

HOUSING ACT

Objectives

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 Department of Disability, Housing and Community Services' *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.

2010-11 Priorities

Strategic and operational issues to be pursued in 2010-11 include:

- finalising the construction of dwellings under the *Nation Building and Jobs Plan* economic stimulus package and the *A Place to Call Home* homelessness initiative;
- continuing to improve service delivery by better aligning resources to focus on tenant and applicant needs, ensuring that tenants and applicants are able to access the necessary support services and the tenancies are sustainable;
- establishing a Central Intake Service for homelessness services linked to a common waiting list for public and community housing;
- 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 and re-housing aged tenants into more suitable housing within the same neighbourhood;

- 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 continuing the partnership with Centrelink to provide joint services at shopfronts, implementing a Home to Work pilot in conjunction with the Commonwealth Department of Education, Employment and Workplace Relations to support public housing tenants to gain employment, improving services to Aboriginal and Torres Strait Islander families in the Territory, and expanding services to younger people under a youth foyer-type program;
- addressing homelessness in the ACT, through adopting a Housing First model with appropriate supports and assistance being provided to ensure that tenants are able to sustain their tenancies and become part of their community;
- promoting the shared equity scheme for Housing ACT tenants; 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 also 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, managing a common applicant list for public and community housing and a central intake service for homelessness services, including the crisis accommodation advice service.

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

2008-09 Actual Outcome	2009-10 Budget	2009-10 Est. Outcome ¹	2010-11 Budget
212 Staffing (FTE)	234	225	236

Note:

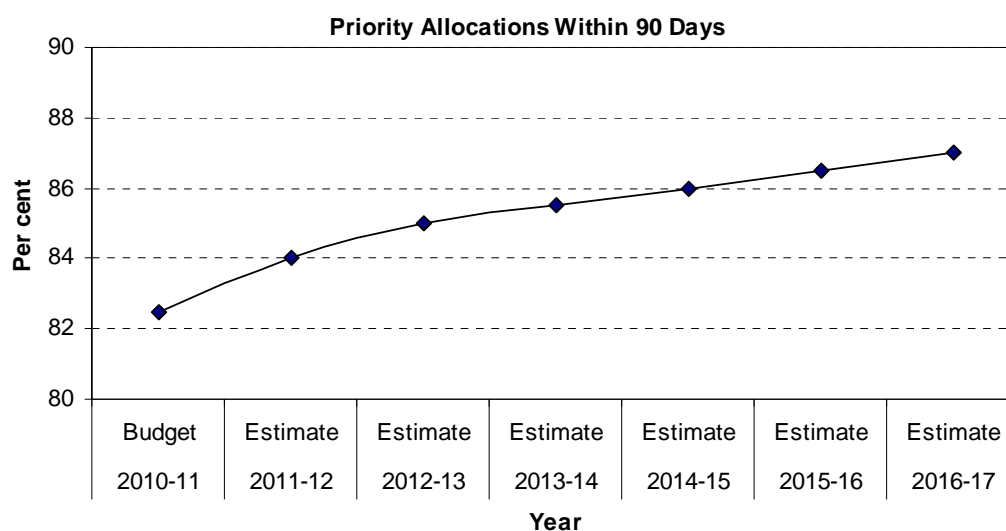
1. The estimated outcome excludes contract staff occupying temporary vacant positions whilst recruitment is pending.

Strategic Indicators

Strategic Indicator 1

Provision of Housing to People Most in Need

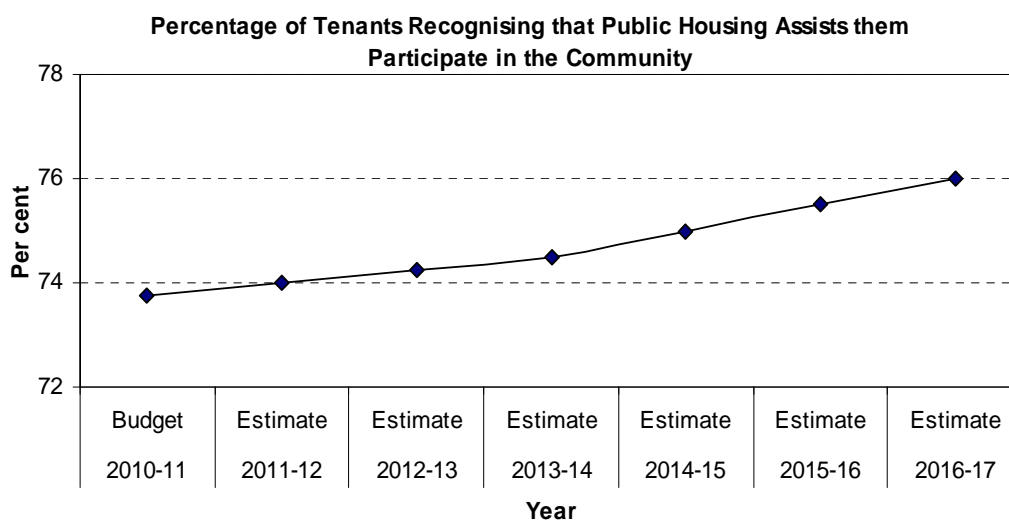
This indicator demonstrates the focus of public housing priority allocations on housing those most in need within 90 days. Needs may include: homelessness; having mental health issues, serious medical issues or a disability, such as frail-aged, where the natural support systems are at risk of breaking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



Strategic Indicator 2¹

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

A key to successful housing outcomes for those in social housing is whether the housing enables tenants to integrate effectively into the community and thereby enable better access to 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.



Note:

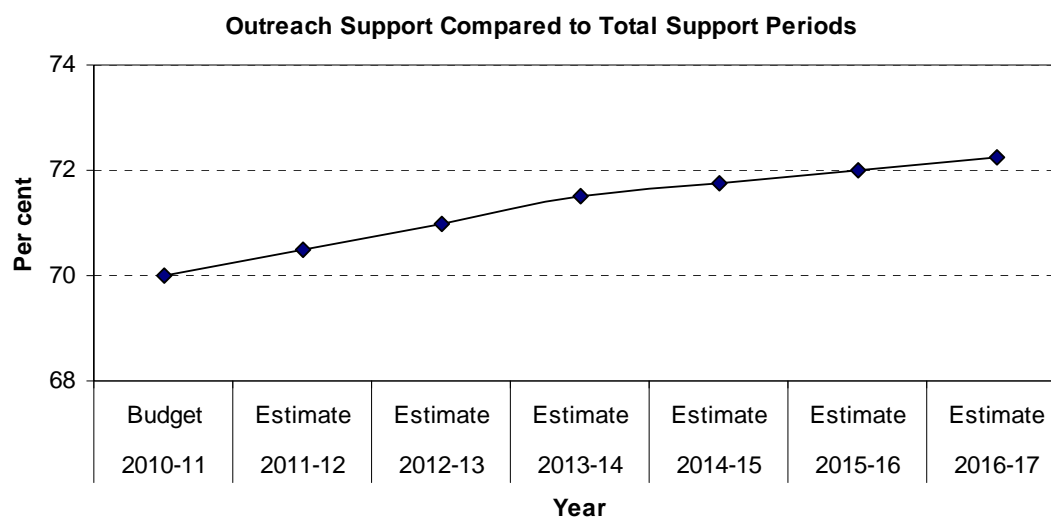
1. Actual result is taken from the local and national social housing survey.

Strategic Indicators cont.

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 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 Classes

	Total Cost ¹		Government Payment for Outputs	
	2009-10 Est. Outcome \$'000	2010-11 Budget \$'000	2009-10 Est. Outcome \$'000	2010-11 Budget \$'000
Output Class 1:				
Social Housing Services	138,878	159,401	47,415	43,617
Output 1.1: Social Housing Services	138,878	159,401	47,415	43,617

Note:

1. Total cost includes depreciation and amortisation of \$14.253 million in 2009-10 and \$14.717 million in 2010-11.

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

	2009-10 Targets	2009-10 Est. Outcome	2010-11 Targets
Output Class 1: Social Housing Services			
Output 1.1: Social Housing Services			
a. Priority Allocations	96%	95%	96%
Percentage of public housing allocations to priority and highest need applicants.			
b. Number of properties managed ¹			
- Public housing properties ²	11,731	11,577	11,992
- Community housing properties ³	245	245	359
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%	90%	90%
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	10,900	11,000	11,100
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 ^{1,4}	≥ 68%	70%	≥ 68%
Tenant satisfaction is measured biennially through the National Social Housing Survey and in the alternate years through an internal survey.			
f. Average cost per dwelling of public housing ⁵	\$9,914	\$10,073	\$9,624
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	95%	94%	95%
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 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 ^{1,4}	77%	73%	77%
Tenant satisfaction is measured biennially through the National Community Housing Survey and in the alternative years through an internal survey.			
i. Percentage of routine vacant properties re-let within 28 days ⁶	85%	87%	85%
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.			

Accountability Indicators cont.

	2009-10 Targets	2009-10 Est. Outcome	2010-11 Targets
Output 1.1: Social Housing Services cont.			
j. Percentage of properties undergoing refurbishment re-let within agreed program milestones ⁷	90%	84%	90%
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.			
k. Percentage of tenant accounts \geq \$500 and four or more weeks in arrears ⁸	90%	85%	90%
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.			
l. Percentage of rent received	99%	99%	99%
Percentage of rent received from tenants compared to rent charged, after rebates.			
m. Average rent receivable after rebate per dwelling	\$6,752	\$6,791	\$6,763
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.			
n. The number of government funded specialist homelessness services support periods each year. ⁹	2,900	2,700	2,800
The number of government funded specialist homelessness services support periods in the year as reported by the Australian Institute of Health and Welfare.			

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 increase in public housing dwelling units from 2009-10 estimated outcome to 2010-11 target is mainly 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.
- The increase in community housing dwellings from 2009-10 estimated outcome to 2010-11 target is due to the transfer of dwellings delivered under the *Nation Building and Jobs Plan* economic stimulus package as agreed with the Commonwealth.
- The results for public housing are based on the internal survey undertaken in 2008. The results for community housing are based on the 2007 National Social Housing Survey. The survey results for 2010 will be finalised in May 2010 and similar results are expected.
- The average cost per dwelling is higher in 2009-10 as a result of higher demolition and property write off costs to deliver the *Nation Building and Jobs Plan* stimulus package.
- Routine vacant properties excludes those hard to let properties, where the 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.
- 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.
- 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 measure has been renamed and reports the number of first visits for each client in any year. Although, the number of support periods in 2009-10 decreased by 7 per cent to 2,700, the number of support periods without accommodation increased by 6 per cent. This is in line with 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 - Departmental

	2009-10	2010-11	2011-12	2012-13	2013-14
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2009-10 Budget	46,705	43,707	43,378	43,073	43,073
2010-11 Budget Policy Adjustments					
Refurbish Early Morning Drop-in Centre in the City	-	750	-	-	-
National Partnership - Homelessness - ACT Contribution	-	-	100	291	-
Cessation - National Partnership - Homelessness	-	-	-	-	(1,401)
Efficiency Dividend	-	-	(1,090)	(1,138)	(1,188)
2010-11 Budget Technical Adjustments					
Revised Indexation Parameters - Community Sector Funding	-	(44)	(46)	(47)	112
Commonwealth Funding - Affordable Housing SPP	-	-	-	-	298
National Partnership - Nation Building and Jobs Plan - Social Housing	(5)	-	-	-	-
Transfer - Managed Accommodation Program from JACS	715	724	740	754	771
Transfer - Domestic Violence Funding to DHCS	-	(1,520)	(1,576)	(1,634)	(1,695)
2010-11 Budget	47,415	43,617	41,506	41,299	39,970

Changes to Appropriation - Departmental

	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2009-10 Budget	76,082	36,383	13,018	8,000	8,000
FMA Section 16B Rollovers from 2008-09					
Homelessness Initiative - A Place To Call Home	644	-	-	-	-
Helping Young People with Disabilities in Residential Aged Care Services	402	-	-	-	-
Upgrade Infrastructure at the Narrabundah Long Stay Caravan Park	394	-	-	-	-
CSTDA Supporting People with a Disability	257	-	-	-	-
2010-11 Budget Policy Adjustment					
Homelessness Initiative - A Place to Call Home (ACT Contribution)	-	1,000	1,000	500	-
2010-11 Budget Technical Adjustments					
National Partnership - Homelessness (A Place to Call Home)	1,000	-	-	-	-
Cessation - National Partnership - Homelessness (A Place to Call Home)	-	-	-	-	(1,000)
Revised Commonwealth Grant - National Partnership - Nation Building and Jobs Plan - Social Housing	-	(7,394)	(1,849)	-	-
Rollover - CSTDA Supporting People with a Disability	(840)	840	-	-	-
Rollover - Special Care Package for Extraordinary High Needs Clients	(195)	195	-	-	-
2010-11 Budget	77,744	31,024	12,169	8,500	7,000

2010-11 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2010-11 \$'000	2010-11 Financing \$'000	2011-12 Financing \$'000	2012-13 Financing \$'000	Physical Completion Date
New Capital Works						
Homelessness Initiative – A Place to Call Home	2,500	-	1,000	1,000	500	Jun 2013
Refurbish Early Morning Drop-in Centre in the City	750	-	750	-	-	Jun 2011
Total New Works	3,250	-	1,750	1,000	500	
Works in Progress						
National Partnership – Nation Building and Jobs Plan – Social Housing ¹	87,079	63,256	23,823	-	-	Dec 2010
National Partnership – Homelessness (A Place to Call Home)	7,500	4,500	1,000	1,000	1,000	Jun 2013
Total Works in Progress	94,579	67,756	24,823	1,000	1,000	
Total Capital Works Program	97,829	67,756	26,573	2,000	1,500	

Note:

1. This project's value has decreased by \$9.244 million due to revisions in Commonwealth funding.

Housing ACT Operating Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
Income							
Revenue							
46,705	Government Payment for Outputs	47,415	43,617	-8	41,506	41,299	39,970
79,211	User Charges - Non ACT Government	78,624	81,098	3	84,176	86,288	88,453
984	Interest	3,680	2,241	-39	1,723	1,881	1,933
6,240	Other Revenue	4,478	3,873	-14	4,131	4,376	4,638
133,140	Total Revenue	134,197	130,829	-3	131,536	133,844	134,994
Gains							
0	Other Gains	1,858	0	-100	0	0	0
0	Total Gains	1,858	0	-100	0	0	0
133,140	Total Income	136,055	130,829	-4	131,536	133,844	134,994
Expenses							
17,959	Employee Expenses	18,291	18,605	2	19,160	19,734	20,321
2,937	Superannuation Expenses	2,670	2,751	3	2,868	2,956	3,043
74,604	Supplies and Services	71,803	72,032	..	73,149	75,482	79,601
13,772	Depreciation and Amortisation	14,253	14,717	3	16,264	17,144	18,246
4,574	Borrowing Costs	4,574	4,363	-5	4,152	3,942	3,723
20,767	Grants and Purchased Services	22,259	43,988	98	21,434	22,197	23,359
2,382	Other Expenses	4,954	2,863	-42	2,326	2,374	2,431
74	Transfer Expenses	74	82	11	91	91	91
137,069	Total Ordinary Expenses	138,878	159,401	15	139,444	143,920	150,815
2,343	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	0	-	2,343	0	3,843
-1,586	Operating Result	-2,823	-28,572	-912	-5,565	-10,076	-11,978
-10,520	Inc/Dec in Asset Revaluation Reserve Surpluses	354,366	202,755	-43	228,248	240,542	327,739
-10,520	Total Other Comprehensive Income	354,366	202,755	-43	228,248	240,542	327,739
-12,106	Total Comprehensive Income	351,543	174,183	-50	222,683	230,466	315,761

Housing ACT Balance Sheet

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
Current Assets							
11,002	Cash and Cash Equivalents	55,269	34,467	-38	41,335	38,273	40,699
5,167	Receivables	5,351	5,247	-2	5,222	5,306	5,408
1,066	Assets Held for Sale	4,650	4,883	5	5,127	5,383	5,652
29	Other	160	160	-	160	160	160
17,264	Total Current Assets	65,430	44,757	-32	51,844	49,122	51,919
Non Current Assets							
2,115	Receivables	4,335	4,335	-	2,335	2,335	500
2,475	Investments	0	2,835	#	5,358	8,127	11,160
3,778,271	Property, Plant and Equipment	4,190,666	4,461,740	6	4,684,403	4,919,138	5,233,911
1,930	Intangibles	1,930	1,585	-18	1,568	1,244	867
3,345	Capital Works in Progress	55,454	3,150	-94	2,945	2,740	2,535
3,788,136	Total Non Current Assets	4,252,385	4,473,645	5	4,696,609	4,933,584	5,248,973
3,805,400	TOTAL ASSETS	4,317,815	4,518,402	5	4,748,453	4,982,706	5,300,892
Current Liabilities							
3,899	Payables	3,982	3,982	-	3,982	3,982	3,982
4,833	Interest Bearing Liabilities	4,834	4,945	2	4,863	4,729	4,734
80	Finance Leases	108	199	84	206	213	220
3,971	Employee Benefits	5,182	5,295	2	5,411	5,532	5,656
3,259	Other	3,412	3,402	..	3,402	3,402	3,402
16,042	Total Current Liabilities	17,518	17,823	2	17,864	17,858	17,994
Non Current Liabilities							
91,423	Interest Bearing Liabilities	91,423	86,478	-5	81,615	76,887	72,154
264	Finance Leases	360	361	..	363	365	367
549	Employee Benefits	233	252	8	271	290	310
92,236	Total Non Current Liabilities	92,016	87,091	-5	82,249	77,542	72,831
108,278	TOTAL LIABILITIES	109,534	104,914	-4	100,113	95,400	90,825
3,697,122	NET ASSETS	4,208,281	4,413,488	5	4,648,340	4,887,306	5,210,067
REPRESENTED BY FUNDS EMPLOYED							
1,074,171	Accumulated Funds	1,082,144	1,106,596	2	1,135,200	1,155,624	1,172,646
2,622,951	Reserves	3,126,137	3,306,892	6	3,513,140	3,731,682	4,037,421
3,697,122	TOTAL FUNDS EMPLOYED	4,208,281	4,413,488	5	4,648,340	4,887,306	5,210,067

Housing ACT Cash Flow Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
46,705	Cash from Government for Outputs	47,415	43,617	-8	41,506	41,299	39,970
78,633	User Charges	78,046	80,483	3	83,538	85,603	87,767
984	Interest Received	3,680	2,241	-39	1,723	1,881	1,933
2,690	Other Revenue	4,458	4,456	..	4,519	4,517	4,555
129,012	Operating Receipts	133,599	130,797	-2	131,286	133,300	134,225
	Payments						
17,942	Related to Employees	18,233	18,473	1	19,025	19,594	20,177
2,937	Related to Superannuation	2,670	2,751	3	2,868	2,956	3,043
74,681	Related to Supplies and Services	73,870	73,564	..	74,209	76,057	80,193
4,574	Borrowing Costs	4,574	4,363	-5	4,152	3,942	3,723
20,767	Grants and Purchased Services	22,259	21,872	-2	21,434	22,197	23,359
888	Other	2,766	2,612	-6	2,606	2,601	2,595
74	Territory Receipts to Government	74	82	11	91	91	91
121,863	Operating Payments	124,446	123,717	-1	124,385	127,438	133,181
7,149	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	9,153	7,080	-23	6,901	5,862	1,044
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
51,926	Proceeds from Sale of Property, Plant & Equipment	26,365	31,978	21	33,295	32,863	38,725
51,926	Investing Receipts	26,365	31,978	21	33,295	32,863	38,725
	Payments						
147,139	Purchase of Property, Plant and Equipment and Capital Works	110,807	85,955	-22	40,422	45,295	39,485
600	Purchase of Land and Intangibles	600	0	-100	0	0	0
147,739	Investing Payments	111,407	85,955	-23	40,422	45,295	39,485
-95,813	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-85,042	-53,977	37	-7,127	-12,432	-760
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
76,082	Capital Injection from Government	77,744	31,024	-60	12,169	8,500	7,000
60	Borrowings Received	60	60	-	60	60	60
76,142	Financing Receipts	77,804	31,084	-60	12,229	8,560	7,060
	Payments						
4,894	Repayment of Borrowings	4,894	4,894	-	5,005	4,922	4,788
72	Repayment of Finance Lease	72	95	32	130	130	130
4,966	Financing Payments	4,966	4,989	..	5,135	5,052	4,918
71,176	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	72,838	26,095	-64	7,094	3,508	2,142
-17,488	NET INCREASE/ (DECREASE) IN CASH HELD	-3,051	-20,802	-582	6,868	-3,062	2,426
28,490	CASH AT BEGINNING OF REPORTING PERIOD	58,320	55,269	-5	34,467	41,335	38,273
11,002	CASH AT THE END OF THE REPORTING PERIOD	55,269	34,467	-38	41,335	38,273	40,699

Housing ACT Statement of Changes in Equity

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
Opening Equity							
977,675	Opening Accumulated Funds	985,223	1,082,144	10	1,106,596	1,135,200	1,155,624
2,655,471	Opening Asset Revaluation Reserve	2,793,771	3,126,137	12	3,306,892	3,513,140	3,731,682
3,633,146	Balance at the Start of the Reporting Period	3,778,994	4,208,281	11	4,413,488	4,648,340	4,887,306
Comprehensive Income							
-1,586	Operating Result for the Period	-2,823	-28,572	-912	-5,565	-10,076	-11,978
-10,520	Increase/(Decrease) in Asset Revaluation Reserve Surpluses	354,366	202,755	-43	228,248	240,542	327,739
-12,106	Total Comprehensive Income	351,543	174,183	-50	222,683	230,466	315,761
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
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
76,082	Capital Injections	77,744	31,024	-60	12,169	8,500	7,000
76,082	Total Transactions Involving Owners Affecting Accumulated Funds	77,744	31,024	-60	12,169	8,500	7,000
Closing Equity							
1,074,171	Closing Accumulated Funds	1,082,144	1,106,596	2	1,135,200	1,155,624	1,172,646
2,622,951	Closing Asset Revaluation Reserve	3,126,137	3,306,892	6	3,513,140	3,731,682	4,037,421
3,697,122	Balance at the End of the Reporting Period	4,208,281	4,413,488	5	4,648,340	4,887,306	5,210,067

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$0.710 million in the 2009-10 estimated outcome from the original budget is largely due to the transfer of funding for the Managed Accommodation Program from the Department of Justice and Community Safety; and

- the decrease of \$3.798 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to the cessation of repairs and maintenance funding under the *Nation Building and Jobs Plan* (\$3.221 million), the transfer of the funding for domestic violence to the Department of Disability, Housing and Community Services (DHCS) (\$1.520 million), decrease in Commonwealth funding under the National Affordable Housing Agreement (\$0.143 million), and savings (\$0.084 million), partly offset by funding for the upgrade of the Early Morning Centre (\$0.750 million) and additional Commonwealth funding under the Homelessness National Partnership (\$0.410 million).
- user charges — non ACT Government:
 - the decrease of \$0.587 million in the 2009-10 estimated outcome from the original budget is due to the higher rebates provided to tenants (\$0.473 million) and the lower rentals as result of the changed arrangements for the delivery of properties under the *Nation Building and Jobs Plan* (\$0.428 million), partly offset by higher rents as a result of the deferral in implementing the Shared Equity Scheme (\$0.314 million); and
 - the increase of \$2.474 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the increase in market rents for 2010-11 following the re-assessment of market rents and the indexation of tenant pensions (\$2.298 million) and additional rental receipts from new properties under the *Nation Building and Job Plan* (\$0.508 million), partly offset by the loss of rent from properties sold under the Shared Equity Scheme (\$0.332 million).
- interest:
 - the increase of \$2.696 million in the 2009-10 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 projects under the *Nation Building and Jobs Plan* program, as well as higher interest rates during the year; and
 - the decrease of \$1.439 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to surplus cash returning to normal levels, as *Nation Building and Jobs Plan* projects are completed.
- other revenue:
 - the decrease of \$1.762 million in the 2009-10 estimated outcome from the original budget is largely due to the changed arrangements for the sale and redevelopment of Hartigan Gardens (\$2.355 million), lower tenant responsible maintenance charges (\$0.3 million), lower fees received from the Narrabundah Caravan Park due to the delays in increasing the site fees (\$0.041 million) and lower miscellaneous receipts (\$0.039 million), partly offset by higher gains from auction sales (\$0.958 million); and

- the decrease of \$0.605 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the gains on sales returning to normal levels following the cessation of the *First Home Owners Grant Boost* and higher interest rates dampening the market (\$0.958 million), partly offset by the increased profits from property sales under the Shared Equity Scheme (\$0.135 million), the increase in site fees at the Narrabundah Caravan Park (\$0.104 million), the increase in tenant responsible maintenance recoveries (\$0.075 million) and a slight increase in miscellaneous receipts (\$0.039 million).
- other gains:
 - the increase of \$1.858 million in the 2009-10 estimated outcome from the original budget is due to the return of a property from a community housing provider (\$0.528 million) and the transfer of land as part of the contribution towards meeting the Government’s commitments under the *Nation Building and Jobs Plan* program (\$1.330 million); and
 - the decrease of \$1.858 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the one-off asset transfers that occurred in 2009-10.
- employee and superannuation expenses:
 - the increase of \$0.065 million in the 2009-10 estimated outcome from the original budget is mainly due to the change in methodology in calculating employee entitlements; and
 - the increase of \$0.395 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to a slight increase in staffing numbers and revised wage parameters.
- supplies and services:
 - the decrease of \$2.801 million in the 2009-10 estimated outcome from the original budget is due to the reclassification of service purchase payments to grants and service purchase payments (\$0.630 million), lower property costs associated with the re-programming of the delivery of dwellings under the *Nation Building and Jobs Plan* economic stimulus package (\$0.385 million) and savings in operations (\$1.786 million); and
 - the increase of \$0.229 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the increased costs associated with the construction of dwellings under the *Nation Building and Jobs Plan* (\$1.576 million), general indexation of costs (\$1.667 million) and increased insurance premium costs as a result of the increased construction of dwellings (\$0.207 million), partly offset by the cessation of the repairs and maintenance funding under the *Nation Building and Jobs Plan* (\$3.221 million).
- depreciation and amortisation:
 - the increase of \$0.481 million in the 2009-10 estimated outcome from the original budget is due to the increased provision of depreciation charges for Currong Apartments (\$0.650 million) partly offset by the lower depreciation arising from the reduction in properties as a result of the re-programming of the delivery of dwellings under the *Nation Building and Jobs Plan* program; and

- the increase of \$0.464 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the increase in property values expected from the revaluation of properties in March 2010 (\$0.761 million), higher depreciation from the additional properties delivered under the *Nation Building and Jobs Plan* (\$0.146 million) and amortisation of Homenet Version 5 once it becomes operational (\$0.207 million), partly offset by the effect of the increased depreciation for Currong in 2009-10 (\$0.650 million).
- borrowing costs: the decrease of \$0.211 million in the 2010-11 Budget from the 2009-10 estimated outcome is largely due to the reduction in interest payments as loans decrease in line with the loan repayment schedules.
- grants and purchased services:
 - the increase of \$1.492 million in the 2009-10 estimated outcome from the original budget is due to the implementation of the Managed Accommodation Program to assist prisoners exiting the Alexander Maconochie Centre (\$0.862 million) and the reclassification of service purchase payments from supplies and services (\$0.630 million); and
 - the increase of \$21.729 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the transfer of properties developed under the *Nation Building and Jobs Plan* initiative to the community housing sector in accordance with the directions of the Commonwealth Government (\$22.116 million), the upgrade to the Early Morning Centre (\$0.750 million) and increased expenditure on homelessness in accordance with the Homelessness National Partnership Agreement (\$0.410 million), partly offset by the reduction in homelessness funding under the National Affordable Housing Agreement (\$0.027 million) and the transfer of the domestic violence and rape crisis services to DHCS (\$1.520 million).
- other and transfer expenses:
 - the increase of \$2.572 million in the 2009-10 estimated outcome from the original budget is due to higher costs for demolishing and writing off properties to enable redevelopments to occur under the *Nation Building and Jobs Plan* program; and
 - the decrease of \$2.083 million in the 2010-11 Budget from the 2009-10 estimated outcome is largely due to the return of demolition and property write-off costs to more normal levels.
- share of operating result from joint venture: the decrease of \$2.343 million in the 2009-10 estimated outcome from the original budget is due to delay in the commencement of the Lyons Estate Redevelopment Joint Venture.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$44.267 million in the 2009-10 estimated outcome from the original budget is due to the need to hold higher reserves to fund works in progress and the *Nation Building and Jobs Plan* construction projects; and
 - the decrease of \$20.802 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the expenditure on capital acquisitions associated with the *Nation Building and Jobs Plan* projects.

- current receivables: the increase of \$0.184 million in the 2009-10 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 \$3.584 million in the 2009-10 estimated outcome from the original budget is due to the deferral of sale of some sites to 2010-11; and
 - the increase of \$0.233 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the increase in values of properties identified for sale during 2010-11.
- non current assets:
 - the increase of \$464.249 million in the 2009-10 estimated outcome from the original budget is largely due to revaluation of the property portfolio (\$412.395 million), increase in work in progress associated with the construction projects under the *Nation Building and Jobs Plan* (\$52.109 million) and increase in non current receivables due to delay in the Lyons Estate Redevelopment Joint Venture (\$2.220 million), partly offset by the decrease in investments due to delay with sale of properties under the Shared Equity Scheme (\$2.475 million); and
 - the increase of \$221.260 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the increase in property numbers from the completion of works in progress, additional properties, including those from the *Nation Building and Jobs Plan* projects and a slight increase as a result of the revaluation of the property portfolio (\$271.074 million), the equity investment in properties sold under the Shared Equity Scheme (\$2.835 million), partly offset by the reduction in works in progress to more normal levels with the completion of the *Nation Building and Jobs Plan* dwellings (\$52.304 million) and a slight reduction in intangibles with the amortisation of the Homenet system (\$0.345 million).
- total liabilities:
 - the increase of \$1.256 million in the 2009-10 estimated outcome from the original budget is mainly due to a increase in payables, lease liabilities, employee benefits and rent received in advance; and
 - the decrease of \$4.620 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to the reduction in borrowings with the Commonwealth in accordance with the loan repayment schedule (\$4.834 million), partly offset by the increase in lease liabilities (\$0.092 million) and employee benefits (\$0.132 million).

Statement of Changes in Equity

Variations in the statement are explained in the notes above.