

HOUSING ACT

Objectives

Housing ACT's principal objective is to provide those people in the community in 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 and foster a safer, stronger and more cohesive society.

Housing ACT undertakes its activities in accordance with its *Strategic Focus*, which is based around the following five strategic themes:

- improving outcomes for clients;
- engaging and involving 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.

2009-10 Priorities

Strategic and operational issues to be pursued in 2009-10 include:

- implementing the reforms agreed with the Commonwealth under the National Affordable Housing Agreement and related National Partnership Agreements in accordance with the provisions of the Intergovernmental Agreement on Federal Financial Relations. This includes the *Nation Building and Jobs Plan* stimulus package announced by the Commonwealth in February 2009 and fast-tracking of the *A Place to Call Home* homelessness initiative to deliver ten dwellings over 2008-09 and 2009-10;
- continuing to improve service delivery by better aligning resources to focus on tenant needs, ensuring that tenancies are sustainable and that tenants are able to access the necessary support services;
- 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 continuing to implement the program for improving the energy efficiency of public housing;
- implementing a range of services to assist address homelessness in the ACT, including introducing a *Street to Home* program to provide an active outreach program to rough sleepers in the ACT, a *Building Housing Partnerships Program* to assist break the cycle of homelessness through the provision of skills and supports to enable vulnerable families sustain their tenancy and a program to support victims of domestic violence to ensure that they can remain housed in place, where appropriate, using the *Residential Tenancies Act 1996*;

- implementing the shared equity scheme;
- continuing to improve services to the most vulnerable and needy in the community by providing more flexible housing assistance that best meets the needs of applicants, including by extending the partnership with Centrelink to provide joint services at shopfronts, improving services to indigenous families in the Territory, expanding services to younger people under the Youth Housing Program and expanding the Transitional Housing Programs; and
- implementing the new housing information system.

Business and Corporate Strategies

In accordance with the *Strategic Focus*, Housing ACT will implement strategies and direct resources towards reducing homelessness and 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 focus on better integrating service delivery with other parts of the government and the community sector, to better match services to the needs of tenants, including the re-alignment of properties to meet the needs of tenants and applicants, establishing a common applicant list for public and community housing, establishing a central intake service for homelessness services and co-locating the crisis accommodation advice service within the social housing Gateway Services.

In conjunction with the implementation of the new business system, improved work flows and streamlined business practices will be introduced to further integrate business operations, achieve efficiencies and cost savings and provide better information.

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

Estimated Employment Level

2008-09 Budget		2008-09 Est. Outcome	2009-10 Budget
218	Staffing (FTE) ¹	209	234

Note:

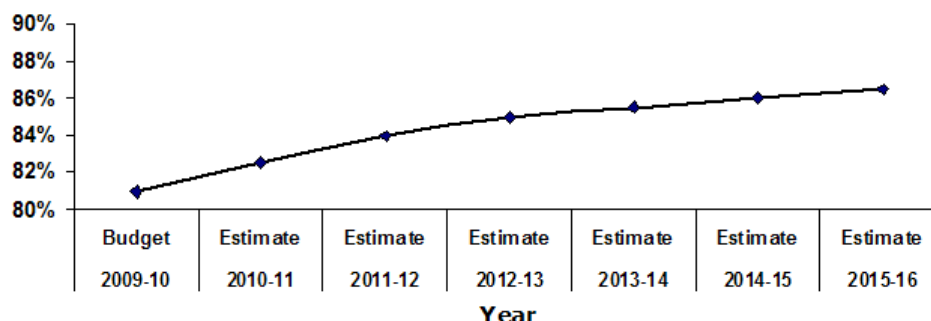
1. The estimated outcome of FTE staff excludes contract staff that occupy temporary vacant positions whilst recruitment is pending.

Strategic Indicators

Strategic Indicator 1

Provision of housing to people most in need

Priority allocations within 90 days

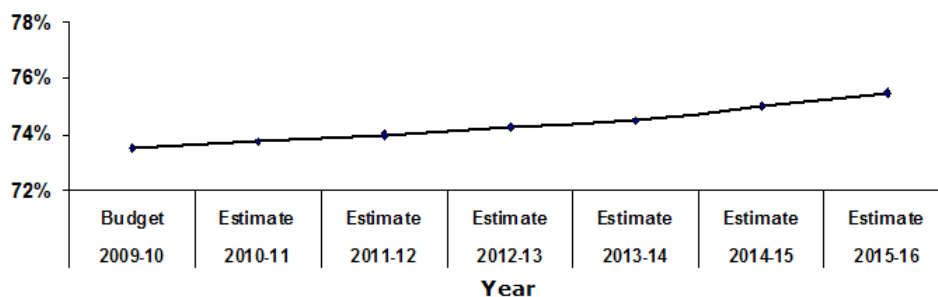


This indicator demonstrates the focus of public housing priority allocations on housing those most in need within 90 days. Needs may include: homelessness; having mental health issues, serious medical issues or a disability, such as frail-aged, where the natural support systems are at risk of breaking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

Strategic Indicator 2¹

The provision of housing enables tenants the opportunity to be part of a community

Percentage of tenants recognising that public housing assists them participate in the community



Note:

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

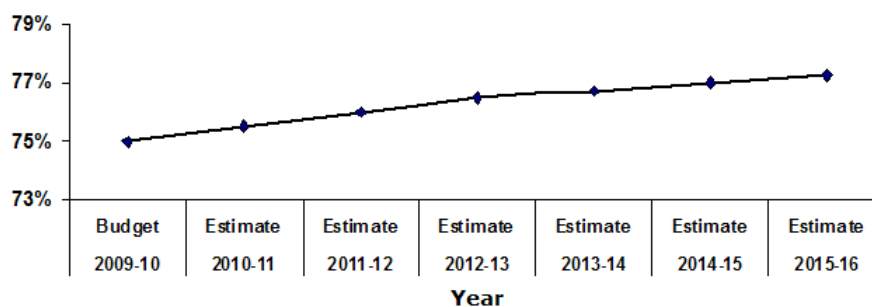
A key to successful housing outcomes for those in social housing is whether the housing enables tenants to integrate effectively into the community through being able to readily access education and employment opportunities. By reducing concentrations of disadvantage, poverty and exclusion, with the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

Strategic Indicators cont.

Strategic Indicator 3¹

The provision of outreach services to sustain tenants in longer term housing

Outreach support compared to total support periods



Note:

1. New strategic indicator.

A key to successful housing outcomes for those tenants transitioning from homelessness or crisis accommodation to mainstream social 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 Class

	Total Cost ¹		Government Payment for Outputs	
	2008-09 Est. Outcome \$'000	2009-10 Budget \$'000	2008-09 Est. Outcome \$'000	2009-10 Budget \$'000
Output Class 1:				
Social Housing Services	114,763	137,069	26,507	46,705
Output 1.1: Social Housing Services	114,763	137,069	26,507	46,705

Note:

1. Total cost includes depreciation and amortisation of \$14.244 million in 2008-09 and \$13.772 million in 2009-10.

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

	2008-09 Targets	2008-09 Est. Outcome	2009-10 Targets
Output Class 1: Social Housing Services			
Output 1.1: Social Housing Services			
a. Priority Allocations	96%	96%	96%
Percentage of public housing allocations to priority and highest need applicants.			
b. Number of properties managed ^{1, 2}			
- Public housing properties	11,580	11,583	11,731
- Community housing properties	250	245	245
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. Percentage of public housing tenants receiving rebates ¹	87%	87%	87%
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.			
d. Annual number of client service visits conducted	10,750	10,789	10,900
The number of current clients visited during the financial year is the combined total of 90 days and annual client service visits undertaken.			
e. Overall satisfaction of tenants with the provision of public housing ^{1,3}	≥ 65%	71%	≥ 68%
Tenant satisfaction is measured biennially through the National Social Housing Survey and in the alternative years through an internal survey.			
f. Average cost per dwelling of public housing ⁴	\$9,685	\$9,708	\$9,914
Total cost of public housing excluding the direct grants to community service providers and to the community-housing sector divided by the stock number.			
g. Percentage of community housing tenants receiving rebates ¹	92%	96%	95%
Eligible tenants are entitled to a rebate of rent such that the rent payable is no more than 25% of assessable household income. Tenants not eligible for a rebate pay market rent. The indicator records the number of tenants in receipt of a rebate compared to the total number of tenants.			
h. Overall satisfaction of tenants with the provision of community housing ^{1,3}	77%	73%	77%
Tenant satisfaction is measured biennially through the National Community Housing Survey.			

Accountability Indicators cont.

	2008-09 Targets	2008-09 Est. Outcome	2009-10 Targets
Output 1.1: Social Housing Services cont.			
i. Percentage of routine vacant properties re-let within 28 days ⁵ 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%	87%	85%
j. Percentage of properties undergoing refurbishment re-let within agreed program milestones 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%	87%	90%
k. Percentage of tenant accounts \geq \$500 and four or more weeks in arrears ⁶ Tenants with rent arrears exceeding 4 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%	83%	90%
l. Percentage of rent received Percentage of rent received from tenants compared to rent charged, after rebates.	99%	99%	99%
m. Average rent receivable after rebate per dwelling 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.	\$6,502	\$6,599	\$6,752
n. The number of SAAP support periods each year. ⁷ The number of Supported Accommodation Assistance Program (SAAP) support periods in the year.	n/a	n/a	2,900

Notes:

1. '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.
2. The increase in public housing dwelling units is due to the increased dwellings provided under the National Partnership Agreements, including the Nation Building and Jobs Plan stimulus package and the "A Place to Call Home" homelessness initiative.
3. The results for public housing are from the internal survey undertaken in 2008. The results for community housing are those from the 2007 National Social Housing Survey for community housing pending finalisation of the 2009 community housing survey.
4. The average cost per dwelling is higher in 2009-10 as a result of higher costs for employees, water and sewerage rates and consumption and other property costs. The higher employee costs are due to increased staffing levels as a result of the transfer of the management of homelessness services to Housing ACT and the creation of an implementation team to deliver the Nation Building and Jobs Plan stimulus package, and higher wages from the collective agreement.
5. Routine vacant properties excludes those hard to let properties, where the 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.
6. 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. However, the deterioration of the economic climate may impact upon the level of arrears.
7. New measure in 2009-10.

Changes to Appropriation

Changes to Appropriation - Departmental

	2008-09 Est. Out. \$'000	2009-10 Budget \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Government Payment for Outputs					
2008-09 Budget	23,395	23,389	23,726	24,226	24,226
2009-10 Budget Policy Adjustment					
Efficiency Dividend	-	-	(84)	(86)	(88)
2009-10 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	289
Revised Indexation Parameters - Community Sector Funding		(15)	(15)	(16)	19
Revised Commonwealth Grants - CSHA, SAAP	(88)	29	(1,220)	(2,497)	(3,671)
National Partnership - Homelessness	-	926	1,336	1,401	1,401
National Partnership - Nation Building and Jobs Plan - Social Housing	3,200	3,226	-	-	-
Transfer - SAAP from DHCS	-	19,150	19,964	20,350	20,897
2009-10 Budget	26,507	46,705	43,707	43,378	43,073

Changes to Appropriation - Departmental

	2008-09 Est. Out. \$'000	2009-10 Budget \$'000	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Capital Injections					
2008-09 Budget	14,430	7,333	7,334	7,000	7,000
FMA Section 16B Rollover from 2007-08					
Improvement in Energy Efficiency in Public Housing	73	-	-	-	-
3rd Appropriation					
Homelessness Initiative - A Place to Call Home	2,500	-	-	-	-
Technical Adjustment					
Transfer - CSTDA Supporting People with a Disability from DHCS	450	1,240	-	-	-
2009-10 Budget Policy Adjustment					
Special Care Packages for Extraordinary High Needs Clients	-	200	-	-	-
2009-10 Budget Technical Adjustments					
National Partnership - Homelessness (A Place to Call Home)	1,000	1,000	1,000	1,000	1,000
National Partnership - Social Housing	3,219	3,220	-	-	-
National Partnership - Nation Building and Jobs Plan - Social Housing	967	62,289	28,049	5,018	-
Rollover - CSTDA Supporting People with a Disability	(150)	150	-	-	-
Rollover - Helping Young People with Disabilities in Residential Aged Care Services	(500)	500	-	-	-
Rollover - Upgrade Infrastructure Narrabundah Long Stay Caravan Park	(150)	150	-	-	-
2009-10 Budget	21,839	76,082	36,383	13,018	8,000

2009-10 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2009-10 \$'000	2009-10 Financing \$'000	2010-11 Financing \$'000	2011-12 Financing \$'000	Expected Completion Date
New Capital Works						
National Partnership - Nation Building and Jobs Plan - Social Housing	96,323	967	62,289	28,049	5,018	May 2011
National Partnership - Homelessness (A Place to Call Home) ¹	7,500	3,500	1,000	1,000	1,000	Jun 2013
National Partnership - Social Housing	6,439	3,219	3,220	-	-	Jun 2010
Total New Capital Works	110,262	7,686	66,509	29,049	6,018	
Works in Progress						
Upgrade Infrastructure at the Narrabundah Long Stay Caravan Park	600	450	150	-	-	Jun 2010
Total Works in Progress	600	450	150	-	-	
Total Departmental Capital Works	110,862	8,136	66,659	29,049	6,018	

Note:

1. \$1 million is forecast for the 2012-13 financial year.

Housing ACT Operating Statement

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Income							
Revenue							
23,395	Government Payment for Outputs	26,507	46,705	76	43,707	43,378	43,073
75,288	User Charges - Non ACT Government	76,442	79,211	4	82,715	84,988	87,339
0	Grants from the Commonwealth	219	0	-100	0	0	0
2,727	Interest	2,307	984	-57	753	753	753
11,794	Other Revenue	14,796	6,240	-58	3,907	3,930	3,977
113,204	Total Revenue	120,271	133,140	11	131,082	133,049	135,142
Gains							
747	Other Gains	747	0	-100	0	0	0
747	Total Gains	747	0	-100	0	0	0
113,951	Total Income	121,018	133,140	10	131,082	133,049	135,142
Expenses							
16,885	Employee Expenses	16,074	17,959	12	18,262	18,598	19,101
2,209	Superannuation Expenses	2,238	2,937	31	2,984	3,038	3,122
70,957	Supplies and Services	71,900	74,604	4	74,200	75,937	77,710
15,311	Depreciation and Amortisation	14,244	13,772	-3	14,798	15,115	15,448
4,778	Borrowing Costs	4,778	4,574	-4	4,363	4,152	3,942
2,266	Grants and Purchased Services	2,310	20,767	799	23,096	19,787	19,255
1,959	Other Expenses	3,168	2,382	-25	2,308	2,310	2,358
51	Transfer Expenses	51	74	45	82	91	91
114,416	Total Ordinary Expenses	114,763	137,069	19	140,093	139,028	141,027
0	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	2,343	-	3,843	0	0
-465	Operating Result	6,255	-1,586	-125	-5,168	-5,979	-5,885

Housing ACT Balance Sheet

Budget as at 30/6/09 \$'000		Est.Outcome as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Var %	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000
Current Assets							
25,059	Cash and Cash Equivalents	28,490	11,002	-61	14,580	23,555	33,133
4,070	Receivables	5,108	5,167	1	5,249	5,333	5,455
21,460	Assets Held for Sale	18,906	1,066	-94	1,246	1,446	1,646
97	Other	29	29	-	29	29	29
50,686	Total Current Assets	52,533	17,264	-67	21,104	30,363	40,263
Non Current Assets							
8,600	Receivables	4,335	2,115	-51	635	635	635
7,425	Investments	0	2,475	-	4,950	6,930	8,910
3,774,072	Property, Plant and Equipment	3,675,652	3,778,271	3	3,875,502	3,953,706	4,028,411
2,848	Intangibles	0	1,930	-	1,585	1,568	1,244
3,700	Capital Works in Progress	13,707	3,345	-76	3,150	2,945	2,740
3,796,645	Total Non Current Assets	3,693,694	3,788,136	3	3,885,822	3,965,784	4,041,940
3,847,331	TOTAL ASSETS	3,746,227	3,805,400	2	3,906,926	3,996,147	4,082,203
Current Liabilities							
3,531	Payables	3,899	3,899	-	3,899	3,899	3,899
4,834	Interest Bearing Liabilities	4,833	4,833	-	4,944	4,862	4,728
84	Finance Leases	84	80	-5	171	178	185
3,813	Employee Benefits	3,957	3,971	..	3,990	4,009	4,028
2,957	Other	3,337	3,259	-2	3,259	3,259	3,259
15,219	Total Current Liabilities	16,110	16,042	..	16,263	16,207	16,099
Non Current Liabilities							
96,256	Interest Bearing Liabilities	96,257	91,423	-5	86,478	81,615	76,887
156	Finance Leases	159	264	66	265	267	269
335	Employee Benefits	546	549	1	554	559	564
9	Other	9	0	-100	0	0	0
96,756	Total Non Current Liabilities	96,971	92,236	-5	87,297	82,441	77,720
111,975	TOTAL LIABILITIES	113,081	108,278	-4	103,560	98,648	93,819
3,735,356	NET ASSETS	3,633,146	3,697,122	2	3,803,366	3,897,499	3,988,384
REPRESENTED BY FUNDS EMPLOYED							
963,832	Accumulated Funds	977,675	1,074,171	10	1,127,386	1,156,425	1,180,540
2,771,524	Reserves	2,655,471	2,622,951	-1	2,675,980	2,741,074	2,807,844
3,735,356	TOTAL FUNDS EMPLOYED	3,633,146	3,697,122	2	3,803,366	3,897,499	3,988,384

Housing ACT Cash Flow Statement

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
23,395	Cash from Government for Outputs	26,507	46,705	76	43,707	43,378	43,073
74,732	User Charges	75,883	78,633	4	82,110	84,381	86,686
2,727	Interest Received	2,307	984	-57	753	753	753
0	Grants Received from the Commonwealth	219	0	-100	0	0	0
2,730	Other Revenue	3,105	2,690	-13	2,646	2,667	2,674
103,584	Operating Receipts	108,021	129,012	19	129,216	131,179	133,186
	Payments						
16,916	Related to Employees	16,105	17,942	11	18,238	18,574	19,077
2,209	Related to Superannuation	2,238	2,937	31	2,984	3,038	3,122
70,414	Related to Supplies and Services	71,356	74,681	5	74,211	75,948	77,721
4,778	Borrowing Costs	4,778	4,574	-4	4,363	4,152	3,942
2,266	Grants and Purchased Services	2,310	20,767	799	23,096	19,787	19,255
817	Other	862	888	3	824	824	824
51	Territory Receipts to Government	51	74	45	82	91	91
97,451	Operating Payments	97,700	121,863	25	123,798	122,414	124,032
6,133	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	10,321	7,149	-31	5,418	8,765	9,154
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
67,039	Proceeds from Sale of Property, Plant & Equipment	49,846	51,926	4	35,344	25,456	26,496
67,039	Investing Receipts	49,846	51,926	4	35,344	25,456	26,496
	Payments						
84,524	Purchase of Property, Plant and Equipment and Capital Works	77,813	147,139	89	68,638	33,189	29,080
306	Purchase of Land and Intangibles	306	600	96	0	0	0
84,830	Investing Payments	78,119	147,739	89	68,638	33,189	29,080
-17,791	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-28,273	-95,813	-239	-33,294	-7,733	-2,584
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
14,430	Capital Injection from Government	21,839	76,082	248	36,383	13,018	8,000
60	Borrowings Received	60	60	-	60	60	60
14,490	Financing Receipts	21,899	76,142	248	36,443	13,078	8,060
	Payments						
4,766	Repayment of Borrowings	4,766	4,894	3	4,894	5,005	4,922
50	Repayment of Finance Lease	50	72	44	95	130	130
4,816	Financing Payments	4,816	4,966	3	4,989	5,135	5,052
9,674	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	17,083	71,176	317	31,454	7,943	3,008
-1,984	NET INCREASE/ (DECREASE) IN CASH HELD	-869	-17,488	#	3,578	8,975	9,578
27,043	CASH AT BEGINNING OF REPORTING PERIOD	29,359	28,490	-3	11,002	14,580	23,555

25,059	CASH AT THE END OF THE REPORTING PERIOD	28,490	11,002	-61	14,580	23,555	33,133
--------	--	--------	--------	-----	--------	--------	--------

Housing ACT Statement of Changes in Equity

Budget as at 30/6/09 \$'000		Est.Outcome as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Var %	Planned as at 30/6/11 \$'000	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000
3,465,973	Opening Balance	3,714,967	3,633,146	-2	3,697,122	3,803,366	3,897,499
	Accumulated Funds						
-465	Operating Result for the Period	6,255	-1,586	-125	-5,168	-5,979	-5,885
	Reserves						
233,418	Increase/(Decrease) in asset revaluation reserve	-131,915	-32,520	75	53,029	65,094	66,770
22,000	Transfer to/from Reserves	22,000	22,000	-	22,000	22,000	22,000
254,953	Total Income And Expense For The Period	-103,660	-12,106	88	69,861	81,115	82,885
	Transactions Involving Equity Holders Affecting Accumulated Funds						
14,430	Capital Injections	21,839	76,082	248	36,383	13,018	8,000
3,735,356	Closing Balance	3,633,146	3,697,122	2	3,803,366	3,897,499	3,988,384

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$3.112 million in the 2008-09 estimated outcome from the original budget is due to the additional funding provided by the Commonwealth under the Nation Building and Jobs Plan (\$3.2 million), partially offset by decreased funding under the Commonwealth State Housing Agreement as a result of relative population movements between the states and territories (\$0.088 million); and
 - the increase of \$20.198 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to transfer of the Homelessness and Supported Accommodation Program (SAAP) funding from the Department of Disability, Housing and Community Services (DHCS) (\$19.179 million), additional funding from the Commonwealth under the National Partnership Agreement — homelessness (\$0.926 million), increase in National Affordable Housing Agreement funding (\$0.367 million), community sector indexation (\$0.021 million), additional funding for the Nation Building and Jobs Plan (\$0.026 million) and for accommodating detainees released from the Alexander Maconochie Centre (\$0.038 million), partly offset by the effect of one-off funding for the review of Children in Public Housing (\$0.110 million) and the Water Demand -Management funding (\$0.250 million) in 2008-09 .

- user charges — non ACT Government:
 - the increase of \$1.154 million in the 2008-09 estimated outcome from the original budget is due to the delay in implementing the shared equity scheme (\$1.010 million) and the additional rents received from the increase in market rents (\$0.144 million); and
 - the increase of \$2.769 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the increase in market rents for 2009-10 following the re-assessment of market rents and the indexation of tenant pensions (\$2.574 million) and additional rental receipts from new properties under the National Partnership Agreements (\$0.509 million), partly offset by the loss of properties under the shared equity scheme (\$0.314 million).
- Grants from the Commonwealth:
 - the increase of \$0.219 million in the 2008-09 estimated outcome from the original budget is due to the provision of additional funding by the Commonwealth to improve indigenous housing outcomes in the Territory; and
 - the decrease of \$0.219 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to cessation of Commonwealth funding noted above.
- interest:
 - the decrease of \$0.420 million in the 2008-09 estimated outcome from the original budget is due to lower interest earned on the investment in the Lyons Estate Redevelopment Joint Venture with the early sale of the retirement village site to the joint venture (\$0.648 million), partly offset by higher interest earned on other investments (\$0.228 million); and
 - the decrease of \$1.323 million in 2009-10 Budget from the 2008-09 estimated outcome is due to the lower interest rates on investments and the lower amounts available for investment.
- other revenue:
 - the increase of \$3.002 million in the 2008-09 estimated outcome from the original budget is due to higher tenant responsible maintenance charges (\$0.423 million), higher miscellaneous receipts including recoveries and rebates from the workers' compensation premium and the facility manager (\$0.264 million), proceeds from the sale of properties above book value, particularly for Fraser Court (\$4.465 million) offset by the delay in the sale of Hartigan Gardens and properties under the shared equity scheme (\$2.150 million); and
 - the decrease of \$8.556 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the reduction in profit on sales to more normal levels following the sale of Fraser Court in 2008-09 (\$10.465 million), the reduction in miscellaneous income from rebates or credits from the workers' compensation premium, the facility manager and tenant responsible maintenance recoveries (\$0.328 million) and the reduction in one-off funding for refurbishment of Narrabundah House (\$0.190 million), partly offset by profit on sale from Hartigan Gardens (\$2.355 million) and the increase in site fees at the Narrabundah Long Stay Caravan Park (\$0.072 million).

- other gains:
 - the decrease of \$0.747 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the one-off transfer of the Narrabundah pre-school site for the construction of accommodation to house young people with disabilities currently residing in residential aged care facilities.
- employee and superannuation expenses:
 - the decrease of \$0.782 million in the 2008-09 estimated outcome from the original budget is mainly due to lower workers' compensation premium, savings arising from the timing of recruitment, partly offset by slightly higher superannuation contributions and additional staffing costs associated with implementing the Nation Building and Jobs Plan Package; and
 - the increase of \$2.584 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to budgeting at the full complement of staff numbers and increased salary rates and superannuation charges from the collective agreement (\$1.680 million). Increased staffing is also due to the transfer of the homelessness function to Housing from the DHCS (\$0.439 million) and additional staff to implement the Nation Building and Jobs Plan Package (\$0.465 million).
- supplies and services:
 - the increase of \$0.943 million in the 2008-09 estimated outcome from the original budget is due to the additional repairs and maintenance funded under the Nation Building and Jobs Plan stimulus package (\$3.2 million), higher property costs associated with the deferral of implementing the shared equity scheme (\$0.135 million), offset by savings in administrative expenditure (\$2.242 million); and
 - the increase of \$2.704 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the increase in property costs associated with the additional properties under the National Partnership Agreements, (\$0.318 million), higher administrative costs associated with implementing the stimulus package (\$0.1 million), higher costs from the transfer of the homelessness function from DHCS (\$0.140 million), higher costs from the implementation of the upgrade to Homenet (\$0.023 million) and higher overheads and indexation (\$2.123 million).
- depreciation and amortisation:
 - the decrease of \$1.067 million in the 2008-09 estimated outcome from the original budget is due to the lower depreciation charges for properties as a result of the reduction in the capital values from the 2008 revaluation and the adjustment to the residual values (\$1.018 million) and the lower amortisation of Homenet (\$0.049 million); and
 - the decrease of \$0.472 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the reduction in property values expected from the revaluation of properties in March 2009 (\$0.722 million), partly offset by the higher depreciation from the additional properties delivered under the National Partnership Agreements, (\$0.112 million) and amortisation of Homenet once it becomes operational (\$0.138 million).

- borrowing costs: the decrease of \$0.204 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the reduction in interest payments as loans decrease in line with the loan repayment schedules (\$0.212 million), partly offset by higher finance lease charges (\$0.008 million).
- grants and purchased services: the increase of \$18.457 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the transfer of the homelessness function from the DHCS (\$18.6 million), the additional Commonwealth funding under the Homelessness National Partnership Agreement (\$0.926 million), partly offset by the one-off payment to CHC Affordable Housing in 2008-09 (\$0.967 million) and reduction in indexation (\$0.102 million).
- other and transfer expenses:
 - the increase of \$1.209 million in the 2008-09 estimated outcome from the original budget is due to higher bad and doubtful debts expense (\$0.288 million) and higher costs for demolishing and writing off properties (\$0.921 million); and
 - the decrease of \$0.763 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the return of demolition and property write-off costs to more normal levels (\$0.786 million), partly offset by an increase in transfer expenses from the transfer of the profits from the Narrabundah Long Stay Caravan Park to the Territory Banking Account (\$0.023 million).
- share of operating result from joint venture: the increase of \$2.343 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the receipt of profits from the sale of the units in the Lyons Estate Redevelopment Joint Venture.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$3.431 million in the 2008-09 estimated outcome from the original budget is due to the need to hold higher reserves to fund the higher works in progress and the Nation Building and Jobs Plan stimulus package projects; and
 - the decrease of \$17.488 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the outlays on capital acquisitions associated with the National Partnership Agreement projects and the Nation Building and Jobs Plan Package projects.
- current receivables: the increase of \$1.038 million in the 2008-09 estimated outcome from the original budget is due to the higher charges for tenant responsible maintenance raised during the year and higher rental incomes.
- assets held for sale:
 - the decrease of \$2.554 million in the 2008-09 estimated outcome from the original budget is due to the sale of major sites during the year, partly offset by the identification of other sites to be included in the Nation Building and Jobs Plan Package; and
 - the decrease of \$17.840 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the sale of the two major sites identified for sale during 2009-10.

- non current assets:
 - the decrease of \$102.951 million in the 2008-09 estimated outcome from the original budget is largely due to the write down of the property portfolio in March 2009, partly offset by the increased property numbers as a result of delay in implementing the shared equity scheme and higher work-in-progress. The delay in implementing the shared equity scheme also resulted in the value of the retained equity continuing to be recognised in property, plant and equipment rather than in investments. During the year, the receivable for \$4.4 million in the joint venture was paid by the joint venture; and
 - the increase of \$94.442 million in the 2009-10 Budget from the 2008-09 estimated outcome is due to the increase in property numbers from the completion of the works-in-progress, additional properties from the National Partnership Agreements including the Nation Building and Jobs Plan Package, and from the reduction in receivables in the joint venture and the increase in property values expected from the March 2010 revaluation.
- total liabilities:
 - the increase of \$1.106 million in the 2008-09 estimated outcome from the original budget is mainly due to a increase in payables, employee benefits and rent received in advance; and
 - the decrease of \$4.803 million in the 2009-10 Budget from the 2008-09 estimated outcome is mainly due to the reduction in borrowings with the Commonwealth in accordance with the loan repayment schedule.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.

Housing ACT

Statement of Income and Expenses on Behalf of the Territory

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
Income							
Revenue							
19,646	Grants from the Commonwealth	9,806	0	-100	0	0	0
19,646	Total Revenue	9,806	0	-100	0	0	0
Gains							
0	Total Gains	0	0	-	0	0	0
19,646	Total Income	9,806	0	-100	0	0	0
Expenses							
19,646	Transfer Expenses	9,806	0	-100	0	0	0
19,646	Total Ordinary Expenses	9,806	0	-100	0	0	0
0	Operating Result	0	0	-	0	0	0

Housing ACT

Budgeted Statement of Cash flows on Behalf of the Territory

2008-09 Budget \$'000		2008-09 Est.Outcome \$'000	2009-10 Budget \$'000	Var %	2010-11 Estimate \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
19,646	Grants Received from the Commonwealth	9,806	0	-100	0	0	0
19,646	Operating Receipts	9,806	0	-100	0	0	0
Payments							
19,646	Territory Receipts to Government	9,806	0	-100	0	0	0
19,646	Operating Payments	9,806	0	-100	0	0	0
0	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
0	NET INCREASE/ (DECREASE) IN CASH HELD	0	0	-	0	0	0
0	CASH AT THE END OF THE REPORTING PERIOD	0	0	-	0	0	0

Notes to the Budget Statements

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- grants from the Commonwealth: the decrease of \$9.840 million in the 2008-09 estimated outcome from original budget and the decrease of \$9.806 million in the 2009-10 Budget from the 2008-09 estimated outcome are associated with the transfer of Commonwealth Grant funding to the Department of Treasury due to the Federal Financial Reforms.

