

HOUSING ACT

Objectives

Housing ACT's principal objective is to provide those people in the community subject to housing stress and 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 2006-08*, 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 its highest priority thereby reducing poverty and exclusion for the most vulnerable in the community.

2007-08 Priorities

Strategic and operational issues to be pursued in 2007-08 include:

- continuing to improve service delivery by better aligning resources to focus on tenant needs, and ensuring that tenancies are sustainable and that tenants are able to access community and other support services;
- continuing to implement the public housing asset management strategy to rejuvenate or replace public housing to better meet tenant needs, including rebuilding the public housing in rural areas and managing the joint ventures for the redevelopment of multi-unit properties;
- continuing to implement the Government's response to the *Raising our Voice* tenant participation program;
- implementing changes to the Public Rental Housing Assistance Program including developing and implementing the guidelines for managing the revised tenure arrangements, revising the sale to tenant program, implementing the shared equity scheme, and developing and implementing the regulatory framework for community housing;
- refocussing Community Housing Canberra Limited into an affordable housing provider to facilitate the significant expansion of affordable housing over the next ten years through the provision of \$0.750 million in transitional funding over the next three years;
- continuing with the expansion of the stairwell model to co-locate young people on low income within defined areas in multi-unit complexes;

- implementing the new housing information system; and
- implementing strategies in the Bilateral Agreement with the Australian Government as part of the Commonwealth-State Housing Agreement.

Business and Corporate Strategies

In accordance with the *Strategic Focus 2006–08*, Housing ACT will direct resources and develop strategies towards reducing homelessness and exclusion for the Territory's most vulnerable people and thereby help to build a stronger and more cohesive community.

Housing ACT will continue to focus on the outcomes of the tenant satisfaction surveys and implement a communications strategy to better inform tenants and the community about Housing ACT's services. Increased participation by tenants and the community in policy development and service delivery will be encouraged.

Housing ACT will also continue to focus on better integrating service delivery with other parts of the government and the community sector to better match service delivery to the needs of our clients. This will be supported by strengthening the skills and professionalism of staff, encouraging a work life balance and implementing strategies to retain staff.

Estimated Employment Level

	2006-07 Est. Outcome	2007-08 Budget
Staffing (FTE)	203	213

Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2006-07 Est. Outcome (\$'000)	2007-08 Budget (\$'000)	2006-07 Est. Outcome (\$'000)	2007-08 Budget (\$'000)
Output Class ¹				
Social Housing Services	106,149	104,545	22,054	22,700
1.1 Social Housing Services	106,149	104,545	22,054	22,700

Note:

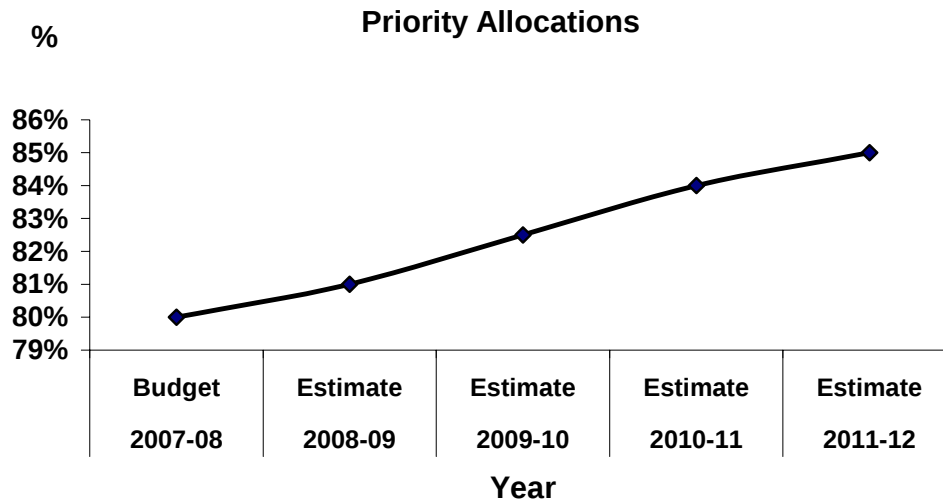
1. Total cost includes depreciation and amortisation of \$12.060 million in 2006-07 and \$12.929 million in 2007-08.

Output Description

Provision and management of public housing tenancies and properties, and provision of support and resources to community housing providers.

Strategic Indicators

Strategic Indicator 1¹:
Provision of housing to people experiencing homelessness



Note:

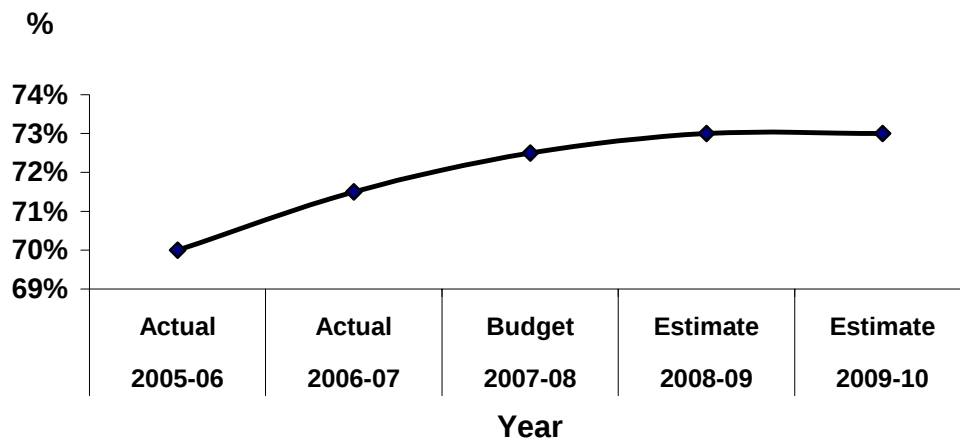
1. Represents the percentage of tenants allocated from priority allocation categories.

This indicator demonstrates the focus of public housing priority allocations on housing those most in need within 90 days. Priority allocations are given to people who are homeless; have 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

Tenant Satisfaction



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 broader community through being able to readily access education and employment opportunities. By reducing concentrations of disadvantage, poverty and exclusion with their associated social problems and thereby avoiding social isolation, social housing helps build a safe, healthy and cohesive community.

Accountability Indicators

	2006-07 Targets	2006-07 Est. Outcome	2007-08 Targets
Output Class 1: Social Housing Services			
Output 1.1: Social Housing Services			
a. Priority Allocations	96%	97%	96%
Percentage of public housing allocations to priority and highest need applicants.			
b. Number of properties managed ^{1, 2}			
- Public housing properties	11,272	11,463	11,545
- Community housing properties	295	290	250
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 boarding house.			
c. Percentage of public housing tenants receiving rebates ²	87%	85%	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 number of tenants in receipt of a rebate compared to the total number of tenants.			
d. Annual number of client service visits conducted	10,450	10,250	10,450
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 ^{2, 3}	≥ 65%	65%	≥ 65%
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	\$8,883	\$8,897	\$8,871
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 ²	92%	96%	92%
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 ³	77%	76%	77%
Tenant satisfaction is measured biennially through the National Community Housing Survey.			

Accountability Indicators cont.

	2006-07 Targets	2006-07 Est. Outcome	2007-08 Targets
Output 1.1: Social Housing Services cont.			
i. Percentage of routine vacant properties re-let within 28 days ^{4,5}	85%	70%	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.			
j. Percentage of properties undergoing refurbishment re-let within agreed program milestones ⁶	90%	70%	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 ≥ \$500 in arrears on repayment agreements ⁷	90%	70%	90%
Tenants 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 Residential Tenancies 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.			

Notes:

1. The number of public housing properties includes the transfer of 45 properties previously managed by community housing providers. Accordingly, the number of community housing properties reflects the reduction as a result of the transfer of the 45 properties to public housing in 2007-08.
2. 'Public housing' relates to housing provided by Housing ACT and 'community housing' relates to housing provided by community organisations.
3. This is an estimate pending the finalisation of the survey to ascertain the satisfaction of tenants with the provision of their housing.
4. 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.
5. New processes were put in place during the course of the year to address the lower than expected result for routine vacant properties re-let within 28 days. The implementation of these processes is reflected in the March and April 2007 results, which were 86 per cent and 90 per cent respectively. These monthly results are expected to continue to achieve or better the monthly target result of 85 per cent for the remainder of the financial year. The year to date figure will however be affected by below target results earlier in the financial year and it is expected that the final year-to-date result will be approximately 70 per cent.
6. Properties undergoing refurbishment re-let within agreed program milestones: New processes have been put in place to address the lower than expected result for refurbished properties re-let within agreed timeframes. The effect of these changes has been reflected in the March and April 2007 results of greater than 80 per cent. The May and June 2007 results are expected to exceed the monthly target of 90 per cent. The year to date figure will however be affected by below target results earlier in the financial year and it is expected that the final year-to-date result will be approximately 70 per cent.
7. Tenancy management is continuing to work with tenants to facilitate improved debt recovery through affordable agreements for paying debts.

Changes to Appropriation

Changes to Appropriation - Departmental

	2006-07	2007-08	2008-09	2009-10	2010-11
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2006-07 Budget	22,384	22,641	22,898	23,187	23,187
2007-08 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	282
Community Sector Indexation	-	59	93	129	162
Rollover - Helping Younger People with Disabilities in Residential Aged Care Services	-	-	-	(9)	10
CSHA Funding	(330)	-	-	-	-
2007-08 Budget	22,054	22,700	22,991	23,307	23,641

Changes to Appropriation - Departmental

	2006-07	2007-08	2008-09	2009-10	2010-11
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2006-07 Budget	11,353	9,660	9,000	5,000	5,000
2007-08 Budget Policy Adjustments					
Additional Investment in Public Housing	-	4,300	-	-	-
Upgrade Infrastructure at the Narrabundah Long Stay Caravan Park	-	600	-	-	-
2007-08 Budget Technical Adjustments					
Rollover - Helping Younger People with Disabilities in Residential Aged Care Services	(288)	(354)	651	-	-
Transfer of Intensive Care and Treatment Facility from DDHCS	76	-	-	-	-
2007-08 Budget	11,141	14,206	9,651	5,000	5,000

2007-08 Capital Works Programs

Departmental

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2007-08 \$'000	2007-08 Financing \$'000	2008-09 Financing \$'000	2009-10 Financing \$'000	Expected Completion Date
New Works						
Upgrade Infrastructure at the Narrabundah Long Stay Caravan Park	600	-	600	-	-	Jun 2008
Total New Works	600	-	600	-	-	
Total Capital Works	600	-	600	-	-	

Commonwealth Grants

The major Commonwealth payments for which Housing ACT has responsibility are:

Name of Grant	Activities Funded by Grant	2007-08 Estimate \$'000
Commonwealth-State Housing Agreement, Block Grants	Public housing assistance initiatives, new rental stock and supplementation of public housing operations	19,142
Young People with Disabilities	Contribution to reduce the number of younger people with disabilities living in residential aged care facilities	153
Total		19,295

Housing ACT Operating Statement

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
Income							
Revenue							
22,384	Government Payment for Outputs	22,054	22,700	3	22,991	23,307	23,641
65,127	User Charges - Non ACT Government	67,493	72,259	7	74,160	76,082	78,071
1,242	Interest	1,556	1,299	-17	1,263	1,212	1,212
6,063	Other Revenue	8,748	11,230	28	2,459	2,459	2,459
94,816	Total Revenue	99,851	107,488	8	100,873	103,060	105,383
Gains							
0	Total Gains	0	0	-	0	0	0
94,816	Total Income	99,851	107,488	8	100,873	103,060	105,383
Expenses							
15,540	Employee Expenses	16,677	16,001	-4	16,640	17,304	17,655
2,825	Superannuation Expenses	2,547	2,599	2	2,703	2,812	2,869
61,063	Supplies and Services	61,084	63,926	5	65,525	67,164	68,844
12,239	Depreciation and Amortisation	12,060	12,929	7	13,937	14,793	15,330
5,165	Borrowing Costs	5,165	4,966	-4	4,761	4,549	4,332
4,546	Grants and Purchased Services	4,166	2,128	-49	1,423	1,593	1,626
3,294	Other Expenses	4,394	1,925	-56	1,676	1,691	1,697
0	Transfer Expenses	56	71	27	0	0	0
104,672	Total Ordinary Expenses	106,149	104,545	-2	106,665	109,906	112,353
750	Share of Operating Result from Joint Venture accounted for using the Equity Method	750	2,291	205	399	470	1,409
-9,106	Operating Result	-5,548	5,234	194	-5,393	-6,376	-5,561

Housing ACT Balance Sheet

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
Current Assets							
15,991	Cash and Cash Equivalents	21,400	20,472	-4	20,095	19,646	19,261
2,033	Receivables	3,427	3,357	-2	3,292	3,232	3,194
7,740	Assets Held for Sale	3,482	3,790	9	4,112	4,448	4,784
189	Other	173	173	-	173	173	173
25,953	Total Current Assets	28,482	27,792	-2	27,672	27,499	27,412
Non Current Assets							
500	Receivables	500	500	-	500	500	500
23,596	Investments	23,596	19,008	-19	9,355	7,006	0
3,309,563	Property, Plant and Equipment	3,260,162	3,522,361	8	3,785,044	4,071,803	4,366,352
1,807	Intangibles	758	2,797	269	2,756	2,242	1,728
15,174	Capital Works in Progress	1,409	882	-37	2,161	1,412	1,540
3,350,640	Total Non Current Assets	3,286,425	3,545,548	8	3,799,816	4,082,963	4,370,120
3,376,593	TOTAL ASSETS	3,314,907	3,573,340	8	3,827,488	4,110,462	4,397,532
Current Liabilities							
4,504	Payables	7,401	7,437	..	7,457	7,457	7,457
4,549	Interest Bearing Liabilities	4,549	4,706	3	4,834	4,834	4,834
80	Finance Leases	77	77	0	77	11	0
2,613	Employee Benefits	4,109	4,076	-1	4,043	4,057	4,076
2,441	Other	2,668	2,668	-	5,218	2,668	2,668
14,187	Total Current Liabilities	18,804	18,964	1	21,629	19,027	19,035
Non Current Liabilities							
105,795	Interest Bearing Liabilities	105,797	101,091	-4	96,257	91,423	86,589
164	Finance Leases	165	88	-47	11	0	0
2,511	Employee Benefits	691	688	..	690	693	698
2,550	Other	2,550	2,550	-	0	0	0
111,020	Total Non Current Liabilities	109,203	104,417	-4	96,958	92,116	87,287
125,207	TOTAL LIABILITIES	128,007	123,381	-4	118,587	111,143	106,322
3,251,386	NET ASSETS	3,186,900	3,449,959	8	3,708,901	3,999,319	4,291,210
REPRESENTED BY FUNDS EMPLOYED							
861,830	Accumulated Funds	874,018	915,458	5	941,716	962,340	983,779
2,389,556	Reserves	2,312,882	2,534,501	10	2,767,185	3,036,979	3,307,431
3,251,386	TOTAL FUNDS EMPLOYED	3,186,900	3,449,959	8	3,708,901	3,999,319	4,291,210

Housing ACT Cash Flow Statement

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
22,384	Cash from Government for Outputs	22,054	22,700	3	22,991	23,307	23,641
64,704	User Charges	67,035	71,748	7	73,636	75,545	77,506
1,242	Interest Received	1,556	1,299	-17	1,263	1,212	1,212
1,929	Other Revenue	3,525	2,034	-42	1,879	1,879	1,879
90,259	Operating Receipts	94,170	97,781	4	99,769	101,943	104,238
Payments							
17,949	Related to Employees	18,905	18,636	-1	19,374	20,099	20,500
61,195	Related to Supplies and Services	61,215	63,967	4	65,582	67,241	68,855
5,165	Borrowing Costs	5,165	4,966	-4	4,761	4,549	4,332
4,546	Grants and Purchased Services	4,166	2,128	-49	1,423	1,593	1,626
949	Other	770	1,025	33	817	824	824
0	Territory Receipts to Government	56	71	27	0	0	0
89,804	Operating Payments	90,277	90,793	1	91,957	94,306	96,137
455	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	3,893	6,988	80	7,812	7,637	8,101
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
34,881	Proceeds from Sale of Property, Plant & Equipment	27,571	28,656	4	30,151	31,666	31,666
34,881	Investing Receipts	27,571	28,656	4	30,151	31,666	31,666
Payments							
46,803	Purchase of Property, Plant and Equipment	39,977	45,909	15	43,245	39,878	40,278
280	Purchase of Land and Intangibles	0	280	#	0	0	0
47,083	Investing Payments	39,977	46,189	16	43,245	39,878	40,278
-12,202	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-12,406	-17,533	-41	-13,094	-8,212	-8,612
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
11,353	Capital Injection from Government	11,141	14,206	28	9,651	5,000	5,000
60	Borrowings Received	60	60	-	60	60	60
11,413	Financing Receipts	11,201	14,266	27	9,711	5,060	5,060
Payments							
4,537	Repayment of Borrowings	4,537	4,649	2	4,806	4,934	4,934
4,537	Financing Payments	4,537	4,649	2	4,806	4,934	4,934

Housing ACT Cash Flow Statement

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
6,876	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	6,664	9,617	44	4,905	126	126
-4,871	NET INCREASE/(DECREASE) IN CASH HELD	-1,849	-928	50	-377	-449	-385
20,862	CASH AT BEGINNING OF REPORTING PERIOD	23,249	21,400	-8	20,472	20,095	19,646
15,991	CASH AT THE END OF THE REPORTING PERIOD	21,400	20,472	-4	20,095	19,646	19,261

Housing ACT Statement of Changes in Equity

Budget as at 30/6/07 \$'000		Est.Outcome as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Var %	Planned as at 30/6/09 \$'000	Planned as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000
3,030,257	Opening Balance	2,962,460	3,186,900	8	3,449,959	3,708,901	3,999,319
	Accumulated Funds						
-9,106	Operating Result for the Period	-5,548	5,234	194	-5,393	-6,376	-5,561
	Reserves						
196,715	Increase/(Decrease) in asset revaluation reserve	196,715	221,619	13	232,684	269,794	270,452
22,000	Transfer to/from Reserves	22,000	22,000	-	22,000	22,000	22,000
209,609	Total Income And Expense For The Period	213,167	248,853	17	249,291	285,418	286,891
	Transactions Involving Equity Holders Affecting Accumulated Funds						
11,353	Capital Injections	11,141	14,206	28	9,651	5,000	5,000
167	Inc/Dec in Net Assets due to Admin Restructure	132	0	-100	0	0	0
3,251,386	Closing Balance	3,186,900	3,449,959	8	3,708,901	3,999,319	4,291,210

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$0.330 million in the 2006-07 estimated outcome from the original budget is due to decreased funding under the Commonwealth State Housing Agreement as a result of relative population movements between the states and territories; and
 - the increase of \$0.646 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to indexation of funding under the Commonwealth State Housing Agreement (\$0.615 million) and community sector indexation (\$0.031 million).
- user charges – non ACT Government:
 - the increase of \$2.366 million in the 2006-07 estimated outcome from the original budget is due to additional rents received from the increase in market rents and lower than anticipated rebates; and
 - the increase of \$4.766 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the increase in market rents for 2007-08 following the re-assessment of market rents and the indexation of tenant pensions (\$3.866 million) and the recovery of water consumption costs from public housing tenants (\$0.9 million).

- interest:
 - the increase of \$0.314 million in the 2006-07 estimated outcome from the original budget is due to higher investment balances held over the year as a result of higher revenues and the deferral of some property acquisitions; and
 - the decrease of \$0.257 million in 2007-08 Budget from the 2006-07 estimated outcome is due to the lower amount of funds available for investment over the year as projects proceed to finalisation.
- other revenue:
 - the increase of \$2.685 million in the 2006-07 estimated outcome from the original budget is due to higher tenant responsible maintenance charges (\$1.2 million), reimbursement for the cost of redundancies (\$0.945 million), higher insurance recoveries (\$0.155 million), higher recoveries from other agencies (\$0.1 million) and revenues from the Narrabundah Long Stay Caravan Park (\$0.285 million); and
 - the increase of \$2.482 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the return of properties originally transferred to Community Housing Canberra Limited (\$8.517 million), offset by the one off profit on sale for properties including those transferred to joint ventures in 2006-07 (\$3.554 million), the return to more normal levels of tenant responsible maintenance charges (\$1.2 million), recoveries from other agencies and insurance (\$0.255 million), reimbursement for redundancy costs (\$0.945 million), and the lower revenues for Narrabundah Long Stay Caravan Park (\$0.081 million).
- employee and superannuation expenses:
 - the increase of \$0.859 million in the 2006-07 estimated outcome from the original budget is mainly due to redundancy payments made during the year (\$0.945 million); and
 - the decrease of \$0.624 million in 2007-08 Budget from the 2006-07 estimated outcome is due to the one-off payment for redundancies in 2006-07 offset by wage increases under the enterprise bargaining agreement.
- supplies and services: the increase of \$2.842 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the increase in water rates (\$0.459 million), general rates (\$0.338 million), repairs and maintenance (\$0.396 million), overheads and indexation (\$1.649 million).
- depreciation and amortisation:
 - the decrease of \$0.179 million in the 2006-07 estimated outcome from the original budget is due to the lower amortisation of computer systems following a re-assessment of their estimated useful lives; and
 - the increase of \$0.869 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the revaluation of properties in March 2008 and the higher amortisation charges associated with the replacement of the business system.
- borrowing costs: the decrease of \$0.199 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the reduction in interest payments as loans decrease in line with the Commonwealth repayment schedules.

- grants and purchased services:
 - the decrease of \$0.380 million in the 2006-07 estimated outcome from the original budget is due to the timing of the finalisation of some community housing projects, which will be completed in 2007-08; and
 - the decrease of \$2.038 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the impact of one-off grant payments made in 2006-07 (\$2.904 million) offset by the rollover of some community housing project funding into 2007-08 (\$0.835 million) and community sector indexation (\$0.031 million).
- other and transfer expenses:
 - the increase of \$1.156 million in the 2006-07 estimated outcome from the original budget is due to higher bad and doubtful debts (\$1.3 million) and the transfer of profits from the Narrabundah Long Stay Caravan Park (\$0.056 million), offset by reduced contract costs (\$0.2 million); and
 - the decrease of \$2.454 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the one-off demolition and property write off costs in 2006-07 (\$1.430 million) and the reduction in bad and doubtful debts (\$1.195 million), offset by the rollover of contract costs (\$0.171 million).
- share of operating result from joint venture: the increase of \$1.541 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to higher profits as more units are completed and sold in the joint venture development.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$5.409 million in the 2006-07 estimated outcome from the original budget is due to the additional funds held as a result of the higher revenues and deferral of some capital outlays; and
 - the decrease of \$0.928 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the planned increase in expenditure on community housing projects and properties during the year.
- receivables: the increase of \$1.394 million in the 2006-07 estimated outcome from the original budget is due to the higher charges for tenant responsible maintenance raised during the year.
- assets held for sale:
 - the decrease of \$4.258 million in the 2006-07 estimated outcome from the original budget is due to the reduction of the number of properties identified as held for sale in line with the lower level of property sales; and
 - the increase of \$0.308 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to the higher values of properties identified as held for sale.
- non current assets: the increase of \$259.123 million in the 2007-08 Budget from the 2006-07 estimated outcome represents the expected increase in property values.

- total liabilities:
 - the increase of \$2.8 million in the 2006-07 estimated outcome from the original budget is mainly due to an increase in payables offset by slightly lower employee entitlements due to staff redundancies during the year; and
 - the decrease of \$4.626 million in the 2007-08 Budget from the 2006-07 estimated outcome is mainly due to the reduction in borrowings with the Commonwealth in accordance with the loan repayment schedule.

Housing ACT

Statement of Income and Expenses on Behalf of the Territory

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
Income							
Revenue							
19,106	Grants from the Commonwealth	18,709	19,295	3	19,646	19,514	19,718
19,106	Total Revenue	18,709	19,295	3	19,646	19,514	19,718
Gains							
0	Total Gains	0	0	-	0	0	0
19,106	Total Income	18,709	19,295	3	19,646	19,514	19,718
Expenses							
19,106	Transfer Expenses	18,709	19,295	3	19,646	19,514	19,718
19,106	Total Ordinary Expenses	18,709	19,295	3	19,646	19,514	19,718
0	Operating Result	0	0	-	0	0	0

Housing ACT
Budgeted Statement of Cashflows on Behalf of the Territory

2006-07 Budget \$'000		2006-07 Est.Outcome \$'000	2007-08 Budget \$'000	Var %	2008-09 Estimate \$'000	2009-10 Estimate \$'000	2010-11 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
19,106	Grants Received from the Commonwealth	18,709	19,295	3	19,646	19,514	19,718
19,106	Operating Receipts	18,709	19,295	3	19,646	19,514	19,718
Payments							
19,106	Territory Receipts to Government	18,709	19,295	3	19,646	19,514	19,718
19,106	Operating Payments	18,709	19,295	3	19,646	19,514	19,718
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 \$0.397 million in the 2006-07 estimated outcome from original budget is due to decreased funding under the Commonwealth State Housing Agreement as a result of relative population movements between the states and territories (\$0.253 million) and the rollover of funding for the Young People with Disabilities initiative (\$0.144 million); and
 - the increase of \$0.586 million in the 2007-08 Budget from the 2006-07 estimated outcome is due to indexation of the Commonwealth State Housing Agreement grants (\$0.433 million) and the rollover funding for the Young People with Disabilities initiative (\$0.153 million).

