PREFACE

The 2002-03 Budget

The 2002-03 Budget reflects a number of key changes that occurred during the 2001-02 financial year.

Administrative Arrangement Orders (AAOs)

Significant Administrative Arrangement amendments were made during 2001-02 as a result of the change of Government, with further changes made on 1 July 2002 for the creation of the new Department of Disability, Housing and Community Services. These amendments affected the composition of departments and Ministerial responsibility. Financial statements presented in the revised 2002-03 Budget Papers reflect the current composition, as outlined in the Structure of the ACT Government and Classification of ACT Entities chapters.

The AAO of 14 November 2001, established Mr Jon Stanhope as the Chief Minister for the ACT following the change of Government. A subsequent AAO, effective from 1 July 2002, established the new Department of Disability, Housing and Community Services to take over the functions of:

- the Office of Disability from the Department of Health and Community Care;
- Disability Services from ACT Community Care;
- Housing from the Department of Urban Services;
- the Supported Accommodation Assistance Program (SAAP) from the Department of Education, Youth and Family Services;
- Child Health and Development Services (CHADS), other than specialist preschool education (eg language preschool and autism early intervention units and playgroups), from the Department of Education, Youth and Family Services; and
- general community services including support of peak bodies, concessions and community facilities.

The management of home-based palliative care, currently in Community Care, will be moved to the ACT Hospice, which is operated by Calvary Health Care.

The following summarises the movement in appropriations as a result of the AAO of 1 July 2002.

Transfers to the new Department of Disability, Housing and Community Services

Government Payment for Outputs	2001-02 Est. Outc. $'000	2002-03 Budget $'000	2003-04 Estimate $'000	2004-05 Estimate $'000	2005-06 Estimate $'000
2001-02 Budget	**0**	**0**	**0**	**0**	**0**
Transfer from Chief Minister's Department	0	100	103	105	108
Transfer from Department of Treasury	0	75	77	79	81
Transfer from DEYFS	0	20 370	20 910	21 461	22 024
Transfer from DHCC	0	39 278	39 732	40 292	40 837
Transfer from DUS	0	37 829	32 049	32 101	32 153
2002-03 Budget – Department of Disability, Housing and Community Services	**0**	**97 652**	**92 871**	**94 038**	**95 203**

Payment for Expenses on Behalf of the Territory	2001-02 Est. Outc. $'000	2002-03 Budget $'000	2003-04 Estimate $'000	2004-05 Estimate $'000	2005-06 Estimate $'000
2001-02 Budget	**0**	**0**	**0**	**0**	**0**
Transfer from DEYFS	0	20 897	21 426	21 986	22 532
2002-03 Budget – Department of Disability, Housing and Community Services	**0**	**20 897**	**21 426**	**21 986**	**22 532**

Capital Injection	2001-02 Est. Outc. $'000	2002-03 Budget $'000	2003-04 Estimate $'000	2004-05 Estimate $'000	2005-06 Estimate $'000
2001-02 Budget	**0**	**0**	**0**	**0**	**0**
Transfer from DEYFS	0	1 953	0	0	0
2002-03 Budget – Department of Disability, Housing and Community Services	**0**	**1 953**	**0**	**0**	**0**

Other Transfers

Government Payment for Outputs	2001-02 Est. Outc. $'000	2002-03 Budget $'000	2003-04 Estimate $'000	2004-05 Estimate $'000	2005-06 Estimate $'000
Disability Services – transferred from DHCC to DEYFS	0	305	309	313	317

The revised Ministerial portfolio arrangements at this time are summarised below:

Mr Jon Stanhope MLA	- Chief Minister - Attorney-General - Minister for Health - Minister for Community Affairs - Minister for Women	**Mr Ted Quinlan MLA**	- Deputy Chief Minister - Treasurer - Minister for Economic Development, Business and Tourism - Minister for Sport, Racing and Gaming - Minister for Police, Emergency Services and Corrections
Mr Bill Wood MLA	- Minister for Urban Services - Minister for Disability, Housing and Community Services - Minister for the Arts	**Mr Simon Corbell MLA**	- Minister for Education, Youth and Family Services - Minister for Industrial Relations - Minister for Planning

Revised Departmental and portfolio arrangements and responsibility transfers resulting from the Ministerial changes above are further summarised in the “Basis of the Budget” appendices to the Budget Papers (Appendix A in Budget Papers 3 and 4).

Supplementary Appropriations 2001-02

The 2001-02 Appropriation Bill No. 2 was passed by the Legislative Assembly on 11 December 2001 providing additional appropriations totalling $32.139m.

The 2001-02 Appropriation Bill No. 3 was passed by the Legislative Assembly on 19 February 2002 providing additional appropriations totalling $19.495m. A report on the inquiry into the 2001-02 Appropriation Bill No. 3 was presented by the Select Committee on Estimates 2001-02 on 9 April 2002.

The 2002-03 Budget Papers are prepared on the basis of the inclusion of items noted in the 2001-02 Appropriation Bill No. 2 and 2001-02 Appropriation Bill No. 3 within the estimated outcome column for 2001-02.

Changes to the Presentation of Financial Statements

The most significant changes to occur in the presentation of the financial statements since the previous Budget include: the discontinuance of the capital charge (as highlighted below); and the amalgamation of the appropriation for injection for operation into Net Cost of Outputs (GPO).

Capital Charge	**2001-02 Est. Outc. $'000**	**2002-03 Budget $'000**	**2003-04 Estimate $'000**	**2004-05 Estimate $'000**	**2005-06 Estimate $'000**
CMD - Removal of capital charge	0	- 131	- 131	- 131	- 131
DHCC - Removal of capital charge	0	- 92	- 92	- 92	- 92
DUS - Removal of capital charge	0	-2 667	-2 667	-2 667	-2 667
JACS - Removal of capital charge	0	- 690	- 690	- 690	- 690
DEYFS - Removal of capital charge	0	-10 268	-10 268	-10 268	-10 268
Total Removal of Capital Charge	**0**	**-13 848**	**-13 848**	**-13 848**	**-13 848**

Other presentational changes include:

Budget Paper No. 3

- rearrangement of Budget Paper No. 3 to provide an improved-organisation of financial information;
- expansion of the existing “Revenue and Forward Estimates” chapter to include trends and influences across the forward years;
- the inclusion of a new “Expenses and Forward Estimates” chapter, including trends across the forward estimates and details of factors affecting expenditure levels;
- the inclusion of a new “Financial Position” chapter, providing more detail on the Territory’s financial position relating to liquidity, long-term liabilities and assets;
- a separate and specific chapter for the “Budgeted Financial Statements”;
- the inclusion of a new “Risk Management” chapter addressing issues relating to the management of the Territory’s fiscal risks, including insurable and economic risk and contingent liabilities; and
- the new Government’s plan is located in Part 2, titled ‘Shaping Canberra’s Future’, providing a broad statement of Government priorities.

Budget Paper No. 4

An additional section has been incorporated in each Departmental chapter providing detail on the “Budgeted Financial Results” for the Department. This section aims to improve accountability of Chief Executives who are responsible under *Section 31 of the FMA* for achievement of financial results. Chief Executives are accountable to achieving these targets, within generally accepted materiality limits measures.