



**Aboriginal Housing Northern Territory (AHNT)
& Aboriginal Peak Organisations NT (APONT)**

**Draft Submission to the NT Housing
Strategy Consultation Draft**

February 2016

Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

Introduction

Aboriginal Peak Organisations of the Northern Territory (APO NT) is an alliance comprising the Central Land Council (CLC), Northern Land Council (NLC), Central Australian Aboriginal Legal Aid Service (CAALAS), North Australian Aboriginal Justice Agency (NAAJA) and the Aboriginal Medical Services Alliance of the NT (AMSANT). The alliance was created to provide a more effective response to key issues of joint interest and concern affecting Aboriginal people in the Northern Territory. The delivery and management of Aboriginal housing is a key priority for APO NT. Given the very high level of overcrowding in Aboriginal communities and that the vast majority of homelessness is experienced by Aboriginal people, the issue of housing is one of the most significant challenges confronting Aboriginal communities today. Effective housing strategies and solutions will be those developed and implemented with Aboriginal people in the lead role.

APO NT welcomes this opportunity to comment on the recently released 'Housing Strategy – Consultation Draft' (hereafter referred to as the Draft Strategy) which is part of the NT Government's (NTG's) commitment to reviewing the 'suite of housing supply and assistance programs to ensure we are meeting the needs of Territorians'.¹

Context

In the past decade, Aboriginal people have experienced great disempowerment as a consequence of changes to housing and the introduction of a new housing framework. From 2007 a series of changes were rolled out by the Australian and Northern Territory governments that changed Aboriginal housing from a model based on self-management to a public housing model managed by the NT Government. These changes included compulsory 5-year leases over communities under the Northern Territory Emergency Response (NTER), the abolition of Indigenous Community Housing Organisations (ICHOs), and the transfer of community housing to the NT Government. The shift in housing policies promoting self-determination to policies of mainstreaming service delivery in remote and urban areas has brought a significant increase in investment in remote housing but a withdrawal of funding from the traditional ICHOs. In 2008 the National Partnership Agreement on Remote Indigenous Housing (NPARIH) committed \$2billion over 10 years for the NT. Its objectives

¹ See p. 2 of the Housing Strategy – Consultation Draft.

were to reduce severe overcrowding, increase the supply of new housing, improve existing housing and implement tenancy management standards in remote communities.

A consequence of these changes was that the NT Government became responsible for both the capital works program and the ongoing management of housing. It is widely felt that despite the best intentions, these combined measures at both the NT and Commonwealth level, represented a winding back of the hard fought gains of the land rights movement and self-determination.

Much was expected of NPARIH, but perhaps the most important was a reduction in the extent of overcrowding. While NPARIH has delivered significant investment in Indigenous housing in the NT, unfortunately the severity of overcrowding and homelessness remain. Two housing market indicators provide an insight into the difficulty of addressing this issue and the severity of the situation confronting Aboriginal communities in the NT:

- The National Housing Supply Council reports that the NT has by far the largest housing shortfall relative to the total number of households at 14.6% - a shortfall of approximately 10,600 dwellings.²
- Homelessness in the NT is 17 times higher than anywhere else in Australia at a rate of 730 per 10,000 people.³

Remote Aboriginal Housing Forum

In March 2015, APO NT facilitated the Remote Aboriginal Housing Forum which brought together more than 150 people, including community leaders and Aboriginal organisations to discuss issues and ways to progress Aboriginal housing in the NT. While the level of concern about the state of Aboriginal housing was high, the most significant theme emerging was the desire of all Aboriginal communities to work closely with governments to find solutions. To signify this constructive approach, a new Aboriginal housing body, Aboriginal Housing NT (AHNT) was formed to provide an Aboriginal voice to Aboriginal housing issues in the NT.

Encouragingly, the release of the Draft Strategy provides an opportunity to table Aboriginal solutions to ongoing housing concerns. Yet, a fundamental issue remains as to whether or not Aboriginal solutions are adopted and acted upon or are ignored to justify policy decisions made according to highly political criteria.

² See NT Shelter overview of housing in the NT, available from <http://ntshelter.org.au/>

³ See 2012 Revised Estimates of Homelessness available at the following link - <http://ntshelter.org.au/> The ABS definition of homelessness states: a person is homeless if they do not have suitable accommodation alternatives and their current living arrangement is in a dwelling that is inadequate; has no tenure or their initial tenure is short or not extendable; or does not allow them to have control of, and access to space for social relations.

It is heartening that the Draft Strategy does refer to and quote the APO NT report from the Aboriginal Remote Housing Forum and acknowledges that the remote housing issues are important, different and challenging.⁴ The Foreword by the Chief Minister and the Minister also states that:

*we need to change because we have heard that a number of pressures exist in public housing right across the Territory...and that remote communities are experiencing levels of overcrowding and houses need repair and work on a number of levels.*⁵

APO NT continues to support the newly formed Aboriginal Housing NT (AHNT). AHNT works to create a new Aboriginal housing system which is diverse and flexible, allows for local control over services, generates local employment and suits the needs of our people.

This submission encompasses the views of APO NT and AHNT.

AHNT aims to be an independent peak body for Aboriginal housing. Specifically AHNT's objectives are to:

- Provide a strong Aboriginal voice on housing issues through advocacy and representation to government and the wider community;
- Work with governments and other key stakeholders to address the Aboriginal housing crisis in the Northern Territory and to work towards developing an Aboriginal community controlled housing model;
- Engage with Aboriginal communities to explore innovative and effective housing management models that are appropriate and will meet the unique housing needs of the communities and homelands.
- Undertake research and policy development work as required;
- Develop targeted strategies where required;
- Pursue implementation of pilot models of new housing arrangements in collaboration with housing providers and participating communities;
- Develop networks and alliances with relevant professional housing entities and knowledgeable individuals.

Recommendation 1: APO NT calls for the recognition of the newly formed Aboriginal Housing NT as the peak body representing Aboriginal housing issues, including through appropriate resourcing.

⁴ The Remote Aboriginal Housing Forum report is available from <http://www.amsant.org.au/apont/publications/reports/>

⁵ See p. 2 of the Housing Strategy – Consultation Draft.

Gaps in the Draft Strategy

The Draft Strategy summarises the feedback from consultations in five urban regional centres and five remote communities and identifies the following three key areas for improvement:

1. Housing programs that help and support people to improve their housing circumstances and live more independently.
2. Recognising the unique needs and aspirations in remote communities, and the flow on effect of these for regional and remote housing.
3. Investment in public housing to optimise value.

It is worth noting that one of these specifically relates to the ‘unique needs and aspirations of remote communities’. It is also in this section that the document specifically notes the Remote Aboriginal Housing Forum Report and summarises the key findings of the forum:

- Inadequate supply, poor design, poor workmanship
- Poor maintenance response leading to unhealthy conditions
- No employment opportunities for local people during construction or management
- Management arrangements complex and deliver poor service
- Tenancy processes are inappropriate and culturally insensitive

Despite a welcome reference to the Remote Aboriginal Housing Forum report, the real question is whether the Draft Strategy has adopted and promoted any of the future directions proposed in the forum report. Following is a summary of recommendations arising from the Remote Aboriginal Housing Forum report and how the Draft Strategy addresses them.

- *Collaborative action – representatives from Aboriginal communities organising themselves to speak collectively to government.*

This is not mentioned although recognition by the NTG of the newly created Aboriginal Housing NT would provide an appropriate consultative mechanism body.

- *Community housing approach – delivering housing services through an Aboriginal owned special purpose housing organisations.*

This is not directly addressed however it is hinted in the ‘what could we do’ section on social housing.⁶ The ideas for possible responses are at best weak admissions that there might be some possibility to develop community housing models. But they also betray the resistance and suspicion of traditional public sector bureaucracies to community housing. Moving from caution to commitment along with the associated

⁶ See p. 28 of the Housing Strategy – Consultation Draft.

regulatory and capacity building strategies are proposals that APONT would strongly support.

- *Integrated management systems – housing management functions should be delivered through the one organisation in an integrated way.*

The report acknowledges that the current arrangements are complex and not working to greatest effect. However it stops short of acknowledging that the disaggregation of functions and the short term contract tendering process is a major contributor to the situation. APO NT calls for the implementation of an integrated housing management system which is absolutely essential to good service delivery.

- *Place- based approach – housing management will be most effective when there is a presence of the housing provider within the community.*

There is strong support for a place-based approach in the report; it is a guiding principle and it is proposed that a way forward could be to ‘assess community capacities and aspirations’⁷. Despite being strong in principle, the Draft Strategy is shallow in action. APO NT supports a place-based approach and recommends the creation and appropriate resourcing of special purpose Aboriginal community housing organisations.

- *Capacity building – investing in community housing organisations to build governance and management capacity.*

Alarming, the report is silent on this. There does not seem to be a recognition that skilled community housing providers capable of managing all housing related risks will only come about as governments empower, build capacity and then regulate.

- *Engagement with local communities – community housing providers must have a strong commitment to engaging with the communities in which they operate.*

Community engagement is endorsed but at no point is it assumed that it will be community housing providers that undertake the engagement. Government assumes that it is responsible for consultation. It is of course essential for government to consult with communities on their needs and what will be the most effective investment of public funds in those communities. But effective housing managers are in constant dialogue with their tenants and communities. The silence in this regard is further evidence that the Department of Housing (DOH) simply does not understand what a community housing model is.

- *Financial transparency – establishing an accounting structure that provides transparency for all in regard to housing funds.*

⁷ See p. 6 of the Housing Strategy – Consultation Draft.

The Draft Strategy is again silent on this issue. As financial transparency is not addressed in any way, the reluctance and inconceivability of handing over financial responsibility for a housing portfolio to an NGO is writ large. Irrespective of who is managing housing the principle of financial transparency should be absolute when it comes to housing management.

While the Draft Strategy has paid attention to the findings of the APONT Remote Housing Forum and hints that it wants to make changes, there are few concrete ideas about what those changes would be. Much more needs to be done and we make the following recommendations.

Recommendation 2: Recognition of the APONT Remote Aboriginal Housing Forum Report is appreciated but strategies to achieve the future directions called for by APO NT are an absolute imperative. The Draft Strategy should be amended to detail the strategies, actions and investment required to achieve the outcomes sought in the Remote Aboriginal Housing Forum Report.

Recommendation 3: Furthermore, we call for a joint project between AHNT and NTG to develop a long-term Strategy for Remote Housing (including communities and homelands) in the NT.

Homelands require a specific focus in the Draft Strategy

The Draft Strategy reports on the seriousness of the housing shortage in remote communities and outstations.⁸ There is a strong relationship between homelands and communities; if homelands receive reduced services or close down then people may move to the fringes of communities or towns, where there are already housing shortages. Our concerns about homelands include:

- Homelands have been excluded from the whole new housing framework and as a consequence are not receiving sufficient funding or adequate levels of service.
- Houses that exist on homelands are up to 30 years old and in state of disrepair; there is no funding to build new houses.

Recommendation 4: That the Draft Strategy be amended to articulate how homelands housing fits in the housing framework, and to specifically include principles and actions relating to housing on homelands.

⁸ See p.19-20 of the Housing Strategy – Consultation Draft.

General comments on the Draft Strategy

Growth of housing stock to match projected population growth

One of the weakest features of the Draft Strategy is the lack of appropriate consideration given to the projected high rates of Aboriginal population growth in remote communities (Habibis et al 2014: 20).⁹ The strategy presents no analysis of forecasted population growth and new housing stock required to match this growth. A social and affordable housing strategy for the future must address where funds will come from to deliver on stated goals. While we recognise that this will to a large extent depend on Commonwealth government decisions on both the National Affordable Housing Agreement (NAHA) and the National Partnership Agreement on Remote Indigenous Housing (NPARIH); an amended Draft Strategy could become a compelling document put to the Commonwealth. The NTG needs to outline what it is prepared to put on the table and what the NTG will do with Commonwealth money if funding is continued for remote housing beyond June 2018. As the current NPARIH Agreement ends in June 2018, it is not clear what funding will be available after this date. It is a major oversight that the Draft Strategy does not clearly articulate the financial resourcing required to underpin an effective housing system. Furthermore, Aboriginal housing strategies for stock growth need to encompass different accommodation types to meet different community housing needs including older persons, extended families, supported accommodation, visitor accommodation and shared facilities.

Recommendation 5: APO NT recommends that an analysis of population growth and related forecast of housing demand is undertaken to ensure future need is met. This includes an analysis of the financial arrangements underpinning future projections.

Roles and responsibilities

The roles and responsibilities of various players in the housing system are overviewed in the Draft Strategy. Yet, it is still unclear whether it is a whole of government housing strategy or one that only pertains to the Department of Housing. Both are important and the latter should emerge and be consistent with the former.

It is important to note that there is potential for Aboriginal housing organisations to have greater roles and responsibilities. For example, partnerships between well organised and highly capable Aboriginal housing organisations and other market players, both public and private, are one avenue for delivering new housing. However, without the existence of Aboriginal housing organisations, these objectives will not be realised.

⁹ Habibis et al (2014) Progressing tenancy management reform on remote Indigenous communities, AHURI Final Report No. 223. Melbourne: Australian Housing and Urban Research Institute. Available from: <<http://www.ahuri.edu.au/publications/projects/p41023>>.

The roles identified in Draft Strategy are:

- Tenancy management
- Asset management
- Support services
- Stock growth

The players identified are:

- NT government
- Commonwealth government
- Community Housing Providers
- Community Service NGO's
- Private firms

The responsibilities outlined in the matrix are all reasonable in relation to the delivery of social and affordable housing programs, but do not provide a sufficient level of detail about future roles needed to reform the housing system. There are two important points that should be made:

1. The 'stock growth' role is an understatement of the significance of this aspect of the social and affordable housing system. It would be worth considering splitting this into two discrete components:
 - Housing procurement involving the development of land and construction of dwellings. This is an area where all the government levers are outside the control of the DOH and the risks are generally assumed by the private sector. For the sake of reducing the costs of supply in the social and affordable housing sector there is an urgent need for a whole of government response to land planning, land taxation and the identification of regulated vehicles for holding the benefits of any concessions and incentives.
 - Housing finance which will primarily be based on a private finance model with adequate subsidies to ensure the cost of finance can be met from the available income streams for the housing. Whether the subsidies come in the form of capital subsidies or operational subsidies (such as the National Rental Affordability Scheme) does not matter so long as they are adequate to ensure the sustainability of the system. The failure to specifically mention the source of finance and subsidies for any future housing strategy substantially weakens the credibility of the strategy.

2. The role of the NT government and the Department of Housing in particular is insufficiently considered and therefore neglects what is a glaring weakness in the Department which may well be the root cause of the continuing failure of the public housing system to deliver an adequate service to remote communities and town camps. The NT Government needs to decide whether the strategy is a whole of government Housing Strategy or a Department of Housing Social and Affordable Housing Strategy.
 - For over 20 years now the best practice in public service has recognised the need to distinguish between the role of funder and provider of services. Housing has been one of the last bastions of the old way of doing things. When the bureaucracy which is responsible for the development and implementation of good policy and the allocation of budget to achieve the desired policy outcomes is also the deliverer of the funded services there will never be full transparency and accountability for the services. Furthermore, the bureaucracy will remain resistant to any potential non-government alternative providers and may seek to control those NGOs in such a way as to undermine their sense of mission and work towards their non-performance. The NT DOH is a good example of this. Historically it has been a monopoly provider but recently it has been forced by (Commonwealth) government policy to open the delivery of services to NGOs (both NFP and private). In doing so it has so carved up the functions to create an overly complex system that makes itself indispensable as the contract administrator and coordinator of service elements.
 - Following on from this is a contract procurement process which treats housing management as a set of discrete items that can be purchased through a competitive tender process and misunderstands the nature of housing management in local communities. The interrelatedness of tenancy management, maintenance and tenant support means that it can only be effectively managed when integrated into a community development approach by the one agency that is accountable to and has an ongoing shared commitment to the social and economic development of that community. The current procurement process for housing management services in remote communities will never work – it is simply based on the wrong understanding of the housing management role.

These are fundamental issues which have not been addressed in the discussion on roles and responsibilities and require further clarification.

Recommendation 6: That the section on roles and responsibilities in the Draft Strategy be amended to incorporate a more thorough discussion on the current and future proposed role of the NT Government in housing services. APO NT recommends that the Department of Housing move from the role of provider of housing services to the role of funder and regulator.

Strategies to address service gaps in the housing continuum

The Draft Strategy concludes with a section dealing with each 'product' on the housing continuum. In each case the section provides evidence of the problem, a summary of what is being done (principally by DOH) to address the problem, what the issues are as identified in consultation, what is the situation in remote communities, and finally what could be done in the future.

APO NT strongly advocates that these principles should underpin a social and affordable housing strategy:

1. The necessity for governments to allocate housing subsidies to ensure affordability for disadvantaged households in situations of market failure.
2. Affirmation of the concept of a housing continuum but recognition of the fact that regional and remote NT markets are so small that it is impossible for the full range of housing options to be made available. This suggests the need for NTG to work with Indigenous leaders to investigate what a housing continuum might look like in a remote community and a wider region.
3. NTG should move to separate the roles of DOH as funder and provider creating the potential for a genuine alternative community housing sector. The Draft Strategy displays minimal support for a true community housing model.
4. NTG should immediately abandon the dysfunctional procurement system implemented by DOH which carves up the components of housing development and management and looks to create a market of fully functional housing development and management organisations in both the public and community sectors.

Community Housing Approach

While the national mainstream housing sector has shifted to a diverse, community-based sector, Aboriginal housing in the NT has gone in the opposite direction. Aboriginal housing in the NT has been moved wholesale to government control. The success of a community housing approach will depend on the DOH being prepared to transfer management of state owned public housing for Aboriginal people to Aboriginal community control. The release of the Draft Strategy presents a unique opportunity to develop a new approach to housing management with special purpose Aboriginal housing companies in control. Special purpose Aboriginal community housing organisations with skilled governance, sound financial

planning and management and staffed by trained housing professionals can be part of the growing community housing sector across Australia. Aboriginal housing organisations are best placed to have strong partnerships with local communities and Traditional Owners and work across regions that are geographically and culturally connected. Government regulation of community housing is essential, but we want to see a commitment by the NT government to empower organisations to deliver a model of community housing management rather than the bureaucratic and culturally irrelevant public housing model that now exists.

Recommendation 7: That the final strategy explicitly commit to the implementation of a community housing model for social and affordable housing based on:

- **Recognition of special purpose Community Housing Organisations with corporate governance and professional skills.**
- **Investment in building capacity of CHOs through (i) training of Boards and Staff and (ii) investing in significant growth based on sustainable business plans.**
- **Regulating the CHOs to ensure continuing governance standards, client service and asset management.**

Recommendation 8: That the final Strategy sets out how a remote community housing sector will be established and supported, given the lack of current possible providers.

Conclusion

Housing is a major issue for Aboriginal people in the NT. The significant shortage of housing and the consequent overcrowding will continue to plague future generations if the NT Government does not act now. Overcrowding and constraints on repairs and maintenance budgets remain a concern. Both these factors impact on long term maintenance of houses and the ongoing tenancy standards for tenants. In the NT, the diversity of Aboriginal communities, the cultural differences and the remote context requires housing policies and services that are flexible and housing providers that are adaptive and locally responsive

There is a tension between the current public housing model and the need for flexibility in policy and delivery and, more importantly the need to build trusting, local partnerships which ensure the strong inclusion and participation of local communities. APO NT strongly recommends urgent investment in building a community housing sector that can ensure better housing management outcomes through local engagement and employment, more responsive repairs and maintenance, and more relevant tenancy management services. Tweaking the current public housing system will not be sufficient. Radical reform is now required to address the crisis in the housing system, and the AHNT and APO NT are willing to work together with the NT Government to create a new community housing sector in the NT.