

Report to the Subcommittee for the Joint Review of the Remote Housing Model in the Northern Territory

April 2022



Contents

01
Introduction

02
Research

03
Stakeholder
consultation

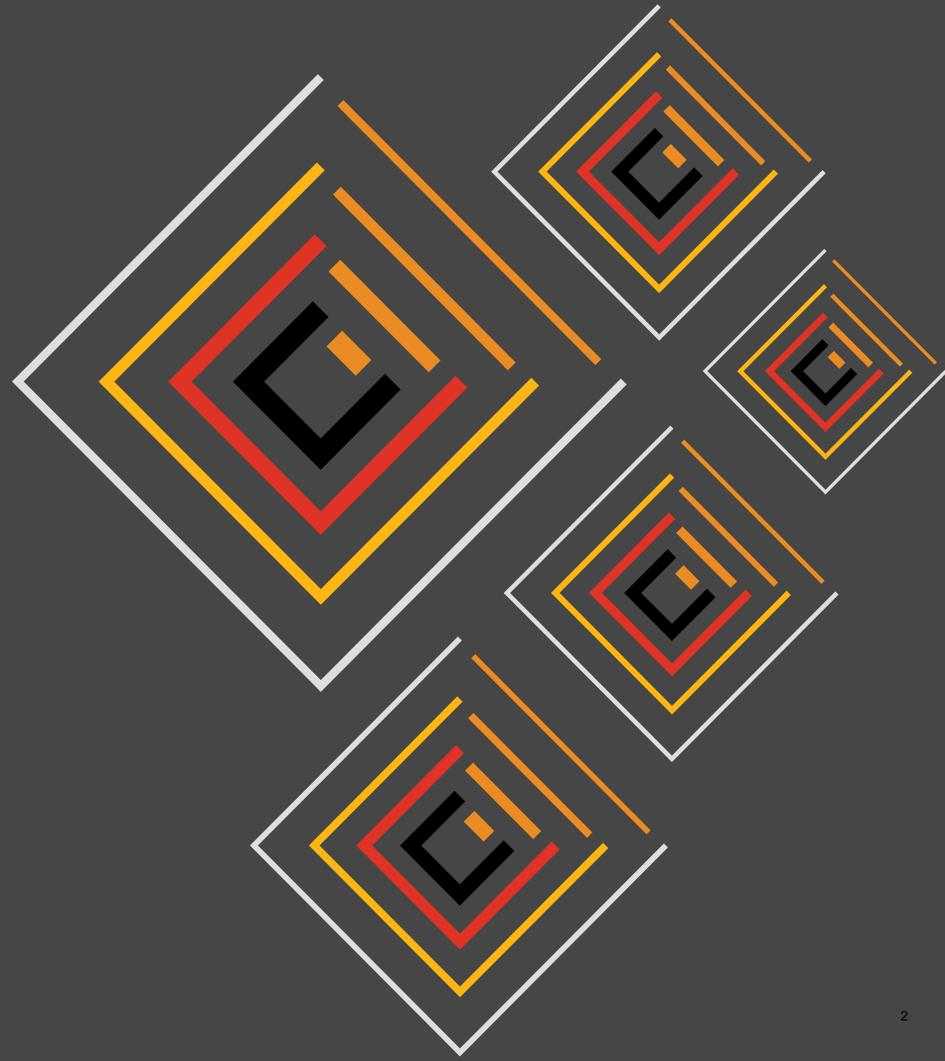
04
Analysis

05
Recommendations

A
Research Sources

B
Further detail on
research findings

C
Case study





01

Introduction

Introduction

Introduction

Aboriginal Territorians who live in remote communities have strongly expressed their frustration with the current remote housing system and voiced a desire for a new model. In the past decades various problems with the system and its outcomes have been identified and discussed, including lack of supply, the quality and types of housing, the level and allocation of funding, approaches to asset and tenancy management, land tenure and the role of governments, community controlled providers and housing organisations.

The Commonwealth Government, the Northern Territory Government (NTG) and the four NT Land Councils have agreed to participate in a joint remote housing model review. The review acknowledges the current government-led and implemented model may no longer meet the aspirations of remote communities for more influence in housing delivery and more opportunities for local and regional Aboriginal organisations to be involved in housing management and service delivery. A Subcommittee has been established to conduct this review by the National Partnership's Joint Steering Committee (JSC). This report has been developed to support the Subcommittee in its role in the joint review.

This report uses lessons learned from approaches to remote housing in other jurisdictions and stakeholder consultation with key representatives. It explores options to improve the remote housing model and its outcomes for Aboriginal communities throughout the NT.

Our approach to carrying out this engagement is divided into three stages of work, which clearly delineate (i) the outcomes of the research (ii) the outcomes of the stakeholder interviews and workshop (iii) our analysis and recommendations. Each stage has established information and key principles that should ultimately lead to a collectively agreed plan to implement an alternative optimised housing model.

Purpose

The purpose of this report is to:

- Describe the key findings and lessons learned from the research on approaches to remote housing in other jurisdictions;
- Describe the outcomes of stakeholder consultation on NT remote housing delivery issues and applying the lessons learned from the research in the NT context;
- Explore options for an optimum model for remote housing model in the NT context;
- Provide recommendations and implementation actions for the potential transition to a new model.



Photo source: Ourfuture.nt.gov.au - HomeBuild NT Program

Project background

Many reports have documented the background and context that has both shaped the current housing arrangements in the NT and which inform a future remote housing system. The most important considerations are as follows:

- The NT is a Territory of the Commonwealth, not a State;
- The NT is the second largest Australian jurisdiction in terms of land mass but has the smallest population;
- Around 76% of the NT's Aboriginal population of more than 74,000 live in remote or very remote areas;
- There are 73 remote Aboriginal communities, as well as about 500 homelands where around 10,000 people live;
- More than 8,000 dwellings and around 45,000 tenants in remote communities, town camps and homelands; and
- An estimated 74% of people in these communities live in overcrowded conditions.

NT Remote housing model pre-2007

Under successive Australian Government policies up to 2005, housing for Aboriginal people living in remote communities was largely delivered through an Indigenous-led model. The former Aboriginal and Torres Strait Islander Commission (ATSIC) Regional Councils and the former Indigenous Housing Authority of the NT (IHANT) worked together to administer Commonwealth and NT government funding for remote housing. Local Community Councils largely managed tenancy and property management.

Following the abolition of ATSIC in 2005, there were some changes to the IHANT model, however the previous delivery system remained in place until the Commonwealth Government announced the Northern Territory National Emergency Response Act 2007, otherwise referred to as the "Intervention" in June 2007. This Act and other concurrent policy changes to land tenure arrangements, resulted in the amalgamation of Community Councils into larger regional councils with a focus on core local government functions, and the transfer of management of all community housing to the public housing system managed by the NT Government.

2008 - 2020

From 1 July 2008, management of community housing has occurred through the NT Government's public housing system. Various funding initiatives from the Commonwealth and NT Government have enabled new housing to be built, essential infrastructure to support new houses, and critical repair and maintenance of housing in remote communities, town camps and homelands.

The *National Partnership Agreement on Remote Indigenous Housing* ran from 2008 - 2018 when a specific *National Partnership Agreement on Remote Housing (NT)* was negotiated to continue funding for the NT for a further 5 years. This agreement has Australian Government investment of \$550 million, matched by the NT Government, to total \$1.1 billion over the five years to improve housing outcomes for Aboriginal Territorians in remote communities. The Partnership's footprint covers 73 remote communities and the 17 Alice Springs Town Camps and is due to expire on 30 June 2023.

The Northern Territory Government's *Everyone Together Strategy, Our Community, Our Future, Our Homes* and *Local Decision Making Framework* provide the current policy settings and reinforce the government's commitment to continue to grow the number of houses in communities, repair and refurbish houses and work in partnership with Aboriginal organisations to address housing in remote communities.

Project background (continued).

2020 - present

In the past eighteen months there has been a number of new initiatives and policy developments that have relevance for remote housing:

NT Community Housing Growth Strategy

The NT Government is currently finalising a Strategy to transform social and affordable housing in the NT and improve housing outcomes for Territorians. During 2021 extensive consultations occurred and the draft Strategy was released in February 2022. The Strategy envisages a 10yr phased implementation approach and support for the growth and development of Community Housing providers across a housing continuum.

Homelands policy and reforms

An Independent Review of the Homelands Policy was completed and the report released in early 2021 recommended the development of a regionalised service model that would reduce red-tape; give service providers greater flexibility; and allow residents to have a greater say about how money is spent in their homeland.

A new Indigenous Essential Services Advisory Committee was also appointed to make recommendations to the NT Minister about the strategic management and direction of the IES program including power, water and sewerage, delivered to about 39,000 people living in 72 remote Aboriginal communities and 79 homelands across the Northern Territory.

NT Community Housing Registrar

A new Registrar was appointed in July 2021. The role of the Registrar is to ensure the national system of registration, monitoring and regulation (NRSCH) of community housing is regulated in the NT.

Growth in the number of registered Aboriginal Community Housing providers

There are now 10 registered Community Housing providers in the NT, of which four are Aboriginal Corporations: Julalikari, Anindilyakwa Housing Aboriginal Corporation, Community Housing Central Australia, Yilli Rreung Aboriginal Housing Corporation.

Five year funding agreement for Aboriginal Housing NT

In December 2021, AHNT received funding for a two year program to support its members to provide input and advice towards a new homelands policy.

In early 2022, the NT Government provided AHNT with a five year funding agreement to provide support to the NRSCH registered organisations and assist with the development of housing stock transfers from NTG.

Room to Breathe and Remote Housing HomeBuild

The rollout of the joint NT and Australian government funding for new housing and increasing living spaces has been continuing with packages of works tendered in many regions and remote communities. For example, since late 2021, tenders have been let for new housing in five remote communities in the Top End, East Arnhem and Big Rivers regions.

Extension of the National Partnership on NT Remote Aboriginal Investment

In February 2022, the Australian Government announced that it would be extending the National Partnership on Northern Territory Remote Aboriginal Investment (NTRAI) for another two years.

Engagement journey

The following diagram outlines the key steps undertaken as part of this project, culminating in this report.



Undertake research and gather data

The project team collected and reviewed examples of remote housing models from other jurisdictions and their components to understand the relevant options for an alternative model.



Establish overarching principles

Based on our synthesis of the research, principles were established to inform and guide our analysis. We met with the Subcommittee to test the principles.



Stakeholder workshop

The workshop explored implementation considerations in the local NT context for the agreed principles of a reformed remote housing model



Targeted stakeholder consultation (ongoing)

The project team met with Subcommittee members and other stakeholders throughout the project to discuss the principles developed and the issues and opportunities with respect to the current housing model.



PIC and PwC critical analysis

The analysis focused on identifying a new Remote Aboriginal Community Housing System, its' functions and components, and the roles of key players, including housing providers



Develop implementation actions and recommendations

A series of actions and recommendations were identified to implement the transition to a new Remote Aboriginal Community Housing System



Test recommendations with the Subcommittee

The project team met with the Subcommittee on 24 March 2022 to test recommendations and obtain feedback.



Finalise report

Based on Subcommittee feedback the project team prepared and finalised this report, which will be used to support the Subcommittee making recommendations to the NPRHNT Joint Steering Committee on joint review outcomes.



02

Research

Research approach

Research approach

PIC and PwC gathered information on examples of remote housing models from other jurisdictions to understand the relevant options for an alternative housing model. This included:

- Engaging with the broader PwC national and international network
- Gathering information from publicly available sources including:
 - Academic journals
 - Independent reviews and reports
 - Government reports, policies and strategies
 - Statistical data

Throughout this section the sources used have been number referenced, with the source list provided in **Appendix A**.

Focus areas for the research

The research focused on determining what principles would be important for a remote housing model to be successful in meeting the needs of end users and being practical for housing organisations governments to implement. To achieve this, the research focus areas included identifying and analysing the effectiveness of:

- The existing types of remote housing models (in Australia and overseas), the rationale and challenges associated with each;
- Asset management approaches
- Tenancy management and support approaches, including for rent setting and collection and managing costs
- Governance arrangements
- Pathways to home ownership
- Capacity building approaches
- Integration with other non-housing policies and programs

Based on the research, the project team developed a series of overarching principles that should characterise a new remote housing model. These principles informed the way the project team approached the consultation, options analysis and development of recommendations for a remote housing model for the NT.

Key research findings

Types of remote housing models¹

The research demonstrated that options for the delivery and management of remote housing to Indigenous communities can broadly be categorised into three types of models

Model	Description	Key points	Examples
Direct Government Control	Government housing departments control service delivery in partnership or through contracts with local third party service providers.	<ul style="list-style-type: none"> • Has not always aligned with expectations of Aboriginal self-determination • Does not adapt housing and services delivery to local needs and cultural practices • Other jurisdictions trending away from this model 	<ul style="list-style-type: none"> • South Australia (prior to 2021) • Queensland (prior to 2019)
RACHP-Led*	Control over delivery and management by Indigenous organisations. Similar to community housing model in the rest of Australia, however using RACHPs and other local and Indigenous organisations as part of decision-making and delivery.	<ul style="list-style-type: none"> • Empowering Aboriginal people at all levels • Place-based / tailored approach • Key challenge is adequate funding and capacity building to RACHPs - not achieved when this approach was used prior to 2007 	<ul style="list-style-type: none"> • Pre-2007 in Australia (see Project Background section) • Canada - being implemented • Central Land Council (CLC) proposed trial
Hybrid Model	Government housing departments control service delivery through partnerships / contracts with ACHOs and other local service providers.	<ul style="list-style-type: none"> • Can leverage the practical advantages and knowledge of local organisations, as well as the efficiencies, standards and funding of State or Territory-level housing departments • Varying degrees of success of this approach, depending on: resourcing; the presence of ACHOs with sufficient capacity; whether a partnership approach is used (i.e where the Government facilitates capacity building of local organisations) as opposed to a purely contractual approach 	<ul style="list-style-type: none"> • Northern Territory (more contract-based) • Western Australia (more partnership-based) • NSW (more partnership-based)

*Regional Aboriginal Community Housing Provider (RACHP). Noting that several other comparable terms and acronyms were found during the research e.g. Indigenous Community Housing Organisation (ICHO), Aboriginal Community Housing Organisation (ACHO).

Key research findings

Remote housing models in Australian jurisdictions²

The table below summarises the key features of remote housing models across Australia. It shows a diversity of models used and a diversity of approaches to asset management and tenancy management and support.

	Northern Territory	Queensland	South Australia	Western Australia	NSW
Remote housing model	Mixed approach of Direct Government Control and Hybrid Model	Direct Government management from regional offices and sub-regional service hubs (prior to 2019). Recent <i>Local Thriving Community</i> reforms towards a Hybrid Model.	Direct Government management through six regional offices (prior to 2021). Recent reforms towards Hybrid Model.	Mixed approach of Direct Government Control and Hybrid Model. Regional service providers (i.e. ACHOs and mainstream CHAs) are responsible for six regions and direct Government management through local housing offices responsible for three.	Hybrid Model - The NSW Aboriginal Housing Office (AHO) is the statutory authority (within a NSW Government department) responsible for the planning and development of programs to support Aboriginal people. The Local Aboriginal Land Council is an Aboriginal controlled organisation who lease the land to the AHO, who then subleases to a Registered ACHO to build and manage housing assets.
Third party tenancy management providers	Tendered and contracted to: ACHO (regional centres, town camps), Shire councils, and private sector contractors	None	None	Five ACHOs One CHO	Aboriginal Housing Office tenders and contracts to ACHOs
Tenant support services	In development	In development	In development	NGOs	Registered ACHOs CHPs
Asset management	Tendered and contracted to: ACHOs, shires and private contractors, Shire councils	Mainstream through central call centre	Mainstream with local notification system through regional office	Mixed - regional service providers and Direct Government.	ACHOs

Key research findings

The rationale for a RACHP-Led model

The research made it clear that **a RACHP-Led model, if resourced and funded sufficiently, provides the best outcomes** for end users, governments and CHPs, including:

- Empowering Aboriginal people at all levels of the remote housing system (i.e. through multiple bodies, including RACHPs, local community housing bodies, and Indigenous corporations and businesses).
- Establishing a place-based approach, whereby housing management is more effective when there is a strong presence of a housing provider in each community.
- Leveraging the progression of the community housing sector in recent years (i.e. there has been evolution of the community housing model in the non-Indigenous housing sector throughout Australia, moving from a niche 'cottage industry' to a sector with strong capabilities and ~ 30% market share of the social housing market).
- Better able to adapt housing and services delivery to local needs and cultural practices.
- More effective and innovative ways to reduce costs (e.g. through more local involvement in asset and tenancy management).
- Residents having a greater sense of ownership of the system (due to the embedding of Aboriginal control).

Challenges for an RACHP-led model

Prior to the NPARIH reforms, remote Indigenous housing across Australian jurisdictions was largely delivered by RACHPs under the Community Housing and Infrastructure Programme (CHIP). The CHIP review undertaken by PwC in 2007³ found a number of challenges with this approach that would need to be addressed in a renewed RACHP-led model:

- A large number of small RACHPs, which created inefficiencies. Over 80% of ACHOs managed 50 dwellings or less.
- Weaknesses in operations, governance and accountability.
- Inability to collect adequate rent to fund their operations.
- Poorly funded RACHPs.

The key lesson emerging from the pre-2007 period is that **RACHPs need adequate funding and capacity building support** to be brought up to a standard that allows them to deliver remote housing that is better than either a direct government control or a hybrid model approach. This may mean acquiring government Registration or having plans in place to achieve Registration in the future. It is also likely to mean that RACHPs need to be of a sufficient size to generate scale efficiencies.

Because of evolution in the housing sector in recent years, **any return to a RACHP-Led model in the NT would therefore be based on much stronger sector capabilities**, compared to the pre-2007 version.

Key research findings

Asset management

All jurisdictions in Australia have faced substantial challenges with respect to asset management in remote communities:

- Lack of skills and capacity
- High costs, caused by long travel distances and transportation of materials
- Quality assurance
- Harsh climate conditions - placing stress on dwellings and reducing the times of year when construction or maintenance can occur
- Geological conditions
- Overcrowding putting stress on dwellings
- Large variance in repairs and maintenance costs, depending on the remoteness

Centralised systems of asset management have had less success as they have often failed to adapt to the unique characteristics of remote communities and have caused tenant confusion and frustration⁴.

A number of ways to address asset management challenges have been identified:

- Increase local involvement in repairs and maintenance - facilitate partnerships and local employment and upskilling.
- Health habitat approach (see below).
- Development of an Asset Management Plan that schedules all anticipated maintenance works over 10 years. The Plan should be developed in consultation with local communities - e.g. as has been done in South Australia through the *Local Decision Making Frameworks*⁵.
- Cyclical maintenance is more effective and cost efficient than relying only on responsive maintenance.
- Using appropriate construction methods and materials from the outset.

The HealthHabitat approach⁶

An approach to asset management based on maintaining people's health, reducing hazards, reducing the impacts of overcrowding and improving the overall living environment.

1. Begins with a community consultation
2. Employment of local Indigenous people
3. House by house inspection to assess both immediate maintenance requirements (health & safety issues) and medium-term improvements required

The success of the Healthhabitat methodology has been evident in NSW, where the State Government used it to deliver the Housing for Health Program to fix 2,230 houses over a period of 10 years. This reduced the rate of hospitalisation for infectious diseases 40 per cent. The program operated on a small budget, between 1998 and 2009 around \$10 million. According to HealthHabitat, a budget of approximately \$13,000 per dwelling (on average) is needed.

Key research findings

Tenant preferences and support

In an AHURI 2016 study⁷, remote housing tenants were asked who they would prefer to have manage community housing, with five response category options: state/territory housing department, an Indigenous organisation, a mainstream community organisation, a local/Shire council, and 'Other'. The results indicated that Indigenous organisations were the most preferred entity in all jurisdictions except Queensland.

Tenants were also asked to identify the first, second and third most important things that mattered to them about how their housing is managed, with the results indicated that the most important issues were 'affordable rent', 'quick repairs', 'an indigenous housing officer' and 'repairs done well'.

Other key findings with respect to tenancy management include:

- Communities indicated that they value services that have **staff and facilities 'on the ground'**, with housing managers that members of the community can relate to on a daily basis.
- There is a need for **cultural capability** of tenancy managers to successfully partner with the community.
- Stakeholders indicated a desire for a shift towards **community decision-making** and accountability.
- **Management systems should be integrated** - i.e. all housing management functions should be delivered by the one organisation in an integrated package.

Rent setting and collection

The approaches to rent setting and collection for remote communities vary across Australian jurisdictions. It is evident from the research that devising rent setting policy and determining rental amounts is highly complex for remote Aboriginal housing and there are significant problems with applying mainstream social housing approaches, which is the approach undertaken through the NPARIH reforms⁷. The complexity is caused by a number of factors including:

- Maintaining affordability for tenants
- Resident mobility and frequent changes in income
- The administrative burden for rent collectors in achieving compliance
- Transparency and fairness in determining rents.

Rent setting and collection for remote communities varies across Australian jurisdictions, although predominantly income-based approaches are used. Other approaches were prevalent in the Indigenous housing sector prior to the NPARIH. The research has indicated that there are **four rent regimes for consideration**:

- Income-based
- Property-based
- Community-wide housing levies
- Cost-based

Each approach has different implications. The current income-based approach, while ensuring affordability for tenants, does also come with a number of challenges, including a high administrative burden and cost for housing providers. Further detail and analysis on each of these approaches and their advantages and disadvantages is provided in **Appendix B**.

Key research findings

Asset and tenancy management costs⁸

High asset and tenancy management costs have been a persistent feature of remote housing across Australia. The key indicators of this challenge are:

- Only 16% of asset and tenancy management costs are covered by rental income across Australia.
- Tenancy management costs are shown to vary widely depending on the remoteness of the location. Annual costs per household across four case studies were: \$1,767, \$4,500, \$5,667, and \$3,629.
- Most maintenance and repair activities in remote Indigenous housing cost between 1.4 and 4.5 times the cost of the equivalent activity in mainstream public housing, with some specific items up to 47 times higher - the primary drivers being travel and labour costs.

There are a number of ways that cost savings can be made, including:

- Cyclical preventative maintenance helps prevent asset depreciation costs.
- Investment in suitable design, material and construction methods pays off in the long run.
- Cost management in the delivery of housing can be reduced by local engagement, e.g. In North West Queensland using adjustable matchstick models helped better match housing to tenant needs.

Overall **there are ways of stabilising rental revenue and reducing management costs, however there will continue to be a substantial shortfall** between revenue and the cost of managing remote Indigenous housing - subsidies will be needed for the foreseeable future and there are benefits that can be derived from **more certain funding flows.**

Supporting pathways to home ownership

Individuals in remote communities remain dependent on social housing, despite evidence of a desire for greater home ownership options. Most Indigenous remote communities across Australia have not had supportive policies or arrangements to aspire to home ownership. The Australian Government's Remote Housing Strategy failed to make significant gains, with only 15 Indigenous homeowners in NT remote communities (located on Tiwi Islands)⁹. The Township Leasing model in the NT has the capacity to provide further home ownership opportunities.

A number of potential ways to facilitate home ownership were identified:

- **Transfer housing to existing tenants at low or zero cost** - there is a strong financial and economic basis to do this given the large ongoing subsidies paid by the State to manage existing social housing stock.
- **Develop land tenure reforms** to address key barriers (i.e. through a Land Tenure Reform Plan devised by all levels of Government and community stakeholders). This could ensure that there is opportunity for private markets to operate, establish land titles and CAD surveys and land use planning schemes. This is evident in Queensland's reforms over the past 15 years¹⁰.
- **Loan schemes** - In New Zealand, a joint initiative between Kiwibank and Housing New Zealand (HNZ) that makes it easier to borrow and construct dwellings on land with communal ownership. It allows applicants to borrow to build or relocate a home, using only that home as security for the loan¹¹.
- **Education and financial literacy** skills for tenants to enable pathways to home ownership.

Key research findings

Governance

The key governance question that the research focused on was whether jurisdictions had the presence of a State Indigenous Housing Authority, which is defined as a government entity specifically responsible for making key decisions and policies around indigenous housing delivery and management.

State / Territory	Presence of a dedicated Indigenous Housing Authority
NSW	Aboriginal Housing Office
Tasmania	Aboriginal Housing Services Tasmania
South Australia	Aboriginal Advisory Committee currently being established
Queensland	Authority currently being established
Victoria, ACT, NT, WA	No Indigenous housing authority in place

A governance and policy shift has taken place in recent years. Queensland and South Australia are in the process of establishing a dedicated state-led Aboriginal housing authority, which is considered necessary to achieve 'closing the gap' objectives. Queensland's reforms will comprise a joint decision-making process involving communities across the legislative, policy, and implementation spectrums. They will foster a direct line of communication between the Aboriginal people and State Government. Further details of the Queensland case are provided in **Appendix B**.

Canada's "For Indigenous by Indigenous" program¹²

Canada is currently in the process of trialling a "For Indigenous, By Indigenous" program. As part of this strategy, Canada intends to develop a national Indigenous housing entity, which will be designed, owned and operated by Indigenous people, focusing on servicing core housing needs in both urban and remote areas. In addition, the centre will act as the representative governance structure for Indigenous Peoples' housing with a purpose of measuring and developing better data, information, research, and evaluation on Indigenous housing.

Capacity building

The research validated our view that capacity building is a core priority when undertaking reforms, especially if transitioning towards greater community control. In our experience in the Australian community housing sector, capacity building can take a long time - e.g. most community housing organisations in Victoria have taken over 15 years to develop into well functioning and sustainable businesses with strong capabilities in housing delivery, finance, tenancy and property management.

Facilitating capacity building requires:

- Government investment and support to build RACHP capacity and employ and train more local Indigenous housing workers
- Training strategies that will enable local community members to be engaged in basic tenancy management and maintenance activities.
- The scale economies of RACHPs to be developed i.e. through a regional approach or focusing on increasing the portfolio and capacity of existing CHPs.
- RACHPs not relying on ad-hoc funding, as was the case pre-2007.

Victorian partnerships approach

In Victoria, the State Government is seeking to foster capacity building of the Aboriginal housing sector through partnerships between Aboriginal Community Controlled Organisations (ACCOs) and mainstream CHAs to deliver Government-funded housing projects. This will occur where CHA's transfer skills, knowledge and operational systems to ACCOs as part of an Aboriginal housing grants round. The grants round will be based on self-determination principles established in consultation with local Aboriginal bodies.

Key research findings

Interdependence of housing outcomes and other economic development outcomes

It is evident from the research that addressing housing issues in remote communities will not lead to lasting change without addressing the range of economic development and wellbeing issues which simultaneously affect communities¹³.

Reforming the approach to the delivery and maintenance of remote Indigenous housing **must be considered in parallel to other programs** which target:

- Improvements to community infrastructure
- Education, training and access to employment opportunities
- Community safety
- Health
- Children's education and cognitive development
- Family relationships

This wholistic approach is evident in Queensland, South Australia and NSW approaches to remote Indigenous communities and implicit in the *National Agreement on Closing the Gap*. Further detail is provided on the Queensland example in **Appendix B**.

Structural reform to transfer accountability and decision-making to remote communities

Service delivery reform to better focus on the needs of individuals and communities

Economic reform to facilitate economic participation and community development.

Underpinning each of the above reform elements must be support for capacity building.



Lasting change in remote Indigenous communities



Photo source: Taken by PIC team member, Yuendumu NT.

Overarching principles

Based on our synthesis of the research undertaken, we have developed the following **ten principles to guide the establishment of a new remote housing system**. These principles informed the way the project team approached the consultation, options analysis and development of recommendations for a new remote housing system for the NT.

1. **Local Aboriginal control**

Housing and housing services delivered and controlled by local Aboriginal organisations.

2. **Reliable Government financial resourcing**

Accountability of Government funding - must be reliable and sustainable, including ongoing subsidies for delivery and management.

3. **Sufficient capacity and skills**

Housing and housing services delivered by organisations with sufficient capacity and skills.

4. **Adapt mainstream policies**

Ensuring that mainstream social housing policies are adapted to the local context in a culturally appropriate way.

5. **Strong tenant support**

Attention to tenant communication, tenant support services, tenant participation and repairs and maintenance.

6. **Local expertise and employment**

Maximising local expertise and employment of local Indigenous people through delivery, asset and tenancy management.

7. **Cost management**

Efficient asset and tenancy management expenditure.

8. **Effective and fair rent setting and collection**

Balancing affordability for tenants and administrative burden for rent setters.

9. **Integrated approach**

Reforms considered in parallel to the broader economic development and wellbeing of the community through complementary programs.

10. **Supporting pathways to home ownership**

Supportive policies for remote residents who desire ownership.



03

Stakeholder
consultation

Approach to stakeholder consultation

PIC and PwC met with Subcommittee members and other stakeholders nominated by the members, between October 2021 and March 2022 through a mix of interviews (virtual and face to face) meetings with small groups of senior staff, and through a virtual workshop. The purpose of the consultation was to discuss the draft principles developed from the research stage, to hear about issues and opportunities with respect to the current housing model and discuss future options and potential transition arrangements and enablers.



List of organisations interviewed

Organisation	Date
Yilli Housing (and Chair of AHANT)	12/10/21
NT Department of Territory Families, Housing and Community Services	13/10/21 and 14/02/22
NT Department of Infrastructure, Planning and Logistics	09/11/21
NT Treasury	19/10/21
Central Land Council and their nominated consultant	20/10/21 and 15/12/21
Tiwi Land Council	26/10/21, 11/03/22 and 30/03/2022
Northern Land Council	24/11/21
Department of the Chief Minister and Cabinet	27/10/21
National Indigenous Australians Agency (NIAA)	28/10/21 and 09/02/22
Anindilyakwa Housing Aboriginal Corporation	29/03/2022



Photo source: Ourfuture.nt.gov.au - Room to Breathe Program

Stakeholder consultation

Stakeholders agreed with all of the key principles captured from the research. Through the consultations, stakeholders highlighted issues that they believed would need to be addressed when establishing a new remote housing model in the NT and these were synthesised by the project team into **ten issues across three themes**. These were explored further in the Subcommittee workshop.

Strategic direction for remote housing	Partnerships for system change	Impact through integrated place based delivery
<p>A shared understanding and accountability for reform</p> <p>The role of the Australian Government, NT Government and AHANT require clarification.</p>	<p>Governments enabling system change</p> <p>This means setting policy standards for housing and supporting the capabilities and capacity of RACHPs and moving away from being a service provider.</p>	<p>Integrated community based approach to reform is necessary and timely</p> <p>Housing reforms will only have impact as part of broader change (e.g. parallel to other economic development and employment reforms).</p>
<p>The roles of Aboriginal organisations and the pace of reform will differ across communities and regions</p> <p>Not all Aboriginal organisations and communities are ready for the new model now, but some believe they are. Some will want to do part but not all of the new delivery model and scale up over time.</p>	<p>Capacity building while transitioning to a new model</p> <p>Government must invest in the capacity building of RACHPs. This will need to be sustained over the medium term as it will take time.</p>	<p>Asset maintenance is challenging and costly</p> <p>New model could increase local involvement in repairs and maintenance, improvement in tenant engagement in housing responsibility, building a sense of ownership in the maintenance programs.</p>
<p>Reliable and sustainable Government funding is critical</p> <p>There will continue to be a substantial shortfall between revenue and the cost of managing remote Indigenous housing</p>	<p>Opportunities to facilitate local Aboriginal employment and upskilling through housing reform</p> <p>This results in better service delivery and local employment outcomes.</p>	<p>Tenancy support by a local provider</p> <p>Relationships with other support programs operating in community, recognising that housing is central to good health and wellbeing, school attendance, safety, employment etc.</p>
<p>Rent setting without creating perverse incentives or administrative burden</p> <p>Need to reduce administrative burden for rent collectors - a system that is easy to monitor and achieve compliance.</p>		



04

Analysis

Overview of our analysis

In this section we provide our analysis of the findings from the research and stakeholder consultation, which culminate in a series of recommendations and implementation actions. The analysis consists of:

Whole-of-system approach to housing

Describing the need for a whole-of-system approach to housing, recognising that various different system elements must be considered concurrently to improve social, economic and wellbeing outcomes.

Elements of the new system

The key elements discussed include: Government commitment; community decision-making; asset vehicle; role of RACHPs; tenancy support; role of indigenous business enterprises; sector capacity building; role of NRSCH.

How a system might look in the NT context

Including who the key players are and how they interact

The remote housing continuum

The role of RACHPs and Government will vary in different communities, and can be conceptualised along a continuum, along which the aspirations, capacity and needs of communities evolve

The functions of providers in the new system

We describe seven core functions and highlight that communities must decide what functions they wish to undertake

Sector-wide capacity building

For a more community controlled system capacity building of RACHPs and other key players is essential



PIC & PwC recommendations and implementation actions

A new Remote Aboriginal Community Housing System for the NT

Improving social, health and economic outcomes for Aboriginal people in remote communities needs a systems approach to housing

In order to improve remote community housing in accordance with the agreed principles, the research, stakeholders and the project team believe a **whole-of-system approach** is needed. Taking a strategic systemic approach to remote housing reform recognises that housing is one of the core social determinants of health and wellbeing and is also central to and can be stimulus for economic development.

It is clear that although initiatives are underway through the NPA and other NTG and Australian Government policies, and through Land Council and some community activity, more radical change is being called for.

Therefore a new Remote Aboriginal Community Housing System was tested with stakeholders in this review. The system is similar to that proposed by the Central Land Council (May 2021), is consistent with the national Closing the Gap principles and priority reforms, and is consistent with the approach being proposed in the NTG's draft Community Housing Growth Strategy (February 2022).

Broad support was received from the Subcommittee stakeholders consulted, alongside calls to undertake more detailed work to enable it to be endorsed and put into practice.

Elements of the new system

Government commitment: This system assumes an ongoing NPA or equivalent between the Northern Territory and Australian Government's to confirm support for the approach and ongoing funding commitments. This could be a new form of NPA more in the 'spirit of Closing the Gap', e.g. a Tripartite agreement with Aboriginal representatives.

Community decision making: there was agreement that community needs to be empowered and supported to make decisions about the community housing model most appropriate for their community. However there were differences of opinion on whether LDM is the only method by which community can engage and make decisions about their preferred RACHP model.

Role of RACHPs: the system envisages there may be a range of community housing models and that community may choose to grow and evolve their remote community housing provision model as capacity grows. More information on the continuum of models is included on pages 26 - 27.

Sector capacity building: Capacity building was recognised as a core feature of the remote community housing system that must be developed and sustained alongside the community decision making process and the development of RACHP's. Capacity building will be needed at the individual organisation and community level, as well as at the whole-of-sector level, and can be delivered through an Industry Development Plan (further detail on page 32).

Tenancy support: Remote tenants, like tenants in mainstream community housing, need varying levels of wrap around support to maintain their tenancies successfully. In remote communities, there are individual and family support services already being provided from other government funded programs. There are opportunities for those services to be integrated with the RACHP's activities to better target and support families, avoid duplication and improve referrals and delivery of supports to those individuals and families in most need.

A new Remote Aboriginal Community Housing System for the NT (continued)

Role of Indigenous business enterprises: This system recognises that there are already Indigenous business enterprises involved in the construction, repair and maintenance of housing assets and that this can and should continue. This activity is both a stimulus for Indigenous business growth and a way to create employment pathways and sustainable jobs in communities. This will increase over time as there is a significant housing need in remote communities that will need to consider how to enhance the capability of the existing IBE's not only in a construction phase but also the management of the housing stock. The relationship between these businesses and the RACHP's and NTG is a contractual one.

Role of NRSCH: All stakeholders agreed that RACHP's should be registered providers so that there is a high standard and quality of service being provided to people in remote communities. The mainstream National Regulatory System for Community Housing (NRSCH) should apply however the registration process needs modification for the remote context. The project team have been deliberately silent on system roles beyond those of government, as this needs to be further discussed as part of implementation planning.

Asset vehicle: The asset vehicle could be a centralised agency to hold and manage remote housing assets using a portfolio approach, allowing for greater identification of funding and financing leveraging opportunities. The asset vehicle would provide consolidated plans, including for asset management, lifecycle maintenance, redevelopment and debt strategies. It will also allow a great degree of control and visibility funding, as well as a streamlining of contractual processes. It could have a direct interface to both NT and Australian Governments, while maintaining local control and responsibility with local communities. It could have a clear obligation to local communities and direct engagement with local providers and stakeholders. There is also a potential role for the asset vehicle in overseeing longer term sector capacity building. We recognise that the establishment of an asset vehicle would take at least five years and should therefore be considered a longer term goal.

Relevance for Homelands and Town Camps

Responsibility for managing, maintaining and repairing housing and related essential services in the many homelands and town camps varies across the NT. Additionally the land tenure arrangements for homelands and community living areas also varies.

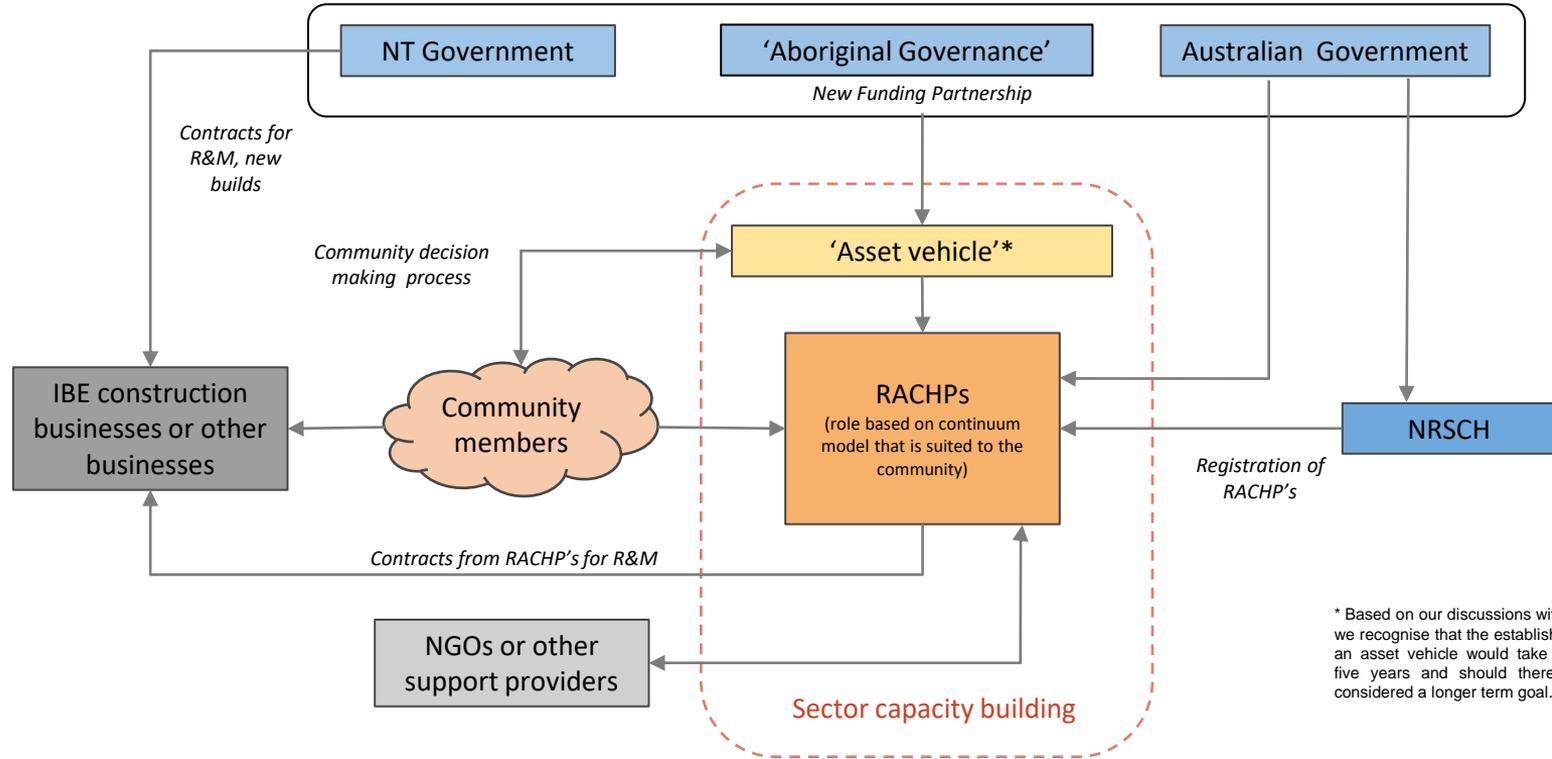
Although there are current discussions occurring between the Northern Territory and Australian Government about these matters regarding homelands, the principles agreed during this review would likely still have relevance.

There is therefore an opportunity to further consider how the proposed new Remote Aboriginal Community Housing system might apply and how the growth of RACHP's might be able to meet the needs of residents in those areas in the future.

Continued work in the delivery of a housing system to support homelands and community living areas will need to factor in the underlying leasing arrangements to unlock the opportunities that will cater for the differing needs and capability across the homeland and town camp locations.

A new Remote Aboriginal Community Housing System for the NT (continued)

The following diagram demonstrates how a new remote housing system might operate in the NT context, including the key elements and players and how they interact.



The Remote Aboriginal Housing Continuum

Right time, right place, right model

The research and stakeholder consultations suggested that there was no one-size-fits-all remote community housing provider model suitable for all communities in the NT. The diversity of size and capacity of remote communities, homelands and town camps, and the existing mix of community controlled organisations operating in communities, means that several models could apply. Other recent papers had prosecuted the concept of a continuum of models that could all apply in one location or another at the same time.

The continuum is graphically displayed on the next page, and is predicated on the principle that communities will engage and have sufficient information to make informed decisions about the model that best suits their needs, capabilities and context. It also contemplates that decisions may change over time as aspirations of community change and as capability and needs change. The continuum implies linear movement from left to right but there is no right or wrong model, and communities may decide not to progress to the next model along the continuum.

As the RACHP model changes so does the role of the public housing provider

As the primary provider of public housing in the NT, the Department of Territory Families, Housing and Community Development currently has responsibility for the quality and delivery of housing and tenancy management services to remote communities. However with the community housing continuum concept, the role of the NT government as the public housing provider will change according to the different RACHP models.

It could be conceivable that as communities make decisions about the model best suited for them, and the RACHP's develop in different communities, the NTG may

have very different responsibilities in each community or region at the same time. This will result in a complex and nuanced delivery model for the NTG, and one that will change over time as communities build capacity and seek to establish different RACHP models. A collaborative regional partnering approach will be needed to align NTG delivery strategies with community models, and to align and adapt policies and procedures as change occurs.

An implementation question that remains will be if this level of delivery system complexity is sustainable and achievable across the NT. Questions that could be explored further as part of implementation include:

- How many RACHP's can the NT system sustain? Will this be determined by communities or by the funding envelope eg through the NPA and system governance and informed by financial modelling,
- Does the implementation approach need to contemplate an optimum size for an RACHP using either population, number of dwellings and/or regional area as the numerator?

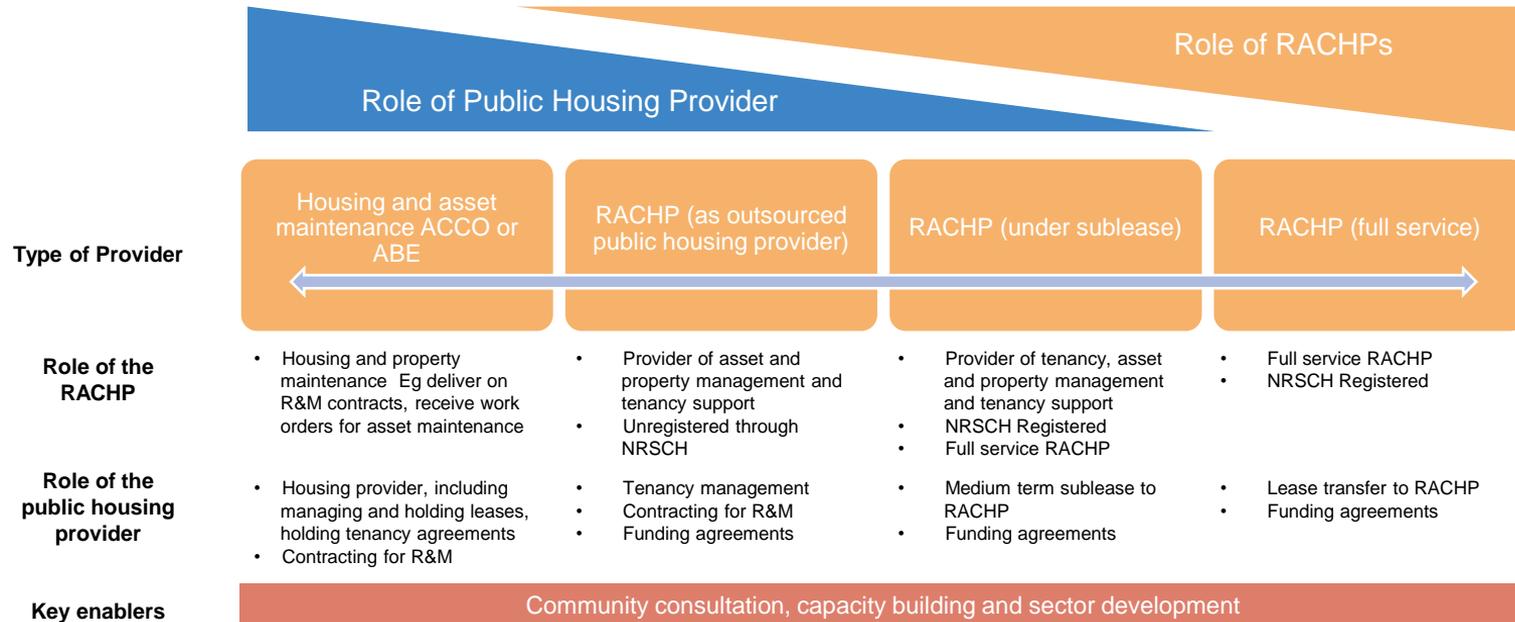
Appropriate leasing options along the continuum

The alignment of leasing model options suitable for each of the RACP models needs further exploration to inform implementation and further growth of community housing and to also explore how leasing can provide a foundation for home ownership if communities and families choose this housing option. Additionally, the leasing options can open avenues to financial leveraging opportunities.

The Remote Aboriginal Housing Continuum (continued)

The following diagram demonstrates how the role of RACHPs and Government will vary in different communities, and can be conceptualised along a continuum. Where a community sits along the continuum will depend on a range of factors including its' needs, capabilities and aspirations.

Note: the references to leases and subleases are for illustrative purposes and do not capture the additional layer of Commonwealth leasing across the majority of remote communities and 17 Alice Springs town camps.



Functions of a RACHP

The core functions define the roles and responsibilities of a RACHP

In order to implement a transition of housing to community control and to assist with capacity and capability building of a growing sector, it is important to define a set of core functions for the RACHP. While not all communities will choose or be ready to establish a RACHP immediately, the core functions provide a basis for community conversations about what parts of the housing delivery system they do want to undertake.

Seven core functions were identified and supported by stakeholders consulted. The functions are described in more detail on the next page.

Core functions

- Tenancy management
- Asset and property management
- Tenancy support
- Property development
- Quality and accountability
- Corporate services and administration
- Community engagement and cultural safety

Communities decide which model is right for them

Stakeholders advised that communities would benefit from having more information about what types of community housing provider roles and responsibilities are possible. There was a suggestion that some case examples from communities and organisations across the NT (and other remote communities) could bring the models and functions to life.

With this information, community can then have an informed conversation about what model on the continuum would be appropriate for their community at that point in time and discuss any aspirations for a different model in the future.

Case Study: Anindilyakwa

Anindilyakwa Housing Aboriginal Corporation (AHAC) was established in 2018 to facilitate decision making by Anindilyakwa people in respect of the ownership, location, design, and occupation of community housing across the Groote Archipelago. The NT Government and the Anindilyakwa Land Council signed a Local Decision Making Agreement on 14th November 2018 which includes the short term service delivery areas of Housing, Economic Development, Law Justice and Rehabilitation, Education and Health Services. The Groote Archipelago Housing Implementation Plan is a schedule to the Local Decision Making Agreement signed by ALC, NTG and AHAC.

? Case Study: Ngukurr

In the community of Ngukurr, the Yugul Mangi Development Aboriginal Corporation has a service agreement with the NT Department of Territory Families, Housing and Communities for the delivery of the Tenancy Management Support Services.

Functions of a RACHP (continued)

On this page the seven core functions of a RACHP are described.

Function 1: Tenancy Management

Services delivered to tenants and their families including the following:

- Tenancy allocation
- Tenancy agreements
- Rent collection

Function 2: Asset and Property Management

Management of the assets to a safe and habitable standard includes the following activities:

- Recording repairs and maintenance
- Contracting for repairs and maintenance
- Managing lease agreements (various models)

Function 3: Tenancy support

Services delivered to tenants and their families including the following:

- Regular engagement and education with tenants
- Referrals and support tenants to access specialist services
- Provide support services directly to tenants

Function 4: Property development

Development of new dwellings:

- Revenue raising
- Development planning
- Contract management

Function 5: Quality and accountability

Activities that ensure the organization meets required standards, registration and funding responsibilities including:

- Policies and procedures
- Achieve and manage NRSCH registration
- Risk management

Function 6: Corporate services and administration

Activities that maintain the operations of the organisation and programs:

- Workforce and staff development
- Financial management
- Information management
- Reporting requirements
- Participate in system development

Function 7: Community engagement and cultural safety

Leadership and governance of the ACHP including:

- Supporting community participation
- Governance and community control
- Cultural safety

Capacity Building

Building the capacity and capability of Aboriginal community controlled organisations to become CHPs is a long-term, ongoing requirement

To achieve the vision for an RACHP-Led remote community housing model, long-term funded sector development is crucial. Stakeholder consultation and research findings suggest that development will be needed **at the individual organisation and community level**, as well as at the **whole-of-sector level**. Activities will need to not only build operational and technical capability to manage the functions of a community housing providers, but also grow the level of community understanding about the concept of community housing. Local governance is critical to success as it garners community buy-in, creates ownership and builds upon existing community/regional governance structures.

The focus for training and development will be in all of the community housing functions, not just managing and contracting for repairs and maintenance. In addition, in some communities and organisations there may be a need to build corporate governance or establish new entities.

The NT Government has commenced developing an Industry Development Plan for community housing. A separate or embedded **Aboriginal Community Housing Sector Development Plan** will be needed to address the specific issues for this sector and to reflect the roles and responsibilities of the Aboriginal and remote stakeholders such as AHNT, the Land Councils, other governance and support programs such as the Aboriginal Governance and Management Program delivered by the Aboriginal Peak Organisations of the NT (APONT).

The remote sector plan could also identify the most appropriate means for delivering support, which may include partnering, mentoring, information sharing, sector wide resource development, as well as core skills training.

? Case Study: Yilli Rreung Housing Aboriginal Corporation

Yilli Housing started operation in 2003 to provide housing and municipal services in the former Yilli Rreung ATSIC region. Initially delivering housing and tenancy management services, Yilli Housing now provides affordable housing options, housing management, maintenance and municipal services to outlying communities via a service agreement with Aboriginal leaseholder organisations.

In recent years, Yilli Housing achieved accreditation under the National Regulatory System for Community Housing (NRSCH) as a tier 2 provider. The organisation has been instrumental in advocating and being awarded funding contracts for significant upgrades across the Yilli Housing managed stock. Investment in local employment and training is a key focus for workforce development of Yilli Housing staff.

Yilli Housing has steadily built its capability and is considered a leading provider of housing related services. They actively work with the government and non-government agencies to build local capability within the sector in order to meet the ever growing needs of the Aboriginal housing market.



Photo source: Yillli Rreung Housing Aboriginal Corporation website

Principles to guide implementation

The risk of delaying action is greater than the risk of spreading capacity building resources too thinly

Subcommittee members and other stakeholders consulted are in agreement about the principles and elements of a new remote community housing system and about the need for a continuum of RACHP models in the NT context. There is also strong agreement about the approach to implementation and the work that needs to be included in an Implementation Plan (refer to Section 5).

However a primary concern expressed by stakeholders is that implementation needs to be **underpinned by a commitment from both levels of government to an Indigenous-led remote community housing sector with long-term funding.**

While some believe that there is currently insufficient capacity within the government and community sector to develop and grow RACHPs in all regions across the NT, all believe that **action needs to commence immediately** as the risk of not starting now is even greater. The pandemic has been tragic for people in remote Aboriginal communities in the NT, and has further exposed the urgent need to address the quality and quantity of housing in remote communities.

Sector building will take time

Stakeholders are in agreement that the development of an RACHP-led housing sector in the NT will take time. Lessons can be learnt from the development of the Aboriginal community controlled primary health care sector, which occurred over many decades (see Case study in Appendix C). These lessons include:

- Long term funding agreement between NTG and AG is required;
- The peak body being part of a formal tripartite implementation governance structure, with resourced implementation planning and leadership roles;

- Defined pathways to community control including agreement about standards, funding models, key performance indicators, data collection and how community consultation and decision making will occur;
- Long term capacity building for providers around both governance and structural issues as well as technical capability and skill development;
- Mechanisms to assess readiness and start in a few places, build over time and for providers to learn from each other; and
- Development of some common tools and processes for providers to avoid duplication of effort.

Principles to guide implementation

Based on the analysis and discussions with key stakeholders on implementation we have formulated the following 5 principles that underpin the recommendations and implementation actions outlined in Section 5.

1

Build on strengths



2

Share the stories



3

Collaboration



4

Long-term commitment



5

Fail forward - action learning approach





05

Recommendations

Recommendations

The following recommendations outline the actions to be undertaken in the short and medium term, reflecting the findings and outcomes from this project.

1

Establish a governance structure for implementation

The structure should comprise a governance group, which will have responsibilities to oversee the remote housing system reforms, with membership from NT Government, Australian Government and Aboriginal Housing NT (AHNT). The approach would maintain a small enough group for decision making and is in the line with the principles and the priority reforms of the Closing the Gap National Agreement. The new group will likely need a resourced implementation team and embed a mechanism for tripartite decision making within their Terms of Reference. The group should be established under the current National Partnership Agreement to have oversight of implementation and maintain the momentum achieved through the Subcommittee reviews.

2

Undertake a financial analysis to understand costs to deliver and transition

The analysis would involve collecting existing data and information about the current and future remote housing costs, as well as the housing needs (including quantity and quality of housing stock). As part of this financial analysis, opportunities should be identified for leveraging existing assets for generating future capital funding for reinvestment. The outcomes of the analysis will feed into the development of funding models and options for NT remote housing.

3

Undertake a remote housing skills and capability assessment

This would involve assessing the capacity for remote housing delivery and management in each remote community and building on existing information gathered through activities such as the NTG's Local Decision Making process and Land Council consultations. The assessment could use these sources as a base to plan any further consultation with communities regarding their housing capability aspirations. The scope of this assessment could be the 73 remote communities, their surrounding homelands and the 43 town camps and community living areas around each of the major towns and could be undertaken in stages.

4

Develop and commence site based implementation using an action learning approach

Based on the above recommendations, establish and support between three to five place based sites in the NT. The aim would be to use an action learning approach as a technique to test and learn from trials of the new remote housing model implementation. The sites would be chosen to ensure a diversity of representation across the remote housing continuum model, as well as across regions and with a diversity of provider organisations. Learnings could be used to help inform the financial analysis (Rec 2) and the remote housing skills and capability assessment (Rec 3).

5

Explore feasibility of the proposed 'asset vehicle'

Undertake a feasibility study to support implementation of the proposed 'asset vehicle' having consideration for the preferred leasing options for RACHPs, for facilitating home ownership models being developed by OTL, and for using a portfolio approach for greater identification of funding and financing leveraging opportunities. The asset vehicle may evolve over the medium to long term to adopt a capacity development role for RACHPs.

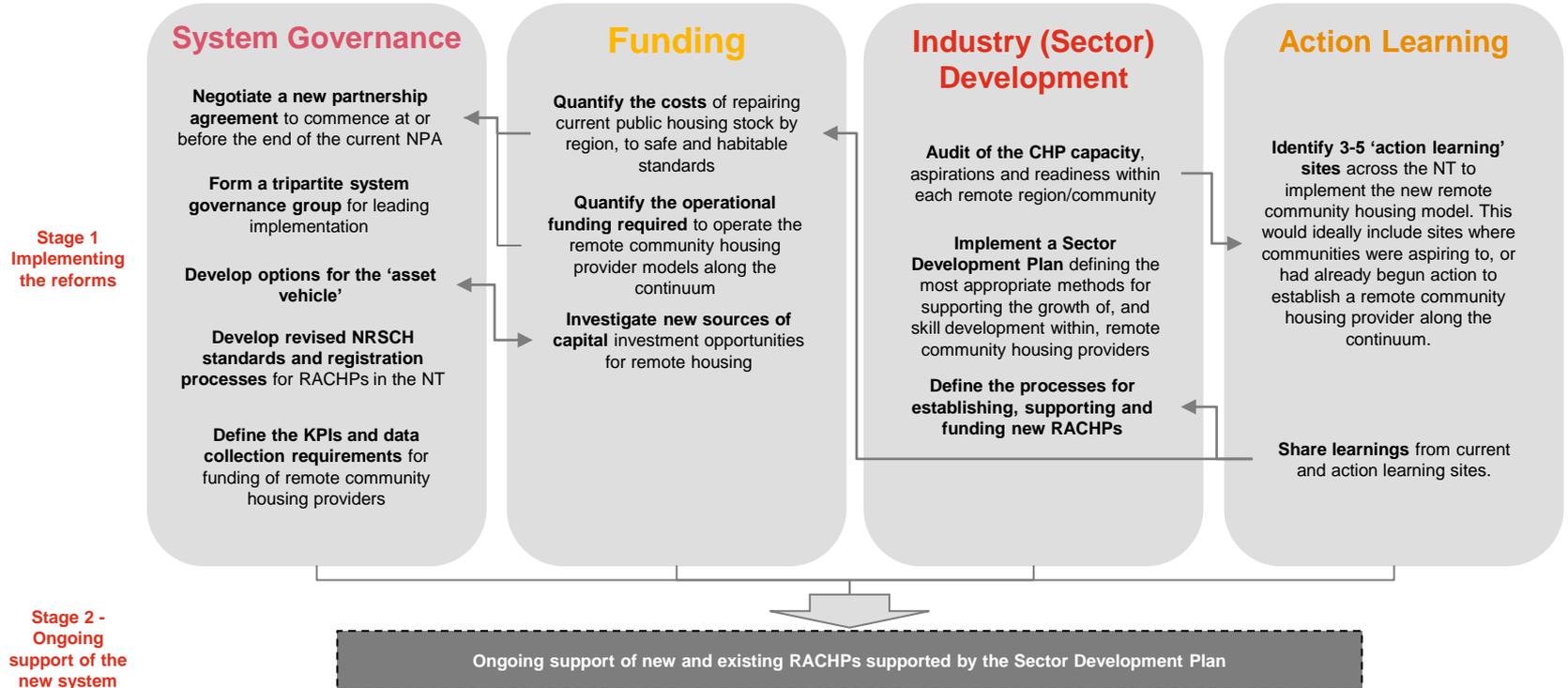
6

Establish and support new and existing RACHPs

Following implementation of the five recommendations above, and informed by the information gained and the lessons learnt through supporting existing RACHP's and placed based sites, the system governance group should develop a staged plan to establish and support new RACHPs. It would include an assessment and recommendations on the timeframes and decision making methods required for supporting new RACHPs, the key players in the development of the new Remote Aboriginal Community Housing System.

Overview of Implementation actions

Working together to establish and maintain the new Remote Aboriginal Community Housing system in the NT will require implementation actions under several concurrent streams, as outlined below. Many of the actions will inform and be reliant on actions from other streams, and likely require an Implementation Team to be formed using a Project Management approach.





A

Appendix A:
Research
sources

Research sources

Key desktop sources used

- Commonwealth Government (2017) Remote Housing Review
- AHURI (2016) *Reviewing changes to housing management on remote Indigenous communities*
- Queensland Productivity Commission, *Service Delivery in Indigenous Communities 2017*
- Queensland Aboriginal and Torres Strait Islander Housing Action Plan 2019 – 2023
- South Australian Aboriginal Housing Strategy 2021 - 2031
- NSW Remote Indigenous Housing Implementation Plan (2014-15 to 2015-16)
- NSW Housing Strategy (2021)
- Health Habitat (2021) <https://www.healthhabitat.com/>
- PwC (2007) *Living in the Sunburnt Country*
- The Victorian Aboriginal Housing and Homelessness Framework (2020)
- Nous Group (2017) *Efficient system costs of Remote Indigenous housing*

Key NT-related documents reviewed for context:

- NT Housing Strategy 2020-2025
- Room to Breathe 2016-2027
- Central Land Council - various papers (2020-2021)
- Local Decision Making Framework Policy (2021)
- Aboriginal Remote Housing Forum report (2015)
- 2017 review of the National Partnership for Remote Indigenous Housing (NPARIH)
- The New Tenancy Framework for Remote Aboriginal Communities in the NT 2011
- Progress of the Remote Housing Investment Package (2021)
- NT Community Housing Growth Strategy 2022-2032
 - Discussion Paper March 2021,
 - Discussion Paper Consultation Summary Report August 221
 - Consultation Draft February 2022

Sources used for text references

1. Sources used to compile table: AHURI (2016) *Reviewing changes to housing management on remote Indigenous communities* ; Queensland Aboriginal and Torres Strait Islander Housing Action Plan 2019 – 2023; South Australian Aboriginal Housing Strategy 2021 - 2031; NSW Housing Strategy (2021)
2. Sources used to compile table: AHURI (2016), NSW Housing Strategy, South Australian Aboriginal Housing Strategy, Queensland Aboriginal and Torres Strait Islander Housing Action Plan, 2017 Review of the National Partnership for Remote Indigenous Housing (NPARIH) , NT Housing Strategy.
3. PwC (2007) *Living in the Sunburnt Country*
4. AHURI (2016) *Reviewing changes to housing management on remote Indigenous communities*; and Queensland Productivity Commission, *Service Delivery in Indigenous Communities 2017*
5. South Australian Aboriginal Housing Strategy 2021 - 2031
6. See: <https://www.healthhabitat.com/>. Also see: Central Land Council (2021) *Development of a new Aboriginal Housing Model for Central Australia - Community Housing Proposal*, August 2021
7. AHURI (2016) *Reviewing changes to housing management on remote Indigenous communities*
8. Nous Group (2017) *Efficient system costs of Remote Indigenous housing*
9. Commonwealth of Australia, Department of the Prime Minister and Cabinet, Remote Housing Review: A review of the National Partnership Agreement on Remote Indigenous Housing and the Remote Housing Strategy (2008-2018),
10. Queensland Productivity Commission, *Service Delivery in Indigenous Communities 2017*; Queensland Aboriginal and Torres Strait Islander Housing Action Plan 2019 – 2023
11. <https://kaingaora.govt.nz/home-ownership/kainga-whenua/#:~:text=The%20K%C4%81inga%20Whenua%20Loan%20Scheme,their%20multiple%20Downed%20M%C4%81ori%20land>.
12. The Canadian Housing and Renewal Association (2020), An Urban, Rural and Northern Indigenous Housing Strategy for Canada
13. Various sources, including: Commonwealth of Australia, Department of the Prime Minister and Cabinet, Remote Housing Review: A review of the National Partnership Agreement on Remote Indigenous Housing and the Remote Housing Strategy (2008-2018), Queensland Productivity Commission, *Service Delivery in Indigenous Communities 2017*; AHURI (2016) *Reviewing changes to housing management on remote Indigenous communities*



B

Appendix B:
Further detail
on research
findings

Further detail on research findings

Queensland Local Thriving Community Reforms

The Queensland Productivity Commission undertook an inquiry in 2017 into service delivery in the State's 19 remote Indigenous communities (incorporating housing), which found that most problems with Queensland's remote Indigenous housing provision stemmed from excessive government control. Stakeholders indicated a desire for a shift towards community decision-making and accountability.

A series of reforms are in the process of being enacted, representing a **shift towards a partnership approach between Government and local communities**.

Reforms and Actions

Government and communities are co-designing and delivering structural, services and economic reforms for remote communities. With respect to housing this includes:

- The Aboriginal and Torres Strait Islander Housing Action Plan 2019-2023 has been developed.
- *Local Housing Plans* are being implemented, which are place-based and community-led plans to respond to local housing challenges.
- Assistance to homeowners and tenants to undertake their own repairs and maintenance, by establishing community toolboxes for people to borrow tools and equipment and access instructions.
- Working with remote and discrete communities, to reinvest repairs and maintenance savings, into locally identified housing priorities, using an incentive-based approach.
- The Queensland Government is providing \$75 million, over five years, to assist residents of remote communities to achieve home ownership.
- Improving the cultural competency of our frontline Housing Service Centre and Delivery staff.

- The Queensland Department of Housing and Public Works has established an Aboriginal Housing Unit to partner with communities.
- Delivering cultural capability training to staff to improve engagement skills
- Reviewing our legislation, policies, procedures, decision-making frameworks
- Building a strong network of Aboriginal and Torres Strait Islander staff to assist with local knowledge, cultural awareness and relationship building.
- Developing and implement phased approaches to reform implementation that are responsive to each community's capacity and capability.

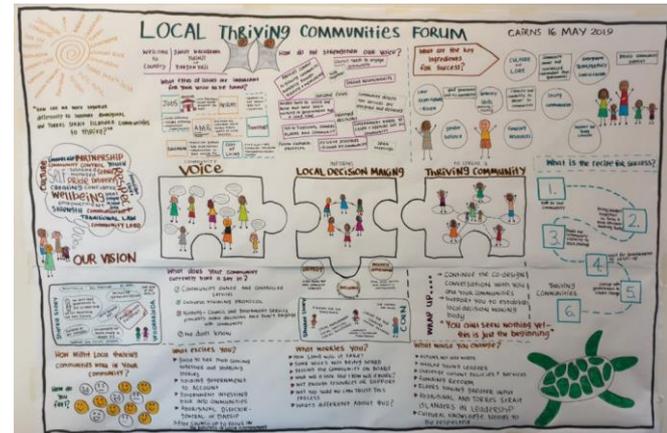


Photo source: Local Thriving Communities
<https://www.dsdatsip.qld.gov.au/resources/dsdatsip/work/atsip/reform-tracks-treaty/local-thriving-communities/graphic-harvesting.pdf>

Further detail on research findings

Rent-setting approaches

Income-based

Income-based rent setting involves establishing rent based on a percentage of household income and generally involves a capped maximum rent. Typically a nominated tenant (i.e. Head Tenant) will hold responsibility for rental payments and other tenants may agree to contribute. This represents the application of a mainstream social housing approach and has largely been undertaken in Australian jurisdictions through the NPARIH reforms.

The key benefit of the income-based approach is the affordability for tenants, which is particularly important for larger households which pay the rental cap. There are however a number of challenges for both tenants and housing providers. From the perspective of housing providers, **the administrative burden and costs are extremely high** for responding to changing household composition and incomes (i.e. verifying who lives in the house, updating household information, reviewing rents and direct debit information). The mobility of tenants in remote communities can often be high and employment circumstances and levels of income can also frequently change. The income-based approach also creates a number of perverse incentives, such as providing incorrect information to authorities, overcrowding, and discouraging home ownership. Achieving compliance is likely to be much more effective where a local worker is present.

There are variations of the income-based approach across Australia - e.g. altering the percentage of income payable, and differences in how rent caps are determined, whether only the Head Tenant is signed up or other residents as well.

Property-based

Property-based rents involve setting rent based on the size or quality of the property, or the household composition. Determining the rent can be done through government policy, through a nominal price set by the property owner, linked to market rent or based on the construction cost of the house. The advantages of property-based rents are:

- Typically easier for tenants to understand;
- Reduces perverse incentives for tenants;

- Easier for rent collectors to administer;
- Predictable rental income stream; and
- Provides better incentive structures for tenants (i.e. towards home ownership)

The primary disadvantage to consider is that as rent is not based on income, it may place affordability pressures on some households.

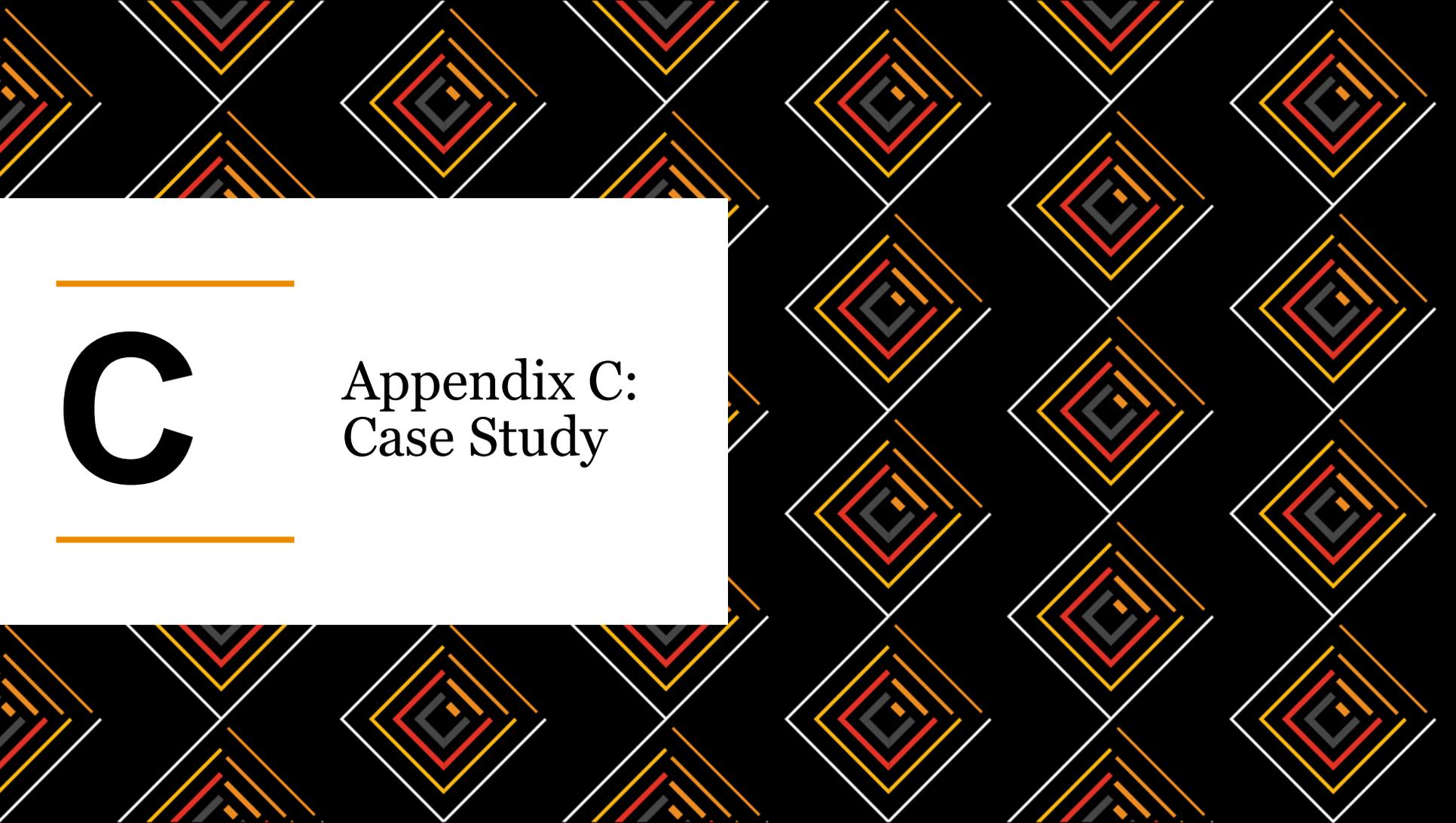
Community-wide housing levies

This involves applying a levy across a remote community, which is collected through a deduction from wages. The advantages of this model are that it is simple to implement and administer, and all community residents contribute to housing costs.

Prior to 2007, many remote Indigenous communities were subject to a community-wide levy system. This was a preferred model since it allowed rents to be charged to all residents, rather than having responsibility for rent collection falling to a head tenant. This prevented the creation of perverse incentives, where tenants with good records were penalised by having additional household members stay.

Cost-based model

A cost-based model can be implemented whereby rent is determined and adjusted each year based on rates, insurance and cyclical maintenance. This model gives incentives for tenants to take good care of homes and keep maintenance and repairs costs lower, in order for rental costs to be lower. In this way, the model mimics some features of home ownership to improve the level of care that tenants show towards their homes. There are clear challenges with the implementation of this model in the NT.



C

Appendix C:
Case Study

Sector development case study

Pathways and Regionalisation of Primary Health Care in the NT

Development of the Aboriginal community controlled health sector in the NT has been occurring for decades at different paces and under different government and sector led initiatives. The original Coordinated Care Trials (CCTs: 1997-2005), the Primary Health Care Access Program (PHAC: 1999-2004) and the later Expanded Health Service Delivery Initiative (EHSDI: 2008), and the Northern Territory National Partnership Agreement (NTNPA) in 2009 and the subsequent Stronger Futures Program (SFP) in 2012. The shared aim of all initiatives was the transition of health service delivery to community controlled organisations to deliver a more responsive health and family service system, improve the quality and cultural security of services and improve the levels of family and community functioning: all of which contribute to improved levels of health and wellbeing.

This case study is a summary of the processes and core features of the reforms and learnings generated through various reviews.

Core aspects of the reform

NT Aboriginal Health Forum (NTAHF)

The NTAHF is a formal partnership between the Aboriginal Medical Services Alliance Northern Territory (AMSANT) the peak body for Aboriginal Community Controlled Health Organisations (ACCHO's); the Northern Territory Government Department of Health (NTH); the Australian Government Department of Health (DoH) and later the NT Primary Health Network (NTPHN). The NTAHF was founded in 1998 under a Framework Agreement with a role to develop cooperative approaches to policy and service delivery, consultation and joint planning, and service enhancement. The two governments retained decision making powers within their responsibilities.

It is reported that while the NTAHF was deliberative and consultative it was not well placed to manage implementation of the large regionalisation agenda it had negotiated. Each of the parties had stand alone health system responsibilities, and exercising shared authority was a challenge. Addressing culturally entrenched beliefs and practices within the health system, while also trying to make structural changes to the way services would be delivered and to the way authority and control would be exercised across cultures and governments was also a challenge.

Pathways to community control

In 2008 the NTAHF endorsed a central planning and system reform document titled 'Pathways to Community Control'. The document defined the meaning of 'community control' as well as set out the potential ways to transition services from government to community control. It described the various Primary Health Care (PHC) service models as well as the different points along a continuum of increasing community participation and governance. The document also noted that the capability of both communities and Boards of management was a threshold issue and went on to articulate a process for staged implementation of increasing community participation in health service provision, with strong community engagement and demonstration of competence by community steering committees/boards. One tool developed was the Competence and Capability Framework, designed as a way of assessing regional steering committees/governing boards but perceived by trial sites as a process to demonstrate inadequacies and was later reshaped and renamed the Regional Readiness Assessment Tool.

Regionalisation and funding

The NTAHF agreed that there needed to be a workable regional approach to PHC delivery informed by needs-based planning, an equitable and transparent funding allocation approach, capacity building, and coordinated planning. Regionalisation was the term used to refer to the processes that would potentially result in a single Aboriginal community controlled regional PHC service provider in each of an agreed number of Health Service Delivery Areas (HSDA's). Determining the number of HSDA's took into consideration population size and growth forecasts, family, language and kinship connections across NT regions, community locations, and existing service delivery sites. Funds pooling was an explicit element of regionalisation, and had been trialled in the early CCTs and was part of the basis for planning the PHAC program. It referred to the 'pooling' of funding from both governments to support the provision of an agreed range of PHC services. Ownership and transfer of assets was a complex and at times contentious issue between all parties, and there was criticism that the funding pool and funding allocation had not been based on any detailed financial modelling.

Sector development case study

Definition of core services

One aspect of the NTAHF work that was integral to the Pathways and regionalisation process was the development of the 'Core Services Framework'. Over several years the framework was finally endorsed in 2011. As a policy document it was used to establish an agreed position on the functions of comprehensive PHC in the Northern Territory as well as a framework for planning and evaluation of PHC at the HSDA level either by a single regional primary health care service, or by groups of services operating within a HSDA.

KPI's and data collection system

Another outcome from the collaborative development processes and the development of the Core Services Framework was the development of the NT Aboriginal Health Key Performance Indicators (AHKPI's). These two documents and their implementation were important infrastructure for the development of a systemic approach to the PHC system in the NT.

Capacity building and coordination

A multi-faceted system for planning and capacity building was established. A Primary Health Reform Group (PHRG) was established to lead NT wide planning and development and funding was allocated to establish a Reform and Development Unit (RDU) within AMSANT to support regional planning and development by communities and ACCHO's. Regional Steering Committees took the lead role within regions, supported by Clinical and Public Health Advisory Groups and funding for regional planning units within ACCHO's who had formed steering/advisory committees in their HSDA.

Complexities of system reform

It is reported that as regionalisation activities increased, the capacity of the PHRG was increasingly stretched as members tried to maintain their nominal and additional responsibilities, there was criticism of the RDU, changes in government that led to restructuring within Australian Government agencies, stops and starts and an overall loss of momentum in decision making (both policy and implementation) and the program, and a cumulative negative experience for key Aboriginal community leaders who were critical to the community engagement, planning and development activities.

Key lessons for the Remote Aboriginal Community Housing Sector

The PHC regionalisation and reform process over the past few decades highlights that despite good intentions on the part of all involved, and with the limited skills, capacity and finite resources that were available, the task was complex and challenging.

Drawing on this analysis, the following lessons have been identified as being relevant for remote Aboriginal remote community housing sector development:

- Long term funding agreement between NTG and AG is required;
- The peak body being part of a formal tripartite implementation governance structure, with resourced implementation planning and leadership roles;
- Defined pathways to community control including agreement about standards, funding models, key performance indicators, data collection and how community consultation and decision making will occur;
- Long term capacity building for providers around both governance and structural issues as well as technical capability and skill development;
- Mechanisms to assess readiness and start in a few places, build over time and for providers to learn from each other; and
- Development of some common tools and processes for providers to avoid duplication of effort.

This case study is the Project teams summary of information and views taken from various reports and research papers written about the NT's PHC pathways program and ACCHS sector.