

HOUSING ACT

Purpose

Housing ACT's principal objective is to provide safe, affordable and appropriate housing that responds to the individual circumstances and needs of low income and disadvantaged people in the community. In doing so, Housing ACT helps to alleviate social isolation and disadvantage and build a safer, stronger and more inclusive and cohesive community.

Housing ACT undertakes its activities in accordance with the Community Services Directorate's Strategic Plan 2012-2015, which is based around the following themes:

- a positive start – individuals and families receive services and support when they are needed;
- support to learn and grow – individuals and families have the skills, support and information to join in;
- a productive life – people of Canberra are valued contributors to our community;
- a connected community – people of Canberra come together to build a vibrant, resilient and connected community; and
- a leading organisation – leading the way we work for the people of Canberra.

Through focussing on these themes, Housing ACT aims to ensure that the focus on clients remains the highest priority, and thereby help to reduce poverty and exclusion for some of the most vulnerable in the community.

2012-13 Priorities

Strategic and operational issues to be pursued in 2012-13 include:

- continuing to apply the public housing asset management strategy to refurbish or replace public housing to better meet tenant needs, including to redevelop multi-unit sites and re-house aged tenants into more suitable housing;
- undertaking a range of works to improve the safety and security of elderly tenants living close to the city in larger multi-unit complexes;
- continuing to undertake works to improve the energy efficiency of public housing, focussing on building and shell improvements and reducing draughts and heat loss;
- implementing tenancy management plans for tenants exhibiting inappropriate behaviours, that address the underlying causes of such problem behaviour, including drug and alcohol misuse and providing appropriate support options to tenants;
- continuing to improve services to the most vulnerable and needy in the community, including expanding the operations of the Central Intake Service to provide improved services to people who are homeless or who are at risk of becoming homeless and undertake forward design for the implementation of a "Common Ground" model of accommodation for homeless people;
- expanding tenant employment programs in partnership with Spotless, Housing ACT's maintenance contract manager;

2012-13 Priorities cont.

- improving services to Aboriginal and Torres Strait Islander families, including undertaking modifications to properties to provide more culturally appropriate accommodation; and
- upgrading the Housing Information System (Homenet).

Business and Corporate Strategies

In accordance with the Strategic Plan 2012-15, Housing ACT will implement programs and direct resources towards reducing homelessness and social exclusion for some of the most vulnerable in the community, and thereby help to build a stronger, 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 improve the operation of the Central Access Point to provide more streamlined access to a wide range of housing related services and support for people experiencing homelessness or housing stress by further co-locating services and developing common practices and procedures.

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

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

Estimated Employment Level

2010-11 Actual Outcome	2011-12 Budget	2011-12 Est. Outcome ¹	2012-13 Budget
229 Staffing (FTE)	235	234	231

Note:

1. The 2011-12 estimated outcome excludes contract staff occupying temporary vacant positions whilst recruitment is pending.

Strategic Objectives and Indicators

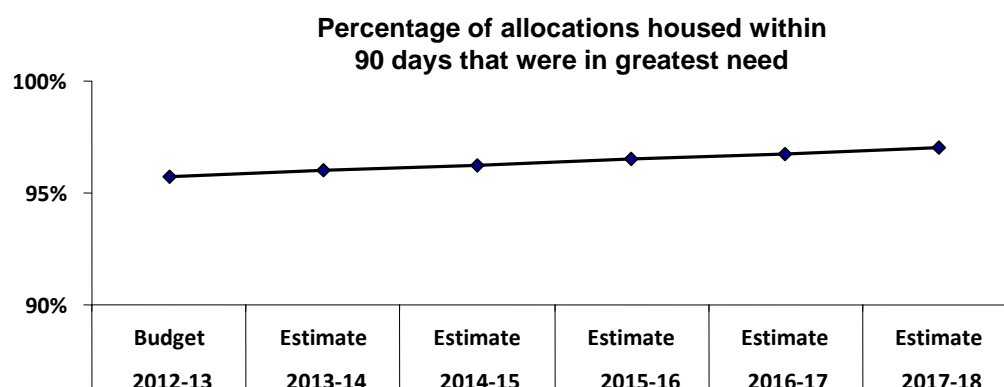
Strategic Objective 1

Appropriately Housing People Most in Need

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

Strategic Indicator 1: Of all new households that were allocated within three months, the proportion that was in greatest need.

This indicator demonstrates the focus on allocation to house those most in need. It measures the proportion housed within three months that were in greatest need. Needs may include: homelessness; having mental health issues, serious medical issues or a disability such as frail-aged, where natural support systems are at risk of breaking down; and women with or without children escaping domestic violence.



Strategic Objective 2

Access to Safe, Affordable and Sustainable Housing that Contributes to Social and Economic Participation

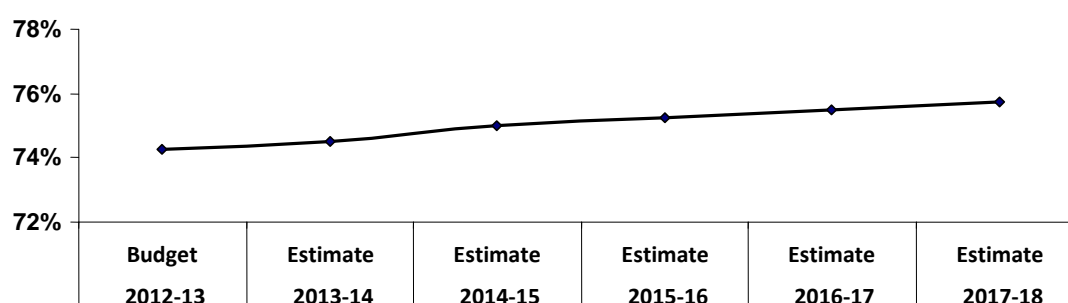
Housing ACT aims to assist tenants to participate more fully in their community and make the most of their life, by assertively engaging with rough sleepers and streamlining access to services and providing transitional housing as a crisis response. Working in partnership with specialist homelessness service providers, Housing ACT is able to transfer foundation skills and improve social inclusion with the aim of assisting homeless and vulnerable families to secure appropriate long-term accommodation with support to enable them to sustain their tenancy.

Strategic Objectives and Indicators cont.

Strategic Indicator 2: Providing Tenants with the Opportunity to be Part of the Community

Social housing helps to build a stronger, safer and more inclusive and cohesive community by reducing concentrations of disadvantage, poverty and exclusion. A key to successful housing outcomes for those living in social housing is whether the provision of affordable and secure housing enables tenants to participate effectively in the community and thereby be better able to access education and employment opportunities and engage in local, cultural, civic and recreational activities so that they can live their life to the full.

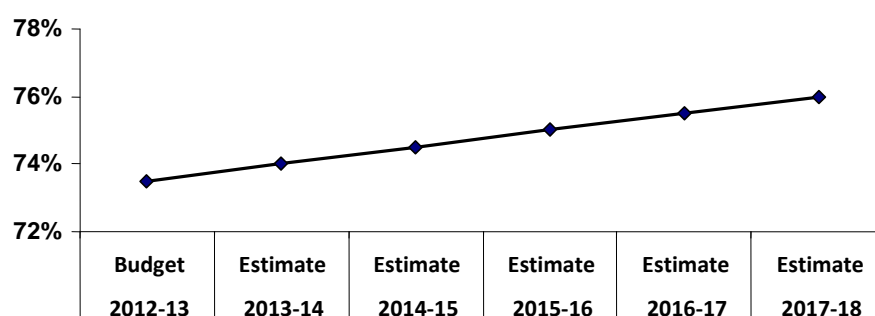
Percentage of tenants recognising that public housing assists them participate in the community



Strategic Indicator 3: The Provision of Outreach Services to Sustain Tenants in Longer term Housing

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

Outreach support compared to total support periods



Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2011-12	2012-13	2011-12	2012-13
	Est. Outcome \$'000	Budget \$'000	Est. Outcome \$'000	Budget \$'000
Output Class 1:				
Social Housing Services	164,808	156,028	43,336	42,295
Output 1.1: Social Housing Services	164,808	156,028	43,336	42,295

Note:

1. Total cost includes depreciation and amortisation of \$16.752 million in 2011-12 and \$17.653 million in 2012-13.

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

	2011-12 Targets	2011-12 Est. Outcome	2012-13 Targets
Output Class 1: Social Housing Services			
Output 1.1: Social Housing Services			
a. Allocations to those in greatest need Percentage of public housing allocations to priority and highest need applicants.	96%	94%	96%
b. Number of public housing properties managed ¹ A property is defined as a unit of accommodation to which a tenancy agreement can be made.	12,050	11,862	11,941
c. Number of tenancies managed by registered not for profit housing providers ² A regulatory framework for not for profit housing providers commenced in 2009. This measure reports the number of tenancy units as defined by the Australian Institute of Health and Welfare such as house, townhouse, flat or room in a boarding house or similar shared accommodation units.	816	875	900
d. Percentage of public housing tenants receiving rebates 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.	91%	91%	91%
e. Number of client service visits conducted The number of clients visited during the financial year is the combined total of first visits carried out within 90 days of commencement of new tenancies and annual client service visits.	11,200	11,150	11,200
f. Overall satisfaction with the provision of public housing ³ Tenant satisfaction is measured biennially through the National Social Housing Survey and in the alternate years through an internal survey.	75%	75%	75%
g. Average cost per dwelling of public housing ⁴ Total cost of public housing excluding the direct grants to community service providers and to the community housing sector divided by the stock number.	\$9,954	\$11,401	\$10,901
h. Percentage of community housing tenants receiving rebates ⁵ Community housing tenants who do not pay market rent are recipients of rebates. The rent payable may be a percentage of market rent or assessable household income for eligible tenants depending on the rent setting policies for the particular housing products.	95%	95%	n/a
i. Overall satisfaction with the provision of community housing ³ Tenant satisfaction is measured biennially through the National Community Housing Survey and in the alternative years through an internal survey.	75%	75%	75%

Accountability Indicators cont.

	2011-12 Targets	2011-12 Est. Outcome	2012-13 Targets
Output 1.1: Social Housing Services cont.			
j. Occupancy rate of properties managed by public housing Total number of tenancies divided by total number of lettable dwellings.	99%	99%	99%
k. Percentage of tenant accounts \geq \$500 and four or more weeks in arrears on repayment agreements ⁶ Tenants with rent arrears exceeding four weeks rent and with debts exceeding \$500 are required to enter into agreements to repay the arrears within a reasonable time either prior to an Order to repay the debt has been made by the ACT Civil and Administrative Tribunal or in conjunction with an Order. To maintain the sustainability of the tenancy and not create household stress, policy guidelines provide that the repayment of arrears and the rent payments are not to exceed 30 per cent of total income.	90%	85%	90%
l. Percentage of rent received Percentage of rent received from tenants compared to rent charged, after rebates.	99%	99%	99%
m. The number of government funded specialist homelessness services support periods each year ⁷ The number of government funded specialist homelessness services support periods in the year as reported by the Australian Institute of Health and Welfare.	2,800	3,000	n/a

Notes:

1. 'Public housing properties managed' includes housing provided by Housing ACT directly and those properties head-leased to community organisations to provide tenancy management and support. The decrease in the 2011-12 estimated outcome from the original target is due to delay with some construction projects and additional transfer of properties to the community housing sector and the Community Services Directorate, under the Affordable Rental Scheme.
2. The higher number of tenancies managed by registered not for profit housing providers in the 2011-12 estimated outcome from the 2011-12 target is due to the inclusion of all the Community Housing Canberra Limited properties, including shared rooms in the group homes and the higher number of properties allocated to the community housing sector from the stimulus projects. The increase in the 2012-13 target from the 2011-12 estimated outcome is due to the increase in Community Housing Canberra Limited dwellings. Not for profit housing providers are also responsible for the tenancy management of some public housing properties.
3. Internal surveys will be undertaken for both public and community housing for 2012, with results to be finalised in June. The results shown are the estimated results based upon the previous surveys.
4. The average cost per dwelling is higher in the 2011-12 estimated outcome than the original target as a result of higher property costs, including repairs and maintenance, rates and body corporate fees, higher consultancy costs associated with the major redevelopment projects currently underway, employee costs and depreciation and amortisation.
5. This indicator will be discontinued from 2012-13. The measure of the percentage of community housing tenants in receipt of a rebate becomes less meaningful as all tenants in affordable and community housing are provided a "rebate" by way of a percentage of market rent or an income based rebate.
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 results for the measure are below target for the year due to the ongoing cost of living pressures and difficult economic environment facing low income and vulnerable families.
7. This indicator will be discontinued from 2012-13. The higher number of support periods reflects the introduction of new services with an increased focus on non-accommodation outreach services to support and sustain tenancies and break the cycle of homelessness. A new measure replacing this measure will be included once the new Specialist Homelessness Services data collection has been finalised for reporting in the Report on Government Services and the National Affordable Housing Agreement.

Changes to Appropriation

Changes to Appropriation - Controlled

	2011-12	2012-13	2013-14	2014-15	2015-16
Government Payment for Outputs	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2011-12 Budget	43,186	42,862	41,664	42,300	42,300
2012-13 Budget Policy Adjustments					
Social and Community Services (SACS) Pay Equity Award	-	6	18	28	67
Security Improvement Program for Elderly Public Housing Tenants	-	-	-	30	62
Disability Dual Occupancy Housing	-	-	-	25	77
Savings Initiatives	-	(454)	(523)	(697)	(814)
2012-13 Budget Technical Adjustments					
Revised Indexation Parameters – Community Sector Funding	-	(58)	(60)	(62)	108
Transfer – National Disaster Resilience Program from CSD	150	-	-	-	-
Transfer – Funding for Equal Remuneration Project Team to CSD	-	(61)	(63)	(65)	-
2012-13 Budget	43,336	42,295	41,036	41,559	41,800

Changes to Appropriation - Controlled

	2011-12	2012-13	2013-14	2014-15	2015-16
Capital Injections	Est. Out.	Budget	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
2011-12 Budget	24,165	10,500	9,000	9,000	9,000
2012-13 Budget Policy Adjustments					
Security Improvement Program for Elderly Public Housing Tenants	-	-	500	500	500
Disability Dual Occupancy Housing	-	-	567	1,162	1,219
Common Ground Supportive Housing Model (Design)	-	130	-	-	-
Expansion of Public Housing Energy Efficiency	-	-	-	-	2,000
Expansion of Social Housing – Stage 2	-	500	2,000	2,500	-
2012-13 Budget Technical Adjustments					
Revised Funding Profile – Expansion of Social Housing	(6,746)	6,746	-	-	-
Cessation - Public Housing Energy Efficiency	-	-	-	-	(2,000)
Commonwealth Grant – Nation Building and Jobs Plan – Social Housing NP	(1,804)	-	-	-	-
2012-13 Budget	15,615	17,876	12,067	13,162	10,719

2012-13 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2012-13 \$'000	2012-13 Financing \$'000	2013-14 Financing \$'000	2014-15 Financing \$'000	Physical Completion Date
New Capital Works						
Security Improvement Program for Elderly Public Housing Tenants ¹	1,500	-	-	500	500	Jun 2016
Disability Dual Occupancy Housing ²	2,948	-	-	567	1,162	Jun 2016
Common Ground Supportive Housing Model (Design)	130	-	130	-	-	
Expansion of Social Housing – Stage 2	5,000	-	500	2,000	2,500	Jun 2015
Total New Works	9,578	-	630	3,067	4,162	
Works in Progress						
Expansion of Social Housing	9,446	2,700	6,746	-	-	Jun 2013
Expansion of Public Housing Energy Efficiency ³	10,000	2,000	2,000	2,000	2,000	Jun 2016
Total Works in Progress	19,446	4,700	8,746	2,000	2,000	
Total Capital Works Program	29,024	4,700	9,376	5,067	6,162	

Notes:

1. An additional \$0.5 million has been forecast for the 2015-16 financial year. This funding was provided in the 2012-13 Budget.
2. An additional \$1.219 million has been forecast for the 2015-16 financial year. This funding was provided in the 2012-13 Budget.
3. An additional \$2 million has been forecast for the 2015-16 financial year. This funding was provided in the 2012-13 Budget.

Housing ACT Operating Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
Income							
Revenue							
43,186	Government Payment for Outputs	43,336	42,295	-2	41,036	41,559	41,800
83,854	User Charges - Non ACT Government	84,285	86,573	3	89,269	91,110	92,987
131	User Charges - ACT Government	0	0	-	0	0	0
2,793	Interest	3,018	1,713	-43	1,522	1,664	1,332
6,905	Other Revenue	5,406	5,279	-2	5,604	5,760	5,937
136,869	Total Revenue	136,045	135,860	..	137,431	140,093	142,056
136,869	Total Income	136,045	135,860	..	137,431	140,093	142,056
Expenses							
19,573	Employee Expenses	20,735	20,589	-1	21,097	21,620	22,155
3,007	Superannuation Expenses	2,779	3,126	12	3,189	3,252	3,317
74,072	Supplies and Services	79,633	81,048	2	83,733	87,071	89,759
15,137	Depreciation and Amortisation	16,752	17,653	5	18,487	19,328	19,637
4,152	Borrowing Costs	4,203	3,995	-5	3,779	3,568	3,297
22,857	Grants and Purchased Services	29,569	25,854	-13	22,722	23,082	24,265
4,003	Other Expenses	11,137	3,763	-66	4,224	3,787	4,204
142,801	Total Ordinary Expenses	164,808	156,028	-5	157,231	161,708	166,634
2,343	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	0	-	0	0	6,186
-3,589	Operating Result	-28,763	-20,168	30	-19,800	-21,615	-18,392
221,501	Inc/Dec in Asset Revaluation Reserve Surpluses	59,105	99,625	69	118,576	123,951	129,345
221,501	Total Other Comprehensive Income	59,105	99,625	69	118,576	123,951	129,345
217,912	Total Comprehensive Income	30,342	79,457	162	98,776	102,336	110,953

Housing ACT Balance Sheet

Budget as at 30/6/12 \$'000		Est. Outcome as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Var %	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000	Planned as at 30/6/16 \$'000
Current Assets							
4,185	Cash and Cash Equivalents	7,374	7,402	..	5,441	3,198	2,539
5,492	Receivables	7,343	7,428	1	7,536	7,644	7,751
41,688	Investments	37,000	20,249	-45	25,086	28,510	31,365
5,411	Assets Held for Sale	4,080	4,336	6	4,605	4,874	5,143
182	Other Current Assets	390	390	-	390	390	390
56,958	Total Current Assets	56,187	39,805	-29	43,058	44,616	47,188
Non Current Assets							
2,335	Receivables	4,829	5,175	7	5,549	5,953	500
5,358	Investments	2,420	3,413	41	4,556	5,577	6,470
4,579,076	Property, Plant and Equipment	4,371,164	4,481,642	3	4,581,819	4,688,523	4,809,945
1,969	Intangibles	1,831	1,507	-18	1,130	753	376
2,945	Capital Works in Progress	27,341	24,916	-9	26,678	27,068	25,170
4,591,683	Total Non Current Assets	4,407,585	4,516,653	2	4,619,732	4,727,874	4,842,461
4,648,641	TOTAL ASSETS	4,463,772	4,556,458	2	4,662,790	4,772,490	4,889,649
Current Liabilities							
5,367	Payables	6,452	6,460	..	6,468	6,476	6,484
4,863	Interest Bearing Liabilities	4,863	4,729	-3	4,713	4,697	4,673
271	Finance Leases	209	216	3	223	230	237
5,949	Employee Benefits	6,224	6,345	2	6,469	6,606	6,755
3,441	Other Liabilities	4,311	4,311	-	5,397	4,311	4,311
19,891	Total Current Liabilities	22,059	22,061	..	23,270	22,320	22,460
Non Current Liabilities							
81,615	Interest Bearing Liabilities	81,615	76,887	-6	72,175	67,457	62,782
279	Finance Leases	122	124	2	126	128	130
392	Employee Benefits	528	552	5	572	592	612
0	Other	1,129	1,182	5	152	0	0
82,286	Total Non Current Liabilities	83,394	78,745	-6	73,025	68,177	63,524
102,177	TOTAL LIABILITIES	105,453	100,806	-4	96,295	90,497	85,984
4,546,464	NET ASSETS	4,358,319	4,455,652	2	4,566,495	4,681,993	4,803,665
REPRESENTED BY FUNDS EMPLOYED							
1,171,835	Accumulated Funds	1,148,618	1,168,326	2	1,182,593	1,196,140	1,210,467
3,374,629	Reserves	3,209,701	3,287,326	2	3,383,902	3,485,853	3,593,198
4,546,464	TOTAL FUNDS EMPLOYED	4,358,319	4,455,652	2	4,566,495	4,681,993	4,803,665

Housing ACT Statement of Changes in Equity

Budget as at 30/6/12 \$'000		Est. Outcome as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Var %	Planned as at 30/6/14 \$'000	Planned as at 30/6/15 \$'000	Planned as at 30/6/16 \$'000
Opening Equity							
1,129,259	Opening Accumulated Funds	1,139,766	1,148,618	1	1,168,326	1,182,593	1,196,140
3,175,128	Opening Asset Revaluation Reserve	3,172,596	3,209,701	1	3,287,326	3,383,902	3,485,853
4,304,387	Balance at the Start of the Reporting Period	4,312,362	4,358,319	1	4,455,652	4,566,495	4,681,993
Comprehensive Income							
-3,589	Operating Result for the Period	-28,763	-20,168	30	-19,800	-21,615	-18,392
221,501	Inc/Dec in Asset Revaluation Reserve Surpluses	59,105	99,625	69	118,576	123,951	129,345
217,912	Total Comprehensive Income	30,342	79,457	162	98,776	102,336	110,953
22,000	Transfer to/from Accumulated Funds	22,000	22,000	-	22,000	22,000	22,000
-22,000	Movement in Asset Revaluation Reserve	-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							
24,165	Capital Injections	15,615	17,876	14	12,067	13,162	10,719
24,165	Total Transactions Involving Owners Affecting Accumulated Funds	15,615	17,876	14	12,067	13,162	10,719
Closing Equity							
1,171,835	Closing Accumulated Funds	1,148,618	1,168,326	2	1,182,593	1,196,140	1,210,467
3,374,629	Closing Asset Revaluation Reserve	3,209,701	3,287,326	2	3,383,902	3,485,853	3,593,198
4,546,464	Balance at the End of the Reporting Period	4,358,319	4,455,652	2	4,566,495	4,681,993	4,803,665

Housing ACT Cash Flow Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
43,186	Cash from Government for Outputs	43,336	42,295	-2	41,036	41,559	41,800
83,344	User Charges	83,644	85,885	3	88,570	90,351	92,168
2,793	Interest Received	2,546	1,367	-46	1,148	1,260	2,928
4,694	Other Receipts	5,737	5,693	-1	5,898	6,152	6,453
134,017	Operating Receipts	135,263	135,240	..	136,652	139,322	143,349
Payments							
19,440	Related to Employees	20,141	20,444	2	20,953	21,463	21,986
3,007	Related to Superannuation	2,779	3,126	12	3,189	3,252	3,317
74,465	Related to Supplies and Services	80,058	80,954	1	83,610	86,447	89,510
4,152	Borrowing Costs	4,152	3,942	-5	3,723	3,510	3,297
22,857	Grants and Purchased Services	23,654	25,854	9	22,775	23,617	24,425
2,781	Other	3,324	3,414	3	3,507	3,602	3,700
126,702	Operating Payments	134,108	137,734	3	137,757	141,891	146,235
7,315	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	1,155	-2,494	-316	-1,105	-2,569	-2,886
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
0	Proceeds from Sale/Maturity of Investments	77,728	66,751	-14	52,163	56,576	56,145
44,189	Proceeds from Sale of Property, Plant and Equipment	26,852	33,055	23	35,344	30,944	44,244
44,189	Investing Receipts	104,580	99,806	-5	87,507	87,520	100,389
Payments							
0	Purchase of Investments	52,301	50,000	-4	57,000	60,000	59,000
73,371	Purchase of Property, Plant and Equipment and Capital Works	63,293	60,168	-5	38,572	35,492	45,052
73,371	Investing Payments	115,594	110,168	-5	95,572	95,492	104,052
-29,182	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-11,014	-10,362	6	-8,065	-7,972	-3,663
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
24,165	Capital Injections from Government	15,615	17,876	14	12,067	13,162	10,719
60	Borrowings Received	60	60	-	60	60	60
24,225	Financing Receipts	15,675	17,936	14	12,127	13,222	10,779
Payments							
5,005	Repayment of Borrowings	5,005	4,922	-2	4,788	4,794	4,759
130	Repayment of Finance Leases	130	130	-	130	130	130
5,135	Financing Payments	5,135	5,052	-2	4,918	4,924	4,889

Housing ACT Cash Flow Statement

2011-12 Budget \$'000		2011-12 Est. Outcome \$'000	2012-13 Budget \$'000	Var %	2013-14 Estimate \$'000	2014-15 Estimate \$'000	2015-16 Estimate \$'000
19,090	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	10,540	12,884	22	7,209	8,298	5,890
-2,777	NET INCREASE / (DECREASE) IN CASH HELD	681	28	-96	-1,961	-2,243	-659
48,650	CASH AT THE BEGINNING OF REPORTING PERIOD	6,693	7,374	10	7,402	5,441	3,198
45,873	CASH AT THE END OF REPORTING PERIOD	7,374	7,402	..	5,441	3,198	2,539

Notes to Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$0.150 million in the 2011-12 estimated outcome from the original budget is due to the transfer of the National Disaster Resilience Program from CSD; and
 - the decrease of \$1.041 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to the decrease in Commonwealth funding under the *National Affordable Housing Agreement* (\$1 million), savings initiatives (\$0.454 million) and cessation of the National Disaster Resilience Program (\$0.150 million), partially offset by indexation.
- user charges – non ACT Government:
 - the increase of \$0.431 million in the 2011-12 estimated outcome from the original budget is due to changes to the contractual arrangement for the use of facilities at the Ainslie Village (\$0.131 million) and higher than anticipated rental receipts following the increase in market rents in April 2012; and
 - the increase of \$2.288 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to the combined effect of the increase in market rents and indexation of tenant pensions.
- interest:
 - the increase of \$0.225 million in the 2011-12 estimated outcome from the original budget is due to accrued interest (\$0.472 million) from the Lyons Joint Venture, partially offset by lower interest revenue from investment due to lower than anticipated interest rates; and
 - the decrease of \$1.305 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to lower cash balances as funds are required for construction projects.
- other revenue:
 - the decrease of \$1.499 million in the 2011-12 estimated outcome from the original budget is mainly due to lower gain from sale of properties and lower capital gain from holdings in the Shared Equity Scheme (SES) in line with market trend (\$2.021 million), partially offset by higher insurance claims (\$0.4 million) and recovery from CSD for the management and operation of the Affordable Rental Scheme (ARS); and
 - the decrease of \$0.127 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to insurance claims expected to return to the normal level (\$0.4 million) and lower gains from sale of properties and capital gains from holdings in the SES (\$0.081 million), partially offset by a higher recovery from CSD for the management and operation of the ARS (\$0.263 million) and higher revenue from the Narrabundah Caravan Park through increases in licence fees.

- employee and superannuation expenses:
 - the increase of \$0.934 million in the 2011-12 estimated outcome from the original budget is mainly due to the impact of the discount rate on the long service leave liability (\$0.344 million), revised wage parameters (\$0.185 million) and maternity leave; and
 - the increase of \$0.201 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to the revised wage parameters (\$0.764 million) and higher Comcare premium (\$0.165 million), partially offset by savings initiatives (\$0.391 million) and the impact of the discount rate on the long service leave liability.
- supplies and services:
 - the increase of \$5.561 million in the 2011-12 estimated outcome from the original budget is mainly due to higher than anticipated increase in property ownership costs (\$3.952 million), higher consultancy expenses (\$0.993 million) and higher general administrative expenses; and
 - the increase of \$1.415 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to general indexation (\$2.226 million), partially offset by reduction in consultancy expenses (\$0.748 million) and savings initiatives.
- depreciation and amortisation:
 - the increase of \$1.615 million in the 2011-12 estimated outcome from the original budget is mainly due to the movement in property values following the revaluation in 2011-12 (\$1.409 million) and depreciation for the make good provision relating to the accommodation lease at the Nature Conservation House; and
 - the increase of \$0.901 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to expected increases in property value from the 2012-13 revaluation.
- borrowing costs: the decrease of \$0.208 million in the 2012-13 Budget from the 2011-12 estimated outcome is due to reduced interest payments as overall debt levels decline in line with loan repayment schedules.
- grants and purchased services:
 - the increase of \$6.712 million in the 2011-12 estimated outcome from the original budget is due to additional transfer of properties to the community housing sector (\$5.915 million) and higher grants expenditure (\$0.797 million) under the National Homelessness Partnership Agreement; and
 - the decrease of \$3.715 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to one-off adjustments as noted above, partially offset by additional grants to the community housing sector to purchase properties (\$2.314 million) and general indexation.
- other expenses:
 - the increase of \$7.134 million in the 2011-12 estimated outcome from the original budget is due to transfer of properties to CSD under the ARS (\$6.534 million) and higher than anticipated demolition and write-off costs of properties; and

- the decrease of \$7.374 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to fewer properties expected to be transferred to CSD under the ARS (\$5.322 million) and lower demolition and write-off costs of properties (\$2.1 million), partially offset by slightly higher bad and doubtful debt expenses.
- share of operating result from joint venture: the decrease of \$2.343 million in the 2011-12 estimated outcome from the original budget is due to the delay in profit distributions from the Lyons Estate joint venture (JV).
- increase/decrease in asset revaluation reserve: the decrease of \$162.396 million in the 2011-12 estimated outcome from the original budget and the increase of \$40.520 million in the 2012-13 Budget from the 2011-12 estimated outcome are due to asset revaluation.

Balance Sheet

- total current assets:
 - the decrease of \$0.771 million in the 2011-12 estimated outcome from the original budget is mainly due to a lower investment balance as more funds are required for operations and capital works (\$4.688 million) and a reduced number of properties identified for sale (\$1.331 million), partially offset by an increase in cash and cash equivalents (\$3.189 million) to ensure sufficient funds to meet operational needs, an increase in receivables (\$1.851 million), and an increase in prepayments; and
 - the decrease of \$16.382 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to a decrease in the investment balance as funds are required for construction projects (\$16.751 million), partially offset by increases in cash and cash equivalents, receivables and assets held for sale.
- total non current assets:
 - the decrease of \$184.098 million in the 2011-12 estimated outcome from the original budget is mainly due to a lower than anticipated increase in value of properties from the 2011-12 revaluation (\$207.912 million), delay in some construction projects and a decrease in investment due to fewer sales achieved under the SES (\$2.938 million), partially offset by an increase in capital works in progress (\$24.396 million) and an increase in receivables relating to the JV (\$2.494 million); and
 - the increase of \$109.068 million in the 2012-13 Budget from the 2011-12 estimated outcome is mainly due to the anticipated increase in value of properties from the 2012-13 revaluation (\$110.478 million), increase in property numbers delivered through the capital program, an increase in SES investment (\$0.993 million) and an increase in receivables due to interest accrued from the JV (\$0.346 million), partially offset by a decrease in capital works in progress (\$2.425 million) and a decrease in intangible assets with the amortisation of Housing ACT's business application (Homenet).

- total current liabilities: the increase of \$2.168 million in the 2011-12 estimated outcome from the original budget is due to increases in payables (\$1.085 million), payment received in advance from tenants (0.870 million) and employee benefits (\$0.275 million), partially offset by a decrease in lease liabilities.
- total non current liabilities:
 - the increase of \$1.108 million in the 2011-12 estimated outcome from the original budget is mainly due to inclusion of the make good provision relating to the accommodation lease at Nature Conservation House; and
 - the decrease of \$4.649 million in the 2012-13 Budget from the 2011-12 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.

Statement of Cash Flows

Variations in the statement are explained in the notes above.