

**Ownership Agreement between the
Treasurer
and the
Chief Executive
of the
Department of Disability,
Housing and Community Services**

2005-06

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Purpose

1. This Ownership Agreement (the Agreement) establishes the Government's ownership interest in the Department of Disability, Housing and Community Services. It sets out guidelines and performance requirements to ensure the Government receives the best possible return from the resources employed, by the Department. This is done through the efficient and business like management of those resources and the prudent management of the Territory's exposure to financial risk.

Parties

2. The Agreement is between the Treasurer and the Chief Executive of Department of Disability, Housing and Community Services, with respect to the Government's ownership interest in the Department.
3. The Agreement has been prepared in consultation with the following Ministers so far as determining the revenue to be received from the Minister for Department of Disability, Housing and Community Services and the Minister for the Office for Children, Youth and Family Support for the purchase from the Department of services in 2005-06:

the Minister for Department of Disability, Housing and Community Services;

the Minister for the Office for Children, Youth and Family Support; and

the Treasurer.

4. The Agreement will be tabled before the Legislative Assembly.

Scope

5. The Agreement reflects the objectives and plans, within the context of past performance and existing Government policy, of the Department of Disability, Housing and Community Services' owner and management over the term of the Agreement. It does not represent purchase or other funding commitments by the service clients of the agency, including the Government. It incorporates the operations of Housing ACT and the Office for Children, Youth and Family Support.
6. The Government's ownership interests in the Department of Disability, Housing and Community Services covered by the Agreement relate to:
 - a) efficient and effective management of the Department's expenses and revenues in order to at least achieve its planned operating result;
 - b) efficient and effective management of expenses incurred on behalf of the Territory, and Territory revenues collected by the Department;
 - c) efficient and effective utilisation of assets employed and liabilities managed by the Department and assets and liabilities held on behalf of the Territory;

- d) the Government's interests as an employer including staffing profiles, staff turnover and occupational health and safety;
 - e) efficient cash management of the Department's current position with consequential maximisation of return on investment;
 - f) the Department's longer term financial stability and viability together with its continuing capacity to provide services;
 - g) the optimal level of investment in the Department; and
 - h) the sound management of the property portfolio of Housing ACT.
7. The Agreement does not exclude, and is in addition to, the continuation of other Government wide policies including customer focus policies (commitment to service), risk management policies and Government employment policies such as equal employment opportunities.

Term of Agreement

8. The Agreement is for a period of four years from 1 July 2005 in line with the Government's forward estimate strategy. The Agreement focuses on the 2005-06 Budget year and will be updated annually on a rolling basis.

Corporate Objectives

9. The Department undertakes its activities in accordance with its Strategic Plan, which is based around the following five strategic themes:
- i. engaging and involving our clients
 - ii. improving outcomes for our clients
 - iii. building better community partnerships
 - iv. serving and contributing to good governance
 - v. performing as a best practice organisation
10. The major corporate objectives of the Department relevant to the Agreement are:
- a) subject to the requirements of government policy and legislation, to operate as a customer service oriented entity along business-like lines;
 - b) to use benchmarking to operate at least as efficiently as alternative service providers and to provide quality, value for money services in all aspects of the Department's operations;
 - c) to use financial practices and maintain accounts and records which satisfy the requirements of the *Financial Management Act 1996*, including the associated ACT Accounting Policy Manual modelled on the requirements of Australian Accounting Standards, and which fairly present the Department's financial position and operational and cashflow results for planning and reporting purposes;

- d) to adopt high standard operating practices to safeguard the environment and health and safety of staff; and
- e) to provide a productive and satisfying working environment for staff, and a commitment to high standards of human resource management based on the principles of equal employment opportunity.

Business and Corporate Strategies

11. The Department's resources and strategies are primarily focussed on the 'frontline' of service delivery, seeking to achieve outcomes in an integrated manner. The Department will achieve its objectives in a manner consistent with its Strategic Plan. A further significant theme of the Department's activity is to recognise the risks inherent in its work and manage those risks appropriately.
12. The Department's Strategic Plan is based around the following five strategic themes:
 - Strategic Theme 1: Engaging and Involving Our Clients
Our clients are our primary concern. Using a person-centred approach and respecting their capacity to make decisions, we are working closely with them to address their needs and where appropriate, those of their families, carers and guardians.
 - Strategic Theme 2: Improving Outcomes for Our Clients
We are working to ensure that the services and programs we provide are meeting the complex needs of our clients at all ages and stages of their lives and in whatever circumstances they may find themselves.
 - Strategic Theme 3: Building Better Community Partnerships
Through a focus on community development and consultation, we are building closer partnerships with community organisations and the wider Canberra community to ensure that we deliver services of a high standard to them.
 - Strategic Theme 4: Serving and Contributing to Good Governance
We are responsive to the policies of the Government. Through the provision of support to the Ministers and the Chief Minister and through strong relationships with those government departments that are our partners, we are developing an exemplary standard of accountability, supporting the infrastructure of government and upholding the practice of good governance.
 - Strategic Theme 5: Performing as a Best Practice Organisation
Our workforce is a crucial resource. We are establishing organisational systems to develop every staff member as a highly professional, respected and responsive officer working as a member of an effective team in a well-respected organisation.

During 2005-06, the Department will be developing a new Strategic Plan for the 2005-08 period. The Plan will include the new areas of the Department's responsibility, including children, young people, families, multicultural affairs and community engagement. The new Plan will also include issues relating to how the Department recognises and manages its risks.

The following objectives outlined under these themes, will ensure a focus on achieving our business and corporate strategies:

- contribute to, and deliver on, the government's priorities and commitments;
- provide an exemplary standard of accountability and uphold the practice of good governance;
- manage financial and physical resources responsibly and in accordance with whole of government policies;
- a highly professional, responsive and responsible workforce; and
- organisational systems and policies which encourage staff to perform at their highest level in an effective team environment.

Business Highlights 2005-06

13. The Department has responsibility for disability services and policy, children, youth and family policy and services, social housing services and policy, community engagement, concessions, multicultural affairs, community services and facilities, homelessness services and strategies and therapy services. In bringing these related functions together in one organisation, the Department provides an integrated approach to the development of policy and the delivery of a broad range of human services in the ACT.
14. In the context of its responsibilities, the Department is committed to supporting each of its current and future clients in a manner that recognises the stage of life and circumstances in which they find themselves, and to facilitating an outcome which is focused on their individual needs.
15. The Department's activities in 2005-06 will continue to assist in the implementation of the Government's Canberra Social Plan and Canberra Plan, and include:
 - focussing on delivering the highest possible level of client services, through continuing to progress the integration of disability, housing, children, youth, family, therapy, multicultural and community services;
 - implementing, with community, business and government partners, the *Future Directions for Disability ACT 2004-2008*;
 - completing the construction of the new Griffin Centre and separate Youth Centre in Civic;
 - continuing to establish the Child and Family Centres at Gungahlin and Tuggeranong;
 - developing and implementing the Community Engagement Strategy;
 - working with government and non-government agencies to implement the Government Response to the *Territory as Parent* Review and *The Territory's Children* Report;
 - establishing the Multicultural Centre and improved multicultural advisory arrangements;

- continuing the implementation of the whole of government *ACT Homelessness Strategy*;
- negotiating new service partnership arrangements with the non-government sector and in particular, reforming the provision of emergency relief services for those on low incomes;
- establishing a north side community based service to support youth and young adults to minimise the impact of their disability;
- increasing resources to assist families with children who have intensive support needs, particularly those children with challenging behaviours;
- establishing a specialised equipment assessment, trial and short-term loan service for children and young people with disabilities with complex needs;
- increasing resources to provide critical support to a number of people with a disability or their carers who have been assessed as having high or very high support needs;
- developing models for out of home care for children and young people;
- revising the Child Protection Manual to incorporate the policy recommendations of the *Territory as Parent Review* and *The Territory's Children Report*;
- consolidating office accommodation and service delivery points to enhance the development of a collegiate culture and assist in developing consistent and efficient work practices;
- continuing to provide a secure environment for young people in detention by enhancing observation and surveillance and strengthening the capacity to respond to security incidents;
- responding to the increased public demand for statutory child protection intervention;
- increasing the focus on services for Aboriginal and Torres Strait Islander children and young people and their families;
- reviewing and modernising the legislation for which the Department has responsibility, beginning with the finalisation of the Review of the *Children and Young People Act 1999*;
- effectively managing the Department's capital works responsibilities, with a particular focus on public housing and community facilities, including Quamby;
- continuing the provision of high quality services to the Ministers and the Government, strengthening collegiate relationships with other government human services agencies, and maintaining a high level of accountability, transparency and integrity in all departmental operations; and

- initiating, facilitating and promulgating policies and practices which enable the Department to perform as a best practice organisation, and to be recognised as an employer of choice.

Financial Objectives

Budgeted Financial Statements

16. Budgeted financial statements for the 2005-06 Budget year, as well as forward estimates for the three financial years commencing 2006-07 are at Attachment 1 to the Agreement. These general purpose financial statements have been prepared in accordance with the ACT Accounting Policy Manual and include:

- Balance Sheet (Department);
- Statement of Assets and Liabilities held on behalf of the Territory (Territorial);
- Operating Statement (Department);
- Statement of Income and Expenses on behalf of the Territory (Territorial);
- Cash Flow Statement (Department);
- Statement of Cash Flows on behalf of the Territory (Territorial);
- Statement of Changes in Equity (Department);
- Statement of Changes in Equity on behalf of the Territory (Territorial);
- Reconciliation of Operating Result with Net Cashflow from Operating Period, for both Department and Territorial accounts, for the estimated outcome and the Budget year; and
- Notes to the Financial Statements as appropriate, including variations in the 2005-06 Budget from both the projected 2004-05 outcome and published 2005-06 statement of financial performance forward estimate, of greater than 5%.

Financial Performance Targets

17. The Department undertakes to achieve the financial performance measures at Attachment 2 to the Agreement, as an assessment of the Department's performance in utilisation of its resources.

Operating Surplus/Loss

18. The Department undertakes, subject to change in Government policy with respect to the Department, to manage its resources to achieve at least the budgeted operating result in each financial year to which the Agreement relates.

19. The treatment of operating surpluses and the extent to which accumulated surpluses can be retained by the Department or are to be returned to the Territory will be subject to assessment by the Treasurer.

Budget Variations

20. Any variations from Budget, including calls on Treasurer's Advance, which do not result from a variation in the level of outputs delivered by the Department, must be agreed by the owner. Such variations will be considered in the context of end of year cash requirements, unless the relevant legal appropriation is first exhausted. The Department will manage within existing fund sources until this time

Sustaining Public Funds

21. The Department will manage its resources to ensure the planned financial position at the end of each year to which the Agreement relates is achieved.

Organisational Form

22. The Department includes the operations of the public trading enterprise Housing ACT and the Office for Children, Youth and Family Support. Under the *Financial Management Act 1996*, the financial performances of Housing ACT and the Office for Children, Youth and Family Support are reported separately. Attachment 1 includes the budgeted financial statements for Housing ACT and the Office for Children, Youth and Family Support.

23. The organisational structure of the Department is outlined at Attachment 3.

Employment

24. The Department undertakes to satisfy the requirements of the *Public Sector Management Act 1994*, relevant Enterprise Bargaining Agreements (EBA), and all other relevant industrial relations legislation, Awards and conditions.

Human Resources Plan

25. The Department will provide the Treasurer through the Department of Treasury, a Human Resource Plan outlining employment structure as of the commencement (estimated) and end (projected) of the new financial year. The profile will also indicate the anticipated movements in staff during the period by each of recruitment and reductions by attrition and redundancies. The profile for 2004-05 is shown at Attachment 4.

26. The Department undertakes to satisfy the requirements set out in the Human Resource Plan at Attachment 4.

27. The Department undertakes to provide periodical reports against the attached Human Resource Plan in a form reasonably requested from time to time which may include age, gender, duration of employment, and membership of EEO classifications.

Occupational Health and Safety.

28. The Department's estimated costs of workers compensation at the start of the period are 6.7% of salaries or \$2.132m. Housing ACT's estimated cost of workers compensation at the start of the period is 3.7% of salaries and wages or \$0.571m. The Office for Children, Youth and Family Support's estimated cost of workers compensation at the start of the period is 3.49% of salaries and wages or \$0.875m.

29. Over the 2005-06 Budget year, the Department will institute and monitor best practice OHS policies and programs to decrease workers compensation costs by reducing the average cost, number and average duration of claims.

Voluntary Redundancies

30. The Department may restructure workplaces for increased efficiency and effectiveness, and offer voluntary redundancy packages for excess staff where redeployment is not a viable option. Any voluntary redundancy offer will be made in accordance with relevant statutory, EBA, Award and any other applicable industrial relations requirements. Any targeted decrease in staffing through a redundancy program will be subject to agreement by the Treasurer through the Department of Treasury.

Consultants and Contractors

31. On occasion there may be a requirement for the Department to provide reports on Consultants and Contractors. The Department will ensure that this information is made available within the timeframes determined by the Treasurer.

Capital Structure

32. The Agreement covers the capital employed by the Department. Any capital injections will be subject to an agreed business case and can be either as an injection of equity or as a repayable advance (debt capital) in accordance with terms and conditions determined by the Treasurer. The business case will cover the budget year in detail and the three forward years in outline.
33. A targeted level of capital employed necessary for the budgeted level of service delivery and ongoing financial stability of the Department is reflected in the attached budgeted statements of financial position.
34. Budgeted cash equity capital injections (or distribution) will be payable at the end of the relevant financial year in the context of the budgeted and actual year end balance sheet position, including cash and other assets. The Department will meet funding needs during the year through prudent management of its fund sources and options, including operational receipts and finance facilities. The interest cost, real or opportunity, of this has been reflected in the Department's budgeted operating statement.
35. Agreement to asset acquisition and disposal is separate from the issue of appropriate capital position of the Department. Any decision by the Treasurer or by the Minister to provide added capital or return funds to the Territory as a result of asset acquisition or disposal will be based on assessment of the Department's balance sheet, including capital position, in light of the proposed action.
36. All transfers of fixed assets between ACT agencies will be the subject of a formal agreement between the gaining and losing agencies in relation to timing and valuation of the assets. A copy of this formal agreement must be distributed to the Department of Treasury as part of normal monthly reporting arrangements immediately after agreement has been reached. The maximum timeframe for reaching an agreement is six weeks.

Fixed Asset Management

Strategic Asset Management Strategy

37. A Strategic Asset Management Plan (SAMP) for the period of the Agreement is at Attachment 5 of the Agreement.

Capital Works

38. All new works and fixed asset acquisitions will be subject to a business case duly supported by an investment appraisal and will be relevant to the outputs delivered by the Department. The business case will identify agreed financial and economic business cases, forward design and construction proposals. It will include full investment analysis and whole-of-life costings in accordance with ACT Government capital works guidelines.

39. Business cases in the prescribed form and required detail must be prepared for all capital works projects and major asset acquisitions, irrespective of whether the project is to be funded from the capital works program, budget or internally. Treasury already reviews capital works program business cases. Any internally funded capital works projects or asset acquisitions greater than \$350,000 will be submitted to Treasury for review prior to being undertaken and copies of business cases provided for information purposes. A list of the approved Government funded Capital Works program for 2005-06 and Work-in Progress is included in Attachment 5.

Cash Control

40. The Department will manage its cash assets in a financially responsible manner and in accordance with guidelines issued. The Department will provide any additional cashflow and balance information requested from time to time to ensure appropriate management of the Territory's liquidity.

41. A list of each bank account within the Department's responsibility is at Attachment 6.

Additional Funding

42. The Department will present all requests for funding, whether through the annual budget or other supplementary processes, in the prescribed format and to the level of detail required by the Treasurer as to accurately convey the purpose, composition and nature of the funding sought.

Borrowings

43. The *Financial Management Act 1996* requires that all borrowings, including finance leases, may only be undertaken by the Treasurer. Accordingly, the Treasurer's approval will be sought for all borrowings, finance leases and overdrafts. The business case and all relevant documentation will be provided to Treasury to advise the Treasurer.

Management of GST and FBT Liabilities

44. The Department shall fully comply with the ACT Taxation Management Framework. The Chief Executive will sign a taxation certification as at 30 September every year, and will provide the certification to the Treasury Liaison Officer in the Department of Treasury by 31 October. Attachment 7 is the Department's Risk Management Strategy.

Monitoring and Reporting

45. The Department shall satisfy the requirements of the Chief Minister's Annual Reports Directions. The Department's Annual Report will, in effect, among other things, report against the requirements of the Agreement.

46. The consolidated *Financial Management Act 1996* sets out the external statutory financial reporting requirements of the Treasurer and the responsibilities of the Chief Executive of the Department in this regard, including annual and quarterly reporting. In addition, the Department of Treasury requires the continued provision of monthly reporting data.

Quarterly Reporting

47. To enable consolidated whole of Government reporting requirements to be met on a quarterly basis, the Department will ensure the availability to the Treasurer, through the Department of Treasury (by the eighth working day of each quarter), information, in the prescribed form and required detail, in respect of the previous quarter:

- Balance Sheet (Department) and Statement of Assets and Liabilities held on behalf of the Territory (Territorial);
- Operating Statement (Department) and Statement of Revenues and Expenses on behalf of the Territory (Territorial);
- Cash Flow Statement (Department) and Statement of Cash Flows on behalf of the Territory (Territorial);
- Operating Statement material variance explanations against seasonal budgets provided by the department (by the eighth working day of each quarter);
- Status Report to supplement performance reporting to the Assembly and provide stakeholders with a summary on progress against budget highlights, significant initiatives and major projects (by the tenth working day of each quarter); and
- Management Discussion and Analysis of agency results to date, forecast results and related issues that may impact on the financial condition of the agency (by the tenth working day of each quarter).

Monthly Reporting

48. In addition to the quarterly information required as identified above, on a monthly basis the Department will ensure the availability to the Treasurer through the

Department of Treasury (by the eighth working day of each month) the financial statements, in the prescribed form and required detail, in respect of the previous calendar month.

Annual Reporting

49. As part of preparations for end of year reporting, Treasury will advise of the dates when the following documents are required at Treasury and at the Auditor General's Office:

- certified financial statements;
- management discussion and analysis;
- a full and accurate set of audited financial records for the preceding financial year in the form requested; and
- consolidation packs relating to the annual financial statements, draft and final.

Any changes arising between draft and final audit documents are to be advised to the Department of Treasury as they occur/are identified

Model Internal Auditing Framework

50. The Department has compared its current practices and approaches to the framework and has taken any necessary action to ensure compliance.

Other Reporting

51. On occasion there may be a requirement for the Department to produce reports on a more frequent basis (eg. in the event of an Administrative Arrangement change occurring mid-month). The Department will ensure that this information is made available within time frames determined by the Treasurer.

Fraud Control

52. An updated Fraud Control Plan for the Department will be provided bi-yearly to the Public Sector Management Unit in the Chief Minister's Department.

Assets Held and Liabilities Managed on Behalf of the Territory

53. Assets held by the Department on behalf of the Territory comprise concessions grants to be forwarded to concessions providers and primarily relates to cash on hand and the contrasting liability until the grant funding can be forwarded (ie. roll-over of cash at the end of the period).

Expenses Incurred and Revenues Received on Behalf of the Territory

54. Territorial expenses and revenues comprise the receipt of funds for forwarding as concessions to concession providers. Arrangements relating to the administration of these funds are set out in Attachment 1 of this Agreement.

Longer Term Focus

55. The Department is responsible for the implementation of the following Government commitments, over the medium to long term:

- community engagement policies, including the *Social Compact* and the *Community Sector Funding Policy*;
- the Government Responses to the *Territory as Parent* and *The Territory's Children* reports, arising out of inquiries into the care and protection system;
- *Facing Up to Racism: A Strategic Plan Addressing Racism and Unfair Discrimination 2004-2008*;
- the establishment of Child and Family Centres;
- *Future Directions for the ACT 2004-2008*, and *Challenge 2014 – A ten year vision for disability in the ACT*;
- the Government Response to the Final Report of the Affordable Housing Taskforce;
- the *ACT Children's Plan* and the *ACT Young People's Plan*;
- reform of the service delivery model for Therapy ACT, including addressing issues in the *Government Response to the Review of Therapy Services for School Students with a Disability*;
- improvements to community facilities, through the implementation of the *Community Services Facilities Management Strategy*;
- *Framework for a Multicultural Australian Capital Territory 2001-2005*;
- enhanced accessibility of ACT Government agencies, policies and services through the *Access to Government Strategy*;
- improved management of public housing resources, through the *Public Housing Asset Management Strategy*;
- improved services for homeless people, through the *ACT Homelessness Strategy*;
- enhanced support and services for carers through the *Caring for Carers Policy*; and
- ongoing workforce and policy development to build the strength and capacity of the Department's infrastructure to respond effectively to the Government's priorities

Special Conditions

56. The Department is party to a number of Commonwealth State/Territory Agreements for the provision of disability, supported accommodation and housing services.

Under these Agreements, the Commonwealth and the ACT share responsibility for funding these services. The Agreements set out the parameters of the relationship, including roles and responsibilities, the funding arrangements and the outcomes.

57. The third Multilateral and Bilateral Commonwealth State Territory Disability Agreements have effect from July 2002 to June 2007. The Agreement contains five key policy priority areas, all of which are supported by the ACT. The key priority areas are:
- strengthen access to generic services for people with disabilities;
 - strengthen across government linkages;
 - strengthen individuals, families and carers;
 - improve long-term strategies to respond to and manage demand for specialist disability services; and
 - improve accountability, performance reporting and quality.
58. The Supported Accommodation Assistance Program (SAAP) is a joint State, Territory and Australian Government funded program that provides a national response to homelessness. The overall aim of SAAP is to provide transitional supported accommodation and range of related support services, in order to help people who are homeless or at imminent risk of homelessness to achieve the maximum possible degree of self-reliance and independence. Within this aim the goals are to resolve crisis, re-establish family links where appropriate and re-establish the capacity of clients to live independently of SAAP. The current SAAP agreement (SAAP IV) is due to expire on 30 June 2005. State, Territory and Australian Government Ministers are presently negotiating a new agreement (SAAP V) due to be agreed to by 30 June 2005. Each SAAP agreement is for a five year period.
59. The Commonwealth-State Housing Agreement for the period 2003-04 to 2007-08 is composed of two parts: 1) the Multi-lateral Agreement which sets out the overall parameters of the relationship, including the roles and responsibilities, the funding arrangements and the outcomes; and 2) the Multi-lateral Agreement is signed by all States and Territories. The specific measures and targets that will be implemented by the ACT are set out in the Bi-lateral Agreement.
60. The Commonwealth-State Housing Agreement is a major source of funding of social housing and although it is being indexed for the first time in this Agreement, after savings have been deducted, real funding will continue to decline. In addition, there are provisions for withholding funding should the ACT fail to achieve targets set out in the Agreement, specifically measures to address workforce/employment disincentives.

Procedures for Amendment

61. Any revisions to the Agreement will be subject to negotiations between the Chief Executive and the Treasurer.

(signature).....

(signature).....

Chief Executive

Treasurer

(date)

(date)

Attachment 1 – Financial Statements

Department of Disability, Housing and Community Services

Department of Disability, Housing and Community Services Operating Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
79 278	Government Payment for Outputs	87 749	92 654	6	94 621	96 712	97 747
1 096	User Charges - Non ACT Government	1 158	1 123	-3	1 153	1 182	1 212
3 819	User Charges - ACT Government	3 981	4 057	2	4 172	4 246	4 321
233	Interest	304	224	-26	244	265	265
50	Other Revenue	531	130	-76	130	130	130
278	Resources Received free of charge	241	241	-	241	241	241
84 754	Total Revenue	93 964	98 429	5	100 561	102 776	103 916
Gains							
0	Total Gains	0	0	-	0	0	0
84 754	Total Income	93 964	98 429	5	100 561	102 776	103 916
Expenses							
29 607	Employee Expenses	32 454	34 189	5	35 071	35 601	36 036
3 638	Superannuation Expenses	3 962	4 280	8	4 446	4 524	4 578
13 127	Supplies and Services	15 261	15 515	2	15 559	15 918	16 285
1 457	Depreciation and Amortisation	1 564	1 668	7	1 969	2 230	2 352
38 514	Grants and Purchased Services	43 024	44 627	4	45 397	46 624	46 909
86 343	Total Ordinary Expenses	96 265	100 279	4	102 442	104 897	106 160
-1 589	Operating Result	-2 301	-1 850	20	-1 881	-2 121	-2 244

Department of Disability, Housing and Community Services Balance Sheet

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
3 114	Cash	1 786	1 897	6	2 293	2 711	3 132
1 065	Receivables	1 163	1 163	-	1 163	1 163	1 163
1 010	Investments	4 330	4 330	-	4 330	4 330	4 330
43	Other	87	87	-	87	87	87
5 232	Total Current Assets	7 366	7 477	2	7 873	8 291	8 712
Non Current Assets							
36 802	Property, Plant and Equipment	34 707	39 718	14	48 562	46 985	45 288
0	Intangibles	217	161	-26	108	55	0
1 359	Capital Works in Progress	3 524	9 302	164	0	0	0
38 161	Total Non Current Assets	38 448	49 181	28	48 670	47 040	45 288
43 393	TOTAL ASSETS	45 814	56 658	24	56 543	55 331	54 000
Current Liabilities							
1 537	Payables	3 630	3 637	..	3 644	3 651	3 658
3 580	Employee Benefits	4 338	4 763	10	5 006	5 247	5 493
485	Other	255	0	-100	0	0	0
5 602	Total Current Liabilities	8 223	8 400	2	8 650	8 898	9 151
Non Current Liabilities							
0	Payables	2	3	50	3	5	7
2 398	Employee Benefits	2 796	2 911	4	2 969	3 028	3 086
2 398	Total Non Current Liabilities	2 798	2 914	4	2 972	3 033	3 093
8 000	TOTAL LIABILITIES	11 021	11 314	3	11 622	11 931	12 244
35 393	NET ASSETS	34 793	45 344	30	44 921	43 400	41 756
REPRESENTED BY FUNDS EMPLOYED							
35 393	Accumulated Funds	34 793	45 344	30	44 921	43 400	41 756
35 393	TOTAL FUNDS EMPLOYED	34 793	45 344	30	44 921	43 400	41 756

**Department of Disability, Housing and Community Services
Cash Flow Statement**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
78 447	Cash from Government for Outputs	85 986	91 639	7	93 841	95 925	96 960
831	Cash from Government - CSO Payments	772	760	-2	780	787	787
4 915	User Charges	5 077	5 180	2	5 325	5 428	5 533
233	Interest Received	304	224	-26	244	265	265
3 884	Other Revenue	4 505	5 154	14	4 419	4 370	4 437
88 310	Operating Receipts	96 644	102 957	7	104 609	106 775	107 982
	Payments						
32 772	Related to Employees	35 950	37 929	6	39 216	39 825	40 310
12 843	Related to Supplies and Services	15 012	15 266	2	15 311	15 668	16 035
38 514	Grants and Purchased Services	43 024	44 627	4	45 397	46 624	46 909
3 834	Other	3 974	5 024	26	4 289	4 240	4 307
87 963	Operating Payments	97 960	102 846	5	104 213	106 357	107 561
347	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-1 316	111	108	396	418	421
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
4 800	Purchase of Property, Plant and Equipment	4 541	12 401	173	1 458	600	600
4 800	Investing Payments	4 541	12 401	173	1 458	600	600
-4 800	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-4 541	-12 401	-173	-1 458	-600	-600
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
4 800	Capital Injection from Government	4 421	12 401	181	1 458	600	600
0	Receipt of Transferred Cash Balances	120	0	-100	0	0	0
4 800	Financing Receipts	4 541	12 401	173	1 458	600	600
4 800	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	4 541	12 401	173	1 458	600	600
347	NET INCREASE/(DECREASE) IN CASH HELD	-1 316	111	108	396	418	421
3 777	CASH AT BEGINNING OF REPORTING PERIOD	7 432	6 116	-18	6 227	6 623	7 041
4 124	CASH AT THE END OF THE REPORTING PERIOD	6 116	6 227	2	6 623	7 041	7 462

**Department of Disability, Housing and Community Services
Statement of Changes in Equity**

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
32 182	Opening Balance	32 974	34 793	6	45 344	44 921	43 400
	Accumulated Funds						
-1 589	Operating Result for the Period	-2 301	-1 850	20	-1 881	-2 121	-2 244
	Reserves						
-1 589	Total Income And Expense For The Period	-2 301	-1 850	20	-1 881	-2 121	-2 244
	Transactions Involving Equity Holders Affecting Accumulated Funds						
4 800	Capital Injections	4 421	12 401	181	1 458	600	600
0	Inc/Dec in Net Assets due to Admin Restructure	-301	0	100	0	0	0
35 393	Closing Balance	34 793	45 344	30	44 921	43 400	41 756

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$8.471m in the 2004-05 estimated outcome from the original budget is due to increased funding through supplementary appropriation (\$0.818m), additional funding for wage increases (\$1.350m), functions transferred from the Chief Minister's Department under the Administrative Arrangement Order (AAO) announced on 4 November 2004 (\$5.244m), 2004-05 delayed grants programs (\$0.991m) and increased funding under the Commonwealth State Territory Disability Agreement (CSTDA) (\$0.068m).
 - the increase of \$4.905m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:
 - funding for wage increases (\$0.776m);
 - increased CSTDA funding (\$0.505m);
 - full year impact of functions transferred from the Chief Minister's Department under the AAOs (\$1.307m);
 - appropriation transferred from ACT Health for respite services (\$0.205m);
 - appropriation transferred from Housing ACT for community linkages program (\$0.550m); and

- indexation (\$0.769m);

additional funding for prior year initiatives:

- response to homelessness (\$0.797m);
- addressing individual support needs for people with a disability (\$0.2m);
- growth funds for disability services that were transferred from ACT Health upon establishment of the Department (\$0.250m);
- maintaining community facilities (\$0.075m);
- intensive care and treatment program for people at risk (\$0.717m);
- addressing unmet needs for people with disabilities (\$0.250m); and
- autism assessment and support services (\$0.112m);

new initiatives for 2005-06:

- community support and crisis intervention for people with disabilities (\$0.792m);
- increasing community access for youth and young adults with disabilities (\$0.415m);
- additional funding for children with high and complex needs, including autism (\$0.410m);
- additional therapy support for children with high and complex needs (\$0.2m);
- establishment of a Child and Family Centre at Tuggeranong (\$0.338m);
- expenses associated with the establishment of an intensive care and treatment facility (\$0.090m); and
- feasibility study for a homelessness drop-in centre (\$0.1m);

offset by:

- general savings (\$1.878m);
- reduction from prior year one-off funding (\$1.016m);
- appropriation transferred to the Department of Justice and Community Safety for the Disability Commissioner (\$0.275m);
- appropriation transferred to ACT Health for cost of disability clients with high medical dependency (\$0.680m); and
- reduction in InTACT costs (\$0.104m);
- user charges – ACT Government: the increase of \$0.162m in the 2004-05 estimated outcome from the original budget is primarily due to indexation of payment from Housing ACT for the provision of organisational support services;
- other revenue: the increase of \$0.481m in the 2004-05 estimated outcome from the original budget mainly relates to prior years' workers compensation reimbursements (\$0.070m), respite funding received from ACT Health (\$0.2m), and funding from Chief Minister's Department to increase access to the digital age for people with disabilities (\$0.064m);

The decrease of \$0.401m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the above one-off increases in 2004-05;

- employee and superannuation expenses: the increase of \$3.171m in the 2004-05 estimated outcome from the original budget is largely due to:
 - the impact of wage increases (\$1.331m);
 - the functions transferred from the Chief Minister’s Department under the AAOs (\$1.532m);
 - reclassification of fringe benefits tax from administrative expenses (\$0.146m); and
 - indexation of organisational support services provided to Housing ACT (\$0.104m).

The increase of \$2.053m in the 2005-06 Budget from the 2004-05 estimated outcome is primarily due to:

- the impact of wage increases (\$0.798m);
- costs associated with the functions transferred from the Chief Minister’s Department under the AAOs (\$0.667m);
- increased expenses from an intensive care and treatment program for people at risk (\$0.354m); and
- increased expenses associated with new initiatives (\$0.487m);

offset by:

- general savings (\$0.273m);

- supplies and services: the increase of \$2.134m in the 2004-05 estimated outcome from the original budget is mainly due to:
 - costs associated with providing housing and support services to assist refugees settle in the ACT (\$0.214m);
 - feasibility study costs for Single Therapy Service accommodation (\$0.250m);
 - additional costs associated with reconfiguration of accommodation for disability clients at Long Gully (\$0.248m); and
 - full year impact of costs associated with the functions transferred from the Chief Minister’s Department under the AAOs (\$1.535m);

offset by:

- reclassification of fringe benefits tax to employee expenses (\$0.146m);

The increase of \$0.254m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:

- the full year impact of costs associated with the functions transferred from the Chief Minister’s Department under the AAOs (\$0.562m);
- increased expenses associated with new initiatives (\$0.320m);
- increased expenses for an intensive care and treatment program for people at risk (\$0.363m); and
- indexation;

offset by:

- departmental efficiency savings (\$0.393m);

- appropriation transferred to the Department of Justice and Community Safety for the Disability Commissioner (\$0.275m);
- reduction in costs from one-off funding in supplementary appropriation (\$0.504m); and
- reduction in InTACT costs (\$0.104m).
- depreciation and amortisation: the increase of \$0.107m in the 2004-05 estimated outcome from the original budget is largely due to depreciation of application software.

The increase of \$0.104m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to finalisation of the Multicultural Centre during the year.

- grants and purchased services: the increase of \$4.510m in the 2004-05 estimated outcome from the original budget is due largely to increased expenditure associated with the functions transferred from the Chief Minister's Department under the AAOs (\$2.247m), respite for older carers jointly funded by the Territory and the Australian Government under the CSTDA (\$0.212m), one-off grants programs rolled over from 2003-04 (\$1.053m), respite funding from ACT Health (\$0.2m) and additional expenditure under the Supported Accommodation Assistance Program (SAAP) (\$0.692m).

The increase of \$1.603m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:

- additional funding under the CSTDA (\$0.505m);
- additional funding for prior year initiatives:
 - response to homelessness (\$0.791m);
 - addressing individual support needs for people with a disability (\$0.2m);
 - addressing unmet need for people with disabilities (\$0.250m);
 - additional growth funds for disability services (\$0.250m);
- additional funding for new initiatives:
 - community support and crisis intervention for people with disabilities (\$0.792m);
 - increasing community access for youth and young adults with disabilities (\$0.415m);
 - additional services for children with high and complex needs, including autism (\$0.331m);
- additional funding for respite services transferred from ACT Health (\$0.205m); and
- the community linkages program transferred from Housing ACT for (\$0.550m);
- offset by:
 - one-off expenditure in 2004-05 under the SAAP (\$0.692m);
 - disability clients with high medical dependency transferred to ACT Health (\$0.680m); and
 - general savings (\$1.030m).

Balance Sheet

- current assets: the increase of \$2.134m in the 2004-05 estimated outcome from the original budget largely represents the flow-on effect of higher cash and investment balances in the 2003-04 audited outcome that resulted from delays in grants payments and less than budgeted supplies and services expenditure;
- non current assets:
 - the increase of \$0.287m in the 2004-05 estimated outcome from the original budget is largely due to unbudgeted software being capitalised;
 - the increase of \$10.733m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the impact of the 2005-06 capital works initiatives;
- current liabilities:
 - the increase of \$2.621m in the 2004-05 estimated outcome from the original budget is largely due to increases in creditors (\$2.093m) and employee benefits (\$0.758m). The former reflects a realistic level of creditors that was not known when the original budget was developed. The increase in employee benefits is a result of the impact of wage increases;
 - the increase of \$0.177m in the 2005-06 Budget from the 2004-05 estimated outcome is largely due to an increase in employee benefits as a result of the impact of wage increases; and
- non-current liabilities: the increase of \$0.4m in the 2004-05 estimated outcome from the original budget and the increase of \$0.116m in the 2005-06 Budget from the 2004-05 estimated outcome is due to an increase in employee benefits primarily associated with wage increases.

**Department of Disability, Housing and Community Services
Statement of Income and Expenses on Behalf of the Territory**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
23 434	Payment for Expenses on behalf of Territory	25 145	26 117	4	26 798	27 448	28 114
15 105	Grants from the Commonwealth	15 173	15 849	4	16 152	16 164	15 780
38 539	Total Revenue	40 318	41 966	4	42 950	43 612	43 894
Gains							
0	Total Gains	0	0	-	0	0	0
38 539	Total Income	40 318	41 966	4	42 950	43 612	43 894
Expenses							
10 894	Grants and Purchased Services	11 519	11 764	2	12 107	12 411	12 721
12 540	Other Expenses	13 626	14 353	5	14 691	15 037	15 393
15 105	Transfer Expenses	15 173	15 849	4	16 152	16 164	15 780
38 539	Total Ordinary Expenses	40 318	41 966	4	42 950	43 612	43 894
0	Operating Result	0	0	-	0	0	0

**Department of Disability, Housing and Community Services
Statement of Assets and Liabilities on Behalf of the Territory**

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
	Current Assets						
11	Cash	169	169	-	169	169	169
1 160	Receivables	1 938	1 938	-	1 938	1 938	1 938
1 171	Total Current Assets	2 107	2 107	-	2 107	2 107	2 107
1 171	TOTAL ASSETS	2 107	2 107	-	2 107	2 107	2 107
	Current Liabilities						
1 171	Payables	2 107	2 107	-	2 107	2 107	2 107
1 171	Total Current Liabilities	2 107	2 107	-	2 107	2 107	2 107
1 171	TOTAL LIABILITIES	2 107	2 107	-	2 107	2 107	2 107
0	NET ASSETS	0	0	-	0	0	0
	REPRESENTED BY FUNDS EMPLOYED						
0	Accumulated Funds	0	0	-	0	0	0
0	TOTAL FUNDS EMPLOYED	0	0	-	0	0	0

**Department of Disability, Housing and Community Services
Budgeted Statement of Cashflows on Behalf of the Territory**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
12 540	Cash from Government for EBT	13 626	14 353	5	14 691	15 037	15 393
10 894	Cash from Government - CSO Payments	11 519	11 764	2	12 107	12 411	12 721
15 105	Grants Received from the Commonwealth	15 173	15 849	4	16 152	16 164	15 780
179	Other Revenue	392	344	-12	361	367	332
38 718	Operating Receipts	40 710	42 310	4	43 311	43 979	44 226
Payments							
10 894	Grants and Purchased Services	11 519	11 764	2	12 107	12 411	12 721
12 719	Other	14 018	14 697	5	15 052	15 404	15 725
15 105	Territory Receipts to Government	15 173	15 849	4	16 152	16 164	15 780
38 718	Operating Payments	40 710	42 310	4	43 311	43 979	44 226
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
0	NET INCREASE/(DECREASE) IN CASH HELD	0	0	-	0	0	0
11	CASH AT BEGINNING OF REPORTING PERIOD	169	169	-	169	169	169
11	CASH AT THE END OF THE REPORTING PERIOD	169	169	-	169	169	169

Notes to the Budget Statements

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- payment for expenses on behalf of territory:
 - the increase of \$1.711m in the 2004-05 estimated outcome from the original budget reflects the increase in cost of the ACT Concessions Program and growth in the target population;
 - the increase of \$0.972m in the 2005-05 Budget from the 2004-05 estimated outcome is mainly due to an increase to the rebate on residential property rates for eligible pensioners (\$0.8m) and the full-year impact of the new energy concession introduced in 2004-05 (\$0.165m); and
- grants from the Commonwealth: the increase of \$0.676m in the 2005-06 Budget from the 2004-05 estimated outcome is due to additional funding for respite for older carers (\$0.218m) under the Commonwealth State Territory Disability Agreement (CSTDA) and indexation.

Reconciliation of Operating Result to Net Cashflow from Operating Activities

	<i>2004-05</i> <i>Estimated</i> <i>Outcome</i> <i>\$'000</i>	<i>2005-06</i> <i>Budget</i> <i>\$'000</i>	<i>Variance</i> <i>%</i>
Operating Surplus/(Loss)	-2 301	-1 850	20
Depreciation	1 564	1 668	7
Assets Transferred	-427		
Provision for doubtful debts			
Profit/(Loss) on disposal of assets			
Increase/(decrease) in employee entitlements	893	540	-40
Increase/(decrease) in payables	8	8	-
Increase/(decrease) in accrued expenses			
Increase/(decrease) in other liabilities	-1 053	-255	76
(Increase)/decrease in trade debtors			
(Increase)/decrease in inventories			
(Increase)/decrease in accrued revenue			
(Increase)/decrease in prepaid expenses			
Net inflow from operating activities	-1 316	111	112

Office for Children, Youth and Family Support

**Office for Children, Youth and Family Support
Operating Statement**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
60 972	Government Payment for Outputs	65 603	70 935	8	72 825	74 554	76 336
72	User Charges - Non ACT Government	72	79	10	81	81	81
289	Grants from the Commonwealth	289	292	1	300	307	307
50	Interest	50	50	-	50	50	50
99	Other Revenue	99	100	1	101	102	102
0	Resources Received free of charge	1	1	-	1	1	1
61 482	Total Revenue	66 114	71 457	8	73 358	75 095	76 877
Gains							
0	Total Gains	0	0	-	0	0	0
61 482	Total Income	66 114	71 457	8	73 358	75 095	76 877
Expenses							
19 163	Employee Expenses	19 223	24 631	28	25 336	25 876	26 240
3 411	Superannuation Expenses	3 346	3 969	19	4 083	4 168	4 226
17 299	Supplies and Services	18 829	15 176	-19	15 400	15 759	16 220
681	Depreciation and Amortisation	681	757	11	1 706	1 886	3 066
21 674	Grants and Purchased Services	24 774	27 730	12	28 561	29 420	30 316
69	Other Expenses	69	69	-	69	69	72
57	Transfer Expenses	57	58	2	60	61	61
62 354	Total Ordinary Expenses	66 979	72 390	8	75 215	77 239	80 201
-872	Operating Result	-865	-933	-8	-1 857	-2 144	-3 324

Office for Children, Youth and Family Support Balance Sheet

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
659	Cash	769	955	24	1 146	1 340	1 536
0	Receivables	2 570	2 570	-	2 570	2 570	2 570
0	Other	8	8	-	8	8	8
659	Total Current Assets	3 347	3 533	6	3 724	3 918	4 114
Non Current Assets							
22 949	Property, Plant and Equipment	22 364	36 187	62	35 381	74 395	72 229
9 800	Capital Works in Progress	5 130	3 500	-32	20 250	0	0
32 749	Total Non Current Assets	27 494	39 687	44	55 631	74 395	72 229
33 408	TOTAL ASSETS	30 841	43 220	40	59 355	78 313	76 343
Current Liabilities							
196	Payables	665	664	..	663	662	661
1 743	Employee Benefits	1 857	2 167	17	2 460	2 864	3 270
1 939	Total Current Liabilities	2 522	2 831	12	3 123	3 526	3 931
Non Current Liabilities							
992	Employee Benefits	1 197	1 250	4	1 300	1 349	1 398
992	Total Non Current Liabilities	1 197	1 250	4	1 300	1 349	1 398
2 931	TOTAL LIABILITIES	3 719	4 081	10	4 423	4 875	5 329
30 477	NET ASSETS	27 122	39 139	44	54 932	73 438	71 014
REPRESENTED BY FUNDS EMPLOYED							
30 477	Accumulated Funds	27 122	39 139	44	54 932	73 438	71 014
30 477	TOTAL FUNDS EMPLOYED	27 122	39 139	44	54 932	73 438	71 014

**Office for Children, Youth and Family Support
Cash Flow Statement**

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
60 972	Cash from Government for Outputs	65 603	70 935	8	72 825	74 554	76 336
72	User Charges	72	79	10	81	81	81
50	Interest Received	50	50	-	50	50	50
289	Grants Received from the Commonwealth	289	292	1	300	307	307
4 774	Other Revenue	4 504	5 235	16	5 967	6 383	4 436
66 157	Operating Receipts	70 518	76 591	9	79 223	81 375	81 210
	Payments						
22 383	Related to Employees	22 338	28 237	26	29 076	29 591	30 011
17 299	Related to Supplies and Services	18 829	15 176	-19	15 400	15 759	16 220
21 674	Grants and Purchased Services	24 774	27 730	12	28 561	29 420	30 316
4 744	Other	4 474	5 204	16	5 935	6 350	4 406
57	Territory Receipts to Government	57	58	2	60	61	61
66 157	Operating Payments	70 472	76 405	8	79 032	81 181	81 014
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	46	186	304	191	194	196
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Payments						
10 485	Purchase of Property, Plant and Equipment	5 815	12 950	123	17 650	20 650	900
10 485	Investing Payments	5 815	12 950	123	17 650	20 650	900
-10 485	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-5 815	-12 950	-123	-17 650	-20 650	-900
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
10 485	Capital Injection from Government	5 815	12 950	123	17 650	20 650	900
10 485	Financing Receipts	5 815	12 950	123	17 650	20 650	900
10 485	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	5 815	12 950	123	17 650	20 650	900
0	NET INCREASE/(DECREASE) IN CASH HELD	46	186	304	191	194	196
659	CASH AT BEGINNING OF REPORTING PERIOD	723	769	6	955	1 146	1 340
659	CASH AT THE END OF THE REPORTING PERIOD	769	955	24	1 146	1 340	1 536

**Office for Children, Youth and Family Support
Statement of Changes in Equity**

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
20 863	Opening Balance	22 172	27 122	22	39 139	54 932	73 438
	Accumulated Funds						
-872	Operating Result for the Period	-865	-933	-8	-1 857	-2 144	-3 324
	Reserves						
-872	Total Income And Expense For The Period	-865	-933	-8	-1 857	-2 144	-3 324
	Transactions Involving Equity Holders Affecting Accumulated Funds						
10 485	Capital Injections	5 815	12 950	123	17 650	20 650	900
30 476	Closing Balance	27 122	39 139	44	54 932	73 438	71 014

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs: the increase of \$4.631m in the 2004-05 estimated outcome from the original budget mainly relates to:
 - funding for wage increases (\$1.505m);
 - part year funding for additional care and protection staff (\$0.536m);
 - additional funding for individual support packages (\$3.1m);
 - additional funding for accommodation (\$1.478m) and business support costs (\$0.699m);
 - increase in security for Quamby (\$0.330m);
 - ATSI youth supported accommodation (\$0.217m);
 - additional funding for support for Children Health and Young Person's System (CHYPS) (\$0.384m);
 - funding for a revision of the Child Protection Manual (\$0.1m); and
 - funding for transfers of juvenile justice clients to interstate facilities (\$0.375m);
- offset by:
 - an adjustment to the funding transferred from the Department of Education and Training (\$4.093m).

The increase of \$5.332m in the 2005-06 Budget from the 2004-05 estimated outcome mainly relates to:

- additional funding for 2004-05 initiatives:
- full year funding for additional care and protection staff (\$2.131m);
- full year funding for business support (\$1.833m);
- ATSI youth supported accommodation (\$0.297m);
 - support for CHYPS (\$0.151m); and
 - individual support packages (\$0.061m);
- new initiatives for 2005-06:
 - establishment of an ATSI Unit (\$0.7m);
 - impact of wage increases (\$1.113m);
 - indexation (\$0.844m);

offset by:

- general savings (\$0.763m);
 - one-off expenditure in 2004-05 for interstate transfers (\$0.375m) and accommodation (\$0.609m); and
 - reduction in InTACT costs (\$0.087m).
- employee and superannuation expenses: the increase of \$6.031m in the 2005-06 Budget from the 2004-05 estimated outcome is primarily due to:
 - full year effect of additional funding in 2004-05:
 - increase in care and protection staff (\$1.792m);
 - business support costs (\$1.372m);
 - additional support for CHYPS (\$0.275m); and
 - ATSI youth supported accommodation (\$0.246m).
 - establishment of an ATSI Unit (\$0.609m);
 - impact of wage increases (\$1.113m);
 - realignment of base funding from administrative expenses (\$1.250m);
- offset by:
- general savings (\$0.490m).

- supplies and services: the increase of \$1.530m in the 2004-05 estimated outcome from the original budget is mainly due to the increase in accommodation costs (\$1.478m);

The decrease of \$3.653m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:

- realignment of the base funding by transferring kinship and foster care payments (\$2.375m) to grants and purchased service payments;
- realignment of base funding to employee expenses (\$1.250m);

- reduction in accommodation costs (\$0.609m);
 - one-off expenditure in 2004-05 for interstate transfers (\$0.375m);
 - general savings (\$0.273m); and
 - reduction in InTACT costs (\$0.087m);
- offset by:
- impact of new initiatives in 2005-06 (\$0.917m); and
 - indexation (\$0.302m).
- grants and purchased services:
 - the increase of \$3.1m in the 2004-05 estimated outcome from the original budget is due to additional funding provided for individual support packages through Appropriation Act 2004-05 (No.2);
 - the increase of \$2.956m in the 2005-06 Budget from the 2004-05 estimated outcome is primarily due to the transfer of kinship and foster care payments funding from supplies and services (\$2.375m) and indexation (\$0.542m).

Balance Sheet

- current assets: the increase of \$2.688m in the 2004-05 estimated outcome from the original budget is due mainly to an increase in receivables comprising insurance recovery of the Weston Creek Child Care Centre destroyed by fire and expected GST reimbursements from the Australian Taxation Office;
- non current assets:
 - the decrease of \$5.255m in the 2004-05 estimated outcome from the original budget is largely due to delays in capitalising the fit-out associated with the accommodation consolidation and further improvements to Quamby. These projects will be completed in 2005-06;
 - the increase of \$12.193m in the 2005-06 Budget from the 2004-05 estimated outcome largely reflects the progress of the capital works programs, such as the Weston Creek Childcare Facility, the Youth in the City project, the design works for the replacement of Quamby, and an increase in the minor new works program, offset by depreciation;
- current liabilities:
 - the increase of \$0.583m in the 2004-05 estimated outcome from the original budget is largely due to increases in creditors (\$0.469m) and employee benefits (\$0.114m). The former reflects a realistic level of creditors that was not known when the original budget was developed. The increase in employee benefits is a result of the impact of wage increases;
 - the increase of \$0.309m in the 2005-06 Budget from the 2004-05 estimated outcome is largely due to an increase in employee benefits as a result of wage increases; and
- non-current liabilities: the increase of \$0.205m in the 2004-05 estimated outcome from the original budget is due to an increase in employee benefits as a result of wage increases.

Reconciliation of Operating Result to Net Cashflow from Operating Activities

	<i>2004-05</i> <i>Estimated</i> <i>Outcome</i> \$'000	<i>2005-06</i> <i>Budget</i> \$'000	<i>Variance</i> %
Operating Surplus/(Loss)	-865	-933	-8
Depreciation	681	757	11
Amortisation			
Provision for doubtful debts			
Profit/(Loss) on disposal of assets			
Increase/(decrease) in employee entitlements	230	363	58
Increase/(decrease) in payables		-1	-100
Increase/(decrease) in accrued expenses			
Increase/(decrease) in other liabilities			
(Increase)/decrease in trade debtors			
(Increase)/decrease in inventories			
(Increase)/decrease in accrued revenue			
(Increase)/decrease in prepaid expenses			
Net inflow from operating activities	46	186	

Housing ACT

Housing ACT Operating Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
31 913	Government Payment for Outputs	30 242	32 418	7	29 703	30 000	30 288
59 550	User Charges - Non ACT Government	60 865	61 921	2	62 965	63 992	65 002
100	User Charges - ACT Government	90	104	16	107	109	112
1 500	Interest	1 940	1 054	-46	1 107	1 161	1 120
5 509	Other Revenue	2 295	2 509	9	2 509	2 509	2 509
98 572	Total Revenue	95 432	98 006	3	96 391	97 771	99 031
-	Gains	-	-	-	-	-	-
0	Total Gains	0	0	-	0	0	0
98 572	Total Income	95 432	98 006	3	96 391	97 771	99 031
Expenses							
16 557	Employee Expenses	15 705	16 672	6	17 718	18 258	18 814
2 259	Superannuation Expenses	2 125	2 366	11	2 333	2 404	2 478
63 781	Supplies and Services	63 170	66 929	6	67 689	69 705	71 783
14 441	Depreciation and Amortisation	12 525	13 025	4	13 846	14 143	14 521
5 554	Borrowing Costs	5 554	5 361	-3	5 165	4 966	4 761
10 882	Grants and Purchased Services	7 650	8 815	15	2 175	2 228	2 317
4 490	Other Expenses	3 939	4 524	15	3 849	3 853	3 862
117 964	Total Ordinary Expenses	110 668	117 692	6	112 775	115 557	118 536
0	Share of Operating Result from Joint Venture accounted for using the Equity Method	0	0	-	0	4 305	6 695
-19 392	Operating Result	-15 236	-19 686	-29	-16 384	-13 481	-12 810

Housing ACT Balance Sheet

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
2 876	Cash	2 503	2 503	-	2 503	2 503	2 503
2 589	Receivables	2 958	2 942	-1	2 812	2 682	2 552
6 700	Investments	20 688	15 981	-23	31 825	39 506	21 937
423	Other	194	194	-	194	194	194
12 588	Total Current Assets	26 343	21 620	-18	37 334	44 885	27 186
Non Current Assets							
500	Receivables	500	500	-	500	500	500
0	Investments	0	35 000	#	21 305	0	0
2 797 701	Property, Plant and Equipment	3 029 008	3 120 882	3	3 251 129	3 403 619	3 564 487
8 265	Capital Works in Progress	13 031	10 316	-21	9 472	9 919	8 847
2 806 466	Total Non Current Assets	3 042 539	3 166 698	4	3 282 406	3 414 038	3 573 834
2 819 054	TOTAL ASSETS	3 068 882	3 188 318	4	3 319 740	3 458 923	3 601 020
Current Liabilities							
6 628	Payables	4 099	4 100	..	4 046	3 992	3 938
4 356	Interest Bearing Liabilities	4 356	4 437	2	4 549	4 706	4 834
78	Finance Leases	78	78	-	78	78	78
2 692	Employee Benefits	2 309	2 309	-	2 308	2 307	2 306
1 911	Other	4 264	1 881	-56	4 281	1 881	1 881
15 665	Total Current Liabilities	15 106	12 805	-15	15 262	12 964	13 037
Non Current Liabilities							
114 783	Interest Bearing Liabilities	114 783	110 345	-4	105 796	101 090	96 256
322	Finance Leases	322	244	-24	166	88	10
1 733	Employee Benefits	2 745	2 745	-	2 745	2 745	2 745
0	Other	2 400	2 400	-	0	0	0
116 838	Total Non Current Liabilities	120 250	115 734	-4	108 707	103 923	99 011
132 503	TOTAL LIABILITIES	135 356	128 539	-5	123 969	116 887	112 048
2 686 551	NET ASSETS	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972
REPRESENTED BY FUNDS EMPLOYED							
800 284	Accumulated Funds	816 624	824 518	1	835 134	848 653	862 843
1 886 267	Reserves	2 116 902	2 235 261	6	2 360 637	2 493 383	2 626 129
2 686 551	TOTAL FUNDS EMPLOYED	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972

Housing ACT Cash Flow Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
29 913	Cash from Government for Outputs	29 712	30 035	1	29 703	30 000	30 288
59 250	User Charges	60 555	61 625	2	62 662	63 691	64 704
1 500	Interest Received	1 940	1 054	-46	1 107	1 161	1 120
1 069	Other Revenue	1 549	1 869	21	1 929	1 929	1 929
91 732	Operating Receipts	93 756	94 583	1	95 401	96 781	98 041
Payments							
18 816	Related to Employees	17 830	19 038	7	20 052	20 663	21 293
63 908	Related to Supplies and Services	63 297	67 055	6	67 821	69 837	71 915
5 554	Borrowing Costs	5 554	5 361	-3	5 165	4 966	4 761
10 882	Grants and Purchased Services	7 650	8 815	15	2 175	2 228	2 317
2 490	Other	3 030	3 034	0	3 039	3 043	3 052
101 650	Operating Payments	97 361	103 303	6	98 252	100 737	103 338
-9 918	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-3 605	-8 720	142	-2 851	-3 956	-5 297
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
64 765	Proceeds from Sale of Property, Plant & Equipment	37 342	47 119	26	42 794	43 720	44 594
64 765	Investing Receipts	37 342	47 119	26	42 794	43 720	44 594
Payments							
68 078	Purchase of Property, Plant and Equipment	53 665	44 274	-17	38 317	40 104	35 815
68 078	Investing Payments	53 665	44 274	-17	38 317	40 104	35 815
-3 313	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-16 323	2 845	-117	4 477	3 616	8 779
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
5 000	Capital Injection from Government	5 000	5 580	12	5 000	5 000	5 000
30	Borrowings Received	30	45	50	60	60	60

Housing ACT Cash Flow Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
5 030	Financing Receipts	5 030	5 625	12	5 060	5 060	5 060
	Payments						
4 436	Repayment of Borrowings	4 346	4 457	3	4 537	4 649	4 806
4 436	Financing Payments	4 346	4 457	3	4 537	4 649	4 806
594	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	684	1 168	71	523	411	254
-12 637	NET INCREASE/(DECREASE) IN CASH HELD	-19 244	-4 707	-76	2 149	71	3 736
22 213	CASH AT BEGINNING OF REPORTING PERIOD	42 435	23 191	-45	18 484	20 633	20 704
9 576	CASH AT THE END OF THE REPORTING PERIOD	23 191	18 484	-20	20 633	20 704	24 440

Housing ACT Statement of Changes in Equity

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
2 567 268	Opening Balance	2 810 087	2 933 526	4	3 059 779	3 195 771	3 342 036
	Accumulated Funds						
-19 392	Operating Result for the Period	-15 236	-19 686	-29	-16 384	-13 481	-12 810
	Reserves						
111 675	Increase/(Decrease) in asset revaluation reserve	111 675	118 359	6	125 376	132 746	132 746
22 000	Transfer to/from Reserves	22 000	22 000	-	22 000	22 000	22 000
114 283	Total Income And Expense For The Period	118 439	120 673	2	130 992	141 265	141 936
	Transactions Involving Equity Holders Affecting Accumulated Funds						
5 000	Capital Injections	5 000	5 580	12	5 000	5 000	5 000
2 686 551	Closing Balance	2 933 526	3 059 779	4	3 195 771	3 342 036	3 488 972

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$1.671m in the 2004-05 estimated outcome from the original budget is due to:
 - the rollover of funding for community housing projects delayed by the timing of planning approvals (\$1.470m); and
 - the decreased funding under the Commonwealth-State Housing Agreement due to relative population movements between the states and territories (\$0.201m).
 - the increase of \$2.176m in the 2005-06 Budget from the 2004-05 estimated outcome is due to:
 - the rollover of funding for community housing projects into 2005-06 (\$2.383m);
 - increased funding under the Commonwealth-State Housing Agreement (\$0.451m);
 - funding for the initiative to improve energy and water efficiency in public housing (\$0.420m); and
 - supplementation to fund the increase in general rates as a result of changes to the rating arrangements effective from 2005-06 (\$0.940m).

offset by:

- the transfer of funding for the Community Linkages Program to the Department of Disability, Housing and Community Services (Community Services) (\$0.550m);

- cessation of funding for the Social Housing Subsidy Program by the Commonwealth and the ACT matching amount (\$0.245m); and
- general savings (\$0.708m).
- user charges – non ACT Government: the increase of \$1.315m in the 2004-05 estimated outcome from the original budget is a result of the re-assessment of market rents in September 2004. The further increase of \$1.056m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the impact of the review of market rents in October 2005 and increasing tenant incomes, partly offset by increased rebates.
- interest:
 - the increase of \$0.440m in the 2004-05 estimated outcome from the original budget is due to higher than budgeted level of investments throughout the year as a result of the deferral of some community housing projects and higher interest rates; and
 - the decrease of \$0.886m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the expected decrease of investments during 2005-06, as funds rolled over from prior years for projects are expended, expenditure to upgrade the business system Homenet occurs, and rebuilding the rural villages commences.
- other revenue:
 - the decrease of \$3.214m in the 2004-05 estimated outcome from the original budget is due to lower profit on sales as a result of reduced sales and the softening of the local market (\$3.3m) and lower recoveries from tenants (\$0.3m) relating to tenant responsible maintenance. This is offset by the revenue recognised for the return of leased properties from the community housing sector (\$0.386m); and
 - the increase of \$0.214m in the 2005-06 Budget from the 2004-05 estimated outcome reflects higher profit on sales from a greater number of sales expected during 2005-06.
- employee and superannuation expenses:
 - the decrease of \$0.986m in the 2004-05 estimated outcome from the original budget is due mainly to the deferral of recruitment and the review of leave provisioning; and
 - the increase of \$1.208m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the flow-on effects of wage increases, reduced staff vacancies and higher associated costs such as payroll tax and workers' compensation premium.
- supplies and services:
 - the decrease of \$0.611m in the 2004-05 estimated outcome from the original budget largely reflects lower water charges due to the water restrictions imposed during 2004-05; and
 - the increase of \$3.759m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to:
 - higher general rates charges (\$0.940m);

- higher water rates and consumption charges (\$0.357m);
- costs associated with improving energy and water efficiency in public housing (\$0.420m);
- higher motor vehicle expenses (\$0.198m);
- higher insurance costs (\$0.2m); and
- fees associated with arranging certificate of regulation for buildings being upgraded for fire safety (\$0.3m).

offset by:

- general savings (\$0.302m).
- depreciation and amortisation: the decrease of \$1.916m in the 2004-05 estimated outcome from the original budget is due to the re-assessment of the remaining useful lives for the multi-unit properties as part of the 2004 revaluation of the public housing portfolio. The increase of \$0.5m in the 2005-06 Budget from the 2004-05 estimated outcome arises from an anticipated increase in the value of the property portfolio from the annual revaluation of properties.
- borrowing costs: the decrease of \$0.193m in the 2005-06 Budget from the 2004-05 estimated outcome is in line with the agreed Commonwealth loan repayment schedules.
- grants and purchased services:
 - the decrease of \$3.232m the 2004-05 estimated outcome from the original budget represents:
 - further rollover of grants from 2004-05 to 2005-06 (\$6.692m) due to delays in community housing and community service projects involving non-government organisations.

offset by:

- the flow-on effect of the 2003-04 audited outcome that identified the rollover of grants expenditure into 2004-05 (\$3.038m); and
- increased grants associated with community housing and community service projects during 2004-05 (\$0.422m).
- the increase of \$1.165m in the 2005-06 Budget from the 2004-05 estimated outcome is due to:
 - the above-mentioned rollover into 2005-06 (\$6.692m).

offset by:

- the transfer of the Community Linkages Program funding to Community Services (\$0.550m); and
- the effect of the one-off grants programs in 2004-05 (\$4.968m).
- other expenses:
 - the decrease of \$0.551m in the 2004-05 estimated outcome from the original budget is due to:

- the decrease in the provision for doubtful debts and write-off of bad debts (\$0.4m), reflecting an improvement to the age profile of the debtors since the publication of the original budget; and
- the decrease in other write-off expenses such as property demolitions and expensing of work-in-progress (\$0.487m).

offset by:

- the recognition of expenses for properties transferred to the community-housing sector under a long-term lease in exchange for those properties returned to Housing ACT mentioned in other revenue above (\$0.336m).
- the increase of \$0.585m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to higher provisions for doubtful debts and the write-off of bad debts (\$0.2m) with recovery from tenants expected to return to the normal level in 2005-06 and higher costs for demolition of properties (\$0.713m). This is offset by the cessation of one-off costs associated with the transfer of properties to the community housing sector (\$0.336m).

Balance Sheet

- cash: the decrease of \$0.373m in the 2004-05 estimated outcome from the original budget is due to the reduced need to hold sufficient cash on hand at year end to meet commitments and contingencies payable in 2005-06.
- receivables and other: the increase of \$0.140m in the 2004-05 estimated outcome from the original budget reflects the increase in tenant rent arrears over the year.
- current investments: the increase of \$13.988m in the 2004-05 estimated outcome from the original budget is due to higher cash holdings retained to fund the rolled over grants expenditure and to meet capital program commitments. The decrease of \$4.707m in the 2005-06 Budget from the 2004-05 estimated outcome is due largely to major outlays associated with the grant payments rolled over from 2004-05, the upgrade to the business system Homenet, and the redevelopment of rural villages during 2005-06.
- non current assets:
 - the increase of \$236.073m in the 2004-05 estimated outcome from the original budget largely relates to increments in the value of the property portfolio arising from the asset revaluation since the 2004-05 Budget; and
 - the increase of \$124.159m in the 2005-06 Budget from the 2004-05 estimated outcome arises from the estimated increase in property values from the 2005 revaluation of the portfolio.
- current liabilities:
 - the decrease of \$0.559m in the 2004-05 estimated outcome from the original budget is due to a decrease in payables for year end accruals and a decrease in the provision for employee benefits as a result of the review of leave provisions, offset by the higher revenues received in advance for funding the community housing grants carried forward (\$2.413m); and
 - the decrease of \$2.301m in the 2005-06 Budget from the 2004-05 estimated outcome is a result of disbursing the rolled over grants.

Cash Flow Statement

- proceeds from the sale of property, plant and equipment:
 - the decrease of \$27.423m in the 2004-05 estimated outcome from the original budget is due to reduced property sales, including those to tenants, and the deferral of the sale of the former Burnie Court site; and
 - the increase of \$9.777m in the 2005-06 Budget from the 2004-05 estimated outcome reflects an increase in the number and value of properties sold compared to 2004-05, with sales to tenants expected to increase towards more normal levels and the sale of the first part of Fraser Court scheduled for 2005-06.
- purchase of property, plant and equipment:
 - the decrease of \$14.413m in the 2004-05 estimated outcome from the original budget is due to the reduced capital program following the reduction in sales proceeds; and
 - the decrease of \$9.391m in the 2005-06 Budget from the 2004-05 estimated outcome is a result of aligning the scale of the capital program with the anticipated sales proceeds in 2005-06.
- capital injection from Government: the increase of \$0.580m in the 2005-06 Budget from the 2004-05 estimated outcome is due to increased funding for improving energy and water efficiency in public housing.
- repayment of borrowings: the decrease of \$0.090m in the 2004-05 estimated outcome from the original budget and the increase of \$0.111m in the 2005-06 Budget from the estimated outcome represent the alignment of the budgeted outlays with the agreed Commonwealth loan repayment schedules and variation bond loans activity.

Housing ACT
Statement Of Revenues and Expenses On Behalf Of The Territory

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
	Income						
	Revenue						
18 733	Grants from the Commonwealth	18 591	18 785	1	18 962	19 142	19 320
18 733	Total Revenue	18 591	18 785	1	18 962	19 142	19 320
	Gains						
0	Total Gains	0	0	-	0	0	0
18 733	Total Income	18 591	18 785	1	18 962	19 142	19 320
	Expenses						
18 733	Transfer Expenses	18 591	18 785	1	18 962	19 142	19 320
18 733	Total Ordinary Expenses	18 591	18 785	1	18 962	19 142	19 320
0	Operating Result	0	0	-	0	0	0

Housing ACT
Budgeted Statement Of Cashflows On Behalf Of The Territory

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
18 733	Grants Received from the Commonwealth	18 591	18 785	1	18 962	19 142	19 320
18 733	Operating Receipts	18 591	18 785	1	18 962	19 142	19 320
Payments							
18 733	Territory Receipts to Government	18 591	18 785	1	18 962	19 142	19 320
18 733	Operating Payments	18 591	18 785	1	18 962	19 142	19 320
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
0	NET INCREASE/(DECREASE) IN CASH HELD	0	0	-	0	0	0
0	CASH AT THE END OF THE REPORTING PERIOD	0	0	-	0	0	0

Notes to the Budget Statements

Significant variations are as follows:

Statement of Income and Expenses on Behalf of the Territory

- grants from the Commonwealth:
 - the decrease of \$0.142m in the 2004-05 estimated from the original budget is due to the adjustments for relative population movements between the states and territories under the Commonwealth-State Housing Agreement; and
 - the increase of \$0.194m in the 2005-06 Budget from the 2004-05 estimated outcome reflects adjustments to the Commonwealth-State Housing Agreement funding for indexation (\$0.317m), offset by the loss of funding for the Social Housing Subsidy Program (\$0.123m).

Reconciliation of Operating Result to Net Cashflow from Operating Activities

	<i>2004-05</i> <i>Estimated</i> <i>Outcome</i> \$'000	<i>2005-06</i> <i>Budget</i> \$'000	Variance %
Operating Surplus/(Loss)	-15,236	-19,686	29
Depreciation / Amortization	12,525	13,025	4
Bad debts expense	1,000	1,200	20
Demolition of dwellings	113	830	635
CHC Transfer Receipts	-386	0	100
CHC Transfer Expenses	336	0	100
Profit/(Loss) on disposal of assets	-200	-500	150
	13,388	14,555	9
Increase/(decrease) in creditors	-2,030	-1,144	47
Increase/(decrease) in employee entitlements	0	0	0
(Increase)/decrease in receivables	-179	16	1219
(Increase)/decrease in lease incentives	-78	-78	0
(Increase)/decrease in accrued revenue	530	-2,383	540
	-1,757	-3,589	104
Net cash flows from Operations	-3,605	-8,720	142
Net inflow from operating activities (as per Statement of cashflows)	-3,605	-8,720	142

Attachment 2 –Financial Performance Measurement

Department of Disability, Housing and Community Services – Departmental

	<i>2003-04 Actual</i>	<i>2004-05 Projected</i>	<i>2005-06 Budget</i>	<i>Variance %</i>
Profitability				
Return on Assets	4.62%	-5.02%	-3.27%	34.99%
Return on Equity	6.19%	-6.61%	-4.08%	38.31%
Profit Margin	58.42	-44.78	-35.71	20.24%
Liquidity				
Current Ratio	1.00	0.89	0.89	0.00%
Cash Position	16.83%	13.35%	10.99%	17.67%
Receivables Turnover	3.01	4.42	4.45	-0.80%
Financial Stability				
Debt Ratio	0.25	0.24	0.20	16.99%
Capital ratio	0.34	0.32	0.25	21.23%
Debt				
Debt Service Coverage	0.00	0.00	0.00	0.00%

Department of Disability, Housing and Community Services – Territorial

	<i>2003-04 Actual</i>	<i>2004-05 Projected</i>	<i>2005-06 Budget</i>	<i>Variance %</i>
Profitability				
Return on Assets	0.00%	0.00%	0.00%	0.00%
Return on Equity	0.00%	0.00%	0.00%	0.00%
Profit Margin	0.00%	0.00%	0.00%	0.00%
Liquidity				
Current Ratio	1.00	1.00	1.00	0.00%
Cash Position	8.02%	8.02%	8.02%	0.00%
Receivables Turnover	0.00	0.00	0.00	0.00%
Financial Stability				
Debt Ratio	1.00	1.00	1.00	0.00%
Capital ratio	0.00	0.00	0.00	0.00%
Debt				
Debt Service Coverage	0.00	0.00	0.00	0.00%

Office for Children, Youth and Family Support

	<i>2003-04 Actual</i>	<i>2004-05 Projected</i>	<i>2005-06 Budget</i>	<i>Variance %</i>
Profitability				
Return on Assets	0.06%	-2.80%	-2.16%	23.03%
Return on Equity	6.82%	-3.19%	-2.38%	25.26%
Profit Margin	0.00%	-1 201.39%	-1 181.01%	1.70%
Liquidity				
Current Ratio	1.35	1.33	1.25	5.96%
Cash Position	2.82%	2.49%	2.21%	11.38%
Receivables Turnover	0.00	0.03	0.03	0.00%
Financial Stability				
Debt Ratio	0.14	0.12	0.09	21.70%
Capital ratio	0.16	0.14	0.10	23.96%
Debt				
Debt Service Coverage	0.00	0.00	0.00	0.00%

Housing ACT

	<i>2003-04 Actual</i>	<i>2004-05 Projected</i>	<i>2005-06 Budget</i>	<i>Variance %</i>
Profitability				
Return on Assets	0.02%	-0.32%	-0.46%	-42%
Return on Equity	-0.19%	-0.52%	-0.64%	-24%
Profit Margin	-8.85%	-25.00%	-31.74%	-27%
Liquidity				
Current Ratio	292%	174%	169%	-3%
Cash Position	1.44%	0.76%	0.58%	-23%
Receivables Turnover	596%	199%	197%	-1%
Financial Stability				
Debt Ratio	4.15%	4.41%	4.03%	-9%
Capital ratio	17.13%	16.58%	15.59%	-6%
Debt				
Debt Service Coverage	301.27%	-64.91%	-162.66%	-151%

Return on Assets = (operating result before tax + interest expense) / average total assets for period

Return on Equity = operating result before tax / equity

Profit Margin = operating result before tax / (Govt & non Govt user charges + taxes, fees and fines)

Current Ratio = current assets / current liabilities

Cash Position = (cash + current investments) / total assets

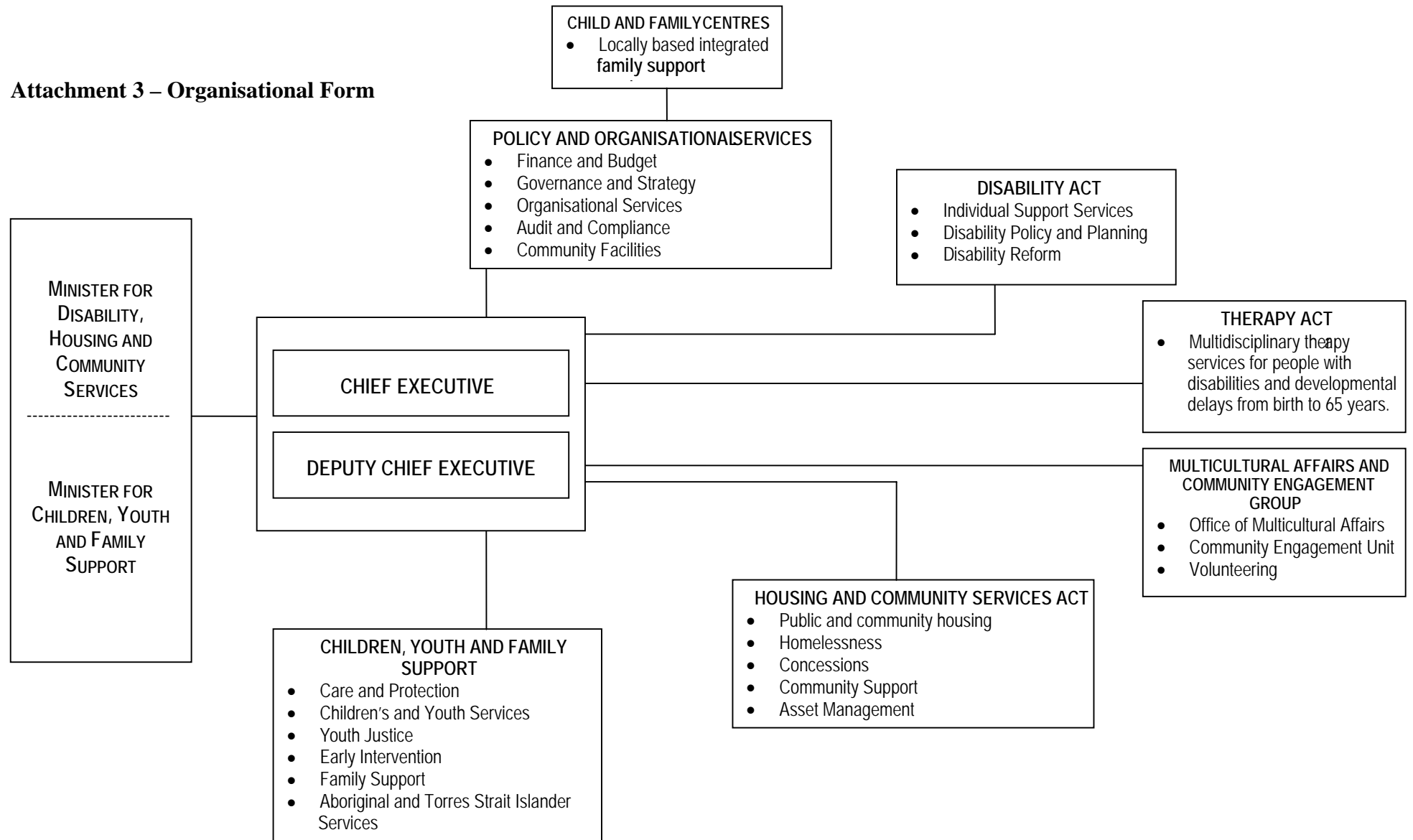
Receivables Turnover=(Govt & nonGovt user charges + taxes, fees and fines) / average receivables for period

Debt Ratio = total liabilities / total assets

Capital Ratio = total liabilities / equity capital

Debt Service Coverage = cashflow from operations / interest expenditure

Attachment 3 – Organisational Form



Attachment 4 – Strategic Human Resource Plan

Introduction

This HR Strategic Plan is a continuation of the HR Plan for Disability, Housing and Community Services (DHCS) for 2004-05 and incorporates the Office of Children, Youth and Family Support (OCYFS) and the Office of Multicultural Affairs and Community Engagement. The Department recognises the integration of these new areas in this plan and is committed to delivering high quality, coordinated services to significant sectors of the community through engaging and involving our clients, building community partnerships, contributing to good governance and performing as a best practice organisation. The Department willingly accepts its responsibility to the community and the Government to invest in services and support systems that will allow our clients to live fulfilling lives and to participate to the fullest possible extent in the everyday life of their community.

To achieve this we will work together to continue to build a Department that will recognise these new areas, works towards integration and a workforce that values diversity and the opportunity to work together. We will focus our efforts on being a place where people want to work and there is a record of achievement. Our service will be respected and valued by our clients.

We will develop services that are better integrated with human services in the wider government and non-government sectors. In particular, we will develop our programs and policies in the context of whole of government plans and priorities. Through partnerships we will provide leadership in building a stronger community.

The HR Strategic Plan has been developed to align with the DHCS Strategic Plan 2003-2005 and also with the ACTPS Strategic HR Framework and is based on agreed ACTPS HR Practice Areas described in the ACTPS Strategic HR Framework. These are:

People Planning and Analysis:	HR principles and practices are integrated into business and resource planning, and the size, shape and mix of the workforce is balanced and managed to meet agency objectives.
Recruitment and Placement:	Streamlined and cost effective recruitment and placement of staff to meet business goals.
Injury Prevention and Management:	Occupational health and safety risks are identified, managed and monitored to maximise the health, safety and welfare of employees and to limit any adverse impact on organisational performance.
Workplace Relations:	A legal, policy and structural framework that provides for flexible and responsive

people management policies, practices and conditions supporting the employer of choice concept.

Workplace Diversity:

Organisational performance and employee satisfaction are enhanced by practices that appreciate and optimise the diverse skills, talents and background of its people.

Managing and Recognising Performance: An accepted and trusted performance management and recognition system and supporting culture.

Learning and Development:

Development programs ensure skills and knowledge are retained and enhanced, while reinforcing the skills by which leaders and managers influence the behaviour of others to support fulfilment of the business strategy.

Culture and Values:

An appropriate public service culture is fostered that provides the highest level of service and responsiveness to the public and government, while being accountable, fair, displaying integrity and striving for the highest levels of efficiency and effectiveness.

The Department is committed to a culture based on the following values:

- A participative and consultative workplace
- Transparency in our work practices and decision-making processes
- Respect for each other and for our clients
- Work practices that focus on our strengths, acknowledge where we could do better and encourage us to learn from both
- Acting with honesty and integrity

HR Management Priorities 2005-2006

There are a number of critical challenges ahead. In particular the focus will be in the areas of:

- Safety, Injury Prevention and Management;
- Learning and Development
- Performance Management
- Recruitment and Retention
- ACTPS Framework for employment of people with a disability
- Review of classifications in the Quamby Youth Detention Centre

In implementing the Framework for People with a Disability the primary objective is to increase employment opportunities for people with disabilities within the Department.

To ensure the success of the implementation the Department will facilitate an attitudinal change towards the employment of people with disabilities. This will involve the implementation of various strategies particularly in the areas of workplace modifications; redesigning position descriptions and selection processes through Disability Works Australia. The Department will also provide ongoing support to managers of people with disabilities to assist them in adapting the work environment to the needs of these employees.

The Department is committed to developing its workforce and provides a variety of training and development opportunities for all staff. Certified Agreements for the years 2004-2007 outline a number of training initiatives to be undertaken such as Leadership, Child Welfare, Records Management and Procurement. The Department will continue to develop best practice methodology and is partnering with the Institute of Child Protection Studies to undertake research and reflection of the efficacy of current practices which will inform training programs, resulting in better outcomes for clients.

The Certificate IV in Housing and Community Services is being reconfigured to incorporate classroom and on the job training. Several modules have been completed and pilot programs will be implemented in 2005-06. The program is designed to be repeated every 24 months so that participants' skills are constantly refreshed and updated.

Disability ACT is providing training in Certificate IV in Disability Work for 30 Team Leaders. The successful tenderer was Canberra Institute of Technology (CIT). This training will include ten (10) people from Non-Government Organisations. The training is being undertaken as a pilot project over two (2) years, i.e. 2004-2006 and will be evaluated and expanded at the end of the pilot to include certificated training to disability support workers.

Early intervention programs will continue to be the focus for injury prevention and management. Presentations detailing management and staff responsibilities for providing a safe, healthy work environment will form part of the Departmental Orientation Program.

As noted in the 2003-04 State of the Service Report, the Department faces a number of challenges in attracting and retaining staff with specialist skills. To address these challenges recruitment strategies will be reviewed and a variety of recruitment and retention strategies including competency based recruitment will be consolidated. In view of the national shortage of people with specialist/professional skills the Department will explore innovative ways of attracting and retaining allied health professionals.

A departmental workforce Reference Group has been established to oversight a number of projects including attraction and retention, recruitment, orientation, rostering, communication and performance management. In addition, the benefits of working in the Department and its culture of encouraging continual learning will be promoted through universities, job advertisements and the Internet.

Performing as a Best Practice Organisation is one of the five (5) strategic themes identified in the Departmental Strategic Plan. Managers and staff will continue to monitor the implementation of its Performance Management Program to ensure that

every staff member has a performance plan in place which incorporates a personal development plan.

Staffing Numbers

The following table shows the current and projected staffing figures for the Department (full time equivalent). All staff are employed under the *Public Sector Management Act 1994*.

Department of Disability, Housing and Community Services Funded Staffing Numbers

<i>Business Unit</i>	<i>Estimated FTE as at 30 June 2005</i>	<i>Estimated FTE as at 30 June 2006</i>
Therapy ACT	79.50	81.1
Community Services	13	13
Disability ACT	298.75	306.98*
Executive	17	16
Policy and Organisational Services	75.38	69.17
Multicultural and Community Engagement	15.13	15
Child and Family Centres	13	16
Housing ACT	223.16	220.3
Office for Children, Youth and Family Support	317.98	380.57
TOTAL	1 052.9	1 117.72

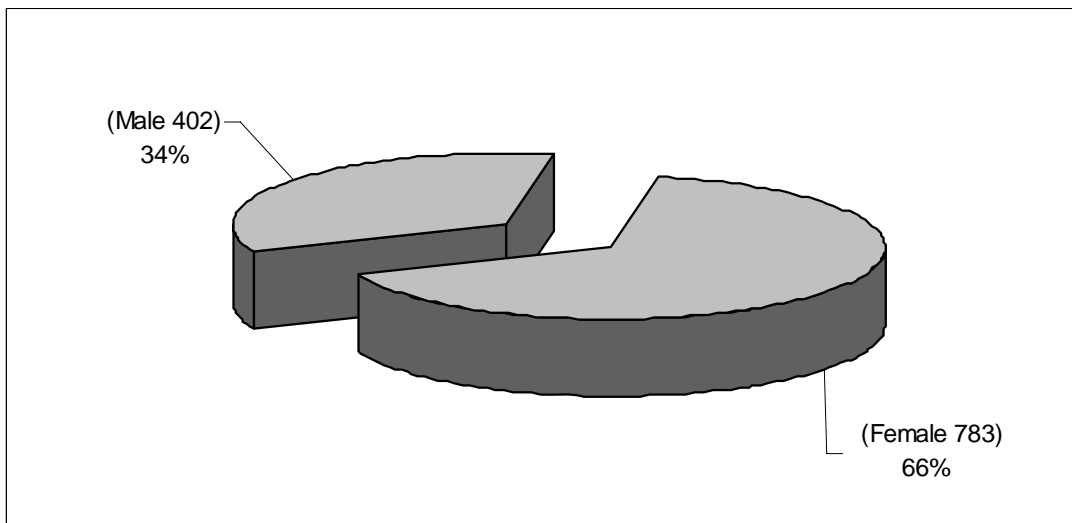
* Actual FTEs fluctuate during the course of the year due to changing service delivery needs.

Staffing Profile – EEO Classification

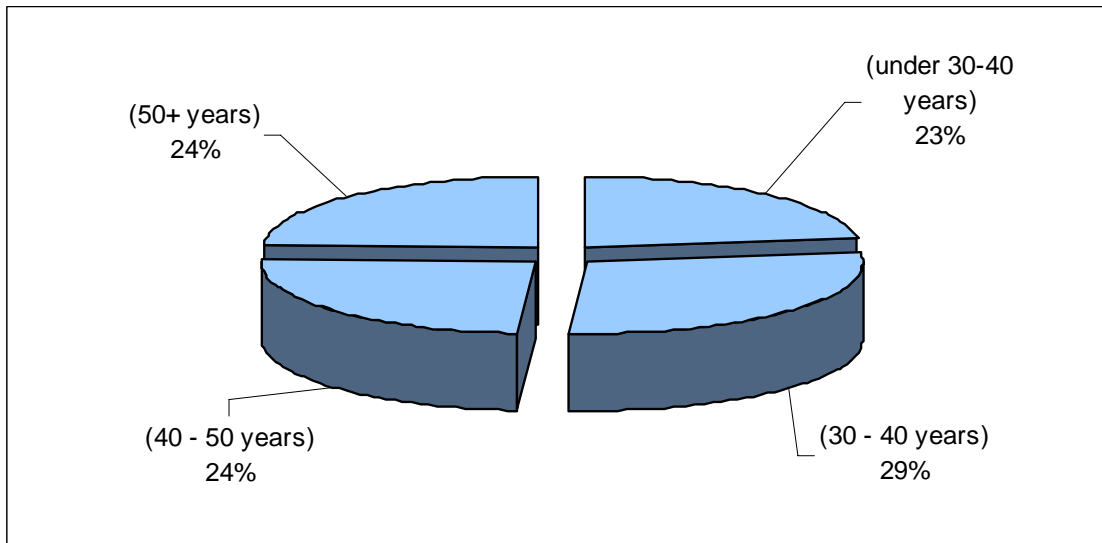
The Table below represents the number of people employed by DHCS who have voluntarily disclosed that they fall into one of the following categories.

<i>Category</i>	<i>Number</i>
<i>People with Disability</i>	20
<i>Aboriginal & Torres Strait Islander</i>	15
<i>Culturally and Linguistically Diverse (CALD) Background</i>	141
<i>EEO Total</i>	176

Staffing Profile – Gender

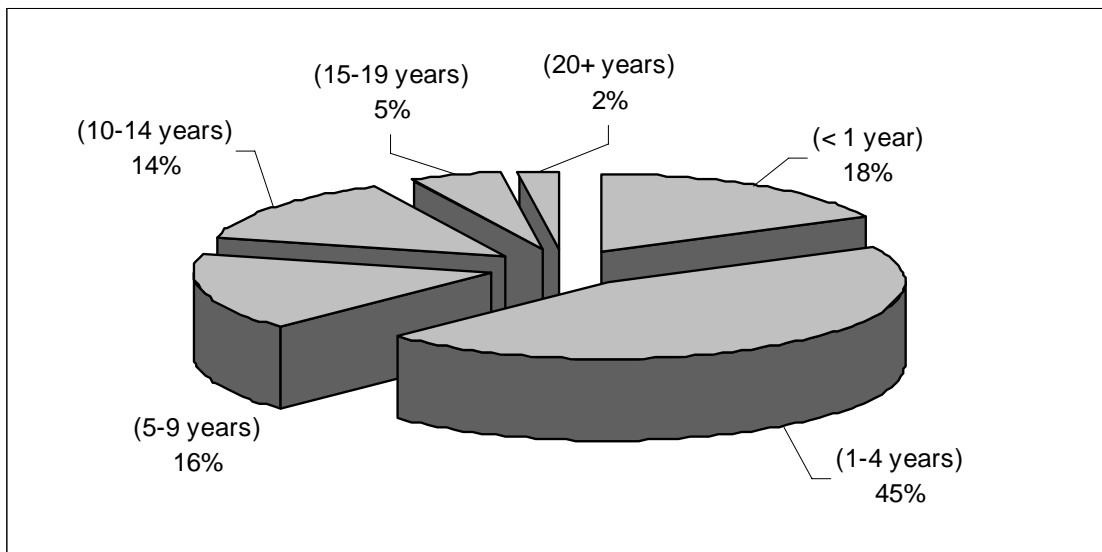


Staffing Profile – Age



Staffing Profile – Years of Service

The Department's staffing profile, by years of service, shows that more than 45% of staff members have less than 4 years service.



Attachment 5 – Strategic Asset Management Plan

STRATEGIC ASSET PLAN

DHCS has inherited additional assets through the year as a part of the changes in Administrative Arrangements with the Department becoming responsible for the Office for Children, Youth and Family Services, Multicultural and Community Engagement and the Child and Family Centres. These responsibilities added significant assets to the Department's existing assets that include public housing properties, community facilities and accommodation for office staff and service delivery. Significant work has been undertaken in best managing the assets owned for use by the community. DHCS had bought forward a need to better address the planning management and utilisation of DHCS assets from which services are delivered.

COMMUNITY SERVICES FACILITIES MANAGEMENT STRATEGY

The Community Services Facilities Management Strategy provides a framework for the ongoing management of community assets within the Department's portfolio. The Strategy provides background information including existing facility management arrangements, identifies seven key strategies and outlines a three-year action plan to address the strategies. The action plan will take into account the level of funding provided by Government for capital upgrades.

Ownership and Purpose for Community Facilities

The Strategy sets out the context of the Department's ownership of and purpose for community facilities. These are:

- community facilities exist to support government objectives, departmental service delivery objectives and community group and individual client activities;
- asset planning and management are an integral part of the Department's financial planning to ensure that ACT assets are managed effectively and remain aligned with Government objectives;
- organisations managing the Department facilities should establish effective internal controls for the planning and management of assets, consistent with this Strategy;
- asset management decisions should meet the needs of the present without compromising the needs of future generations;
- organisations managing the Department facilities should demonstrate the consistency of their decisions with community needs and expectations; and
- the Department's community facilities are owned by the government on behalf of the community and the planning, acquisition, maintenance, renewal and disposal of assets should be transparent to those owners.

Framework

The Strategy also provides a framework in which the Department, community organisations and the community at large share the roles and responsibility in assessing the services provided through the facilities and the arrangements under which they operate, and allows the Department to adequately provide for the future needs of the Canberra community in a sustainable and cost effective way.

A partnership approach is needed between DHCS and the community organisations that manage the community facilities to ensure that the facilities are used in a way that achieves the Government's social priorities. The process outlined in the Strategy will assist the community organisations to plan for the future in terms of the programs they can deliver through the Department's facilities. Furthermore, it will better enable the Government to plan the provision and maintenance of the facilities in which community organisations deliver their services.

The Strategy provides a platform on which the issues relating to the use of the facilities can be addressed and on which acquisition, redevelopment and disposal strategies can be developed to target future community needs. It also provides a platform to address issues relating to the lease arrangements, public liability insurance and the management of risk between the Department and community organisations.

Key Strategies

The Strategy commenced in 2004-05 with a three year implementation and clearly defined activities in each year. Achievements against the identified commitments in the Strategy will be reviewed at the end of each year. It identifies seven key strategies that will guide the Department in the management of its community service facilities. These strategies are:

- effective consultation with stakeholders in determining priorities;
- an annual reporting format for facility managers to improve accountability;
- a review of lease arrangements to more clearly define responsibilities;
- improved property management practices including maintenance planning;
- acquisition, redevelopment and disposal strategies to more effectively target future needs;
- ensuring all facilities have adequate public liability insurance; and
- resolving inter-agency issues relating to the co-location of childcare and youth facilities.

Action Plan

The Strategy will be implemented through the following action plan.

2005-06

2005-06 is the second year of the Strategy's implementation and will focus on the following actions:

- develop 2005-06 Maintenance and Capital Upgrades programs which are currently being developed in consultation with community management organisations.
- implement the Key Performance Indicators (KPIs) for the facilities developed in Year 1;
- collect data in accordance with the annual reporting format agreed in Year 1;
- conduct a further workshop on facility management based on the data collected and drawing on the research of practices in other States;
- review future demand for space with stakeholders;
- identify future facility renewal costs with community organisations;

- commence the renegotiation of lease arrangements with community organisations, where they are due for renewal;
- commence consideration of acquisition, redevelopment and disposal strategies;
- continue with regular visits using the standard format developed in Year 1; and
- a condition audit will be undertaken on another third of the community facilities.

Consultation

Through the Strategy the Department will work with community organisations to manage the facilities in the most cost-effective way and to foster a culture of continuous improvement in asset management. In the development of this Strategy the process of engaging and consulting with current tenants and peak community groups has positioned the Department well in achieving this goal.

DEPARTMENTAL ASSETS MANAGEMENT STRATEGY

The Department is responsible for a number of buildings that provide departmental office and/or service delivery accommodation. A significant proportion of this portfolio of assets is newly acquired and through the coming year the Department will review this portfolio to see if there are opportunities to provide better staff accommodation and service delivery outcomes. The Department proposes to develop an asset and accommodation management strategy during 2005-06.

GOVERNMENT ACCOMMODATION

Office Accommodation Profile Summary

	2004-05 Estimated Outcome	2005-06 Planned	2006-07 Planned	2007-08 Planned	2008-09 Planned
Number of Office Locations	22	12	12	12	12
Total net lettable area (m2)	23,031	16,950	16,950	18,550	18,550
Number of employees (FTEs)	1,053	1,118	1,113	1,113	1,113
Total accommodation operating costs (\$'000)	4,162	4,290	4,290	4,530	4,719
Accommodation usage (m2 per employee)	21.9	15.2	15.2	16.7	16.7
Accommodation cost per employee (\$'000)	3.95	3.84	3.85	4.07	4.24

Housing ACT – Asset Management Plan

Assets

As at 31 December 2004 Housing ACT had 11,514 properties, valued at some \$2.885 billion. These property assets are a significant asset of the Territory and have a long life cycle.

The portfolio of public housing properties is inherently linked to the delivery of public housing services in the ACT. Public housing contributes significantly to the provision of housing for those people who have difficulty accessing the private market for reasons of low and unpredictable income, multiple and complex needs or disadvantage and disability. Following the rapid escalation of house prices and rents, public housing is the only option for an increasing number of people.

Access to housing is central to health and well-being. It provides the basic foundation on which individuals and families build stable, healthy and productive lives linked to education and employment.

Housing ACT provides the people of Canberra with safe, affordable and appropriate public housing that supports the needs of its clients in a sustainable social environment. The provision of secure housing helps to provide dignity and the opportunity to develop a sense of community and of place. Secure housing provides tenants with the opportunity to build environments that are inclusive and participative.

Property and Other Major Assets

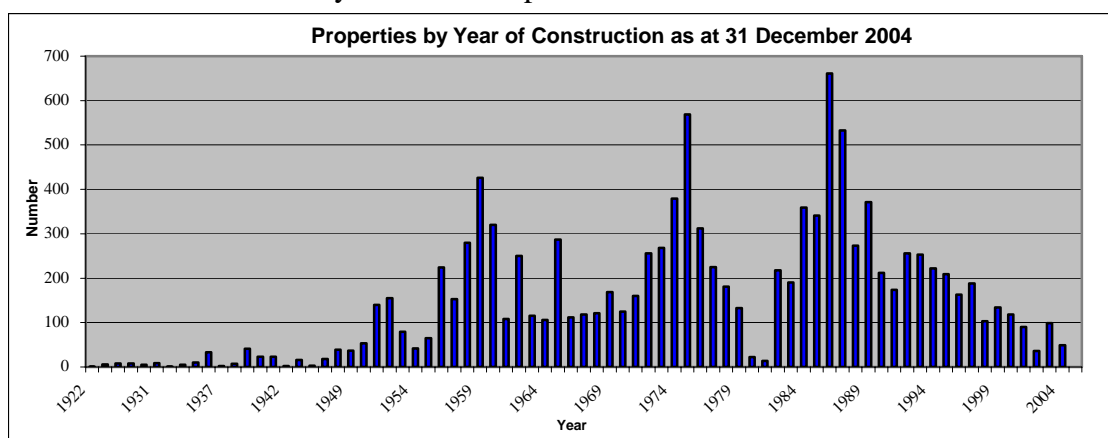
	Estimated Outcome 2004-05 \$'000	Planned 2005-06 \$'000	Planned 2006-07 \$'000	Planned 2007-08 \$'000	Planned 2008-09 \$'000
<u>Departmental Assets</u>					
Land	2,097,793	2,180,193	2,289,822	2,408,279	2,528,894
Buildings	928,401	936,938	958,681	993,636	1,034,689
Major Plant & Equipment and Works in Progress	15,845	14,067	12,098	11,623	9,751
TOTAL	3,042,039	3,131,198	3,260,601	3,413,538	3,573,334

Government housing was an important part of Canberra's development from the construction of the inner north and inner south commencing in the 1920s, to the major construction program conducted in the period of Canberra's expansion from 1958 to the late 1980s. Much of the portfolio constructed in the period from 1958 was aimed at accommodating large numbers of young and single public servants transferring from Melbourne or Sydney to the central offices of Departments that were being established in Canberra. Means testing of new applicants for government housing was introduced in 1973 in response to excessive waiting times.

The legacy of a large proportion of Government housing means that around 9% (11,500) of all ACT residential dwellings are public housing properties. These properties house an increasingly diverse range of people in need within the ACT community – approximately 30,000 residents in total.

This legacy also means that the public housing portfolio has an average age of almost 30 years and is the oldest public housing in Australia. The age and structure of the public housing portfolio presents considerable challenges for rejuvenation of the portfolio. In addition, there is the associated problem that many multi-unit sites do not comply with current Building Code of Australia (BCA) standards, particularly in relation to fire safety. These deficiencies are currently being addressed as a matter of some urgency.

The chart below shows the major peaks in construction of public housing, and this mirrors the scale of activity in the development of Canberra.



The manner in which Housing ACT discharges its public housing asset management responsibilities directly influences the level of its effectiveness in meeting the community’s need for housing assistance. Its major responsibilities in relation to asset management are to:

- strategically manage the public housing portfolio for the ACT Government, including acquisitions, disposals, and refurbishment of properties to align the portfolio with changing social structures and tenant and prospective tenant needs, and responding to environmental standards particularly in the areas of energy and water efficiency;
- protect the Territory’s investment in its public housing, including the management of the preventative and regular maintenance and upgrade programs;
- provide sustainable tenancies and build stronger communities; and
- pursue opportunities for better leveraging off the portfolio through private sector partnerships and using the value of the assets to assist in restructuring the portfolio.

These strategic asset management principles for public housing are set out in the Public Housing Asset Management Strategy 2003-08 and approved by the Government during 2003-04. The Strategy outlines the challenges facing Housing ACT in efficiently and effectively utilising its portfolio to meet the housing needs of some of Canberra’s most disadvantaged citizens. It also outlines the proposed response to those challenges.

The Strategy is prepared in a context that acknowledges:

- the recognition that stable housing is a key foundation in achieving the Government's social objectives;
- the Government's commitment to equitably meet the housing needs of the ACT community, and in particular to provide safe, secure, appropriate and affordable housing to those most in need;
- the role of public housing in building stronger communities and in the broader processes for achieving sustainable development in the ACT, particularly the Government's commitment to reducing greenhouse gas emissions and to sustainable water management;
- the Government's objective to maintain the level of public housing;
- the Government's obligations under the Commonwealth-State Housing Agreement;
- the imperative that the portfolio remains responsive, flexible and appropriate in meeting the needs of tenants and applicants;
- the need to balance tenants' desire for security of tenure against the need to rejuvenate the portfolio;
- the need to ensure that all social housing providers are financially viable; and
- the need to ensure that asset management decisions protect and enhance the value of the portfolio, whilst at the same time recognising that the portfolio exists primarily to achieve the Government's social goals.

The Government considers that the consolidation and growth of a viable and flexible social housing system is essential for the provision of affordable housing in Canberra, and is a necessary element in any broad based approach to meeting the diverse range of peoples' needs in the ACT. The Government is therefore committed to public housing as an important strategy in alleviating poverty and social disadvantage in our community.

The Government is equally committed to the expansion of the community-housing sector in the ACT and allocated capital funding during 2004-05 to support the growth of that sector. Community housing presents a housing option, which is complementary to public housing, in that it offers a higher level of tenant participation in management while also providing another avenue through which the diverse needs of individuals can be met.

Development of an asset management strategy for public housing cannot therefore be considered in isolation, and must be seen in the context of the development of a broader strategy for the expansion of social housing in the ACT in a way which improves the range of housing choices available to ACT residents.

It is envisaged that the principles and strategies included in the Strategy apply for the period of the next Commonwealth State Housing Agreement, i.e. over the five years to 30 June 2008. However their currency and relevance will need to be reviewed regularly. Asset management is an ongoing process, which reviews current performance and takes account of trends in service demand, allowing the prediction of future asset requirements.

Asset Management Principles

In responding to the substantial challenges confronting the public housing system, a number of initiatives have been pursued in recent years. For example, a total facility management concept has been introduced to improve the maintenance and upgrading of the portfolio. Also, some reconfiguration of the portfolio has occurred, particularly through a significant reduction in the number of bedsitter flats and three bedroom properties, and an increase in the number of one and two bedroom properties.

A set of asset management principles has been developed to steer the response to the challenges outlined above. The principles are based on the assumption that maintaining a viable public housing portfolio is integral to meeting the ongoing needs for affordable and appropriate housing for those people in the community unable to access alternative suitable housing options.

The principles recognise that asset management of the portfolio is primarily undertaken to assist in delivering housing outcomes to eligible tenants and applicants, and that asset management must be informed by and consistent with the Government's overall policy objectives for public housing. There will, of course, be times when the principles conflict, requiring resolution on a case-by-case basis.

Asset management strategies will be implemented around the following principles:

1. The public housing portfolio will be aligned to ensure that properties are well located across the city and in areas with good access to public transport, employment, education and services.
2. Public housing will contribute to the creation of sustainable communities by better integrating within the surrounding neighbourhoods, promoting mixed ownership, and incorporating high quality design features to minimise environmental impacts.
3. There will be sufficient flexibility of stock to respond to ongoing and emerging social housing needs, including provision for clients with special needs.
4. The portfolio will be maintained to agreed condition standards to ensure appropriate amenity and safety for tenants and to preserve the value of the assets.
5. The public housing system will be managed efficiently and cost effectively, providing best value to the Government.

Details of the Housing ACT Asset Management Plan are contained in the *Public Housing Asset Management Strategy 2003-2008*.

Government Funded Capital Works Program 2005-06

Department of Disability, Housing and Community Services - Departmental

	Estimated Total Cost ¹ \$'000	Expenditure Prior Years \$'000	2005-06 Estimated Outcome \$'000	2006-07 Financing \$'000	2007-08 Financing \$'000	Expected Completion Date
New Capital Works						
New Construction Works						
Single Therapy Service Accommodation	1 500	-	1 500	-	-	Jun 2006
Intensive Care and Treatment Facility	1 660	-	882	778	-	Jun 2007
Homelessness drop-in-centre – feasibility study	100	-	100	-	-	Jun 2006
Total New Construction Works	3 260	-	2 482	778	-	
Capital Upgrades						
Community Building Refurbishment & Upgrades	600	-	600	-	-	-
Total Capital Upgrades	600		600	-	-	-
Total New Capital Works	3 860	-	3 082	778	-	
Works in Progress						
Extra Community Space in New Griffin Centre	2 793	1 581	1 212			Jun 2006
Palmerston Community Hall	1 000	195	805			Jun 2006
Multicultural Centre	3 240	1 238	2 002			Jun 2006
Child and Family Centres	6 000	520	5 400	80		Jun 2007
Total Works in Progress	13 033	3 534	9 419	80		
Total Departmental Capital Works	16 893	3 534	12 501	858	-	

Office for Children, Youth and Family Support - Departmental

	Estimated Expenditure		2005-06	2006-07	2007-08	Expected
	Total	Prior	Estimated	Financing	Financing	Completion
	Cost ¹	Years	Outcome			Date
	\$'000	\$'000	\$'000	\$'000	\$'000	
New Capital Works						
New Construction Works						
Quamby Replacement	40 000	-	3 500	16 750	19 750	Jun 2008
Therapeutic Services – feasibility study	50	-	50	-	-	Dec 2005
Total New Construction Works	40 050	-	3 550	16 750	19 750	
Capital Upgrades						
Building Condition	600	-	600	-	-	-
Safety, Access and OH&S	100	-	100	-	-	-
Building, Grounds, Access, and Safety	200	-	200	-	-	-
Total Capital Upgrades	900		900	-	-	
Total New Capital Works	40 950	-	4 450	16 750	19 750	
Works in Progress						
Weston Creek Childcare Facility	1 650	0	1 650	-	-	Jun 2006
Civic Youth Centre	1 425	1 175	250	-	-	Sep 2005
Quamby Upgrade	4 500	2 800	1 700	-	-	Jun 2006
11 Moore St Fit Out	6 750	1 800	4 950	-	-	Aug 2005
Total Works in Progress	14 325	5 775	8 550	-	-	
Total Departmental Capital Works	55 275	5 775	13 000	16 750	19 750	

Attachment 6 – Bank Accounts

The Department is responsible for the following bank accounts:

Account No.	Departmental, Territorial, or Third Party	Bank	Purpose
10003411	Departmental	Commonwealth Bank of Australia	DHCS Disability Operating Account
10003606	Territorial	Commonwealth Bank of Australia	DHCS EBT (Expenditure on Behalf of the Territory) Account
10003630	Territorial	Commonwealth Bank of Australia	DHCS RBT (Revenue on Behalf of the Territory) Account
10003622	Departmental	Commonwealth Bank of Australia	DHCS McMillan Shakespeare Account
10003614	Departmental	Commonwealth Bank of Australia	DHCS Salary Packaging Services Account

Housing ACT is responsible for the following bank accounts:

Account No.	Departmental, Territorial, or Third Party	Bank	Purpose
10000501	Departmental	Commonwealth Bank of Australia	Housing Operating Account
10000026	Departmental	Commonwealth Bank of Australia	Housing Direct Debits Reject Account
10001854	Departmental	Commonwealth Bank of Australia	Housing Salary Packaging Services Pty Limited Salary Packaging Trust Account
1001862	Departmental	Commonwealth Bank of Australia	Housing McMillan Shakespeare Australia Pty Limited Salary Packaging Trust Account
10003665	Territorial	Commonwealth Bank of Australia	Housing and Community Services Territory Account

The Office for Children, Youth and Family Support is responsible for the following bank accounts:

<i>Account No.</i>	<i>Departmental, Territorial, or Third Party</i>	<i>Bank</i>	<i>Purpose</i>
10016386	Departmental	Commonwealth Bank of Australia	ACT Office for Children Youth and Family Support Operating Account

Attachment 7 – Management of GST and FBT Risk

The Australian Taxation Office (ATO) has legislated certain responsibilities in regard to management of the Goods and Services Tax (GST) and the Fringe Benefits Tax (FBT). In regard to compliance with taxation requirements, the Territory is to have a low risk of possible non-compliance with ATO requirements.

A plan for management of the Department’s taxation management is set out below:

GST/FBT Risk Assessment Model

GST/FBT Risk Criteria	Yes/No
1. Do key GST staff have a minimum of eighteen months GST experience?	Yes
2. Has the Finance manager and key GST staff attended GST training in the last eighteen months?	Yes
3. Has key staff associated with preparation of the annual FBT return attended FBT training in the last eighteen months?	Yes
4. Has the GST function been externally reviewed in the last two years with satisfactory results?	Yes
5. Has the FBT function been externally reviewed in the last two years with satisfactory results?	Yes
6. Is the BAS information reconciled with revenue and expenditure information from the financial systems?	Yes
7. Is the BAS checked by a second person?	Yes
8. Is the annual FBT return checked by a second person?	Yes
9. Are processes in place to obtain and review changes to GST legislation and rulings?	Yes
10. Are processes in place to obtain and review changes to FBT legislation and rulings?	Yes
11. Do you have written policies and procedures in place for GST? (This will be requested if an ATO audit is conducted)	Yes
12. Do you have written policies and procedures in place for FBT? (This will be requested if an ATO audit is conducted)	Yes

Note: All of the criteria are important and are not in an order of priority.

Assess risk as **LOW** if answered ‘Yes’ to a minimum of 9 questions.

Assess risk as **MEDIUM** if answered ‘Yes’ to a minimum of 7 questions.

Assess risk as **HIGH** if answered ‘Yes’ to less than 7 questions.

GST/FBT risk is assessed as: **LOW**

Quality Control Processes

The following processes have been put in place to ensure the accuracy of the GST and FBT returns:

- Regular monthly reconciliations of the Business Activity Statement reports to the general ledger;
- Periodic checks and monitoring of coding by business units;
- The central finance area provides business units with assistance and advice on GST and FBT related issues; and
- Key personnel access external training programs and online updates for GST and FBT.

Strategies to improve management of the GST and FBT Risk

Strategy	Timeframe
Implement the ACT Government's tax management framework, in particular <ul style="list-style-type: none"> – Develop and implement an annual taxation plan; – Key staff receive training through attendance at external courses on GST and FBT (at least annually) to ensure that up to date knowledge of the relevant taxation requirements is maintained – Maintain an up to date technical tax reference library 	June 2005 Ongoing Ongoing
Develop in house training on GST and FBT to staff	Ongoing
Periodic independent (external) review of compliance with GST and FBT legislation	Ongoing
Regular review of internal policies and procedures and training documentation to ensure the information is current	Ongoing

Office for Children, Youth and Family Support

A plan for management of the Office's taxation management is set out below:

GST/FBT Risk Assessment Model

GST/FBT Risk Criteria	Yes/No
1. Do key GST staff have a minimum of eighteen months GST experience?	Yes
2. Has the Finance manager and key GST staff attended GST training in the last eighteen months?	Yes
3. Has key staff associated with preparation of the annual FBT return attended FBT training in the last eighteen months?	Yes
4. Has the GST function been externally reviewed in the last two years with satisfactory results?	No
5. Has the FBT function been externally reviewed in the last two years with satisfactory results?	No
6. Is the BAS information reconciled with revenue and expenditure information from the financial systems?	Yes
7. Is the BAS checked by a second person?	Yes
8. Is the annual FBT return checked by a second person?	Yes
9. Are processes in place to obtain and review changes to GST legislation and rulings?	Yes
10. Are processes in place to obtain and review changes to FBT legislation and rulings?	Yes
11. Do you have written policies and procedures in place for GST? (This will be requested if an ATO audit is conducted)	Yes
12. Do you have written policies and procedures in place for FBT? (This will be requested if an ATO audit is conducted)	Yes

Note: All of the criteria are important and are not in an order of priority.

Assess risk as **LOW** if answered 'Yes' to a minimum of 9 questions.

Assess risk as **MEDIUM** if answered 'Yes' to a minimum of 7 questions.

Assess risk as **HIGH** if answered 'Yes' to less than 7 questions.

GST/FBT risk is assessed as: **LOW**

Quality Control Processes

The following processes have been put in place to ensure the accuracy of the GST and FBT returns:

- Regular monthly reconciliations of the Business Activity Statement reports to the general ledger;
- Periodic checks and monitoring of coding by business units;
- The central finance area provides business units with assistance and advice on GST and FBT related issues; and
- Key personnel access external training programs and online updates for GST and FBT.

Strategies to improve management of the GST and FBT Risk

Strategy	Timeframe
Implement the ACT Government's tax management framework, in particular <ul style="list-style-type: none">– Appoint a designated tax manager to oversee all taxation matters– Develop and implement an annual taxation plan;– Key staff receive training through attendance at external courses on GST and FBT (at least annually) to ensure that up to date knowledge of the relevant taxation requirements is maintained– Maintain an up to date technical tax reference library	June 2005 June 2005 Ongoing Ongoing
Develop in house training on GST and FBT to staff	Ongoing
Periodic independent (external) review of compliance with GST and FBT legislation	Ongoing
Regular review of internal policies and procedures and training documentation to ensure the information is current	Ongoing

Housing ACT

The Territory aims to have a low risk of non-compliance with the Goods and Services Tax (GST) and Fringe Benefits Tax (FBT). Housing ACT's taxation management plan to ensure compliance with the Australian Taxation Office (ATO) requirements is set out below, and specifically addresses the following:

- strategies are in place to ensure Housing ACT maintains up-to-date knowledge of relevant taxation requirements and takes account of any relevant changes in the law, guidelines or interpretations. For instance by designating a specific officer to be the Tax Manager who is responsible for continually reviewing the ATO website and other sources for information of any relevant changes to taxation that may impact upon Housing ACT's operations. Housing ACT attends bi-annual conferences specifically addressing taxation issues for public housing.

Housing ACT also subscribes to CCH Australia Limited and receives up-to-date references such as the GST Guide and the Master Tax Guide as well as newsletters and alerts. Specialist tax advisers are also engaged to provide specific taxation advice and as a result of this relevant staff receive their newsletters and taxation updates;

- quality control processes are implemented to ensure the accuracy of GST and FBT returns, including training staff to ensure that there is a valid ABN for a supplier and that a tax invoice, as prescribed, is received and checked prior to processing. Adequate records are maintained to ensure all tax liabilities are captured at the earliest possible time and a system of independent checks and reviews is in place, including for the FBT and BAS returns prior to lodgement; and
- A risk assessment is regularly undertaken, which specifically takes into account possible non-compliance with ATO requirements and if the risk of non-compliance is assessed as 'Medium' or 'High', actions are implemented to reduce the risk to 'Low'.

Housing ACT is assessed as being a low risk of non-compliance, (refer to table below). Following an independent audit of GST compliance by the ATO in 2003-04 they confirmed the low risk of non-compliance. In part, the low risk assessment flows from Housing ACT's status of being largely input taxed and not taking an aggressive tax minimisation stance. Most transaction by Housing are treated as input taxed as they relate to, or are ancillary to the provision of residential accommodation, which pursuant to the GST legislation means that the input tax credits cannot be claimed.

A Private Ruling from the ATO provides guidance on those transactions which GST may be claimed as they are for creditable acquisitions. With a more aggressive taxation stance, certain activities may be treated as creditable acquisitions, but at this time Housing ACT is treating any transaction where there is doubt as input taxed. Accordingly, the risk of non-compliance and exposure of Housing to action by the ATO is minimal.

GST/FBT Risk Assessment Model

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Note: All of the criteria are important and are not in an order of priority.

Assess risk as **LOW** if answered 'Yes' to a minimum of 9 questions.

Assess risk as **MEDIUM** if answered 'Yes' to a minimum of 7 questions.

Assess risk as **HIGH** if answered 'Yes' to less than 7 questions.

GST/FBT risk is assessed as: **LOW**