of the National Partnership Agreement on Homelessness and the ACT homelessness reform priorities;
- implementing tenancy management plans for inappropriate tenant behaviour that address the underlying causes of problem behaviour including drug and alcohol misuse and provide appropriate support options to clients;
- continuing to improve services to the most vulnerable and needy in the community;
- expanding two tenant employment programs in partnership with Spotless, Housing ACT's maintenance contract manager, and the Commonwealth Department of Education, Employment and Workplace Relations through 'Home to Work';

- improving services to Aboriginal and Torres Strait Islander families in the Territory, through increasing the number of housing tenancies and property modifications to support culturally appropriate accommodation;
- expanding the energy efficiency program with focus on building and shell improvement of public housing stocks;
- tendering of the Total Facilities Management contract for the repairs and maintenance of public housing properties; and
- implementing the second stage of the upgrade to the Housing Information System (Homenet).

## Business and Corporate Strategies

In accordance with the *Service Delivery Platform*, Housing ACT will implement strategies and direct resources towards preventing and reducing homelessness and social exclusion for the Territory's most vulnerable people and thereby help to build a stronger and more inclusive and cohesive community.

Housing ACT will focus on the outcomes of the tenant satisfaction surveys and increase participation by tenants and the community in policy development and service delivery.

Housing ACT will implement the Central Access Point service model to provide streamlined access to a wide range of housing related services for people experiencing homelessness or housing stress. This will be supported with a common ICT platform, a first in Australia. The service model aims to improve clients' service experience by co-locating services and developing common practices and procedures.

In conjunction with the upgrade of the new business system, Housing ACT will improve work flows and streamline business practices to further integrate business operations, achieve efficiencies and cost savings and provide better information.

Housing ACT will implement strategies to retain staff, strengthen the skills and professionalism of staff and encourage a work life balance.

## Estimated Employment Level

2009-10 Actual Outcome	2010-11 Budget	2010-11 Est. Outcome <sup>1</sup>	2011-12 Budget
225 <b>Staffing (FTE)</b>	236	234	235

**Note:**

1. The estimated outcome excludes contract staff occupying temporary vacant positions whilst recruitment is pending.

## Strategic Objectives and Indicators

### Strategic Objective 1

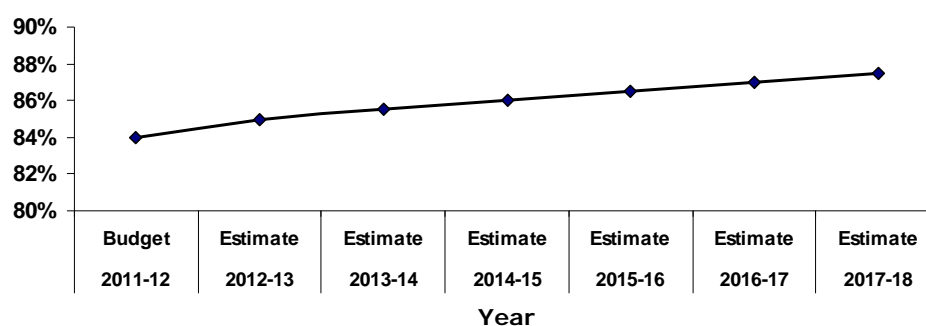
Provision of Appropriate Housing to People Most in Need

Housing ACT will continue to target housing assistance to those most in need in the community and through this housing assistance, reduce social isolation and disadvantage and help build a safe, healthy and more cohesive community.

#### Strategic Indicator 1: Provision of Housing to People Most in Need

This indicator demonstrates the focus of public housing priority allocations on housing those most in need within 90 days. Needs may include: homelessness; having mental health issues, serious medical issues or a disability, such as frail-aged, where the natural support systems are at risk of breaking down; women with or without children escaping domestic violence; Aboriginal and Torres Strait Islander people facing complex issues; and families with children at risk.

Priority allocations within 90 days



### Strategic Objective 2

Reduction of Homelessness

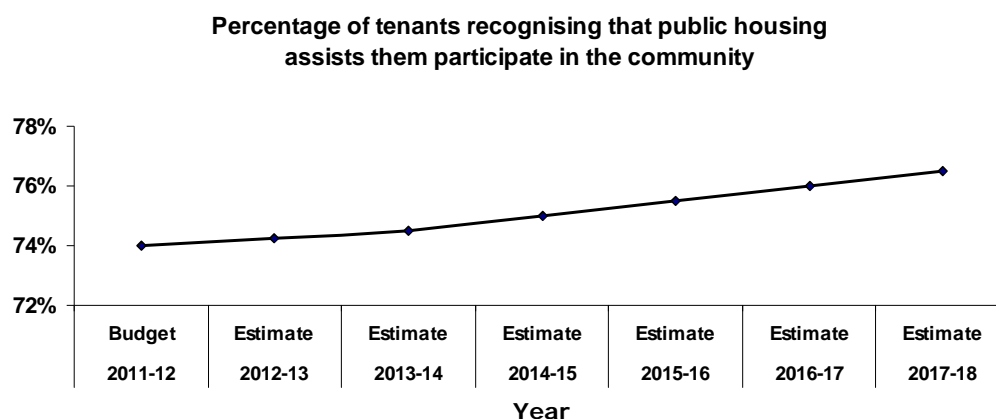
Implement the “Housing First” model to provide safe, secure and long term accommodation with appropriate supports to sustain tenancies. Provide appropriate transitional housing as a crisis response with support from specialist homelessness service providers, assertive engagement with rough sleepers and streamlining access to services, building foundation skills and improving social inclusion, with the aim of securing appropriate long term accommodation with supports.

## Strategic Objectives and Indicators cont.

### Strategic Indicator 2<sup>1</sup>

The Provision of Housing Provides Tenants the Opportunity to be Part of a Community

A key to successful housing outcomes for those in social housing is whether housing enables tenants to integrate effectively into the community and thereby have better access to education and employment opportunities. By reducing concentrations of disadvantage, poverty and exclusion, with the associated social problems, social housing helps build a safe, healthy and more cohesive community.



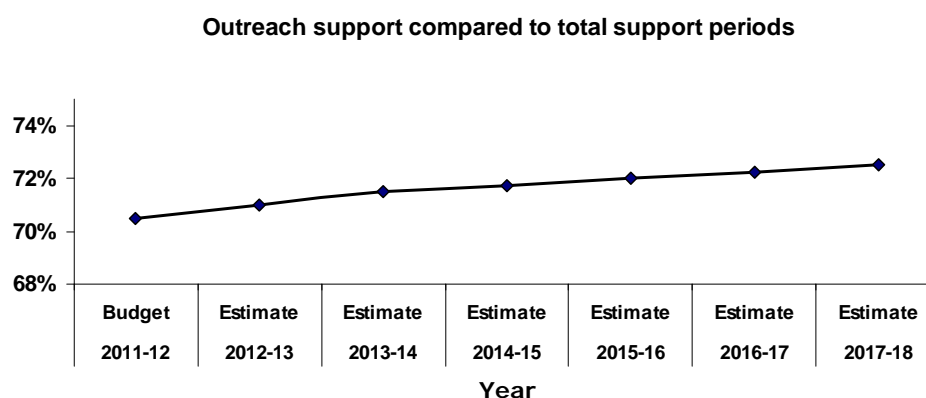
**Note:**

1. Actual result is taken from the local and national social housing surveys.

### Strategic Indicator 3

The Provision of Outreach Services to Sustain Tenants in Longer Term Housing

A key to successful housing outcomes for those tenants transitioning from homelessness or crisis accommodation to mainstream housing is access to appropriate and adequate supports from outreach services to assist them sustain their tenancy. This indicator shows the increasing proportion of homelessness support provided as outreach support to tenants, to assist them sustain their tenancy in longer term accommodation.



## Output Classes

	Total Cost <sup>1</sup>		Government Payment for Outputs	
	2010-11	2011-12	2010-11	2011-12
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
<b>Output Class 1:</b>				
<b>Social Housing Services</b>	150,248	142,801	43,617	43,186
<b>Output 1.1: Social Housing Services</b>	150,248	142,801	43,617	43,186

**Note:**

1. Total cost includes depreciation and amortisation of \$13,735 million in 2010-11 and \$15,137 million in 2011-12.

### *Output Description*

The provision and management of public housing tenancies and properties and the provision of support and resources to homelessness services and community housing providers.

## Accountability Indicators

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
<b>Output Class 1: Social Housing Services</b>			
<b>Output 1.1: Social Housing Services</b>			
a. Priority Allocations	96%	96%	96%
Percentage of public housing allocations to priority and highest need applicants.			
b. Number of properties managed <sup>1</sup>			
- Public housing properties	11,992	11,901	12,050
- Community housing properties <sup>2</sup>	359	308	N/A
For the purposes of this indicator a property is defined as a unit of accommodation to which a tenancy agreement can be made as defined by the Australian Institute of Health and Welfare. A tenancy unit is a way of counting the maximum number of distinct rentable units such as a house, townhouse, duplex, flat or rooms in a boarding house.			
c. Number of tenancies managed by registered Not For Profit Housing Providers <sup>3</sup>	N/A	N/A	816
A regulatory framework for Not For Profit Housing Providers commenced in 2009. The registrar is responsible for the administration of the regulatory framework to ensure the sector is able to grow sustainably, provide protection to tenants and the government's investment in the sector.			
d. Percentage of public housing tenants receiving rebates <sup>1</sup>	90%	91%	91%
Eligible tenants are entitled to a rebate of rent such that the rent payable is no more than 25 per cent of assessable household income. Tenants not in receipt of a rebate, pay market rent. The indicator records the percentage of tenants in receipt of a rebate.			
e. Annual number of client service visits conducted	11,100	11,100	11,200
The number of current clients visited during the financial year is the combined total of 90 days and annual client service visits undertaken.			
f. Overall satisfaction of tenants with the provision of public housing <sup>1,4</sup>	≥ 68%	75%	75%
Tenant satisfaction is measured biennially through the National Social Housing Survey and in the alternate years through an internal survey.			
g. Average cost per dwelling of public housing <sup>5</sup>	\$9,624	\$9,820	\$9,954
Total cost of public housing excluding the direct grants to community service providers and to the community-housing sector divided by the stock number.			
h. Percentage of community housing tenants receiving rebates <sup>1</sup>	95%	95%	95%
Community housing tenants who do not pay market rent are recipients of rebates. The rent payable may be a percentage of market rent or assessable household income for eligible tenants depending on the rent setting policies for the particular housing products.			
i. Overall satisfaction of tenants with the provision of community housing <sup>1,4</sup>	77%	75%	75%
Tenant satisfaction is measured biennially through the National Community Housing Survey and in the alternative years through an internal survey.			

## Accountability Indicators cont.

	2010-11 Targets	2010-11 Est. Outcome	2011-12 Targets
<b>Output 1.1: Social Housing Services cont.</b>			
j. Percentage of routine vacant properties re-let within 28 days <sup>6</sup> Upon vacancy, properties that are available for re-letting after undertaking cleaning and/or minor repairs and maintenance are included in the routine vacancy turnaround times.	85%	83%	N/A
k. Percentage of properties undergoing refurbishment re-let within agreed program milestones <sup>7</sup> Upon vacancy, those properties not available for re-letting before substantial works to repair and maintain or upgrade the property are undertaken are included on the refurbishment vacant path prior to re-letting.	90%	75%	N/A
l. Occupancy rate of properties managed by public housing Total number of tenancies divided by total number of lettable dwellings.	N/A	N/A	99%
m. Percentage of tenant accounts ≥ \$500 and four or more weeks in arrears on repayment agreements <sup>8</sup> Tenants with rent arrears exceeding four weeks rent and with debts exceeding \$500 are required to enter into agreements to repay the arrears within a reasonable time either prior to an Order to repay the debt has been made by the ACT Civil and Administrative Tribunal or in conjunction with an Order. To maintain the sustainability of the tenancy and not create household stress, policy guidelines provide that the repayment of arrears and the rent payments are not to exceed 30 per cent of total income.	90%	85%	90%
n. Percentage of rent received Percentage of rent received from tenants compared to rent charged, after rebates.	99%	99%	99%
o. Average rent receivable after rebate per dwelling <sup>9</sup> Rent receivable from tenants to fund the public housing operations. Based upon the total rent receivable less rebates and allowances divided by the number of dwelling units.	\$6,763	\$6,785	N/A
p. The number of government funded specialist homelessness services support periods each year. <sup>10</sup> The number of government funded specialist homelessness services support periods in the year as reported by the Australian Institute of Health and Welfare.	2,800	2,800	2,800

### Notes:

- 'Public housing' relates to housing provided by Housing ACT directly or via head-leased properties to community organisations to provide tenancy management and support whilst 'community housing' refers to those properties controlled and managed by community organisations.
- The decrease in the number of community housing properties from the 2010-11 target is due to some of the properties originally identified for transfer to community organisations under the Nation Building and Job Plan Stimulus Package will be head-leased for up to 18 months pending long term transfer to the community housing provider. This indicator is to be replaced by indicator "c" in 2011-12.
- Not for Profit Housing Providers are also responsible for the tenancy management of some public housing properties.
- Internal surveys will be undertaken for both public and community housing for 2011, with results to be finalised in May. The results shown are the estimated results based upon the previous surveys.
- The average cost per dwelling is higher in 2010-11 as a result of higher demolition and property write-off costs associated with redevelopment of a number of public housing sites.
- Routine vacant properties excludes those "hard to let" properties, where "hard to let" properties are defined as those dwellings that have been refused by three or more applicants on the applicant list or are in complexes that have experienced low demand from applicants over the past twelve months. This indicator is to be replaced by indicator "l" in 2011-12.
- Properties requiring significant maintenance or upgrading prior to becoming available for re-let, often have other issues that make allocation more difficult. These issues may include co-ordination with insurance assessors if there has been an insurable event or occupational therapists if significant disability modifications are required. Housing tenants with increasingly more complex needs may slow down turnaround time as the properties may increasingly require additional and more complex work to meet the specific needs of the tenants. This indicator is to be replaced by indicator "l" in 2011-12.
- There is a continuing focus on reducing tenant arrears with the deployment of early intervention strategies to ensure that tenants engage with Housing ACT and support services to identify and address issues as early as possible, including debt.
- This indicator will be discontinued from 2011-12. Whilst the indicator provides a snapshot of the average rental receipts per tenancy, there is already a measure of the level of housing assistance provided in indicator "d".
- This measure reports the number of first visits for each client in any year. This measure supports the direction of Housing ACT to provide outreach and support to prevent homelessness and enable the family to remain in their long term accommodation.

## Changes to Appropriation

### Changes to Appropriation - Controlled

Government Payment for Outputs	2010-11	2011-12	2012-13	2013-14	2014-15
	Est. Out. \$'000	Budget \$'000	Estimate \$'000	Estimate \$'000	Estimate \$'000
<b>2010-11 Budget</b>	<b>43,617</b>	<b>41,506</b>	<b>41,299</b>	<b>39,970</b>	<b>39,970</b>
<b>2011-12 Budget Policy Adjustments</b>					
Common Ground Feasibility Study	-	150	-	-	-
Street to Home Program	-	120	125	129	134
Savings Initiative	-	(385)	(474)	(478)	(482)
<b>2011-12 Budget Technical Adjustments</b>					
Revised Indexation Parameters - Community Sector Funding	-	(37)	(39)	(40)	125
Commonwealth Grant - Affordable Housing SPP	-	81	135	200	600
Transfer - Domestic Violence Program from the Community Services Directorate	-	1,751	1,816	1,883	1,953
<b>2011-12 Budget</b>	<b>43,617</b>	<b>43,186</b>	<b>42,862</b>	<b>41,664</b>	<b>42,300</b>

### Changes to Appropriation - Controlled

Capital Injections	2010-11	2011-12	2012-13	2013-14	2014-15
	Est. Out. \$'000	Budget \$'000	Estimate \$'000	Estimate \$'000	Estimate \$'000
<b>2010-11 Budget</b>	<b>31,024</b>	<b>12,169</b>	<b>8,500</b>	<b>7,000</b>	<b>7,000</b>
<b>2011-12 Budget Policy Adjustments</b>					
Expansion of Social Housing	-	9,446	-	-	-
Expansion of Public Housing Energy Efficiency	-	2,000	2,000	2,000	2,000
<b>2011-12 Budget Technical Adjustments</b>					
Rollover - CSTDA Supporting People with a Disability	(400)	400	-	-	-
Rollover - Special Care Package for Extraordinary High Needs Clients	(150)	150	-	-	-
<b>2011-12 Budget</b>	<b>30,474</b>	<b>24,165</b>	<b>10,500</b>	<b>9,000</b>	<b>9,000</b>



## 2011-12 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2011-12 \$'000	2011-12 Financing \$'000	2012-13 Financing \$'000	2013-14 Financing \$'000	Physical Completion Date
<b>New Capital Works</b>						
Expansion of Social Housing	9,446	-	9,446	-	-	Jun 2012
Expansion of Public Housing Energy Efficiency <sup>1</sup>	8,000	-	2,000	2,000	2,000	Jun 2015
<b>Total New Works</b>	<b>17,446</b>	<b>-</b>	<b>11,446</b>	<b>2,000</b>	<b>2,000</b>	
<b>Works in Progress</b>						
Homelessness Initiative – A Place to Call Home	2,500	1,000	1,000	500	-	Jun 2013
National Partnership – Homelessness (A Place to Call Home)	5,000	3,000	1,000	1,000	-	Jun 2013
<b>Total Works in Progress</b>	<b>7,500</b>	<b>4,000</b>	<b>2,000</b>	<b>1,500</b>	<b>-</b>	
<b>Total Capital Works Program</b>	<b>24,946</b>	<b>4,000</b>	<b>13,446</b>	<b>3,500</b>	<b>2,000</b>	

**Note:**

1. An additional \$2 million has been forecast for the 2014-15 financial year.

## Housing ACT Operating Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
<b>Income</b>							
<b>Revenue</b>							
43,617	Government Payment for Outputs	43,617	43,186	-1	42,862	41,664	42,300
81,098	User Charges - Non ACT Government	80,747	83,854	4	86,648	88,824	90,603
0	User Charges - ACT Government	128	131	2	135	139	143
2,241	Interest	4,280	2,793	-35	2,951	3,003	3,057
3,873	Other Revenue	9,102	6,905	-24	5,376	5,638	5,725
<b>130,829</b>	<b>Total Revenue</b>	<b>137,874</b>	<b>136,869</b>	<b>-1</b>	<b>137,972</b>	<b>139,268</b>	<b>141,828</b>
<b>Gains</b>							
0	Other Gains	560	0	-100	0	0	0
<b>0</b>	<b>Total Gains</b>	<b>560</b>	<b>0</b>	<b>-100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>130,829</b>	<b>Total Income</b>	<b>138,434</b>	<b>136,869</b>	<b>-1</b>	<b>137,972</b>	<b>139,268</b>	<b>141,828</b>
<b>Expenses</b>							
18,605	Employee Expenses	18,876	19,573	4	20,028	20,493	20,969
2,751	Superannuation Expenses	2,802	3,007	7	3,067	3,130	3,195
72,032	Supplies and Services	72,648	74,072	2	76,655	80,956	83,483
14,717	Depreciation and Amortisation	13,735	15,137	10	15,951	16,743	17,556
4,363	Borrowing Costs	4,363	4,152	-5	3,942	3,723	3,510
43,988	Grants and Purchased Services	33,386	22,857	-32	33,870	25,360	24,155
2,863	Other Expenses	4,438	4,003	-10	2,403	2,460	2,518
82	Transfer Expenses	0	0	-	0	0	0
<b>159,401</b>	<b>Total Ordinary Expenses</b>	<b>150,248</b>	<b>142,801</b>	<b>-5</b>	<b>155,916</b>	<b>152,865</b>	<b>155,386</b>
0	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	2,343	#	0	3,843	0
<b>-28,572</b>	<b>Operating Result</b>	<b>-11,814</b>	<b>-3,589</b>	<b>70</b>	<b>-17,944</b>	<b>-9,754</b>	<b>-13,558</b>
202,755	Inc/Dec in Asset Revaluation Reserve Surpluses	54,890	221,501	304	242,557	250,928	269,694
<b>202,755</b>	<b>Total Other Comprehensive Income</b>	<b>54,890</b>	<b>221,501</b>	<b>304</b>	<b>242,557</b>	<b>250,928</b>	<b>269,694</b>
<b>174,183</b>	<b>Total Comprehensive Income</b>	<b>43,076</b>	<b>217,912</b>	<b>406</b>	<b>224,613</b>	<b>241,174</b>	<b>256,136</b>

## Housing ACT Balance Sheet

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
<b>Current Assets</b>							
34,467	Cash and Cash Equivalents	48,650	45,873	-6	30,312	29,732	26,175
5,247	Receivables	5,516	5,492	..	5,579	5,684	5,789
4,883	Assets Held for Sale	5,167	5,411	5	5,667	5,936	6,205
160	Other	182	182	-	182	182	182
<b>44,757</b>	<b>Total Current Assets</b>	<b>59,515</b>	<b>56,958</b>	<b>-4</b>	<b>41,740</b>	<b>41,534</b>	<b>38,351</b>
<b>Non Current Assets</b>							
4,335	Receivables	4,335	2,335	-46	2,335	500	500
2,835	Investments	2,835	5,358	89	8,127	11,160	14,193
4,461,740	Property, Plant and Equipment	4,337,546	4,579,076	6	4,822,452	5,067,639	5,328,936
1,585	Intangibles	1,986	1,969	-1	1,645	1,268	891
3,150	Capital Works in Progress	5,150	2,945	-43	2,740	2,535	2,330
<b>4,473,645</b>	<b>Total Non Current Assets</b>	<b>4,351,852</b>	<b>4,591,683</b>	<b>6</b>	<b>4,837,299</b>	<b>5,083,102</b>	<b>5,346,850</b>
<b>4,518,402</b>	<b>TOTAL ASSETS</b>	<b>4,411,367</b>	<b>4,648,641</b>	<b>5</b>	<b>4,879,039</b>	<b>5,124,636</b>	<b>5,385,201</b>
<b>Current Liabilities</b>							
3,982	Payables	5,367	5,367	-	5,367	5,367	5,367
4,945	Interest Bearing Liabilities	4,945	4,863	-2	4,729	4,734	4,697
199	Finance Leases	264	271	3	278	285	292
5,295	Employee Benefits	5,835	5,949	2	6,068	6,190	6,324
3,402	Other	3,441	3,441	-	3,441	3,441	3,441
<b>17,823</b>	<b>Total Current Liabilities</b>	<b>19,852</b>	<b>19,891</b>	<b>..</b>	<b>19,883</b>	<b>20,017</b>	<b>20,121</b>
<b>Non Current Liabilities</b>							
86,478	Interest Bearing Liabilities	86,478	81,615	-6	76,887	72,154	67,457
361	Finance Leases	277	279	1	281	283	285
252	Employee Benefits	373	392	5	411	431	451
<b>87,091</b>	<b>Total Non Current Liabilities</b>	<b>87,128</b>	<b>82,286</b>	<b>-6</b>	<b>77,579</b>	<b>72,868</b>	<b>68,193</b>
<b>104,914</b>	<b>TOTAL LIABILITIES</b>	<b>106,980</b>	<b>102,177</b>	<b>-4</b>	<b>97,462</b>	<b>92,885</b>	<b>88,314</b>
<b>4,413,488</b>	<b>NET ASSETS</b>	<b>4,304,387</b>	<b>4,546,464</b>	<b>6</b>	<b>4,781,577</b>	<b>5,031,751</b>	<b>5,296,887</b>
<b>REPRESENTED BY FUNDS EMPLOYED</b>							
1,106,596	Accumulated Funds	1,129,259	1,171,835	4	1,186,391	1,207,637	1,225,079
3,306,892	Reserves	3,175,128	3,374,629	6	3,595,186	3,824,114	4,071,808
<b>4,413,488</b>	<b>TOTAL FUNDS EMPLOYED</b>	<b>4,304,387</b>	<b>4,546,464</b>	<b>6</b>	<b>4,781,577</b>	<b>5,031,751</b>	<b>5,296,887</b>

## Housing ACT Cash Flow Statement

2010-11 Budget \$'000		2010-11 Est.Outcome \$'000	2011-12 Budget \$'000	Var %	2012-13 Estimate \$'000	2013-14 Estimate \$'000	2014-15 Estimate \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
43,617	Cash from Government for Outputs	43,617	43,186	-1	42,862	41,664	42,300
80,483	User Charges	80,260	83,344	4	86,091	88,270	89,995
2,241	Interest Received	4,280	2,793	-35	2,951	3,003	3,057
4,456	Other Revenue	7,456	4,694	-37	4,699	4,743	4,837
<b>130,797</b>	<b>Operating Receipts</b>	<b>135,613</b>	<b>134,017</b>	<b>-1</b>	<b>136,603</b>	<b>137,680</b>	<b>140,189</b>
<b>Payments</b>							
18,473	Related to Employees	18,744	19,440	4	19,890	20,351	20,815
2,751	Related to Superannuation	2,802	3,007	7	3,067	3,130	3,195
73,564	Related to Supplies and Services	73,338	74,465	2	76,569	80,894	83,402
4,363	Borrowing Costs	4,363	4,152	-5	3,942	3,723	3,510
21,872	Grants and Purchased Services	21,552	22,857	6	23,588	25,360	24,155
2,612	Other	2,612	2,781	6	2,783	2,783	2,790
82	Territory Receipts to Government	0	0	-	0	0	0
<b>123,717</b>	<b>Operating Payments</b>	<b>123,411</b>	<b>126,702</b>	<b>3</b>	<b>129,839</b>	<b>136,241</b>	<b>137,867</b>
<b>7,080</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>12,202</b>	<b>7,315</b>	<b>-40</b>	<b>6,764</b>	<b>1,439</b>	<b>2,322</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
31,978	Proceeds from Sale of Property, Plant & Equipment	40,973	44,189	8	33,863	39,725	35,882
<b>31,978</b>	<b>Investing Receipts</b>	<b>40,973</b>	<b>44,189</b>	<b>8</b>	<b>33,863</b>	<b>39,725</b>	<b>35,882</b>
<b>Payments</b>							
85,955	Purchase of Property, Plant and Equipment and Capital Works	114,631	73,371	-36	61,696	45,886	45,897
<b>85,955</b>	<b>Investing Payments</b>	<b>114,631</b>	<b>73,371</b>	<b>-36</b>	<b>61,696</b>	<b>45,886</b>	<b>45,897</b>
<b>-53,977</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>-73,658</b>	<b>-29,182</b>	<b>60</b>	<b>-27,833</b>	<b>-6,161</b>	<b>-10,015</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
31,024	Capital Injection from Government	30,474	24,165	-21	10,500	9,000	9,000
60	Borrowings Received	60	60	-	60	60	60
<b>31,084</b>	<b>Financing Receipts</b>	<b>30,534</b>	<b>24,225</b>	<b>-21</b>	<b>10,560</b>	<b>9,060</b>	<b>9,060</b>
<b>Payments</b>							
4,894	Repayment of Borrowings	4,894	5,005	2	4,922	4,788	4,794
95	Repayment of Finance Lease	95	130	37	130	130	130
<b>4,989</b>	<b>Financing Payments</b>	<b>4,989</b>	<b>5,135</b>	<b>3</b>	<b>5,052</b>	<b>4,918</b>	<b>4,924</b>
<b>26,095</b>	<b>NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>25,545</b>	<b>19,090</b>	<b>-25</b>	<b>5,508</b>	<b>4,142</b>	<b>4,136</b>
<b>-20,802</b>	<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>-35,911</b>	<b>-2,777</b>	<b>92</b>	<b>-15,561</b>	<b>-580</b>	<b>-3,557</b>
<b>55,269</b>	<b>CASH AT BEGINNING OF REPORTING PERIOD</b>	<b>84,561</b>	<b>48,650</b>	<b>-42</b>	<b>45,873</b>	<b>30,312</b>	<b>29,732</b>
<b>34,467</b>	<b>CASH AT THE END OF THE REPORTING PERIOD</b>	<b>48,650</b>	<b>45,873</b>	<b>-6</b>	<b>30,312</b>	<b>29,732</b>	<b>26,175</b>

## Statement of Changes in Equity Housing ACT

Budget as at 30/6/11 \$'000		Est.Outcome as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Var %	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000
	<b>Opening Equity</b>						
1,082,144	Opening Accumulated Funds	1,088,599	1,129,259	4	1,171,835	1,186,391	1,207,637
3,126,137	Opening Asset Revaluation Reserve	3,142,238	3,175,128	1	3,374,629	3,595,186	3,824,114
<b>4,208,281</b>	<b>Balance at the Start of the Reporting Period</b>	<b>4,230,837</b>	<b>4,304,387</b>	<b>2</b>	<b>4,546,464</b>	<b>4,781,577</b>	<b>5,031,751</b>
	<b>Comprehensive Income</b>						
-28,572	Operating Result for the Period	-11,814	-3,589	70	-17,944	-9,754	-13,558
202,755	Increase/(Decrease) in Asset Revaluation Reserve Surpluses	54,890	221,501	304	242,557	250,928	269,694
<b>174,183</b>	<b>Total Comprehensive Income</b>	<b>43,076</b>	<b>217,912</b>	<b>406</b>	<b>224,613</b>	<b>241,174</b>	<b>256,136</b>
22,000	Transfer to/from Accumulated Funds	22,000	22,000	-	22,000	22,000	22,000
-22,000	Movement in Asset Revaluation Reserves	-22,000	-22,000	-	-22,000	-22,000	-22,000
<b>0</b>	<b>Total Movement In Reserves</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Transactions Involving Owners Affecting Accumulated Funds</b>						
31,024	Capital Injections	30,474	24,165	-21	10,500	9,000	9,000
<b>31,024</b>	<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>	<b>30,474</b>	<b>24,165</b>	<b>-21</b>	<b>10,500</b>	<b>9,000</b>	<b>9,000</b>
	<b>Closing Equity</b>						
1,106,596	Closing Accumulated Funds	1,129,259	1,171,835	4	1,186,391	1,207,637	1,225,079
3,306,892	Closing Asset Revaluation Reserve	3,175,128	3,374,629	6	3,595,186	3,824,114	4,071,808
<b>4,413,488</b>	<b>Balance at the End of the Reporting Period</b>	<b>4,304,387</b>	<b>4,546,464</b>	<b>6</b>	<b>4,781,577</b>	<b>5,031,751</b>	<b>5,296,887</b>

### Notes to the Budget Statements

Significant variations are as follows:

#### *Operating Statement*

- government payment for outputs: the decrease of \$0.431 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the decrease in the Commonwealth funding under the National Affordable Housing Agreement (\$1.019 million), the 2010-11 efficiency dividend (\$1.090 million) and the savings initiative (\$0.385 million), partly offset by the transfer of the Domestic Violence Program from the Community Services Directorate (CSD) (\$1.751 million), indexation (\$0.044 million) and new initiatives (\$0.270 million).

- user charges – non ACT Government:
  - the decrease of \$0.351 million in the 2010-11 estimated outcome from the original budget is due to the extension of the temporary exemption of the \$30 per week Commonwealth pension increase from the rental rebate assessment; and
  - the increase of \$3.107 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the combined effect of the increase in market rents, indexation of tenant pensions and additional rental receipts from new properties (\$3.575 million), partly offset by the rent revenue foregone due to the extension of the pension exemption for assessing rebates until October 2011 (\$0.468 million).
- user charges – ACT Government: the increase of \$0.128 million in the 2010-11 estimated outcome from the original budget is due to rental payment from ACT Health for use of facilities at the Ainslie Village.
- interest:
  - the increase of \$2.039 million in the 2010-11 estimated outcome from the original budget is due to larger amounts held in interest earning accounts required to cash manage the capital program, including the construction of projects under the *Nation Building and Jobs Plan Stimulus Package* and higher interest rates; and
  - the decrease of \$1.487 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to surplus cash returning to normal levels, as the *Nation Building and Jobs Plan* projects are completed.
- other revenue:
  - the increase of \$5.229 million in the 2010-11 estimated outcome from the original budget is due to a one-off refund of input tax credits from the Australian Tax Office as a result of a favourable Private Binding Ruling (\$2.3 million), higher than budgeted gains from sale of properties (\$2.229 million), and payment from the ACT Department of Environment, Climate Change, Energy and Water (DECCEW) for implementation of various energy and water efficiency initiatives benefiting public housing tenants and community groups (\$0.7 million); and
  - the decrease of \$2.197 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the cessation of one-off payments from the Australian Tax Office (\$2.3 million) and DECCEW (\$0.7 million), partially offset by higher gains from sales (\$0.545 million), higher gains from equity holding of properties sold under the Shared Equity Scheme (\$0.120 million), higher tenant responsible maintenance charges (\$0.079) from public housing tenants and higher site fees (\$0.059 million) at the Narrabundah Caravan Park.
- other gains:
  - the increase of \$0.560 million in the 2010-11 estimated outcome from the original budget is due to the return of a property from a community housing provider; and
  - the decrease of \$0.560 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the one-off asset transfer that occurred in 2010-11.
- employee and superannuation expenses:
  - the increase of \$0.322 million in the 2010-11 estimated outcome from the original budget is mainly due to unusually long wet weather period requiring higher staff level for a longer period to finalise projects under the *Nation Building and Jobs Plan* project; and

- the increase of \$0.902 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to an increase in staffing numbers required to implement new initiatives and revised wage parameters (\$1.224 million), partly offset by the whole of government savings initiative (\$0.322 million).
- supplies and services:
  - the increase of \$0.616 million in the 2010-11 estimated outcome from the original budget is due to additional expenditure on energy efficiency initiatives funded by DECCEW (\$0.7 million), partly offset by savings in operations (\$0.084 million); and
  - the increase of \$1.424 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the increased costs associated with an expanded property portfolio and general indexation (\$2.579 million), partly offset by the 2010-11 efficiency dividend and the savings initiative (\$1.155 million).
- depreciation and amortisation:
  - the decrease of \$0.982 million in the 2010-11 estimated outcome from the original budget is mainly due to lower than anticipated increase in building value following the revaluation of properties in 2010 and delay in the delivery of projects under the *Nation Building and Jobs Plan* Stimulus Package due to wet weather; and
  - the increase of \$1.402 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the expected increase in property values from revaluation in 2011 and higher depreciation expense from the additional properties delivered under the *Nation Building and Jobs Plan* Stimulus Package.
- borrowing costs: the decrease of \$0.211 million in the 2011-12 Budget from the 2010-11 estimated outcome is largely due to reduced interest payments as overall debt levels decline in line with the loan repayment schedules.
- grants and purchased services:
  - the decrease of \$10.602 million in the 2010-11 estimated outcome from the original budget is mainly due to some of the properties earlier identified for transfer to the community housing sector under the *Nation Building and Jobs Plan* Stimulus Package will now be head leased for up to 18 months prior to transfer; and
  - the decrease of \$10.529 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the transfer of properties to the community housing sector in 2010-11, cessation of funding of the upgrade of the Early Morning Centre (\$0.750 million) and the reduction in Homelessness funding under the National Affordable Housing Agreement (\$1.048 million), partly offset by expansion of the Street Home Program (\$0.120 million) and the transfer of the Domestic Violence Program from the CSD (\$1.751 million).
- other and transfer expenses:
  - the increase of \$1.493 million in the 2010-11 estimated outcome from the original budget is due to higher demolition and write-off costs of properties, which enabled redevelopments to occur under the *Nation Building and Jobs Plan* Stimulus Package. These were partly offset by the cessation of remittances to the Territory Banking Account following the change of arrangements at the Narrabundah Long Stay Caravan Park (\$0.082 million); and,

- the decrease of \$0.435 million in the 2011-12 Budget from the 2010-11 estimated outcome is largely due to demolition and property write-off costs returning to average levels post *Nation Building and Jobs Plan* Stimulus Package.
- share of operating result from joint venture: the increase of \$2.343 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to the receipt of profits from the units sold in the Lyons Estate Redevelopment Joint Venture.

#### *Balance Sheet*

- cash and cash equivalents:
  - the increase of \$14.183 million in the 2010-11 estimated outcome from the original budget is due to higher revenues and proceeds from sales; and
  - the decrease of \$2.777 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to funding some of the construction projects out of surplus funds.
- current receivables: the increase of \$0.269 million in the 2010-11 estimated outcome from the original budget is due to rental arrears as a result of higher rental income and a slight decrease in the collection rate.
- assets held for sale:
  - the increase of \$0.284 million in the 2010-11 estimated outcome from the original budget is due to the increase in value of properties identified for sale; and
  - the increase of \$0.244 million in the 2011-12 Budget from the 2010-11 estimated outcome is due to an increase in value of properties in general.
- non current assets:
  - the decrease of \$121.793 million in the 2010-11 estimated outcome from the original budget is largely due to the value of properties not increasing to the anticipated level after revaluation of the property portfolio in 2010, partly offset by properties delivered under the *Nation Building and Jobs Plan* Stimulus Package; and
  - the increase of \$239.831 million in the 2011-12 Budget from the 2010-11 estimated outcome is largely due to the expected increase in value of properties following revaluation of the property portfolio in 2011 and further increase to property numbers through the delivery of remaining projects under the *Nation Building and Jobs Plan* Stimulus Package and other construction projects.
- total liabilities:
  - the increase of \$2.066 million in the 2010-11 estimated outcome from the original budget is mainly due to a increase in payables, lease liabilities, employee benefits; and
  - the decrease of \$4.803 million in the 2011-12 Budget from the 2010-11 estimated outcome is mainly due to the reduction in borrowings with the Commonwealth in accordance with the loan repayment schedule (\$4.945 million), partly offset by the increase in lease liabilities (\$0.009 million) and employee benefits (\$0.133 million).

#### *Statement of Cash Flows*

Variations in the statement are explained in the notes above.

#### *Statement of Changes in Equity*

Variations in the statement are explained in the notes above.