

# HOUSING ACT

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## 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 they have the best opportunity to reach their potential and participate fully in the community and the economy.

## 2013-14 Priorities

Strategic and operational issues to be pursued in 2013-14 include:

- continuing to improve services to the most vulnerable and needy in the community, including expanding options for housing for the aged, the homeless and people with a disability. This includes the construction of a Common Ground Supportive Housing facility in the ACT and the provision of supported housing for people with a disability;
- continuing the implementation of 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 older 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 a range of works to improve the energy efficiency and comfort of public housing, focussing on building improvements to reduce draughts and heat loss;
- improving services to Aboriginal and Torres Strait Islander families, including by providing more culturally appropriate accommodation. In particular, through the provision of purpose-built accommodation to house the elderly in the community;
- continuing to expand tenant employment programs in partnership with Spotless, Housing ACT's maintenance contract manager; and
- continuing the upgrade to 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 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.

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

| 2011-12<br>Actual Outcome | 2012-13<br>Budget | 2012-13<br>Est. Outcome | 2013-14<br>Budget |
|---------------------------|-------------------|-------------------------|-------------------|
| 245 Staffing (FTE)        | 231               | 231 <sup>1</sup>        | 232               |

**Note:**

1. The 2012-13 estimated outcome excludes contract staff occupying temporary vacant positions whilst recruitment is pending.

## Strategic Objectives and Indicators

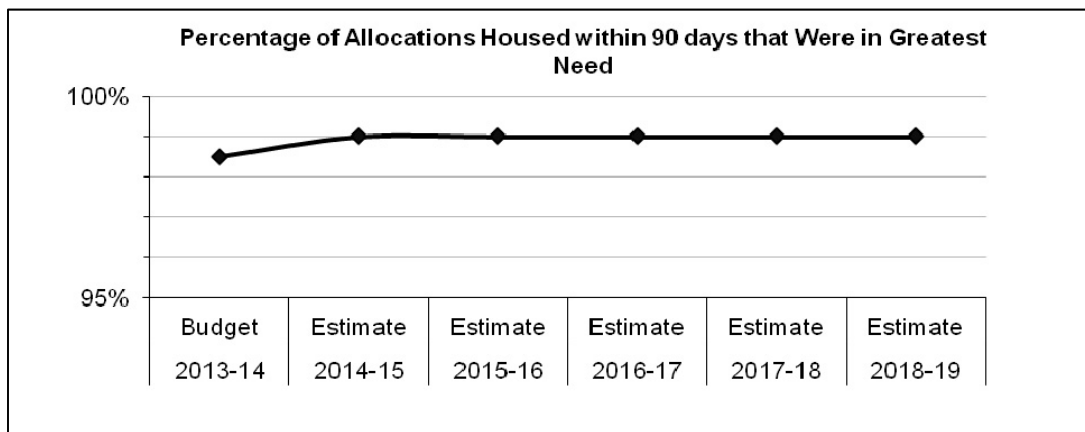
### Strategic Objective 1

Appropriately Housing People Most in Need

Housing ACT continues to target housing assistance to those most in need in the community. This housing assistance helps reduce social isolation and disadvantage and build a safer, 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 allocating housing to those most in need. It measures the proportion of those housed within three months that were in the greatest need. Needs may include homelessness, having mental health issues, serious medical issues or a disability, where natural support systems are at risk of breaking down, and women escaping domestic violence.



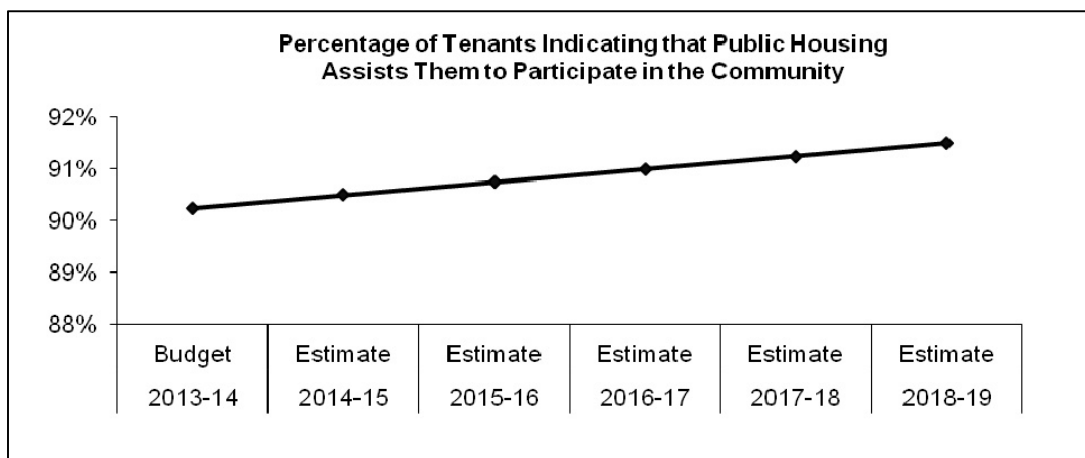
**Strategic Objective 2**

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 the community and achieve their potential. Working in partnership with specialist homelessness service providers, Housing ACT enables vulnerable people to build foundation life-skills and improve social inclusion, with the aim of assisting homeless and vulnerable families to secure appropriate long-term accommodation and support that will enable them to sustain their tenancy. In particular, Housing ACT has streamlined access to housing, homelessness and support services, provides transitional housing as a crisis response as well as providing housing to enable homeless people or people at risk of becoming homeless, the opportunity to secure housing that best suits their needs.

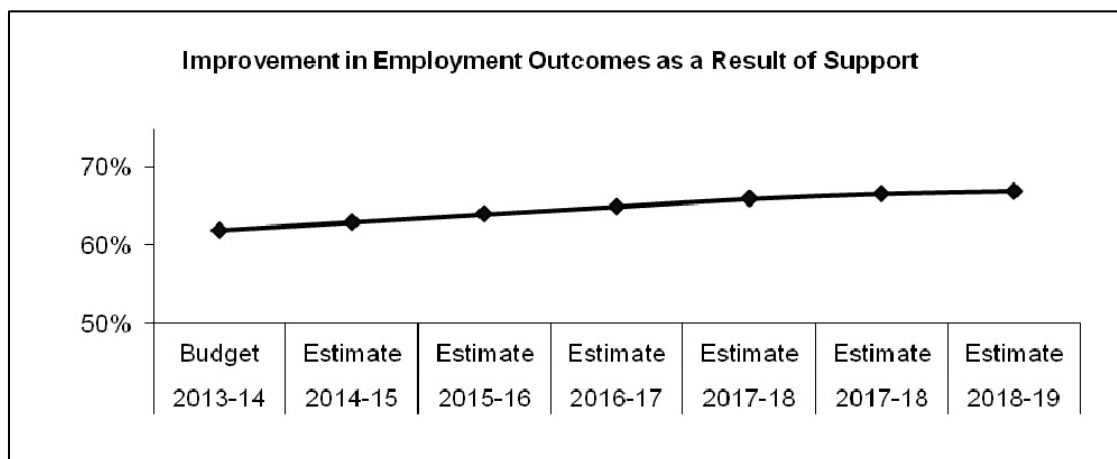
**Strategic Indicator 2:** Providing Tenants with the Opportunity to be Part of the Community

Social housing helps build a stronger, safer and more inclusive and cohesive community through reducing disadvantage and exclusion for some of the most vulnerable in the community. Achieving successful housing outcomes for those living in social housing includes improving access for tenants to education and employment to enable them to better engage in local, cultural, civic and recreational activities so that they can participate effectively in the community, achieve their potential and live their life to the full.



**Strategic Indicator 3:** Improving Employment Outcomes for Homeless People to Support them Sustain their Tenancy in Long-term Housing

A key to successful housing outcomes for those tenants transitioning from homelessness or crisis accommodation to mainstream housing is improving access to appropriate and adequate support that will provide improved opportunities for training, education and employment, enabling them to sustain their tenancy and better participate in the community. This indicator shows the improvement in employment outcomes as a result of support and assistance provided following incidents of homelessness.



### Output Classes

|  | Total Cost <sup>1</sup> |                  | Government Payment for Outputs |                  |
|--|-------------------------|------------------|--------------------------------|------------------|
|  | 2012-13                 | 2013-14          | 2012-13                        | 2013-14          |
|  | Est. Outcome<br>\$'000  | Budget<br>\$'000 | Est. Outcome<br>\$'000         | Budget<br>\$'000 |
| <b>Output Class 1:</b>                     |                         |                  |                                |                  |
| <b>Social Housing Services</b>             | 176,217                 | 156,671          | 42,541                         | 43,075           |
| <b>Output 1.1: Social Housing Services</b> | 176,217                 | 156,671          | 42,541                         | 43,075           |

**Note:**

1. Total cost includes depreciation and amortisation of \$16.644 million in 2012-13 and \$17.123 million in 2013-14.

#### 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

|   | 2012-13<br>Targets | 2012-13<br>Est. Outcome | 2013-14<br>Targets |
|---|--------------------|-------------------------|--------------------|
| <b>Output Class 1: Social Housing Services</b>  |                    |                         |                    |
| <b>Output 1.1: Social Housing Services</b>  |                    |                         |                    |
| a. Allocations to those in greatest need<br>Percentage of public housing allocations to priority and highest need applicants.   | 96%                | 99%                     | 98%                |
| b. Number of social housing properties<br>This measure includes all public housing properties and those properties owned and controlled by Housing ACT that are head-leased to community housing providers and other agencies.  | 11,941             | 11,850                  | 11,830             |
| c. Number of tenancies managed by registered Not-For-Profit housing providers <sup>1</sup><br>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 that are tenanted through registered not-for-profit housing providers. Some dwellings owned by Housing ACT will also be included in this measure where those properties are head-leased from Housing ACT.   | 900                | 1,030                   | 1,065              |
| d. Percentage of public housing tenants receiving rebates<br>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%                | 92%                     | 93%                |
| e. Number of client service visits conducted<br>The number of current 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 undertaken.  | 11,200             | 11,274                  | 11,150             |
| f. Overall satisfaction with the provision of public housing <sup>2</sup><br>Tenant satisfaction is measured biennially through the National Social Housing Survey and in the alternate years through an internal survey.   | 75%                | 73%                     | 75%                |
| g. Average cost per dwelling of public housing <sup>3</sup><br>Total cost of public housing excluding the payments to community service providers and to the community-housing sector divided by the number of dwellings.   | \$10,901           | \$11,314                | \$11,296           |
| h. Overall satisfaction with the provision of community housing <sup>2</sup><br>Tenant satisfaction is measured biennially through the National Community Housing Survey and in the alternative years through an internal survey.   | 75%                | 75%                     | 75%                |
| i. Occupancy rate of public housing<br>Total number of tenancies divided by total number of lettable dwellings.   | 99%                | 98%                     | 99%                |
| j. Percentage of tenant accounts $\geq$ \$500 and four or more weeks in arrears on repayment agreements <sup>4</sup><br>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%                |
| k. Percentage of rent received<br>Percentage of rent received from tenants compared to rent charged, after rebates.   | 99%                | 99%                     | 99%                |

## Accountability Indicators cont.

### Notes:

1. The higher number of tenancies managed by registered Not-For-Profit housing providers in 2012-13 is due to the higher number of properties constructed under the National Rental Affordability Scheme and properties allocated to the community housing sector from the stimulus projects. The increase in 2013-14 is due to the increase in dwellings derived from dwelling construction funded by the revolving line of credit from the ACT Government to expand affordable housing numbers. Not-for-Profit housing providers also undertake tenancy management of some public housing properties.
2. Internal surveys will be undertaken for both public and community housing for 2013, with results to be finalised in June 2013. The results shown are the estimated results based upon the previous surveys.
3. The average cost per dwelling is higher in 2012-13 as a result of higher property costs, such as repairs and maintenance, rates and body corporate fees and higher employee costs offset by lower depreciation and amortisation.
4. 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 slightly below target for the year due to the difficult economic environment facing low income and vulnerable families.

## Changes to Appropriation

### Changes to Appropriation – Controlled

|  | 2012-13<br>Est. Out.<br>\$'000 | 2013-14<br>Budget<br>\$'000 | 2014-15<br>Estimate<br>\$'000 | 2015-16<br>Estimate<br>\$'000 | 2016-17<br>Estimate<br>\$'000 |
|--|--------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Government Payment for Outputs</b>  |                                |                             |                               |                               |                               |
| <b>2012-13 Budget</b>  | <b>42,295</b>                  | <b>41,036</b>               | <b>41,559</b>                 | <b>41,800</b>                 | <b>41,800</b>                 |
| <b>2013-14 Budget Policy Adjustments</b>                                       |                                |                             |                               |                               |                               |
| National Partnership Agreement on Homelessness Extension                       | -                              | 580                         | -                             | -                             | -                             |
| Housing and Homelessness Advocacy and Policy Services                          | -                              | 80                          | 82                            | -                             | -                             |
| Common Ground Supportive Housing   | -                              | 566                         | -                             | -                             | -                             |
| Service Reprofitting   | -                              | (1,007)                     | (237)                         | (334)                         | (418)                         |
| <b>2013-14 Budget Technical Adjustments</b>                                    |                                |                             |                               |                               |                               |
| Revised Indexation Parameters – Community Sector Funding                       | -                              | (113)                       | (117)                         | (122)                         | 52                            |
| Social and Community Services (SACS) Pay Equity Award                          | -                              | 191                         | 317                           | 453                           | 717                           |
| Commonwealth Grants Indexation   | -                              | -                           | -                             | -                             | 466                           |
| Commonwealth Grants – National Affordable Housing                              | 246                            | 262                         | 381                           | 384                           | 383                           |
| Commonwealth Grants – National Partnership Agreement on Homelessness Extension | -                              | 1,480                       | -                             | -                             | -                             |
| <b>2013-14 Budget</b>  | <b>42,541</b>                  | <b>43,075</b>               | <b>41,985</b>                 | <b>42,181</b>                 | <b>43,000</b>                 |

### Changes to Appropriation – Controlled

|  | 2012-13<br>Est. Out.<br>\$'000 | 2013-14<br>Budget<br>\$'000 | 2014-15<br>Estimate<br>\$'000 | 2015-16<br>Estimate<br>\$'000 | 2016-17<br>Estimate<br>\$'000 |
|--|--------------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Capital Injections</b>  |                                |                             |                               |                               |                               |
| <b>2012-13 Budget</b>  | <b>17,876</b>                  | <b>12,067</b>               | <b>13,162</b>                 | <b>10,719</b>                 | <b>10,719</b>                 |
| <b>FMA Section 16B Rollovers Section from 2011-12</b>                                      |                                |                             |                               |                               |                               |
| Expansion of Social Housing  | 1,247                          | -                           | -                             | -                             | -                             |
| <b>2013-14 Budget Policy Adjustments</b>   |                                |                             |                               |                               |                               |
| Housing for Older People in the Aboriginal and Torres Strait Islander Communities (Design) | -                              | 75                          | -                             | -                             | -                             |
| Housing for Elderly Public Housing Tenants (Design)  | -                              | 290                         | -                             | -                             | -                             |
| Common Ground Supportive Housing   | -                              | 7,000                       | -                             | -                             | -                             |
| <b>2013-14 Budget Technical Adjustments</b>  |                                |                             |                               |                               |                               |
| Revised Funding Profile – Expansion of Social Housing                                      | (2,669)                        | 2,669                       | -                             | -                             | -                             |
| Revised Funding Profile – Expansion of Social Housing – Stage 2                            | (400)                          | 400                         | -                             | -                             | -                             |
| Cessation – Expansion of Public Housing Energy Efficiency                                  | -                              | -                           | -                             | -                             | (2,000)                       |
| Cessation – Security Improvement Program for Elderly Housing Tenants                       | -                              | -                           | -                             | -                             | (500)                         |
| Cessation – Disability Dual Occupancy Housing  | -                              | -                           | -                             | -                             | (1,219)                       |
| <b>2013-14 Budget</b>  | <b>16,054</b>                  | <b>22,501</b>               | <b>13,162</b>                 | <b>10,719</b>                 | <b>7,000</b>                  |

## 2013-14 Capital Works Program

|   | Estimated<br>Total<br>Cost<br>\$'000 | Estimated<br>Expenditure<br>Pre 2013-14<br>\$'000 | 2013-14<br>Financing<br>\$'000 | 2014-15<br>Financing<br>\$'000 | 2015-16<br>Financing<br>\$'000 | Physical<br>Completion<br>Date |
|---|--------------------------------------|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>New Capital Works</b>  |                                      |   |                                |                                |                                |                                |
| Common Ground Supportive Housing  | 7,000                                | -   | 7,000                          | -                              | -                              | Nov 2014                       |
| Housing for Elderly Public Housing Tenants<br>(Design)                                      | 290                                  | -   | 290                            | -                              | -                              | Jun 2014                       |
| Housing for Older People in the Aboriginal and<br>Torres Strait Islander Community (Design) | 75                                   | -   | 75                             | -                              | -                              | Jun 2014                       |
| <b>Total New Works</b>  | <b>7,365</b>                         | <b>-</b>  | <b>7,365</b>                   | <b>-</b>                       | <b>-</b>                       |                                |
| <b>Works in Progress</b>  |                                      |   |                                |                                |                                |                                |
| Security Improvement Program for Elderly<br>Public Housing Tenants                          | 1,500                                | -   | 500                            | 500                            | 500                            | Jun 2016                       |
| Disability Dual Occupancy Housing   | 2,948                                | -   | 567                            | 1,162                          | 1,219                          | Jun 2016                       |
| Expansion of Social Housing   | 9,446                                | 6,777   | 2,669                          | -                              | -                              | Jun 2014                       |
| Expansion of Social Housing – Stage 2   | 5,000                                | 100   | 2,400                          | 2,500                          | -                              | Jun 2015                       |
| Expansion of Public Housing Energy Efficiency   | 10,000                               | 4,000   | 2,000                          | 2,000                          | 2,000                          | Jun 2016                       |
| <b>Total Works in Progress</b>  | <b>28,894</b>                        | <b>10,877</b>                                     | <b>8,136</b>                   | <b>6,162</b>                   | <b>3,719</b>                   |                                |
| <b>Total Capital Works Program</b>  | <b>36,259</b>                        | <b>10,877</b>                                     | <b>15,501</b>                  | <b>6,162</b>                   | <b>3,719</b>                   |                                |



## Housing ACT Operating Statement

| 2012-13<br>Budget<br>\$'000  |  | 2012-13<br>Est. Outcome<br>\$'000 | 2013-14<br>Budget<br>\$'000 | Var<br>%   | 2014-15<br>Estimate<br>\$'000 | 2015-16<br>Estimate<br>\$'000 | 2016-17<br>Estimate<br>\$'000 |
|--|--|-----------------------------------|-----------------------------|------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Income</b>  |  |                                   |                             |            |                               |                               |                               |
| <b>Revenue</b>   |  |                                   |                             |            |                               |                               |                               |
| 42,295   | Government Payment for Outputs   | 42,541                            | 43,075                      | 1          | 41,985                        | 42,181                        | 43,000                        |
| 86,573   | User Charges - Non ACT Government  | 88,480                            | 89,384                      | 1          | 91,492                        | 93,775                        | 96,092                        |
| 1,713  | Interest   | 640                               | 672                         | 5          | 659                           | 209                           | 209                           |
| 0  | Distribution from Investments with the Territory Banking Account <sup>1</sup>      | 868                               | 560                         | -35        | 625                           | 659                           | 686                           |
| 5,279  | Other Revenue  | 7,374                             | 5,315                       | -28        | 5,121                         | 5,238                         | 5,524                         |
| <b>135,860</b>   | <b>Total Revenue</b>   | <b>139,903</b>                    | <b>139,006</b>              | <b>-1</b>  | <b>139,882</b>                | <b>142,062</b>                | <b>145,511</b>                |
| <b>135,860</b>   | <b>Total Income</b>  | <b>139,903</b>                    | <b>139,006</b>              | <b>-1</b>  | <b>139,882</b>                | <b>142,062</b>                | <b>145,511</b>                |
| <b>Expenses</b>  |  |                                   |                             |            |                               |                               |                               |
| 20,589   | Employee Expenses  | 21,169                            | 20,927                      | -1         | 21,558                        | 22,207                        | 22,876                        |
| 3,126  | Superannuation Expenses  | 2,912                             | 2,911                       | ..         | 2,877                         | 2,884                         | 2,904                         |
| 81,048   | Supplies and Services  | 84,090                            | 84,918                      | 1          | 87,899                        | 90,630                        | 93,357                        |
| 17,653   | Depreciation and Amortisation  | 16,644                            | 17,123                      | 3          | 17,417                        | 17,826                        | 18,323                        |
| 3,995  | Borrowing Costs  | 3,995                             | 3,779                       | -5         | 3,568                         | 3,297                         | 3,102                         |
| 25,854   | Grants and Purchased Services  | 42,144                            | 23,035                      | -45        | 21,693                        | 22,363                        | 23,175                        |
| 3,763  | Other Expenses   | 5,263                             | 3,978                       | -24        | 4,453                         | 4,364                         | 4,454                         |
| <b>156,028</b>   | <b>Total Ordinary Expenses</b>   | <b>176,217</b>                    | <b>156,671</b>              | <b>-11</b> | <b>159,465</b>                | <b>163,571</b>                | <b>168,191</b>                |
| 0  | Share of Operating Result from Joint Venture accounted for using the Equity Method | 0                                 | 0                           | -          | 0                             | 6,186                         | 0                             |
| <b>-20,168</b>   | <b>Operating Result</b>  | <b>-36,314</b>                    | <b>-17,665</b>              | <b>51</b>  | <b>-19,583</b>                | <b>-15,323</b>                | <b>-22,680</b>                |
| <b>Other Comprehensive Income</b><br><i>Items that will not be reclassified subsequently to profit or loss</i> |  |                                   |                             |            |                               |                               |                               |
| 99,625   | Inc/Dec in Asset Revaluation Reserve Surpluses                                     | 14,240                            | 121,825                     | 756        | 124,077                       | 117,526                       | 137,134                       |
| <b>99,625</b>  | <b>Total Other Comprehensive Income</b>  | <b>14,240</b>                     | <b>121,825</b>              | <b>756</b> | <b>124,077</b>                | <b>117,526</b>                | <b>137,134</b>                |
| <b>79,457</b>  | <b>Total Comprehensive Income</b>  | <b>-22,074</b>                    | <b>104,160</b>              | <b>572</b> | <b>104,494</b>                | <b>102,203</b>                | <b>114,454</b>                |

**Note:**

- Interest received from investments with the Territory Banking Account is no longer presented as Interest Income. These amounts are now reflected under the line item Distributions from the Territory Banking Account. This treatment is not reflected in the 2012-13 Budget figures.

## Housing ACT Balance Sheet

| Budget<br>as at 30/6/13<br>\$'000    |                                      | Est. Outcome<br>as at 30/6/13<br>\$'000 | Budget<br>as at 30/6/14<br>\$'000 | Var<br>%   | Estimate<br>as at 30/6/15<br>\$'000 | Estimate<br>as at 30/6/16<br>\$'000 | Estimate<br>as at 30/6/17<br>\$'000 |
|--------------------------------------|--------------------------------------|---|-----------------------------------|------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Current Assets</b>                |                                      |   |                                   |            |                                     |                                     |                                     |
| 7,402                                | Cash and Cash Equivalents            | 13,864                                  | 5,293                             | -62        | 5,188                               | 5,221                               | 5,570                               |
| 7,428                                | Receivables                          | 6,521                                   | 6,631                             | 2          | 6,741                               | 6,854                               | 6,989                               |
| 20,249                               | Investments                          | 16,502                                  | 11,839                            | -28        | 19,298                              | 31,753                              | 38,954                              |
| 4,336                                | Assets Held for Sale                 | 21,594                                  | 21,863                            | 1          | 22,132                              | 22,401                              | 22,670                              |
| 390                                  | Other Current Assets                 | 754                                     | 754                               | -          | 754                                 | 754                                 | 754                                 |
| <b>39,805</b>                        | <b>Total Current Assets</b>          | <b>59,235</b>                           | <b>46,380</b>                     | <b>-22</b> | <b>54,113</b>                       | <b>66,983</b>                       | <b>74,937</b>                       |
| <b>Non Current Assets</b>            |                                      |   |                                   |            |                                     |                                     |                                     |
| 5,175                                | Receivables                          | 5,174                                   | 5,548                             | 7          | 5,952                               | 499                                 | 500                                 |
| 3,413                                | Investments                          | 4,836                                   | 7,862                             | 63         | 8,970                               | 9,953                               | 10,934                              |
| 4,481,642                            | Property, Plant and<br>Equipment     | 4,296,521                               | 4,419,376                         | 3          | 4,521,976                           | 4,624,171                           | 4,733,184                           |
| 1,507                                | Intangibles                          | 1,042                                   | 665                               | -36        | 288                                 | 0                                   | 929                                 |
| 24,916                               | Capital Works in Progress            | 26,705                                  | 35,832                            | 34         | 36,222                              | 34,324                              | 32,426                              |
| <b>4,516,653</b>                     | <b>Total Non Current Assets</b>      | <b>4,334,278</b>                        | <b>4,469,283</b>                  | <b>3</b>   | <b>4,573,408</b>                    | <b>4,668,947</b>                    | <b>4,777,973</b>                    |
| <b>4,556,458</b>                     | <b>TOTAL ASSETS</b>                  | <b>4,393,513</b>                        | <b>4,515,663</b>                  | <b>3</b>   | <b>4,627,521</b>                    | <b>4,735,930</b>                    | <b>4,852,910</b>                    |
| <b>Current Liabilities</b>           |                                      |   |                                   |            |                                     |                                     |                                     |
| 6,460                                | Payables                             | 4,722                                   | 4,730                             | ..         | 4,738                               | 4,746                               | 4,754                               |
| 4,729                                | Interest-Bearing Liabilities         | 4,729                                   | 4,713                             | ..         | 4,697                               | 4,673                               | 4,684                               |
| 216                                  | Finance Leases                       | 98                                      | 105                               | 7          | 112                                 | 119                                 | 126                                 |
| 6,345                                | Employee Benefits                    | 6,758                                   | 6,882                             | 2          | 7,019                               | 7,168                               | 7,329                               |
| 4,311                                | Other Liabilities                    | 4,018                                   | 5,104                             | 27         | 4,018                               | 4,018                               | 4,018                               |
| <b>22,061</b>                        | <b>Total Current Liabilities</b>     | <b>20,325</b>                           | <b>21,534</b>                     | <b>6</b>   | <b>20,584</b>                       | <b>20,724</b>                       | <b>20,911</b>                       |
| <b>Non Current Liabilities</b>       |                                      |   |                                   |            |                                     |                                     |                                     |
| 76,887                               | Interest-Bearing Liabilities         | 76,887                                  | 72,175                            | -6         | 67,457                              | 62,782                              | 58,099                              |
| 124                                  | Finance Leases                       | 380                                     | 382                               | 1          | 384                                 | 386                                 | 388                                 |
| 552                                  | Employee Benefits                    | 637                                     | 657                               | 3          | 677                                 | 697                                 | 717                                 |
| 1,182                                | Other                                | 1,182                                   | 152                               | -87        | 0                                   | 0                                   | 0                                   |
| <b>78,745</b>                        | <b>Total Non Current Liabilities</b> | <b>79,086</b>                           | <b>73,366</b>                     | <b>-7</b>  | <b>68,518</b>                       | <b>63,865</b>                       | <b>59,204</b>                       |
| <b>100,806</b>                       | <b>TOTAL LIABILITIES</b>             | <b>99,411</b>                           | <b>94,900</b>                     | <b>-5</b>  | <b>89,102</b>                       | <b>84,589</b>                       | <b>80,115</b>                       |
| <b>4,455,652</b>                     | <b>NET ASSETS</b>                    | <b>4,294,102</b>                        | <b>4,420,763</b>                  | <b>3</b>   | <b>4,538,419</b>                    | <b>4,651,341</b>                    | <b>4,772,795</b>                    |
| <b>REPRESENTED BY FUNDS EMPLOYED</b> |                                      |   |                                   |            |                                     |                                     |                                     |
| 1,168,326                            | Accumulated Funds                    | 1,147,408                               | 1,174,244                         | 2          | 1,189,823                           | 1,207,219                           | 1,213,539                           |
| 3,287,326                            | Reserves                             | 3,146,694                               | 3,246,519                         | 3          | 3,348,596                           | 3,444,122                           | 3,559,256                           |
| <b>4,455,652</b>                     | <b>TOTAL FUNDS EMPLOYED</b>          | <b>4,294,102</b>                        | <b>4,420,763</b>                  | <b>3</b>   | <b>4,538,419</b>                    | <b>4,651,341</b>                    | <b>4,772,795</b>                    |

## Housing ACT Statement of Changes in Equity

| Budget<br>as at 30/6/13<br>\$'000                                |  | Est. Outcome<br>as at 30/6/13<br>\$'000 | Budget<br>as at 30/6/14<br>\$'000 | Var<br>%   | Estimate<br>as at 30/6/15<br>\$'000 | Estimate<br>as at 30/6/16<br>\$'000 | Estimate<br>as at 30/6/17<br>\$'000 |
|--|--|---|-----------------------------------|------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <b>Opening Equity</b>  |  |   |                                   |            |                                     |                                     |                                     |
| 1,148,618  | Opening Accumulated Funds  | 1,145,668                               | 1,147,408                         | ..         | 1,174,244                           | 1,189,823                           | 1,207,219                           |
| 3,209,701  | Opening Asset Revaluation Reserve                                      | 3,154,454                               | 3,146,694                         | ..         | 3,246,519                           | 3,348,596                           | 3,444,122                           |
| <b>4,358,319</b>   | <b>Balance at the Start of the Reporting Period</b>                    | <b>4,300,122</b>                        | <b>4,294,102</b>                  | <b>..</b>  | <b>4,420,763</b>                    | <b>4,538,419</b>                    | <b>4,651,341</b>                    |
| <b>Comprehensive Income</b>                                      |  |   |                                   |            |                                     |                                     |                                     |
| -20,168  | Operating Result for the Period  | -36,314                                 | -17,665                           | 51         | -19,583                             | -15,323                             | -22,680                             |
| 99,625   | Inc/Dec in Asset Revaluation Reserve Surpluses                         | 14,240                                  | 121,825                           | 756        | 124,077                             | 117,526                             | 137,134                             |
| <b>79,457</b>  | <b>Total Comprehensive Income</b>                                      | <b>-22,074</b>                          | <b>104,160</b>                    | <b>572</b> | <b>104,494</b>                      | <b>102,203</b>                      | <b>114,454</b>                      |
| 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                             |
| <b>0</b>   | <b>Total Movement in Reserves</b>                                      | <b>0</b>                                | <b>0</b>                          | <b>-</b>   | <b>0</b>                            | <b>0</b>                            | <b>0</b>                            |
| <b>Transactions Involving Owners Affecting Accumulated Funds</b> |  |   |                                   |            |                                     |                                     |                                     |
| 17,876   | Capital Injections   | 16,054                                  | 22,501                            | 40         | 13,162                              | 10,719                              | 7,000                               |
| <b>17,876</b>  | <b>Total Transactions Involving Owners Affecting Accumulated Funds</b> | <b>16,054</b>                           | <b>22,501</b>                     | <b>40</b>  | <b>13,162</b>                       | <b>10,719</b>                       | <b>7,000</b>                        |
| <b>Closing Equity</b>  |  |   |                                   |            |                                     |                                     |                                     |
| 1,168,326  | Closing Accumulated Funds  | 1,147,408                               | 1,174,244                         | 2          | 1,189,823                           | 1,207,219                           | 1,213,539                           |
| 3,287,326  | Closing Asset Revaluation Reserve                                      | 3,146,694                               | 3,246,519                         | 3          | 3,348,596                           | 3,444,122                           | 3,559,256                           |
| <b>4,455,652</b>   | <b>Balance at the End of the Reporting Period</b>                      | <b>4,294,102</b>                        | <b>4,420,763</b>                  | <b>3</b>   | <b>4,538,419</b>                    | <b>4,651,341</b>                    | <b>4,772,795</b>                    |

## Housing ACT Cash Flow Statement

| 2012-13<br>Budget<br>\$'000                 |   | 2012-13<br>Est. Outcome<br>\$'000 | 2013-14<br>Budget<br>\$'000 | Var<br>%  | 2014-15<br>Estimate<br>\$'000 | 2015-16<br>Estimate<br>\$'000 | 2016-17<br>Estimate<br>\$'000 |
|---|---|-----------------------------------|-----------------------------|-----------|-------------------------------|-------------------------------|-------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b> |   |                                   |                             |           |                               |                               |                               |
| <b>Receipts</b>                             |   |                                   |                             |           |                               |                               |                               |
| 42,295                                      | Cash from Government for Outputs  | 42,541                            | 43,075                      | 1         | 41,985                        | 42,181                        | 43,000                        |
| 85,885                                      | User Charges  | 87,765                            | 88,683                      | 1         | 90,728                        | 92,945                        | 95,219                        |
| 1,367                                       | Interest Received   | 294                               | 298                         | 1         | 255                           | 1,805                         | 209                           |
| 0   | Distribution from Investments with the Territory Banking Account <sup>1</sup> | 868                               | 560                         | -35       | 625                           | 659                           | 686                           |
| 5,693                                       | Other Receipts  | 8,255                             | 5,898                       | -29       | 6,152                         | 6,453                         | 6,609                         |
| <b>135,240</b>                              | <b>Operating Receipts</b>   | <b>139,723</b>                    | <b>138,514</b>              | <b>-1</b> | <b>139,745</b>                | <b>144,043</b>                | <b>145,723</b>                |
| <b>Payments</b>                             |   |                                   |                             |           |                               |                               |                               |
| 20,444                                      | Related to Employees  | 21,184                            | 20,853                      | -2        | 21,490                        | 22,127                        | 22,719                        |
| 3,126                                       | Related to Superannuation   | 2,912                             | 2,911                       | ..        | 2,877                         | 2,884                         | 2,904                         |
| 80,954                                      | Related to Supplies and Services  | 83,844                            | 84,849                      | 1         | 87,717                        | 90,368                        | 92,922                        |
| 3,942                                       | Borrowing Costs   | 3,942                             | 3,723                       | -6        | 3,510                         | 3,297                         | 3,102                         |
| 25,854                                      | Grants and Purchased Services   | 26,600                            | 23,104                      | -13       | 21,875                        | 22,625                        | 23,610                        |
| 3,414                                       | Other   | 3,414                             | 3,507                       | 3         | 3,602                         | 3,700                         | 3,700                         |
| <b>137,734</b>                              | <b>Operating Payments</b>   | <b>141,896</b>                    | <b>138,947</b>              | <b>-2</b> | <b>141,071</b>                | <b>145,001</b>                | <b>148,957</b>                |
| <b>-2,494</b>                               | <b>NET CASH INFLOW/<br/>(OUTFLOW) FROM<br/>OPERATING ACTIVITIES</b>           | <b>-2,173</b>                     | <b>-433</b>                 | <b>80</b> | <b>-1,326</b>                 | <b>-958</b>                   | <b>-3,234</b>                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b> |   |                                   |                             |           |                               |                               |                               |
| <b>Receipts</b>                             |   |                                   |                             |           |                               |                               |                               |
| 66,751                                      | Proceeds from Sale/Maturity of Investments                                    | 70,751                            | 61,663                      | -13       | 59,041                        | 61,345                        | 65,799                        |
| 33,055                                      | Proceeds from Sale of Property, Plant and Equipment                           | 28,705                            | 44,229                      | 54        | 43,694                        | 46,304                        | 36,694                        |
| <b>99,806</b>                               | <b>Investing Receipts</b>   | <b>99,456</b>                     | <b>105,892</b>              | <b>6</b>  | <b>102,735</b>                | <b>107,649</b>                | <b>102,493</b>                |
| <b>Payments</b>                             |   |                                   |                             |           |                               |                               |                               |
| 50,000                                      | Purchase of Investments   | 50,000                            | 57,000                      | 14        | 66,500                        | 73,800                        | 73,000                        |
| 60,168                                      | Purchase of Property, Plant and Equipment and Capital Works                   | 48,991                            | 74,673                      | 52        | 43,312                        | 38,748                        | 28,108                        |
| <b>110,168</b>                              | <b>Investing Payments</b>   | <b>98,991</b>                     | <b>131,673</b>              | <b>33</b> | <b>109,812</b>                | <b>112,548</b>                | <b>101,108</b>                |
| <b>-10,362</b>                              | <b>NET CASH INFLOW/<br/>(OUTFLOW) FROM<br/>INVESTING ACTIVITIES</b>           | <b>465</b>                        | <b>-25,781</b>              | <b>#</b>  | <b>-7,077</b>                 | <b>-4,899</b>                 | <b>1,385</b>                  |

## Housing ACT Cash Flow Statement cont.

| 2012-13<br>Budget<br>\$'000                 |   | 2012-13<br>Est. Outcome<br>\$'000 | 2013-14<br>Budget<br>\$'000 | Var<br>%    | 2014-15<br>Estimate<br>\$'000 | 2015-16<br>Estimate<br>\$'000 | 2016-17<br>Estimate<br>\$'000 |
|---|---|-----------------------------------|-----------------------------|-------------|-------------------------------|-------------------------------|-------------------------------|
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b> |   |                                   |                             |             |                               |                               |                               |
| <b>Receipts</b>                             |   |                                   |                             |             |                               |                               |                               |
| 17,876                                      | Capital Injections from Government                                  | 16,054                            | 22,501                      | 40          | 13,162                        | 10,719                        | 7,000                         |
| 60  | Borrowings Received   | 300                               | 300                         | -           | 300                           | 300                           | 300                           |
| <b>17,936</b>                               | <b>Financing Receipts</b>   | <b>16,354</b>                     | <b>22,801</b>               | <b>39</b>   | <b>13,462</b>                 | <b>11,019</b>                 | <b>7,300</b>                  |
| <b>Payments</b>                             |   |                                   |                             |             |                               |                               |                               |
| 4,922                                       | Repayment of Borrowings   | 5,162                             | 5,028                       | -3          | 5,034                         | 4,999                         | 4,972                         |
| 130   | Repayment of Finance Leases   | 130                               | 130                         | -           | 130                           | 130                           | 130                           |
| <b>5,052</b>                                | <b>Financing Payments</b>   | <b>5,292</b>                      | <b>5,158</b>                | <b>-3</b>   | <b>5,164</b>                  | <b>5,129</b>                  | <b>5,102</b>                  |
| <b>12,884</b>                               | <b>NET CASH INFLOW/<br/>(OUTFLOW) FROM<br/>FINANCING ACTIVITIES</b> | <b>11,062</b>                     | <b>17,643</b>               | <b>59</b>   | <b>8,298</b>                  | <b>5,890</b>                  | <b>2,198</b>                  |
| <b>28</b>                                   | <b>NET INCREASE / (DECREASE)<br/>IN CASH HELD</b>                   | <b>9,354</b>                      | <b>-8,571</b>               | <b>-192</b> | <b>-105</b>                   | <b>33</b>                     | <b>349</b>                    |
| <b>7,374</b>                                | <b>CASH AT THE BEGINNING OF<br/>REPORTING PERIOD</b>                | <b>4,510</b>                      | <b>13,864</b>               | <b>207</b>  | <b>5,293</b>                  | <b>5,188</b>                  | <b>5,221</b>                  |
| <b>7,402</b>                                | <b>CASH AT THE END OF<br/>REPORTING PERIOD</b>                      | <b>13,864</b>                     | <b>5,293</b>                | <b>-62</b>  | <b>5,188</b>                  | <b>5,221</b>                  | <b>5,570</b>                  |

**Note:**

- Interest received from investments with the Territory Banking Account is no longer presented as Interest Income. These amounts are now reflected under the line item Distributions from the Territory Banking Account. This treatment is not reflected in the 2012-13 Budget figures.

## Notes to Budget Statements

Significant variations are as follows:

### *Operating Statement*

- government payment for outputs: the increase of \$0.534 million in the 2013-14 Budget from the 2012-13 estimated outcome is due to extension of the National Partnership Agreement on Homelessness, additional funding for new initiatives, funding for the Social and Community Services (SACS) pay equity award and indexation, partially offset by savings.
- user charges – non ACT Government:
  - the increase of \$1.907 million in the 2012-13 estimated outcome from the original budget is due to higher than expected indexation of Centrelink payments to tenants resulting in higher rental receipts; and
  - the increase of \$0.904 million in the 2013-14 Budget from the 2012-13 estimated outcome is due to the indexation of tenant pension incomes from Centrelink, partially offset by the loss of rents following the extension of rebates to 12 months and the loss of market rent tenants who have exited public housing.
- interest: the decrease of \$1.073 million in the 2012-13 estimated outcome from the original budget is due to the reclassification of interest from investments with the Territory Banking Account.
- other revenue:
  - the increase of \$2.095 million in the 2012-13 estimated outcome from the original budget is mainly due to the receipt of funding for rectification works at the Narrabundah Long Stay Park and payment by Community Housing Canberra Limited to purchase three units, partially offset by lower gains from the sale of properties and lower rate of recoveries of tenant responsible maintenance costs; and
  - the decrease of \$2.059 million in the 2013-14 Budget from the 2012-13 estimated outcome is due to the loss of one-off receipts in 2012-13 partly offset by an increase in the profit on sale of properties, the gain arising from revaluation of properties in the Shared Equity Scheme, increased fees from tenant responsible maintenance and for the management of the Affordable Rental Office properties.
- supplies and services:
  - the increase of \$3.042 million in the 2011-12 estimated outcome from the original budget is mainly due to higher than anticipated property ownership costs, particularly rates and water and sewerage charges and the rectification works at the Narrabundah Long Stay Park; and
  - the increase of \$0.828 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to the increased cost of rates, water and sewerage charges, insurance and other property costs and the general indexation of other administrative costs, partially offset by reduction in consultancy expenses and savings initiatives.

- depreciation and amortisation:
  - the decrease of \$1.009 million in the 2012-13 estimated outcome from the original budget is mainly due to the movement in property values following the revaluation in 2012-13, partially offset by lower amortisation of the Homenet (business system) due to the deferral of parts of the system upgrade; and
  - the increase of \$0.479 million in the 2013-14 Budget from the 2012-13 estimated outcome is due to the expected change in property values following the 2013 revaluation of the public housing portfolio.
- grants and purchased services:
  - the increase of \$16.290 million in the 2012-13 estimated outcome from the original budget is due to additional transfer of properties to the community housing sector, payment of additional costs for transitional housing providers and payment of grants for site-holders at the Narrabundah Long Stay Park as part of the arrangements for rectification of buildings and sites; and
  - the decrease of \$19.109 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to one-off adjustments as noted above and reductions in service purchasing payments to homelessness service providers as a result of reduction in funding under the National Affordable Housing Agreement, partially offset by additional grants under the 2013-14 Transitional National Partnership Agreement on Homelessness, operational funding for Common Ground Supportive Housing and funding for the SACS pay equity award and indexation.
- other expenses:
  - the increase of \$1.5 million in the 2012-13 estimated outcome from the original budget is due to higher demolition and property write-off costs associated with some major redevelopments and compensation payments; and
  - the decrease of \$1.285 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to the return to more normal levels of property demolition and write-off costs and compensation payments noted above.
- increase/decrease in asset revaluation reserve: the decrease of \$85.385 million in the 2012-13 estimated outcome from the original budget and the increase of \$107.585 million in the 2013-14 Budget from the 2012-13 estimated outcome are due to asset revaluations.

### *Balance Sheet*

- total current assets:
  - the increase of \$19.430 million in the 2012-13 estimated outcome from the original budget is mainly due to higher cash in hand and investments to fund construction projects that have commenced during the year, but not completed and a higher level of assets held for sale as a larger sales program is expected in 2013-14 to fund planned redevelopment projects, partially offset by lower prepayments; and

- the decrease of \$12.855 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to a decrease in investment balances as funds are used to complete construction projects.
- total non current assets:
  - the decrease of \$182.375 million in the 2012-13 estimated outcome from the original budget is mainly due to a lower than anticipated increase in value of properties from the 2012 revaluation and the delay in some aspects of the Homenet upgrade, partially offset by an increase in capital works in progress and an increase in the investment in shared equity properties following more sales during the year; and
  - the increase of \$135.005 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to the anticipated increase in value of properties from the 2013 revaluation, an increase in the shared equity investment and an increase in capital works in progress due to the higher redevelopment and construction program, the Common Ground Supportive Housing project, partially offset by a decrease in intangible assets, with the amortisation of Housing ACT's business application (Homenet).
- total current liabilities:
  - the decrease of \$1.736 million in the 2012-13 estimated outcome from the original budget is due to decreases in payables, payments received in advance from tenants and lease liabilities, partially offset by an increase in employee benefits; and
  - the increase of \$1.209 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to the increase in payments received in advance from tenants and higher employee benefits.
- total non current liabilities: the decrease of \$5.720 million in the 2013-14 Budget from the 2012-13 estimated outcome is mainly due to the reduction in borrowings from the Commonwealth and the amortisation of the make good requirement for the lease for Nature Conservation House.

#### *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.