

# MINISTER FOR HOUSING, AND MINISTER FOR WESTERN SYDNEY

## OVERVIEW

<i>Agency</i>	<i>2008-09 Budget \$m</i>	<i>2009-10 Budget \$m</i>	<i>Variation %</i>
<b>Payments to Other Government Bodies Under the Control of the Minister</b>			
Total Expenses .....	582.7	1,944.8	233.8
Capital Expenditure .....	...	...	...
<b>Aboriginal Housing Office</b>			
Total Expenses .....	79.4	67.7	-14.7
Capital Expenditure .....	13.5	13.5	...
<b>Home Purchase Assistance Fund</b>			
Total Expenses .....	17.0	16.8	-1.2
Capital Expenditure .....	...	...	...
<b>Total, Minister for Housing, and Minister for Western Sydney*</b>			
Total Expenses .....	<b>639.5</b>	<b>1,993.6</b>	<b>211.7</b>
Capital Expenditure .....	<b>13.5</b>	<b>13.5</b>	...

\* *The Ministerial total has been reduced to exclude recurrent amounts paid from Payments to Other Government Bodies Under the Control of the Minister to the Aboriginal Housing Office.*

In addition to the agencies listed above, the Minister is also supported by the Department of Premier and Cabinet (Section 2) for the Western Sydney portfolio area.

## **PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER**

Payments through the Housing Policy and Assistance Program will assist around 400,000 people in housing need. Housing NSW, which operates under the auspices of the *Housing Act 2001*, and the Aboriginal Housing Office (AHO), which operates under the auspices of the *Aboriginal Housing Act 1998*, will use these payments and internal funding sources to provide:

- ◆ Government-subsidised social housing managed by public, community and Aboriginal housing providers to approximately 300,000 people
- ◆ around 4,650 crisis accommodation places for nearly 30,000 people and
- ◆ financial assistance to approximately 67,000 private renters and homebuyers.

## **RESULTS AND SERVICES**

Housing NSW is the largest provider of social housing in Australia, delivering a range of housing options to people in need in the community. The work of Housing NSW is driven by its purpose to help build a stronger community. The AHO works with Aboriginal communities to meet the housing needs of Aboriginal people. Housing NSW and the AHO focus on achieving the four major results outlined below:

- ◆ Homeless people have access to housing and support services to sustain a tenancy.
- ◆ Social housing is appropriate for client needs, including the needs of Aboriginal people.
- ◆ Social housing is integrated into communities.
- ◆ Access to affordable housing is improved.

Key services provided by Housing NSW and AHO to contribute to these results include:

- ◆ working with other departments and organisations to address homelessness in New South Wales
- ◆ managing NSW public housing assets
- ◆ funding and regulating community housing and crisis accommodation

## 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

- ◆ developing policy and supporting relationships to increase access to social and affordable housing across New South Wales and
- ◆ providing a range of products and services to assist people with low to moderate income to move into private rental and home ownership.

Funding provided through the Housing Policy and Assistance Program supports the programs delivered by Housing NSW and the AHO, such as housing supply, asset management and various assistance programs.

The way in which the Program is expected to contribute to the desired results is set out in the following table:

Service Group	2009-10 Budget Expenses  \$m	Results			
		Homeless people have access to housing and support services to sustain a tenancy	Social housing is appropriate for client needs, including the needs of Aboriginal people	Social housing is integrated into communities	Access to affordable housing is improved
Housing Policy and Assistance	1,944.8	✓	✓	✓	✓
<b>Total Expenses Excluding Losses</b>	<b>1,944.8</b>				

### RECENT ACHIEVEMENTS

In 2008-09, the Commonwealth and State and Territory Governments, through the Council of Australian Governments, agreed to the new National Affordable Housing Agreement (NAHA). This agreement took effect on 1 January 2009 and replaces the Commonwealth State Housing Agreement.

The NAHA provides an enhanced framework for governments to work together to reform the housing sector, improve housing affordability, reduce homelessness and reduce Indigenous housing disadvantage.

## **31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER**

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### **National Partnerships**

Supporting the NAHA will be associated National Partnerships on Social Housing, Homelessness and Remote Indigenous Housing.

The National Partnership on Social Housing will fund projects to increase the supply of social housing in the short term. The Australian Government provided New South Wales with \$65.2 million under the first round of this National Partnership. This funding will be granted to community housing providers for the acquisition of around 300 additional dwellings. A further \$65.2 million is also expected in the second round for an estimated 283 additional dwellings.

The National Partnership on Homelessness aims to contribute to a reduction in homelessness, primarily by funding support services to people who are homeless or at risk of homelessness. The partnership includes funding for A Place to Call Home – a strategy to address homelessness by providing new homes for homeless families and individuals together with support services for the first 12 months of each tenancy.

The National Partnership on Remote Indigenous Housing aims to reduce Indigenous housing disadvantage by funding the construction of new houses for Aboriginal people, repairs and maintenance for all houses in remote Aboriginal communities, and tenancy management and support in remote areas.

Funding for the National Partnerships on Homelessness and Remote Indigenous Housing has not yet been incorporated in the program totals for the Housing Policy and Assistance Program. This funding will be allocated based on agreed implementation plans when they are finalised. New South Wales is expecting to receive a total of \$396.8 million over 10 years under the National Partnership on Remote Indigenous Housing. A further \$101.6 million over 4 years is expected under the National Partnership on Homelessness.

### **Nation Building - Economic Stimulus Plan**

The National Partnership Agreement on the Nation Building - Economic Stimulus Plan will support economic growth and jobs. In relation to the Housing portfolio, the Plan will significantly increase the supply of social housing through new construction and refurbishment of existing stock.

Funds approved for New South Wales under the Nation Building - Economic Stimulus Plan Stage 1 - New Construction total \$226 million for 2008-09 and 2009-10 and will enable the development of around 850 new dwellings.

### **31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER**

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A total of \$130 million has been provided in 2008-09 and 2009-10 under the Nation Building - Economic Stimulus Plan to upgrade social housing properties.

Implementation Plans are being developed and it is anticipated that further funding will be available in 2009-10 totalling \$1,055.5 million, under the Nation Building - Economic Stimulus Plan Stage 2 – New Construction, which will substantially increase the supply of social housing. It is estimated the construction of up to 5,649 dwellings will commence in 2009-10 under this Plan.

#### **STRATEGIC DIRECTIONS**

A focus for 2009-10 will be developing and implementing reforms agreed under the National Affordable Housing Agreement, including the Nation Building - Economic Stimulus Plan. This will create more homes for those most in need and improve housing outcomes for low to moderate income earners, particularly those facing homelessness.

Housing NSW will also continue implementing the following strategies:

- ◆ Planning for the Future: new directions for Community Housing 2007 – 2012, which sets a target to increase community housing from 13,000 to 30,000 homes over the next ten years.
- ◆ A New Direction in Building Stronger Communities 2006-07 to 2010-11, a \$66 million initiative over four years which brings together residents, government agencies, community organisations and businesses to renew disadvantaged public housing areas.
- ◆ New Directions in Social Housing for Older People Action Plan 2006 to 2011, which commits the Government to increasing the amount of social housing stock available for older people by 10 per cent to a total of 30,000 dwellings over five years.
- ◆ Housing and Human Services Accord – a whole-of-government overarching framework for a range of key initiatives to assist social housing clients with complex needs.
- ◆ Environmental Sustainability in Housing NSW 2008-09 to 2013-14, a strategy to improve the environmental sustainability of housing and adopt the principles of ecologically sustainable development into the management of the social housing system to reduce carbon emissions and resource consumption across all key activities.

## 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

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### **Other Initiatives**

#### ***Homelessness Initiatives***

Housing NSW will invest \$38.8 million over five years to build 155 new dwellings under the Australian Government's A Place to Call Home strategy to address homelessness. This strategy will see homeless families and individuals move directly into these homes instead of going to refuges. In 2009-10, \$6.4 million has been allocated to build 26 new homes for the homeless.

Housing NSW is currently leading the development of the NSW Homelessness Action Plan. The Action Plan will incorporate high level outcomes, strategic directions, strategies and actions that aim to better coordinate and describe the NSW Government's efforts to prevent homelessness.

#### ***Child Protection Reform Initiative***

As part of the *Keep Them Safe: A shared approach to child wellbeing*, Housing NSW will establish a Child Wellbeing Unit to advise, support and educate frontline mandatory reporting staff to identify when a child is at risk of significant harm, and in less serious cases, to identify appropriate local action or referral (\$2.6 million over four years). The Unit will be ready by late 2009, and will begin operation in 2010.

#### ***Private Rental Subsidy Scheme for Women with Children Escaping Domestic Violence***

Housing NSW will invest \$ 16 million over four years for a new Private Rental Subsidy Scheme aimed at helping women with children escaping domestic violence to secure and sustain a safe home in the private rental market. \$4 million per annum has been allocated to assist 1,650 households over four years.

Housing NSW will work with other agencies to ensure that clients receiving the subsidy are able to access the support services that they need to sustain their tenancies in the long term.

#### ***Environmental Sustainability Initiative***

In 2009-10, \$5.3 million will be allocated to water efficiency improvements and the installation of ceiling insulation in social housing dwellings. This is included in the total asset management budget of Housing NSW.

This is part of a \$17.8 million program over four years funded through the Climate Change Fund to replace 12,000 electric storage hot water heaters with solar hot water heaters and continue the installation of water saving devices.

## 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

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### 2009-10 BUDGET INITIATIVES

#### **Total Expenses**

In 2009-10, \$1,944.8 million will be provided for the Housing Policy and Assistance Program, an increase of \$1,362.1 million over 2008-09. This comprises \$1,745.7 million of Australian Government funding and \$199.1 million from the NSW Government. The NSW Government will also contribute a further \$654.2 million from Housing NSW and AHO internal sources.

In total, \$2,599 million will be applied by Housing NSW and the AHO across a number of key areas, including housing supply, asset management for existing dwellings and other housing programs for people in housing need.

The AHO allocation for 2009-10 from the Housing Policy and Assistance Program totals \$49.4 million, including \$4.6 million for the Aboriginal Communities Development Program.

#### ***Housing Supply Program***

The total social housing supply program for 2009-10 of \$1,663.1 million will fund new capital works, works in progress, and existing and new leased housing in the public, community and Aboriginal housing sectors. This includes:

- ◆ \$376.5 million for the base public and community housing supply program. This will fund works in progress, new capital works and leased dwellings, enabling the commencement of 871 new dwellings, the completion of 1,051 dwellings and 535 new leases
- ◆ \$204.1 million under the Nation Building Economic Stimulus Plan – Stage 1 to enable the commencement of 269 new dwellings and the completion of 853 dwellings
- ◆ \$1,055.5 million under the Nation Building Economic Stimulus Plan – Stage 2 involving a range of delivery options including land and multi-unit development packages and redevelopment projects. It is estimated that this will allow construction to commence for up to 5,649 dwellings in 2009-10
- ◆ \$14 million for crisis accommodation which will fund the commencement of 14 new dwellings, the completion of 31 dwellings and continuation of 230 existing leases and
- ◆ \$13 million for the AHO to commence 43 new dwellings and support completion of 35 dwellings in 2009-10.

## 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

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In total, 7,381 additional homes will be commenced or leased from the private rental market during 2009-10.

The initiatives under the program facilitate a staged expansion and reconfiguration of the social housing portfolio to more accurately meet the tenant profile.

### ***Asset Management Program***

A total of \$674.5 million has been budgeted for improvements to social housing dwellings. Improvements range from planned repairs to major upgrade works and will encompass public, community (including crisis accommodation) and Aboriginal housing. During 2009-10, 70 per cent of the social housing portfolio will receive either responsive or planned maintenance works as required.

The asset management program includes a sizeable investment in the removal of the maintenance backlog, with the NSW Government accelerating funding of \$200 million into 2009-10 to target the backlog. Funding of \$14.6 million is also available to provide social housing dwellings with improved fire safety protection.

An allocation of \$65.2 million has been provided through Nation Building - Economic Stimulus Plan for the upgrading of homes.

An allocation of \$20.9 million will also support capital improvements as part of the Building Stronger Communities program in 2009-10. This investment will improve the amenity and quality of life in social housing communities in seven major locations across New South Wales: Mt Druitt, Claymore, Macquarie Fields, Killarney Vale / Bateau Bay / Tumbi Umbi, Dubbo, Bathurst/Orange and Wagga Wagga.

### ***Other Programs***

The Government assists disadvantaged and lower income people renting in the private rental market.

In 2009-10, \$28.4 million will be available to help about 27,500 households gain access to or remain in private rental accommodation through Rentstart, a program that provides financial assistance in the form of a rental bond and in some cases upfront rent.

Under the Special Assistance Subsidy Program, \$10.9 million will be made available to assist eligible people with disabilities and people living with HIV/AIDS to access the private rental market.

### **31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER**

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An allocation of \$4.9 million will also be made available under a debt-equity program with registered community housing providers to support an estimated 48 additional homes.

Under the Mortgage Assistance Scheme, short term assistance will be provided to a forecast 160 additional households experiencing temporary difficulties with home loan repayments due to unemployment, illness or some other crisis.

The AHO will allocate \$5.1 million to fund non-asset related programs, such as the resourcing of Aboriginal community organisations and providing sector support.

## 31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER THE CONTROL OF THE MINISTER

### SERVICE GROUP STATEMENTS

#### 31.1 Housing Policy and Assistance

Service Description: This service group ensures that housing assistance is planned and provided in accordance with the broader Government objectives of achieving secure and affordable accommodation for people on low incomes or otherwise unable to access or maintain appropriate housing. The Housing Policy and Assistance program facilitates the development of Government subsidised housing through public, community and Aboriginal housing agencies to achieve desired outcomes for target groups.

Linkage to Results: This service group contributes to a stronger community by working towards a range of intermediate results that include:

- ◆ homeless people have access to housing and support services to sustain a tenancy
- ◆ social housing is appropriate for client needs, including the needs of Aboriginal people
- ◆ social housing is integrated into communities and
- ◆ access to affordable housing is improved.

<u>Service Measures:</u>	Units	2006-07 Actual	2007-08 Actual	2008-09 Forecast	2008-09 Revised	<b>2009-10 Forecast</b>
National Partnership on Social Housing - new units of Community and Affordable Housing	no.	n.a.	n.a.	n.a.	163	<b>420</b>
Households receiving special rent subsidies	no.	1,315	1,354	1,350	1,424	<b>1,500</b>
New households assisted with public, community and Aboriginal housing (excluding crisis)	no.	12,788	12,150	13,166	11,337	<b>11,645</b>
Total households receiving ongoing housing assistance	no.	140,854	141,783	143,690	141,667	<b>142,753</b>
Units of public and community housing completed	no.	883	995	1,160	1,411	<b>1,935</b>
Net increase in accommodation leased for public and community housing	no.	241	255	121	222	<b>451</b>
Crisis accommodation places available	no.	4,400	4,500	4,550	4,527	<b>4,650</b>
Units of accommodation (completions) for other housing programs	no.	1	12	26	113	<b>48</b>

**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER  
THE CONTROL OF THE MINISTER**

**SERVICE GROUP STATEMENTS (CONT)**

**31.1 Housing Policy and Assistance (cont)**

	Units	2006-07 Actual	2007-08 Actual	2008-09 Forecast	2008-09 Revised	<b>2009-10 Forecast</b>
Public housing tenants receiving subsidies	%	90	90	89	89	<b>90</b>
Total properties managed by public, community and Aboriginal housing	no.	147,915	148,470	147,880	148,694	<b>148,757</b>
Households provided with rent assistance	no.	31,977	28,518	29,000	28,000	<b>27,500</b>
New clients provided with mortgage assistance	no.	229	185	250	132	<b>160</b>

2008-09		<b>2009-10</b>
Budget	Revised	<b>Budget</b>
\$000	\$000	<b>\$000</b>

Financial Indicators:

Total Expenses Excluding Losses	582,718	896,109	<b>1,944,817</b>
<b>NET COST OF SERVICES</b>	<b>582,718</b>	<b>896,109</b>	<b>1,944,817</b>

**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER  
THE CONTROL OF THE MINISTER**

	<del>2008-09</del>		<b>2009-10</b>
	Budget \$000	Revised \$000	<b>Budget \$000</b>
<b>OPERATING STATEMENT</b>			
<b>Expenses Excluding Losses</b>			
Operating expenses -			
Grants and subsidies	582,718	896,109	<b>1,944,817</b>
<b>Total Expenses Excluding Losses</b>	<b>582,718</b>	<b>896,109</b>	<b>1,944,817</b>
<b>NET COST OF SERVICES</b>	<b>582,718</b>	<b>896,109</b>	<b>1,944,817</b>
<b>RECURRENT FUNDING STATEMENT</b>			
Net Cost of Services	582,718	896,109	<b>1,944,817</b>
Recurrent Services Appropriation	582,718	896,109	<b>1,944,817</b>

**31 PAYMENTS TO OTHER GOVERNMENT BODIES UNDER  
THE CONTROL OF THE MINISTER**

	<del>2008-09</del>		<b>2009-10</b>
	Budget \$000	Revised \$000	<b>Budget \$000</b>
<b>CASH FLOW STATEMENT</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Grants and subsidies	582,718	896,109	<b>1,944,817</b>
<b>Total Payments</b>	<b>582,718</b>	<b>896,109</b>	<b>1,944,817</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(582,718)</b>	<b>(896,109)</b>	<b>(1,944,817)</b>
<b>CASH FLOWS FROM GOVERNMENT</b>			
Recurrent appropriation	582,718	896,109	<b>1,944,817</b>
<b>NET CASH FLOWS FROM GOVERNMENT</b>	<b>582,718</b>	<b>896,109</b>	<b>1,944,817</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	...	...	...
<b>CASH FLOW RECONCILIATION</b>			
Net cost of services	(582,718)	(896,109)	<b>(1,944,817)</b>
<b>Net cash flow from operating activities</b>	<b>(582,718)</b>	<b>(896,109)</b>	<b>(1,944,817)</b>

## **ABORIGINAL HOUSING OFFICE**

The Aboriginal Housing Office (AHO) is a statutory authority with an all Aboriginal advisory board, established in 1998 pursuant to the *Aboriginal Housing Act 1998*. The AHO plans and administers the policies, programs and asset base for the delivery of Aboriginal housing in New South Wales. This includes resource allocation, sector-wide policy, strategic planning and monitoring outcomes and performance in the Aboriginal housing sector.

The AHO manages and delivers an annual Aboriginal Housing Program, and develops and implements a range of financial and resourcing strategies. In addition, the AHO has an important role in facilitating and improving training and employment opportunities for Aboriginal people.

### **RECENT ACHIEVEMENTS**

For 2008-09 the total expenditure is forecast at \$74.1 million. This is slightly lower than the \$79.4 million published in the 2008-09 Budget mainly due to the cessation of the former Commonwealth-funded Community Housing and Infrastructure Program and Healthy Indigenous Housing Initiative at 31 December 2008.

In 2008-09, the AHO has:

- ◆ continued the development work to support improvements and reform of the Aboriginal community housing sector
- ◆ continued the review of the performance of individual Aboriginal community housing providers and
- ◆ purchased and trialled a new tenancy and asset management system for use by Aboriginal community housing providers.

In 2008-09, the Commonwealth State Housing Agreement and the Indigenous Housing and Infrastructure Agreement ceased. From 1 January 2009 a new National Affordable Housing Agreement came into effect.

Furthermore, the NSW Government signed the National Partnership Agreement on Remote Indigenous Housing with the Australian Government, which will deliver \$396.8 million over 10 years to improve Indigenous housing in remote areas.

## ABORIGINAL HOUSING OFFICE

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### STRATEGIC DIRECTIONS

The AHO will achieve its objectives and vision through four key performance areas:

- ◆ more housing, better housing and access to a range of quality housing options for Aboriginal people
- ◆ a strengthened Aboriginal community housing sector
- ◆ increased corporate effectiveness within the NSW Aboriginal Housing Office and
- ◆ enhanced skills and greater opportunities for Aboriginal people.

Underpinning each of these is the principle of operating in partnership and collaboration with Aboriginal people and communities along with other stakeholders.

Program funding is directed towards long-term sustainable housing outcomes for the Aboriginal community, as well as immediate housing need, repairs and maintenance, and asset management. Specific strategies include assisting Aboriginal community housing providers to become viable and sustainable.

### 2009-10 BUDGET INITIATIVES

#### Total Expenses

In 2009-10, the AHO's total expenses are budgeted to be \$67.7 million. This includes:

- ◆ \$24.2 million for planned and recurrent repairs and maintenance works to AHO-owned dwellings
- ◆ \$5.5 million in expenditure and grants to complete works in progress for repairs and maintenance to community-owned dwellings
- ◆ \$4.6 million for the housing component of the Aboriginal Communities Development Program
- ◆ \$5.1 million in expenditure and grants for resourcing community organisations, sector support and training and
- ◆ \$990,000 in grants to Aboriginal communities to complete works in progress for dwelling construction and acquisitions.

## ABORIGINAL HOUSING OFFICE

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### Capital Expenditure

In 2009-10, the AHO's capital expenditure will be \$13.5 million, comprising:

- ◆ \$13 million to be spent mainly on commencing 43 new dwellings and
- ◆ \$500,000 for office plant and equipment.

These figures have yet to incorporate the impact of funding under the National Partnership Agreement on Remote Indigenous Housing.

## ABORIGINAL HOUSING OFFICE

	2008-09		<b>2009-10 Budget \$000</b>
	Budget \$000	Revised \$000	
<b>OPERATING STATEMENT</b>			
<b>Retained Revenue</b>			
Sales of goods and services	25,508	25,500	<b>31,502</b>
Investment income	2,500	2,100	<b>1,600</b>
Social program policy payments	...	13,133	<b>31,132</b>
Grants and contributions	55,249	34,951	<b>4,592</b>
Other revenue	1,000	1,502	<b>1,500</b>
<b>Total Retained Revenue</b>	<b>84,257</b>	<b>77,186</b>	<b>70,326</b>
Less:			
<b>Expenses Excluding Losses</b>			
Operating Expenses -			
Employee related	6,994	6,994	<b>7,274</b>
Other operating expenses	33,468	34,543	<b>40,455</b>
Depreciation and amortisation	6,228	6,400	<b>6,448</b>
Grants and subsidies	32,661	26,144	<b>13,494</b>
<b>Total Expenses Excluding Losses</b>	<b>79,351</b>	<b>74,081</b>	<b>67,671</b>
Gain/(loss) on disposal of non current assets	(1,801)	...	<b>200</b>
Other gains/(losses)	(500)	(500)	<b>(500)</b>
<b>SURPLUS/(DEFICIT)</b>	<b>2,605</b>	<b>2,605</b>	<b>2,355</b>

## ABORIGINAL HOUSING OFFICE

	2008-09		<b>2009-10 Budget \$000</b>
	Budget \$000	Revised \$000	
<b>BALANCE SHEET</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash assets	42,473	41,857	<b>40,366</b>
Receivables	1,652	1,594	<b>1,604</b>
Other	108	1,440	<b>1,450</b>
<b>Total Current Assets</b>	<b>44,233</b>	<b>44,891</b>	<b>43,420</b>
<b>Non Current Assets</b>			
Property, plant and equipment -			
Land and building	886,490	907,735	<b>911,993</b>
Plant and equipment	1,495	975	<b>1,145</b>
Infrastructure systems	6,500	6,849	<b>6,849</b>
Intangibles	260	176	...
Other	951	11	<b>16</b>
<b>Total Non Current Assets</b>	<b>895,696</b>	<b>915,746</b>	<b>920,003</b>
<b>Total Assets</b>	<b>939,929</b>	<b>960,637</b>	<b>963,423</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5,007	2,873	<b>3,179</b>
Provisions	2,381	2,471	<b>2,519</b>
Other	7,613	15,382	<b>15,382</b>
<b>Total Current Liabilities</b>	<b>15,001</b>	<b>20,726</b>	<b>21,080</b>
<b>Non Current Liabilities</b>			
Provisions	1,113	1,768	<b>1,845</b>
<b>Total Non Current Liabilities</b>	<b>1,113</b>	<b>1,768</b>	<b>1,845</b>
<b>Total Liabilities</b>	<b>16,114</b>	<b>22,494</b>	<b>22,925</b>
<b>NET ASSETS</b>	<b>923,815</b>	<b>938,143</b>	<b>940,498</b>
<b>EQUITY</b>			
Reserves	376,050	385,883	<b>385,883</b>
Accumulated funds	547,765	552,260	<b>554,615</b>
<b>TOTAL EQUITY</b>	<b>923,815</b>	<b>938,143</b>	<b>940,498</b>

## ABORIGINAL HOUSING OFFICE

	2008-09		<b>2009-10 Budget \$000</b>
	Budget \$000	Revised \$000	
<b>CASH FLOW STATEMENT</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services	25,008	25,000	<b>31,002</b>
Interest	2,500	2,100	<b>1,600</b>
Other	57,595	47,763	<b>38,764</b>
<b>Total Receipts</b>	<b>85,103</b>	<b>74,863</b>	<b>71,366</b>
<b>Payments</b>			
Employee related	6,878	6,817	<b>7,150</b>
Grants and subsidies	32,661	26,144	<b>13,494</b>
Other	34,829	39,698	<b>41,713</b>
<b>Total Payments</b>	<b>74,368</b>	<b>72,659</b>	<b>62,357</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>10,735</b>	<b>2,204</b>	<b>9,009</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment	2,350	2,500	<b>3,000</b>
Purchases of property, plant and equipment	(13,500)	(16,700)	<b>(13,500)</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(11,150)</b>	<b>(14,200)</b>	<b>(10,500)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>(415)</b>	<b>(11,996)</b>	<b>(1,491)</b>
Opening Cash and Cash Equivalents	42,888	53,853	<b>41,857</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>42,473</b>	<b>41,857</b>	<b>40,366</b>
<b>CASH FLOW RECONCILIATION</b>			
Surplus/(deficit) for year	2,605	2,605	<b>2,355</b>
Non cash items added back	6,228	2,523	<b>6,448</b>
Change in operating assets and liabilities	1,902	(2,924)	<b>206</b>
<b>Net cash flow from operating activities</b>	<b>10,735</b>	<b>2,204</b>	<b>9,009</b>

## **HOME PURCHASE ASSISTANCE FUND**

The Home Purchase Assistance Fund was established by Trust Deed in 1989 to support and administer government home purchase assistance programs. Income earned by the Fund's investments is used to meet shortfalls in the HomeFund Scheme and other programs supporting home purchase. Housing NSW oversees the management of the Fund.

### **RECENT ACHIEVEMENTS**

Rationalisation of the former HomeFund Scheme structure is now well advanced with consolidation of 29 FANMAC mortgage trusts into a Master Trust. In 2008-09, a further 98 mortgages were discharged under the Master Trust, with 634 mortgages remaining.

### **STRATEGIC DIRECTIONS**

The forecast investment revenues of the Fund have been impacted by the current economic climate and reductions to the official cash rate. The reduction in revenues will see the Fund move into deficit for 2009-10. The Fund will however continue to maintain a sound equity position, with sufficient coverage of foreseeable liabilities to support obligations under the HomeFund Scheme and Master Trust.

Within this context, the management of the Fund will continue to be focused on:

- ◆ prudent asset investment to ensure sufficient returns and levels of capital to meet its HomeFund support obligations and
- ◆ the careful administration of remaining mortgages under the Master Trust to manage risk and contain costs.

### **2009-10 BUDGET INITIATIVES**

#### **Total Expenses**

Total expenses are budgeted at \$16.8 million in 2009-10. This includes \$15.4 million for interest expense on borrowings and \$747,000 for funding of Master Trust shortfalls on HomeFund mortgages guaranteed by the NSW Government.

#### **Capital Expenditure**

There is no planned capital program for 2009-10.

## HOME PURCHASE ASSISTANCE FUND

	2008-09		2009-10
	Budget	Revised	Budget
	\$000	\$000	\$000
<b>OPERATING STATEMENT</b>			
<b>Retained Revenue</b>			
Sales of goods and services	22	41	37
Investment income	24,186	21,466	13,030
<b>Total Retained Revenue</b>	<b>24,208</b>	<b>21,507</b>	<b>13,067</b>
Less:			
<b>Expenses Excluding Losses</b>			
Operating Expenses -			
Other operating expenses	310	284	292
Grants and subsidies	...	263	271
Finance costs	15,763	15,761	15,380
Other expenses	960	920	887
<b>Total Expenses Excluding Losses</b>	<b>17,033</b>	<b>17,228</b>	<b>16,830</b>
<b>SURPLUS/(DEFICIT)</b>	<b>7,175</b>	<b>4,279</b>	<b>(3,763)</b>

## HOME PURCHASE ASSISTANCE FUND

	2008-09		2009-10 Budget \$000
	Budget \$000	Revised \$000	
<b>BALANCE SHEET</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash assets	35	201,903	<b>198,068</b>
Receivables	3,512	3,622	<b>2,579</b>
Other financial assets	284,131	51,200	<b>25,389</b>
<b>Total Current Assets</b>	<b>287,678</b>	<b>256,725</b>	<b>226,036</b>
<b>Non Current Assets</b>			
Other financial assets	55,936	57,423	<b>27,026</b>
<b>Total Non Current Assets</b>	<b>55,936</b>	<b>57,423</b>	<b>27,026</b>
<b>Total Assets</b>	<b>343,614</b>	<b>314,148</b>	<b>253,062</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	245	245	<b>245</b>
Borrowings at amortised cost	6,144	6,144	<b>6,355</b>
<b>Total Current Liabilities</b>	<b>6,389</b>	<b>6,389</b>	<b>6,600</b>
<b>Non Current Liabilities</b>			
Borrowings at amortised cost	161,214	161,214	<b>154,860</b>
<b>Total Non Current Liabilities</b>	<b>161,214</b>	<b>161,214</b>	<b>154,860</b>
<b>Total Liabilities</b>	<b>167,603</b>	<b>167,603</b>	<b>161,460</b>
<b>NET ASSETS</b>	<b>176,011</b>	<b>146,545</b>	<b>91,602</b>
<b>EQUITY</b>			
Accumulated funds	176,011	146,545	<b>91,602</b>
<b>TOTAL EQUITY</b>	<b>176,011</b>	<b>146,545</b>	<b>91,602</b>

## HOME PURCHASE ASSISTANCE FUND

	2008-09		2009-10 Budget \$000
	Budget \$000	Revised \$000	
<b>CASH FLOW STATEMENT</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Sale of goods and services	22	41	37
Interest	24,875	19,061	14,073
Other	17	17	17
<b>Total Receipts</b>	<b>24,914</b>	<b>19,119</b>	<b>14,127</b>
<b>Payments</b>			
Grants and subsidies	...	263	271
Finance costs	11,655	11,653	11,218
Other	1,287	46,187	1,196
<b>Total Payments</b>	<b>12,942</b>	<b>58,103</b>	<b>12,685</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>11,972</b>	<b>(38,984)</b>	<b>1,442</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of investments	29,486	91,973	56,031
Advance repayments received	267	173	177
Purchases of investments	(11,854)	(20,525)	...
Other	(20,000)	(51,000)	(51,180)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(2,101)</b>	<b>20,621</b>	<b>5,028</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings and advances	(9,871)	(9,872)	(10,305)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(9,871)</b>	<b>(9,872)</b>	<b>(10,305)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>...</b>	<b>(28,235)</b>	<b>(3,835)</b>
Opening Cash and Cash Equivalents	35	230,138	201,903
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>35</b>	<b>201,903</b>	<b>198,068</b>
<b>CASH FLOW RECONCILIATION</b>			
Surplus/(deficit) for year	7,175	4,279	(3,763)
Non cash items added back	4,108	4,108	4,162
Change in operating assets and liabilities	689	(47,371)	1,043
<b>Net cash flow from operating activities</b>	<b>11,972</b>	<b>(38,984)</b>	<b>1,442</b>