

June 2023

National Indigenous Australians Agency

Review of the National Partnership for Remote Housing Northern Territory



PwC's Indigenous Consulting

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Acknowledgments

PwC's Indigenous Consulting acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners and custodians of the lands and waters where we live and work. We pay our respects to the Elders past and present and recognise Aboriginal and Torres Strait Islander peoples deep and ongoing connection to Country.

We also wish to thank the Joint Steering Committee for Remote Housing Northern Territory for their cooperation and acknowledge their contribution to the conduct of the Review and preparation of our final report.

The images reproduced on pages v, 4, 5, 11, 13, 31 and 48 were sourced from the Northern Territory Government's *Our Community. Our Future. Our Homes.* website and their agencies.

Terminology

Please note that in this document, the term Aboriginal, refers to all Aboriginal and Torres Strait Islander peoples. This term is used as the First Nations peoples of the Northern Territory are Aboriginal peoples and this is their preferred term. We acknowledge and respect that it is preferable to identify Aboriginal peoples, where possible, by their specific language group or nation.



Executive summary

Introduction

The Australian and Northern Territory (NT) Governments, as parties to the National Partnership for Remote Housing NT (the Agreement), committed \$1.1 billion over five years to increase the supply and standard of remote housing and improve health and physical outcomes in NT's remote communities. To avoid duplication of effort, the primary mechanism for the delivery of the Agreement is the NT Government's Our Community. Our Future. Our Homes (OCOFOH) program.

Clause 44 of the Agreement requires the Agreement to be independently reviewed and as such, PwC's Indigenous Consulting (PIC) have been engaged by the National Indigenous Australians Agency (NIAA) to do so. The review has assessed the effectiveness of the Agreement, by determining the extent to which the objectives, outcomes and outputs of the Agreement, have been achieved (see Box 1 below).

The Agreement was governed by a Joint Steering Committee (JSC) that comprised the Australian Government, represented by NIAA, the NT Government and the four NT Land Councils until December 2022 when the peak body for Aboriginal community-controlled housing in the NT, Aboriginal Housing NT (AHNT) was added to the membership.

The JSC agreed to the Terms of Reference for this review, including that the review will not duplicate previous work and will leverage findings of previous assessments of the Agreement including the Australian National Audit Office's *Auditor-General Report No. 18 2021-22: Remote Housing in the Northern Territory*¹ (ANAO Report), previous partnership agreement reviews and other reputable national and international research. Furthermore, it was agreed that the review would cover the period from 1 July 2018 to 31 December 2022.

Data limitations

The review has been conducted primarily through desktop research and JSC consultation and as such, the review did not seek assurance over:

- source documentation and inputs to data repositories and management reporting systems
- program operations and physical inspection of capital works
- residents' experience and satisfaction with the program or its impact on their health and physical outcomes.

The review's methodology, available documentation and limitations in the Agreement itself did not allow for a meaningful assessment of housing conditions and whether they had improved over the life of the Agreement.

¹ Australian National Audit Office' (2022). *Auditor-General Report No. 18 2021-22: Remote Housing in the Northern Territory*. <https://www.anao.gov.au/work/performance-audit/remote-housing-the-northern-territory>. Accessed 25 April 2023. Throughout the remainder of this document, this is referred to as the 'ANAO Report'.

Summary of findings

- Considering the effectiveness of the program of works delivered since 2019 and the governance arrangements established to provide program oversight, the review found that:
- The JSC parties have demonstrated a shared commitment to the partnership between governments and Aboriginal communities to improve housing conditions for Aboriginal peoples in NT's remote communities.
- There has been a substantial investment in developing systems to provide for evidence-based and shared decision-making, including development of the Remote Housing Needs Assessment Model (RHNAM) and supporting Frameworks and Guidelines.
- There is a high level of transparency, including public reporting, of the Agreement's outputs and outcomes.
- Ensuring that construction of housing (bedrooms) is informed by Local Decision Making (LDM) and to the maximum extent possible, delivered by local Aboriginal business enterprises (ABEs) is a sound, evidence-based strategy for improving health and housing conditions of Aboriginal communities. Both elements of the program are iterative processes that require consistent and sometimes intensive support in their initial stages. This has impacted the timeframes for delivery of the capital works program (in addition to industry, market and other external factors).
- While the benefits of these approaches will largely not be seen until after the commencement of a new agreement, the strategies have laid a solid foundation for moving beyond a housing focused program to a whole-of-housing-system approach in the future.

The remainder of this section summarises the review findings by subject.

Housing construction

The National Partnership Agreement Northern Territory Implementation Plan (Implementation Plan) requires the JSC to annually approve a Capital Works Plan to address overcrowding and improve housing quality. Once approved, the annual Capital Works Plans are used as the basis for monitoring achievement and making milestone claims, against the target of 1,950 additional bedrooms to be constructed by 30 June 2023.

As at 31 December 2022, the NT Government had constructed 1,001 bedrooms and at the JSC meeting held on 16 March 2023, they advised that it is unlikely the target of 1,950 bedrooms will be met. Their revised forecast for construction to June 2023 is between 1,500 and 1,650 bedrooms.

The pace of delivery of the capital works program has been impacted by a number of factors, including the COVID-19 pandemic which restricted movement and constrained the construction industry and supply chains in general, initial protracted negotiations delaying the signing of the Agreement, access to serviced land, negotiation of leases, the capacity of contractors to access and support their workforce and secure building materials, and the rising costs of construction.

The lead time to commencement of the procurement process was lengthened considerably by implementing LDM as a precursor to planning and scheduling construction and the agreed approach to supporting ABEs to deliver the program to the greatest extent possible. However, as already noted above, these are evidence-based strategies to improving health and housing outcomes for Aboriginal peoples.

Overcrowding

Overcrowding has reduced by 3.1% from 58.1% in September 2017 to 55.0% in December 2022. However, there is still a very long way to go to address the current levels of overcrowding in remote communities in the NT.

The size of the 'overcrowding problem' for Aboriginal households in remote and very remote areas of the NT is much larger than the scale of the existing Agreement's capital works program, even when combined with the NT's OCOFOH program.

The impact of the capital works program on overcrowding has been tempered by:

- fewer bedrooms being constructed than forecast
- a greater number of houses were found to be beyond economic repair than estimated. These houses were demolished and replaced (approximately 40% of the capital works program has been delivered through the replacement of existing houses found to be beyond economic repair)
- growth in the number of tenants was greater than forecast (563 additional tenants were counted at the end of December 2022 compared to the baseline of September 2017. This equates to approximately 2.7% growth compared to the RHNAM's assumed growth rate of 1.6%).

Improved housing conditions

Whilst the objective of the Agreement is *"to improve housing conditions and reduce overcrowding in remote communities in the NT"*, the Agreement does not define 'housing conditions' or set targets for the degree of improvement required.

The *OCOFOH Capital Works Design Guidelines* and *Verification of Capital Works Milestones Claims* documents describe the processes used to ensure builders and new capital works are certified. The NIAA has implemented an assurance process to verify these certifications prior to payment of milestone claims.

Broader consideration should be given to other key factors of housing conditions, such as the functionality and appropriateness of housing to meet the needs of tenants in the context of their location,

environment and climatic conditions, safety and healthy living practices.

Given the elements of 'housing conditions' were not defined and hence, not measured throughout the life of the Agreement, the Review was unable to ascertain whether housing conditions had improved.

Local Decision-Making

The Agreement requires its' objectives and outcomes to be achieved through, amongst other things, construction of additional and replacement houses and extensions informed by LDM. Under clause 20(a) of the Agreement, the NT Government is responsible for developing community level programs informed by:

- the principles of the *Our Community, Our Future, Our Homes* program
- the RHNAM, confirmed through LDM.

The NT Government's approach to LDM recognises that capacity building within communities and government agencies is required to further share authority and devolve decision making and effective LDM is acknowledged to be an iterative process, matching the needs and level of participation determined by the community to be ideal.

The review found that over the life of the Agreement to 31 December 2022, the NT Government had conducted 719 community visits across 75 communities. Although the sample size assessed during the review was too small to give assurance over the entirety of the life of the Agreement, the documentation was consistent and aligned to the policy and procedure documentation, providing evidence of effective internal controls.

Property and Tenancy Management

Housing service delivery in remote areas of the NT, including Property and Tenancy Management (PTM), is primarily funded and delivered by government. Under the *Residential Tenancies Act 1999*, the NT Government, through the Chief Executive Officer (Housing), is considered the landlord for public housing and is required to provide PTM services so that tenants can live in a safe and secure home. The NT Government aims to provide culturally appropriate and effective PTM services in remote NT communities.

The NT Implementation Plan provides for bi-annual payments of \$17.5 million to be paid upon the NT Government's achievement of the PTM measures. The NT Government has achieved some of the agreed measures (proportion of rent collected, Aboriginal employment and proportion of PTM contracts awarded to ABEs) and partially achieved others.

Transparency

Development and implementation of the Reporting Framework has provided substantial transparency over some of the Agreement's outputs and outcomes, primarily the construction of additional and replacement bedrooms through the NT Government's OCOFOH's HomeBuild and Room to Breathe programs.

The publicly available information, published on the OCOFOH website, is comprehensive and can provide good visibility for external stakeholders and residents to understand and confirm work conducted in communities.

Further development of the reporting measures could support monitoring and decision-making regarding strategic objectives such as improving housing conditions.

Role of Land Councils

The Land Councils are central to the Agreement's governance through their membership of the JSC, the main forum for monitoring the delivery of the Agreement's outcomes. The JSC makes decisions on matters of policy and strategy to ensure effective delivery of the Agreement.

The Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA) requires Land Councils to be formed to represent Aboriginal people in the task of managing their land and the opportunities it may offer. One of the key responsibilities of the four Land Councils is to consult with Traditional Owners and other Aboriginal people with an interest in land, subject to negotiations regarding the use or lease of Aboriginal land.

In addition to their statutory responsibilities under the ALRA, the Land Councils have housing policy responsibilities including:

- participation in the governance of the Agreement

- their organisational housing policy responsibilities (for example, housing is a strategic priority set by the Central Land Council (CLC), reflecting the interests and needs of their constituents).

The JSC Terms of Reference have been established in line with the majority of the Strong Partnership elements defined in the *National Agreement on Closing the Gap*. Any new agreement should ensure an equitable and genuine partnership by:

- specifically addressing all the Strong Partnership elements and resourcing non-government parties to participate fully in its operation.
- defining and scoping the specific roles of non-government parties, such as monitoring delivery of capital works and PTM services, upon commencement of the agreement.
- implementing mechanisms for effective two-way flows of information about program delivery which gather residents' input to inform and monitor the housing program.

Aboriginal economic participation

Under the Agreement, an annual payment of \$7.5 million is made to the NT Government upon the achievement of the Aboriginal employment target. The target was set at 40 per cent in 2019-20, rising to 46 per cent by 2022-23. On a consolidated basis, the target was achieved in 2019-20, 2020-21 and 2021-22.

It is not possible to measure the proportion of jobs created through the construction and PTM contracts that are being filled by Aboriginal Territorians or the community where they usually reside. Local employment is considered an important aspect of the economic participation purpose of the Agreement and should be considered in any new agreement.

The number and proportion of capital works and PTM contracts delivered by ABEs has increased over the life of the Agreement to December 2022. However, the proportion of capital works contracts awarded to ABEs remains relatively small and investment in capability and capacity building may be required to support new market entries and scaling up of current contractors.

Recommendations

The JSC endorsed their revised Terms of Reference and agreed a forward work plan for 2023-24 at their meeting held on 16 March 2023. The Terms of Reference recognise that:



successful remote housing policy requires consideration of the broader cultural, social, policy and investment environments in the Northern Territory.

and that



effective and culturally appropriate housing programs and services need to be designed, developed and implemented in partnership with Aboriginal and Torres Strait Islander peoples and their representative organisations. This includes facilitating place based design, LDM and community voices through local reference groups and regional Aboriginal community housing organisations.

The forward work plan contains five projects to support the negotiation of a new longer-term agreement. It is with these commitments and current developments in mind that we make the following recommendations for consideration by the JSC as they continue their deliberations and work in 2023-24.



² Joint Steering Committee for Remote Housing Terms of Reference, March 2023

³ *ibid*

RECOMMENDATION 1: Consider developing an overarching tripartite NT Housing and Homelands Agreement supported by one or more Federal Funding Agreements and/or other funding arrangements.

The new overarching agreement would be signed by the Australian and NT Governments, the four Land Councils and AHNT and reflect the Strong Partnership elements defined in the *National Agreement on Closing the Gap*, in full, thereby demonstrating the genuine partnership approach needed to transform the remote Aboriginal housing system in the NT.

The agreement would provide for the implementation governance mechanism (the JSC) and would ideally have a term of ten years, in recognition of the time needed for the new system to mature and meet the gap in current housing need.

The objective of the new NT Housing and Homelands Agreement would embed the shared vision that is now agreed by JSC partners for a sustainable Aboriginal community housing system across the NT that will reduce overcrowding and improve housing conditions, and support increased economic participation for Aboriginal people in remote communities and homelands in the NT.

The objective and intended outcomes of the agreement should be clearly defined, and any funding agreement should reflect the agreed performance measures of these outcomes. The funding agreement(s) may be both bilateral Federation Funding Agreements and direct funding agreements between one level of government and other partners or entities such as AHNT.

The data limitations identified in this review should be considered in the negotiation of a new agreement along with the outcomes of the JSC Work Plan projects to improve performance measurement, reporting and monitoring and evaluation of the agreement. Performance indicators in a new agreement should be meaningful, simple and comprehensible to the public.

RECOMMENDATION 2: Embed Aboriginal community housing and Aboriginal business sector capacity building as a core objective of the new NT Housing and Homelands Agreement and address the need for long term funding to support this objective.

The JSC parties recognise that the Agreement's objective will not be fully realised without Aboriginal community-controlled housing providers delivering property and tenancy management (PTM) services and Aboriginal Business Enterprises (ABEs) constructing and maintaining housing across remote NT. At present, this is the case to varying degrees across the NT with Aboriginal communities and organisations also having variable capacity.

The JSC's forward work plan includes work to scope and cost programs that will accelerate and support growth of the community-controlled sector with housing services to be transitioned as capacity grows and communities express willingness and readiness to take control.

As already noted in Recommendation 1 above, the Agreement would ideally have a term of ten years, in recognition of the time needed for the new system to mature and meet the gap in current housing need.

RECOMMENDATION 3: Recognise that a higher level or sustained long term investment is needed to meet overcrowding in remote communities in the NT and factor indexation and growth into the funding agreements to recognise the growth in total dwellings and a mechanism to monitor and address increasing construction and maintenance costs over the forward years.

The experience of the past five years has made a small impact on the high level of overcrowding in remote communities and demand for new housing remains high. The total investment package under a new Agreement needs to increase year on year to enable this demand to be met as well as recognise that construction and maintenance costs will increase as more dwellings are built, and existing housing is renovated and improved. It was not within the scope of this review to quantify this growth; we recognise that the JSC plans to undertake this work in 2023-24.

The JSC has recognised that it is important to undertake pilot projects to quantify the costs of transferring PTM services to Aboriginal community-controlled housing providers and that there will need to be a level of ongoing government subsidy for those organisations to operate sustainably in the future.

It would be beneficial to agree to a sustainable level of ongoing funding for remote housing to remove the peaks and troughs of capital activity. The benefits would promote:

- industry confidence
- efficient planning and seamless capital works from one year to the next
- sustainable employment outcomes for development of ABEs and Aboriginal community-controlled housing providers.

RECOMMENDATION 4: Recognise the need to improve and expand essential service infrastructure to enable new housing development and improve current housing conditions in remote communities and homelands.

While the NT Government's investment in essential services and the recent investment in homelands infrastructure is a good start, all partners agree that more investment is required to increase the number of dwellings and meet factors such as poor water quality, power and sewage systems that are at capacity and impacting the health and wellbeing of residents in many remote communities as well as homelands. It was not within the scope of this review to quantify the size and nature of the investment needed, the JSC work plan for 2023-24 does include a number of focus areas and activities that will explore this issue and may inform the new agreement.

RECOMMENDATION 5: Recognise the need for on-the-ground assessments that include building inspections and feedback from tenants about how to improve housing conditions.

Due to the limited scope and timeframes, this review was not able to fully assess the effectiveness of the Agreement on improving housing conditions by incorporating the perspective of the people most effected: the tenants in remote communities. It will be important and informative in the lead up to the new Agreement to seek building inspection information, and feedback from tenants about housing conditions to complement the information gathered through this review.



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1 Introduction

1.1 Background

The Australian Government, in partnership with the NT Government, is responsible for the delivery of the Agreement. The purpose of the Agreement is to improve health and physical outcomes through increasing the supply and standard of remote housing in 73 remote NT communities and 17 Alice Springs town camps by, among other things, reducing overcrowding.

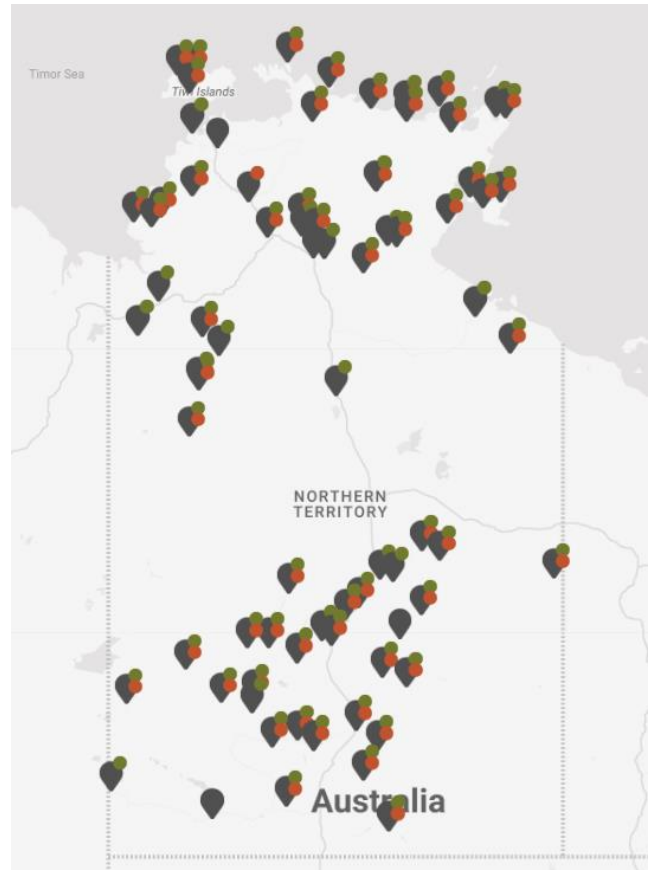
Through the Agreement, the Australian Government committed \$550 million over five years (from 2018-19 to 2022-23) as follows:

- \$337. million to construct a minimum of 1,950 bedrooms, (equivalent to 650 three-bedroom houses)
- \$175.0 million to deliver property and tenancy maintenance (PTM) services across the 73 remote communities and 17 Alice Springs town camps
- \$37.5 million to support the engagement and development of Aboriginal employees.

The NT Government committed to match the \$550 million investment and to avoid duplication of effort, the primary mechanism for the delivery of the Agreement is the NT Government's OCOFOH program.

The NT Government's co-contribution of \$550 million forms part of its OCOFOH program funding of \$1.1 billion over ten years (from 2017-18 to 2026-27) to improve Aboriginal housing in remote communities. A further allocation of \$432.3 million for land servicing supplements the allocation for housing, to enable delivery of serviced land and essential services infrastructure to support new housing.

Figure 1 Remote communities and town camps covered by the Agreement



Source: OCOFOH website. <https://ourfuture.nt.gov.au/>

1.2 Purpose of the review

Clause 44 of the Agreement requires an independent review of the Agreement to be completed and published approximately 12 months prior to its expiry. PwC's Indigenous Consulting (PIC) have been engaged by NIAA to assess the effectiveness of the Agreement by determining the extent to which the objectives, outcomes and outputs, as set out in Part 2 of the Agreement, have been achieved (see Box 1 below). Given that clause 24 of the Agreement states that:



Achievement of the objectives and outcomes in this National Partnership Agreement will be informed with reference to the performance indicators as agreed in the Implementation Plan...

This will necessarily include an assessment of the project elements as set out in clause A8 of the Implementation Plan (see Box 2 below). This review will not duplicate previous work and will leverage findings of previous assessments of the Agreement including the ANAO Report, previous partnership agreement reviews and other reputable national and international research.



Box 1 Part 2 of the National Partnership Agreement

Part 2 – Objectives, Outcomes and Outputs

Objectives

- 15 The objective of this Agreement is to improve housing conditions and reduce overcrowding in remote communities in the Northern Territory.

Outcomes

- 16 This Agreement will facilitate achievement of the following outcomes:

- a reducing overcrowding;
- b ensuring a role for the Land Councils in this Agreement's governance;
- c providing transparency about how money is spent; and
- d ensuring, to the maximum extent possible, works are delivered by local Indigenous Territorians and businesses.

Outputs

- 17 The objectives and outcomes of this Agreement will be achieved through:

- a construction of additional and replacement houses and extensions informed by Local Decision Making to reduce overcrowding including via improving housing quality – with a minimum total output of 1950 bedrooms providing an equivalent impact of 650 three bedroom houses;
- b implementation of an agreed employment and procurement framework to maximise local Aboriginal jobs and business outcomes; and
- c implementation of an agreed reporting framework for all investment and outcomes.

Box 2 Schedule A NT Implementation Plan clause A8

Implementation Plan

- A8 The project elements are as follows:

- a capital works to reduce overcrowding including improving housing quality as described in the Capital Works Plans;
- b property and tenancy management, as outlined in the Property and Tenancy Management Framework and Property and Tenancy Management Measures;
- c Aboriginal employment and Aboriginal business participation in the delivery of capital works, as outlined in the Procurement Framework;
- d transparency of investment and outcomes, as outlined in the Reporting Framework; and
- e local decision making as outlined in the Local Decision Making Framework.

1.3 Partnership Governance

The JSC comprised the Australian Government, represented by NIAA, the NT Government and the four NT Land Councils until December 2022, when the peak body for Aboriginal community-controlled housing in the NT, AHNT was added to the membership. The JSC provides oversight of the Agreement's investment and agreed to the Terms of Reference for this review.



2 Methodology

2.1 Review objectives and questions

The review objectives were informed by the requirements of the Agreement itself (clause 44) and tested with the NIAA and NT Government Project Team. The review questions were then framed to gather sufficient data and insight to address all aspects of the review objectives. The review commenced on 15 March 2023, and given the Agreement is still in progress, it was agreed that the review would primarily consider data related to activities conducted from 1 July 2018 up to the end of December 2022. The review objectives and questions are provided in Table 1 below and a summary of findings against the review questions can be found at Table 18 on page 69.



Table 1 Review objectives and questions

Review Objective	Review Questions
To what extent have the core objectives, outcomes and outputs of the Agreement, as set out in Part 2 of the Agreement, been achieved?	<ul style="list-style-type: none"> a To what extent has overcrowding been reduced in remote communities in the NT since the agreement was signed in 2019? b To what extent have housing conditions improved in remote communities in the NT since the agreement was signed in 2019? c How has the role of the Land Councils in the Agreement's governance embodied the principles of Closing the Gap to effect change by working collaboratively and in genuine formal partnership with governments? d To what extent has there been transparency about how money is spent?' e To what extent have local Indigenous Territorians and businesses been involved in delivery of works and services? f How was an employment and procurement framework to maximise local Aboriginal jobs and business outcomes agreed and implemented? g How was a reporting framework for all investment and outcomes agreed and implemented? h What can be improved for the next multi-year agreement?
To what extent have the outcomes and outputs related to Capital Works as set out in Part 2 of the Agreement, been achieved?	<ul style="list-style-type: none"> a To what extent has the construction target of 1,950 additional bedrooms been met? b To what extent has the construction of additional and replacement houses and extensions been informed by Local Decision Making (LDM)? c How has the quality of remote housing improved since the agreement was signed in 2019? d How did adherence to the Building Code 2016 and the National Indigenous Housing Guide impact the quality of housing in remote communities? e Did the construction of additional bedrooms impact the existing maintenance program and if yes, what was that impact?
To what extent have the outcomes and outputs related to PTM been achieved?	<ul style="list-style-type: none"> a To what extent have the agreed PTM measures been achieved since the agreement was signed in 2019?
To what extent have the outcomes and outputs related to Aboriginal Employment as set out in Part 2 of the Agreement, been achieved?	<ul style="list-style-type: none"> a To what extent has the annual minimum Aboriginal full-time equivalent annual rate of Aboriginal employment of 40% of the workforce, been delivered via capital works? b To what extent has the annual minimum Aboriginal full-time equivalent annual rate of Aboriginal employment of 40% of the workforce, been delivered via PTM services?
What enablers and/or barriers have impacted the effectiveness of the partnership implementation?	<ul style="list-style-type: none"> a How effective were the annual Capital Works Plans in supporting implementation of the agreement? b How effective was the Employment and Procurement Framework in guiding implementation of the agreement? c What other enablers contributed to the effectiveness of partnership implementation? d What barriers impeded the effectiveness of partnership implementation?

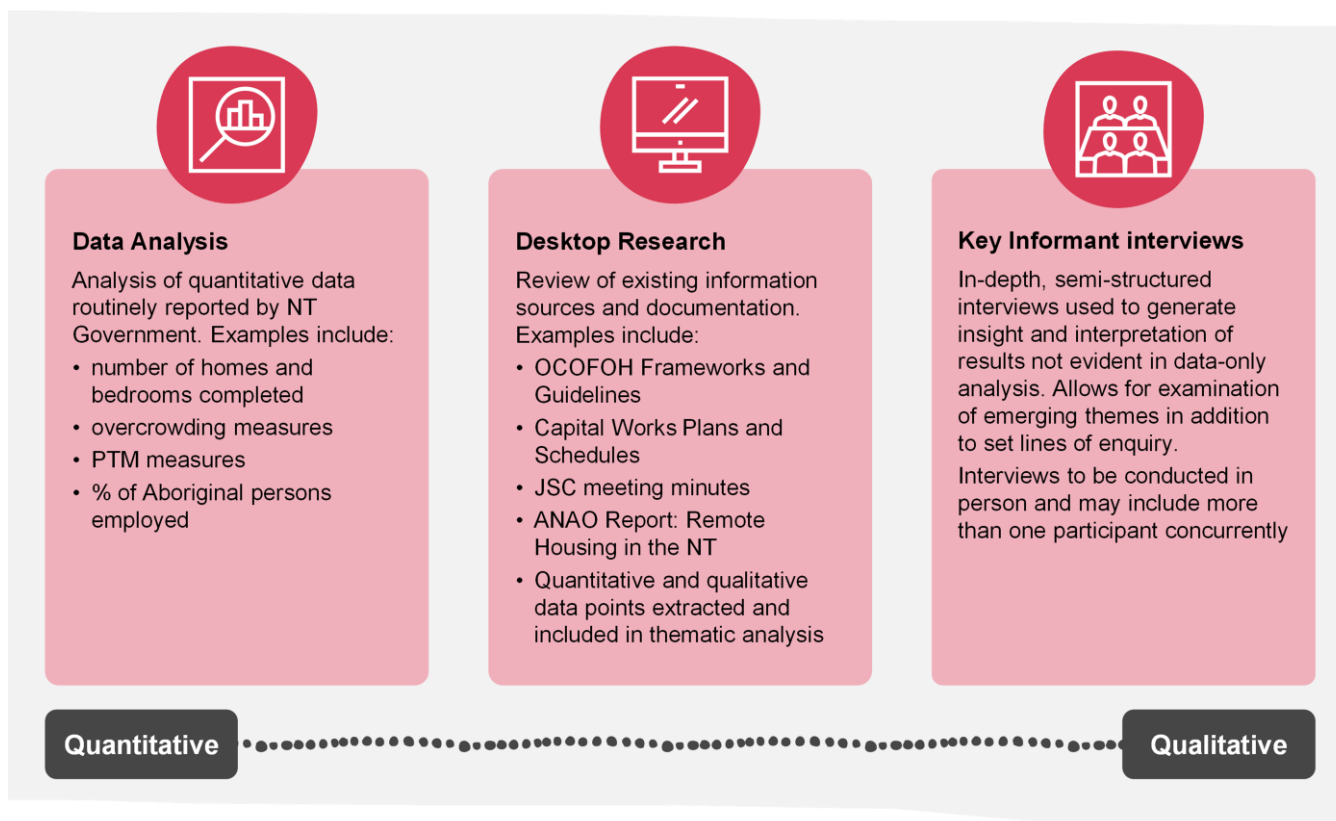
2.2 Review methods

A mixed methods approach comprising a combination of qualitative and quantitative methods was utilised to gather evidence in response to the review questions. The methods for collecting the various quantitative and qualitative data and information sources are summarised in Figure 2 below.

The PIC project team constructed a data matrix aligning the review questions with the review methods and data sources (the key informant interviews are considered a data source). The data matrix is shown at Appendix A.

The PIC project team performed a desktop review of existing data sets along with documentation developed to support the implementation, management and ongoing monitoring of the Agreement. The information collated from the data analysis and desktop research was synthesised and emerging insights were documented and aligned against the review questions.

Figure 2 Assessment methods



Following the desktop exercise, a series of interviews (see Table 2 below) were conducted with the key informants nominated by NIAA. The interviews provided additional qualitative data and further insight by allowing deeper examination of the outputs and outcomes of the Agreement. Open-ended questions were used to guide the interviews, while providing the opportunity for key informants to follow lines of inquiry important to them and reflect without interruption.

The interviews were documented by way of note taking and the PIC project team undertook manual analysis of the written notes, which involved analysing the key informants' responses according to the themes generated by the review questions and identifying other themes that arose during the discussion. This approach enabled a systematic analysis of the data without losing the detail of each key informant's responses. In total, eight key informant interviews were conducted.

The emerging insights from both the desktop research and analysis of the key informant interviews were triangulated to enrich the sources of data, enabling multi-dimensional insights and mitigating the risk of biased, incomplete or otherwise non-representative information from a single source or point in time.

The initial set of findings resulting from the consolidated analysis were tested with the JSC, in a virtual workshop held on 4 May 2023 and the draft Review Report was subsequently prepared and circulated for comment with feedback incorporated into the final Review Report.

The key informants, and their participation in the review process, are summarised in Table 2 below.

Table 2 Key informants

Organisation	Key informant interviews	JSC workshop
Department of Infrastructure, Planning & Logistics (DIPL)	✓	✓
Department of Territory Families, Housing and Communities (DTFHC)	✓	✓
Department of the Chief Minister and Cabinet	✓	
Anindilyakwa Land Council (ALC)	✓	✓
Northern Land Council (NLC)	✓	✓
Central Land Council (CLC)	✓	✓
Tiwi Land Council (TLC)		✓
Aboriginal Housing Northern Territory (AHNT)	✓	✓
NIAA	✓	✓

2.3 Data limitations

The review has been conducted primarily through desktop research in accordance with the project scope set out in NIAA's Request for Quotation PROC0010353 (the RFQ). The RFQ also specified that the review:

- not duplicate previous work
- leverage findings of previous assessments of the National Partnership including: the *Auditor-General Report No. 18 2021-22: Remote Housing in the Northern Territory*, previous partnership agreement reviews and other reputable national and international research
- reference the data and other information routinely collected and reported as part of the obligations of the Agreement
- may seek information from, and consult with, JSC members and nominated representatives of NIAA, NT Government, AHNT and the four NT Land Councils.

As such, the review did not seek assurance over:

- source documentation and inputs to data repositories and management reporting systems
- program operations and physical inspection of capital works
- residents' experience and satisfaction with the program or its impact on their health and physical outcomes.

The review's methodology, available documentation and limitations in the Agreement itself did not allow for a meaningful assessment of housing conditions and whether they had improved over the life of the Agreement.

Further specific limitations of the review's analysis and findings related to the data made available, are included in Table 3 below and are discussed in the relevant sections of Chapter 3 Achievement of the Agreement's objectives, outcomes and outputs.

Table 3 Specific data limitations

Data limitation	Section
<p>Capital works</p> <ul style="list-style-type: none"> • agreed format for reporting capital works pipeline (bedrooms contractually committed and progressing through procurement process) does not separately identify the bedrooms to be delivered under the Agreement and those to be delivered under the NT's OCOFOH program • baseline for community participation and shared decision making has not been measured 	3.1
<p>Overcrowding</p> <ul style="list-style-type: none"> • a target for the reduction in overcrowding was not set • Canadian National Occupancy Standard used to assess overcrowding does not provide for: <ul style="list-style-type: none"> – family preferences, cultural obligations or complexity of familial relationships – fluidity of occupation due to seasonal, cultural or other drivers 	3.2
<p>Improved housing conditions</p> <ul style="list-style-type: none"> • 'housing conditions' are not defined in the Agreement • targets for the improvement of housing conditions were not set • 'housing conditions' and the factors that impact upon those conditions were not measured on commencement or during the life of the Agreement 	3.3

Data limitation	Section
<ul style="list-style-type: none"> • measures included in the approved Reporting Framework, but not reported <ul style="list-style-type: none"> – the number of existing dwellings surveyed against 9 Healthy Living Practices – the percentage of existing dwellings functioning after Survey Fix 1 – the percentage of existing dwellings functioning after Survey Fix 2 – the average turnaround time, in days, for maintenance to be completed • this review did not include data from residents, as to their satisfaction levels with housing conditions 	
Local decision-making	3.4
<ul style="list-style-type: none"> • sample size of community engagement summaries was too small to give assurance over the entire life of the Agreement 	
Property and tenancy management services	3.5
<ul style="list-style-type: none"> • measures included in the approved Reporting Framework, but not reported (in addition to those included under Improved housing conditions) <ul style="list-style-type: none"> – number of inspections conducted by type (property, tenancy & vacate inspection categories) – percentage of dwellings inspected within previous 6 months – average year to date turnaround time (days) - vacant dwellings 	
<ul style="list-style-type: none"> • broader measures are required to assess effectiveness of property and tenancy management 	
<ul style="list-style-type: none"> • this review did not include data from residents, as to their satisfaction levels with property and tenancy management services 	
Transparency	3.6
<ul style="list-style-type: none"> • baseline data collected prior to commencement of Agreement 	
<ul style="list-style-type: none"> • inconsistency in reporting measures specific to outputs of the Agreement or on a consolidated basis with the NT's OCOFOH program outputs 	
Aboriginal economic participation	3.8
<ul style="list-style-type: none"> • unable to determine match of residency and locality of employment outcomes 	

3 Achievement of the Agreement's objectives, outcomes, and outputs

This chapter discusses the effectiveness of the Agreement and the degree to which its objectives, outcomes and outputs have been achieved. The objectives, outcomes and outputs are mutually reinforcing and hence there is significant overlap of both the effort to achieve these and the subsequent results. As such, we have combined these where appropriate into the sections and sub-sections below for ease of reading and to reduce duplication. Within each section, we have included the following sub-sections:

Definition

Description of the objectives, outcomes and outputs that are the subjects of this section.

Data analysis

Presentation of the results of our data analysis. Given it was a specification of the review not to duplicate previous work and instead leverage findings of previous assessments, we have sought and tested data post completion of the ANAO audit (1 October 2021) to 31 December 2022.

Key informant interviews

Summary of relevant insights gathered from key informants across the key informant interviews.

Findings

Key findings post synthesis and thematic analysis of the ANAO's audit findings, results of our data analysis and insights gathered across the key informant interviews. These findings align to the review objectives and questions.



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Relevant findings from the Australian National Audit Office's (ANAO) Auditor-General Report No. 18 2021–22: Remote Housing in the Northern Territory. Findings from this audit are for the period from commencement of the Agreement until 30 September 2021. The report was tabled in the Australian Parliament in February 2022 and placed on the ANAO's website – <http://www.anao.gov.au>.



3.1 Housing construction (clause 17(b))

3.1.1 Development of annual Capital Works Plans

Definition

The National Partnership Agreement Northern Territory Implementation Plan (Implementation Plan) requires the JSC to annually approve a Capital Works Plan to address overcrowding and improve housing quality. The Capital Works Plans must be:

- informed by the NT Government's RHNAM and LDM principles
- in line with Aboriginal employment and procurement targets set out in the Procurement Framework
- approved by 31 May for the coming financial year.

The annual Capital Works Plans are provided to the Commonwealth once approved and used as the basis for monitoring achievement and making

milestone claims, against the target of 650 three-bedroom houses or 1,950 bedrooms.

The Implementation Plan requires that, at a minimum, the annual Capital Works Plan will cover the following matters by location:

- a scope of capital works to be completed in the period
- b schedule of delivery
- c anticipated impact on overcrowding
- d accompanying infrastructure works
- e estimated cost of each project
- f Aboriginal employment and business participation
- g engagement of LDM.



ANAO REPORT

3.6 As at October 2021, three annual works plans have been endorsed by the JSC. Table 3.1 examines the process of submission and endorsement of the capital works plan from 2019–20 to 2021–22.

Table 3.1 Capital works plans submission and endorsement process, 2019–20 to 2021–22

2019–20 capital works plan

The 2019–20 capital works plan was presented by the NT Government and received 'in-principle support' (subject to revisions) at the first JSC meeting in August 2019, triggering the release of an upfront payment from the Australian Government to the NT Government of \$38.73 million. The JSC noted that the capital works plan did not meet all the requirements of the Implementation Plan. In particular, it lacked detail on the delivery schedule, the application of the NT Government's local decision-making policy, and local Aboriginal employment. The NT Government circulated an out-of-session JSC paper in December 2019 which provided an update on community engagement visits and outcomes for the 2019–20 Capital Works Program.

A revised capital works plan was submitted to the JSC on two subsequent occasions: at the JSC meeting of February 2020; and at the JSC meeting of May 2020. Meeting minutes indicate that the JSC had concerns in relation to the clarity of the plans provided. Some of the required information (for example, Indigenous employment) did not appear, and the presentation of the information did not give the JSC visibility of changes in the delivery schedule from one version to the next. As a result of the feedback further information was provided to JSC members out-of-session in July 2020.

2020–21 capital works plan

At the August 2020 JSC meeting, the NT Government presented a capital works plan that covered the period 2019–20 to 2023–24. The NT Government advised the ANAO that given the nature and complexity of the program, it considered it was necessary to provide a five-year plan, which gave greater visibility than the annual program. However, the works plan again did not meet the JSC's requirements and did not gain approval. At the request of the NT Government, NIAA agreed to provide, for the NT Government's consideration, a template for how it expected information should be presented, which was provided in October 2020. This template was partially adopted for the 2020–21 capital works plan presented by the NT Government to the JSC meeting of March 2021. The 2020–21 capital works plan received JSC approval at the September 2021 meeting.

2021–22 capital works plan

A capital works plan for 2021–22 was submitted to the JSC at the September 2021 meeting. The workplan met the majority of the requirements included in the Implementation Plan, and was supported by the JSC, pending minor changes to be agreed with NIAA. An updated plan was provided to the JSC out of session on 30 September 2021, and endorsed in October 2021.

Data analysis

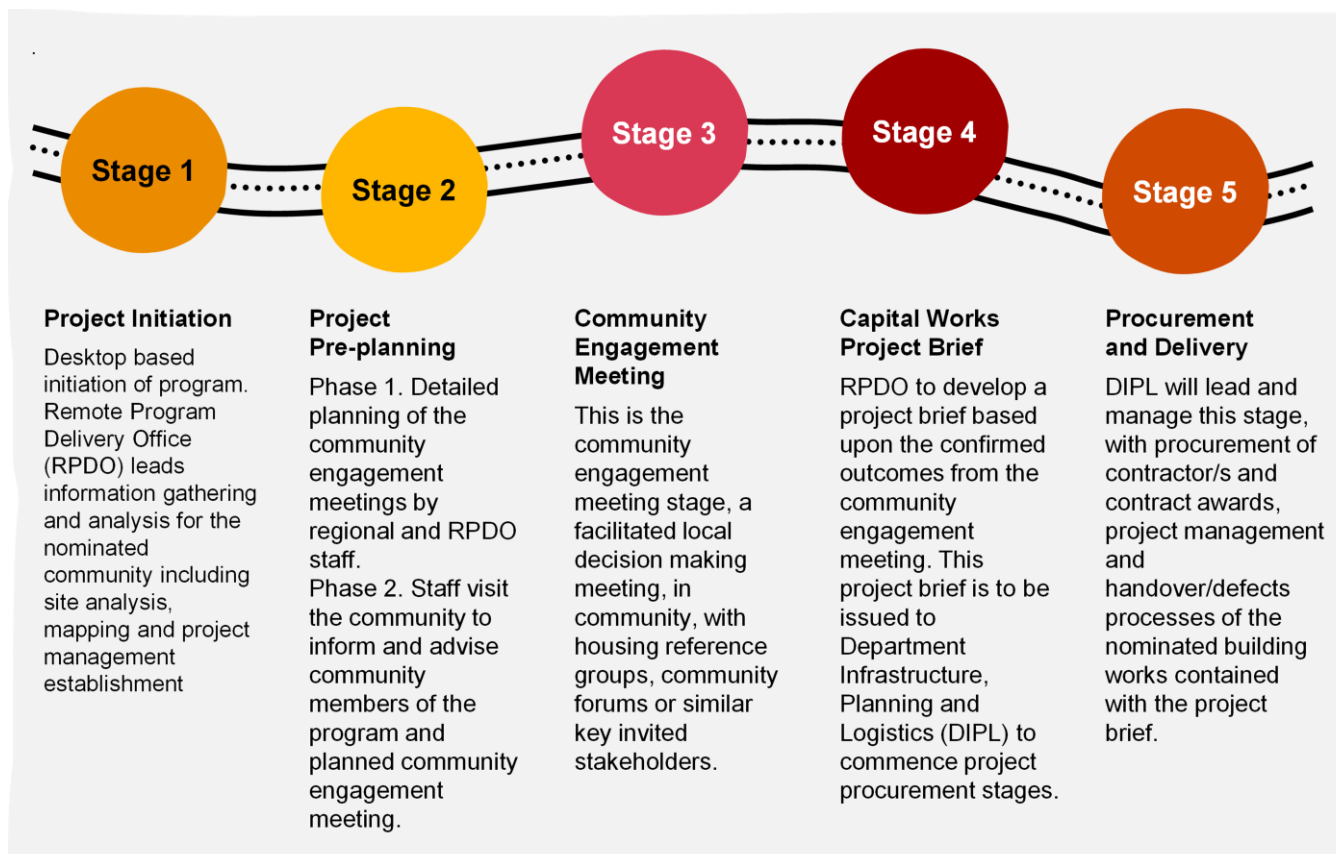
The JSC endorsed the 2022-23 Capital Works Plan in their meeting held on Thursday 19 May 2022 in Alice Springs, in accordance with the requirements of the Implementation Plan.

3.1.2 Delivery of capital works in accordance with annual Capital Works Plans

Definition

The preparation, planning, engagement and delivery of the Capital Works program is described in the OCOFOH Capital Works Program Design Guidelines Chapter 3 Program Methodology and is summarised in Figure 3 below.

Figure 3 Capital Works program methodology



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3.9 *The National Partnership Implementation Plan provides that, upon submission and JSC approval of the 2019–20 capital works plan, an upfront payment equal to 30 per cent of the cost for the planned number of bedrooms for the year is to be made to the NT Government. Subsequently, payments are made upon completion of work. All payments are calculated on the basis of \$173,077 per completed bedroom.*

3.10 *In September 2019, upon NIAA's recommendation, the Minister for Indigenous Australians approved the up-front payment of \$38.73 million to the NT Government. This represented 30 per cent of the cost of the 746 bedrooms planned for 2019–20. As noted in Table 3.1, the capital works plan did not meet the requirements of the Implementation Plan and had not been approved by the JSC, but had been given 'in-principle support'. NIAA recommended that the minister approve the payment to enable the NT Government commencing the pipeline of works across 2019–20 and beyond.*

3.11 *In November 2021, the NT Government made a claim for a \$13.01 million payment for 299 bedrooms completed to 30 June 2021, at the agreed unit cost of \$173,077.55.*



Data analysis

The NT Government has since submitted a further three capital works claims. The planned number of bedrooms, as per the approved annual Capital Works Plans and the actual number of completed and claimed bedrooms, from project inception to December 2022, are shown in Table 4 below.

Table 4 Number of planned, completed and claimed bedrooms to 31 December 2022

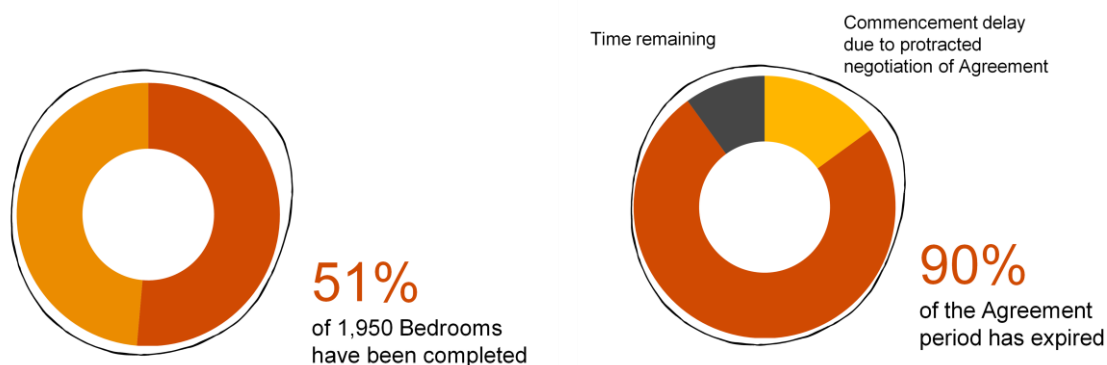
Financial Year	NPRHNT Bedrooms as per annual Capital Works Plans	NPRHNT Bedrooms complete	Claim Amount
2019-2020	746	-	\$38,734,632
2020-2021	499	299	\$13,015,390
2021-2022 (Part 1)	697	149	\$25,788,473
2021-2022 (Part 2)		161	\$27,865,397
2022-2023 (Part 1)	1,131	392	\$67,846,184
Total		1,001	\$173,250,077

* 30% up-front payment on 2019-20 Annual Capital Works Plan (746 bedrooms planned at a total cost of \$129,115,442)

** 299 Bedrooms at a total cost of \$51,750,023 less up-front payment of \$38,734,632

As at 31 December 2022, the NT Government had constructed 1,001 of the 1,950 bedrooms to be delivered under the Agreement, by 30 June 2023.

Figure 4 Proportion of Agreement completed as at 31 December 2022



The NT Government provided a paper on the Progress of Capital Works to the JSC meeting held on 16 March 2023. In addition to summarising the capital works delivered as at 31 December 2022, the paper included information on the strategies employed to accelerate the delivery of capital works over the remaining life of the Agreement.

Primarily, this comprised accelerated procurement of capital works with 2,333 bedrooms contractually committed and 369 progressing through the procurement process as at the end of December 2022. However, the agreed format for reporting capital works to the JSC does not separately identify the proportion of these bedrooms to be delivered under the Agreement compared to the NT's OCOFOH program.

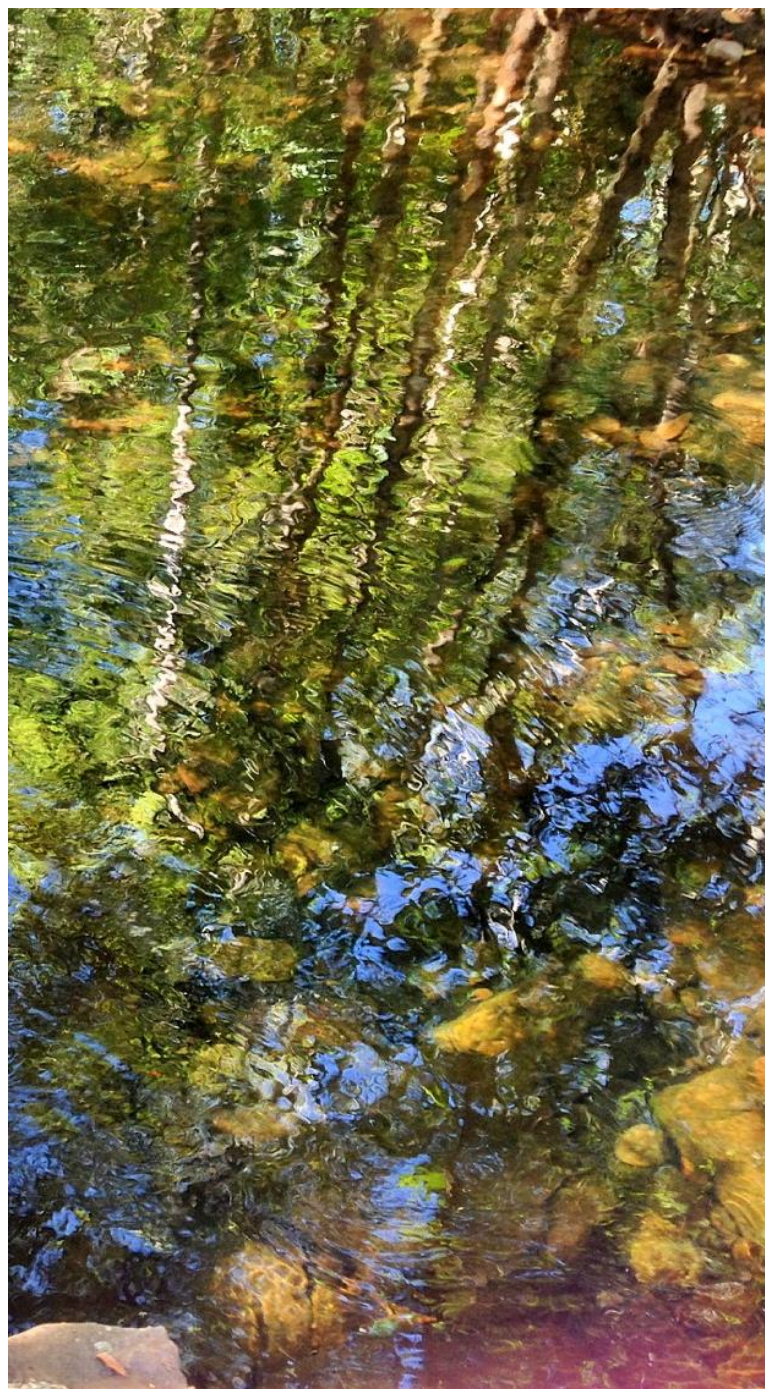
At the meeting, the NT Government provided verbal advice that it is unlikely that the target of 1,950 additional bedrooms will be met by June 2023, and instead they expect to deliver between 1,500 and 1,650 bedrooms. On average, 22 new homes were being completed per month which is lower than anticipated, in part due to contractor capacity, shortage of trades and access issues.⁴

Key informant interviews

Overall, key informants were pleased that the pace of the capital works program has increased in recent months and is now making strong progress, despite being behind target as at December 2022 and unlikely to achieve the original target set. They recognised there have been several challenges to program delivery including:

- the delay in signing the Agreement at commencement
- access to serviced land
- securing appropriate leases to construct
- capacity of construction contractors to access and support their workforce and secure building materials
- rising costs of construction.

These issues will be discussed in more detail in section 4.2 Barriers to the effective partnership implementation.



⁴ Minutes of JSC meeting held on 16 March 2023.

Findings

The pace of delivery of the capital works program has been impacted by a number of factors, including the challenges raised by key informants and of course, the COVID-19 pandemic which restricted movement and constrained the construction industry and supply chains in general.

The lead time to commencement of the procurement process was lengthened considerably by implementing LDM as a precursor to planning and scheduling construction and the agreed approach to supporting ABEs to deliver the program to the greatest extent possible. Whilst these decisions were known at the point of negotiating the Agreement, it is accepted that accurately estimating the investment of time required would have been difficult.

Further to this, the COVID-19 pandemic caused considerable delays to community engagement visits for a period exceeding 12 months. This was due to the Federal Ministers for Health's determination under section 477 of the *Commonwealth Biosecurity Act 2015* to introduce biosecurity zones to protect remote communities in the NT facing the COVID-19 outbreak in line with the local requirements in the NT.⁵ The determination was first made in March 2020 and subsequently extended several times.

The review found evidence that supports the claims that industry and supply chain issues have been impacting construction and infrastructure projects across Australia, not just in the NT. Infrastructure Australia's *Infrastructure Market Capacity report* provided a detailed analysis of the capacity of the market to deliver the forward infrastructure pipeline, and made several key points relevant to the NT housing market including:

- Demand for plant, equipment and materials to service the five-year major public infrastructure pipeline is expected to more than double between 2020-21 and 2023-24.
- Labour scarcity is the single biggest issue faced by construction companies.
- The cost of construction materials has risen by an average 24% in the last 12 months.
- The cost of labour inputs has risen by an average 17% in the last 12 months.⁶

The residential construction overview in the NT Government's Budget Outlook 2022 referred to significant investment being made in remote housing and the forward pipeline of works and made an overall comment for the NT that *"growth is expected to moderate with rising input costs and labour shortages have been constraining factors"*⁷.

The decision to implement LDM and invest in building capacity in communities, government agencies and ABEs to share decision-making and transition to an Aboriginal community-controlled model of housing and housing services delivery is evidence-based⁸ and aligned to the National Agreement on Closing the Gap⁹ Priority Reforms 1, 2 and 3. We have been unable to quantify this impact, as the review did not engage with community members directly and there are not yet any baseline indicators for community participation and shared decision making.

We would like to reiterate that improving housing conditions requires quality, fit-for-purpose housing that matches the existing and future needs of communities, including the need for culturally appropriate housing and the objective of the Agreement cannot be met if this is compromised.

⁵ <https://www.health.gov.au/ministers/the-hon-greg-hunt-mp/media/extension-of-biosecurity-measures-to-help-fight-nt-covid-19-outbreak>

⁶ Infrastructure Australia, Infrastructure Market Capacity 2022 Report. https://www.infrastructureaustralia.gov.au/sites/default/files/2023-04/2022_IA_Market-Capacity-Report_2.0_HR.pdf

⁷ Northern Territory Government NT Budget Outlook 2022 <https://budget.nt.gov.au/industry-outlook/construction>

⁸ See VA Ware 2013. *Housing strategies that improve Indigenous health outcomes*. Resource sheet no. 25. Produced for the Closing the Gap Clearinghouse. Canberra: Australian Institute of Health and Welfare & Melbourne: Australian Institute of Family Studies. <https://aifs.gov.au/publications/closing-the-gap>. Accessed 12 April 2022

⁹ Throughout this document 'National Agreement on Closing the Gap' refers to *National Agreement on Closing the Gap* (2020). <https://www.closingthegap.gov.au/national-agreement/national-agreement-closing-the-gap>. Accessed 4 May 2023

3.2 Overcrowding (clauses 15, 16(a), 17(a))

Definition

The Canadian National Occupancy Standard¹⁰ (CNOS) is a version of overcrowding analysis that uses population density. It is a relatively simple metric obtained through numerical analysis of tenancy data and housing type, that is, the number of occupants/number of bedrooms.

CNOS analysis can often be determined through up-to-date Tenancy Management services (TMS) data, as it distinguishes between ages and gender. CNOS assessment does not, however, provide for family preferences, cultural obligations or complexity of familial relationships. It does not account for fluidity of occupation due to seasonal, cultural or other drivers either which can have large impacts upon the liveability stressors of households in remote communities.

Currently the NT Government uses CNOS to determine if a house is overcrowded. CNOS nominates a baseline above which a household is overcrowded including (but not limited to):

- there should be no more than two people per bedroom
- children less than five years of age of different sexes may reasonably share a bedroom
- children five years of age or older of opposite sex should have separate bedrooms
- children less than 18 years of age and of the same sex may reasonably share a bedroom
- single household members 18 years or older should have separate bedrooms as should parents or couples.

Where the assessment against CNOS determines a household requires one or more additional bedrooms, it is considered to be overcrowded. Using CNOS is useful at the project initiation stage to determine an initial assessment of overcrowding in a target community. An assessment against the CNOS metric may be used in the final reporting stage to provide any changes to occupation density.

¹⁰ Throughout this document, *OCOFH Capital Works Program Design Guidelines* refers to the NT Government (2019). *Our Community. Our Future. Our Houses. Capital Works Program Design Guidelines*. https://ourfuture.nt.gov.au/_data/assets/pdf_file/0007/821581/capital-works-design-guidelines.pdf. Accessed 25 April 2023

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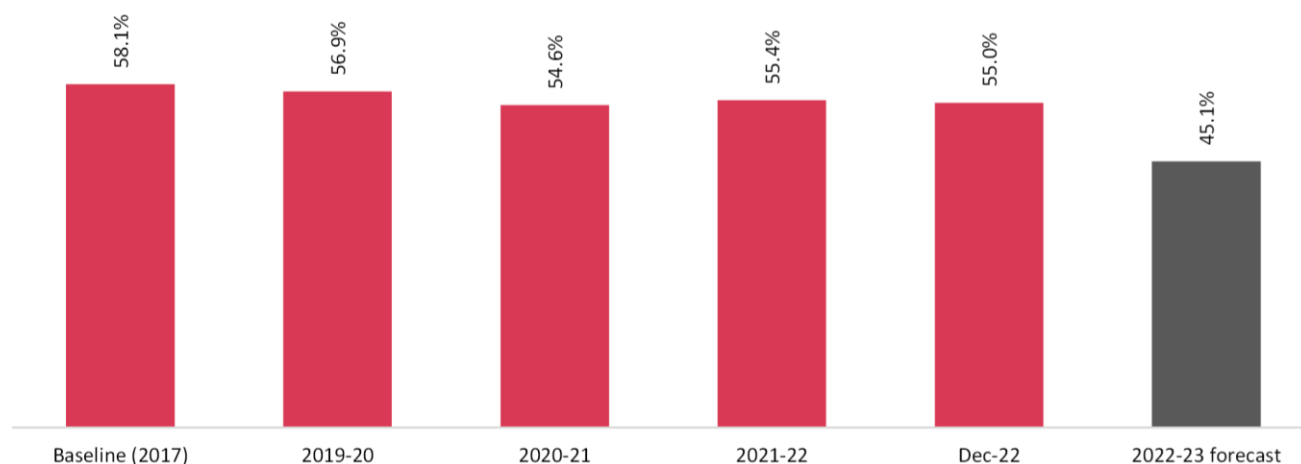
2.41 In August 2018 advice to the minister established that, to address overcrowding, the NT would need 1,857 additional dwellings, and another 74 every year to address population growth. The advice did not include an estimate of the decrease in the proportion of overcrowded households that would result from the construction of 750 (later reduced to 650) new houses.

4.6 The National Partnership does not define a target for the intended reduction in overcrowding by 30 June 2023. However, the proportion of overcrowded houses is one of the performance measures monitored by the Joint Steering Committee (JSC) and reported publicly by the NT Government on its website.

Data analysis

The NT Government, in their annual Capital Works Plans, forecast a reduction in overcrowding of 13 percentage points by 30 June 2023 (from a baseline of September 2017).¹¹ However, as at December 2022, overcrowding had reduced by just 3.1 percentage points from 58.1% in 2017 to 55.0% (see Figure 5 below).

Figure 5 Proportion of homes in remote NT that are overcrowded



The change in the number and proportion of overcrowded houses varied by region and community.

Table 5 Communities with greatest proportion of overcrowded houses as at Baseline (Top 10)*

Community	Proportion of houses that are overcrowded			
	Baseline 2017	December 2022	Variance	Forecast Reduction to June 2023
MINYERRI	97%	96%	(1%)	(13%)
MILINGIMBI	90%	84%	(6%)	(8%)
RAMINGINING	82%	77%	(5%)	(17%)
AMPILATWATJA	78%	68%	(10%)	(19%)
NGUKURR	77%	66%	(11%)	(16%)
GALIWINKU	75%	77%	2%	(16%)
KYBROOK FARM	75%	58%	(17%)	(25%)
BESWICK	74%	66%	(8%)	(7%)
GAPUWIYAK	73%	80%	7%	(13%)
NGANMARRIYANGA	72%	67%	(5%)	(19%)
WADEYE	72%	67%	(5%)	(13%)

* The results for all communities are shown in Appendix B.

¹¹ Whilst the Reporting Framework approved by the JSC states that each (overcrowding) measurement will be benchmarked against data as at 1 July 2018, the NT Government's quarterly reports state September 2017 as the benchmark period.

Key informant interviews

There was broad consensus amongst key informants that the Agreement has started to impact overcrowding, however, the size of the capital works program was far too small to address the existing and future need for remote housing in the NT.

Key informants recognised the value of the data collection and regular reporting that has been established, allowing ongoing monitoring of overcrowding, by community, for the first time. This has also established a baseline to measure progress against and to support investment decisions going forward.

Anecdotal evidence suggests that some inputs to the RHNAM (such as accurate population and tenant numbers) may, in fact, be undercounted and hence overcrowding may be higher than currently reported.

Finally, key informants acknowledge that while the Agreement does not directly refer to, or seek to address, rates of homelessness in the NT, they believe that overcrowding in remote communities should be considered a form of homelessness.

Findings

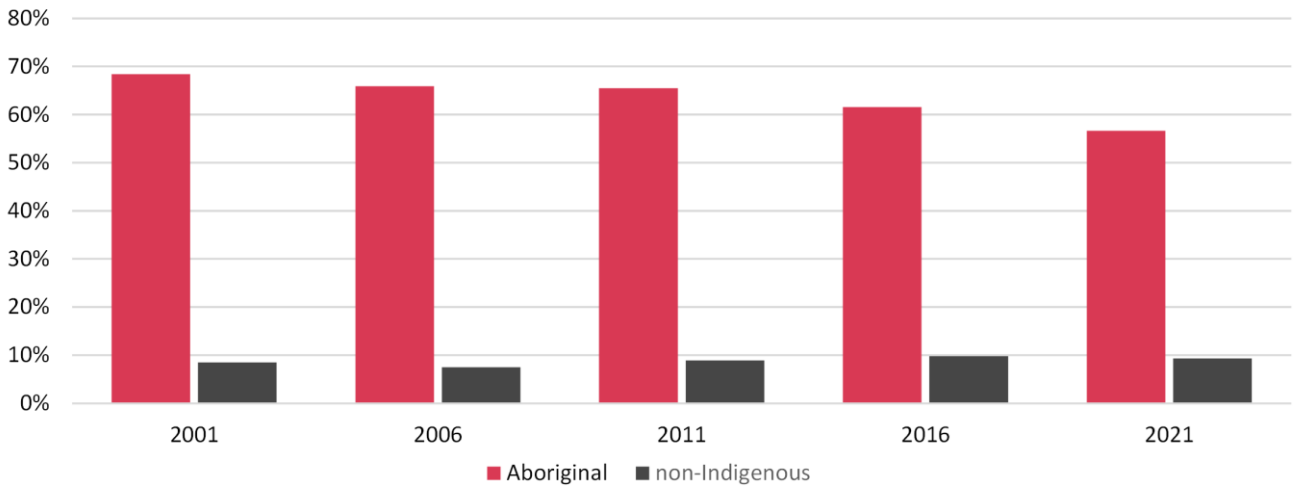
The Agreement does not set a target for the reduction in overcrowding however, the NT Government forecast a reduction in overcrowding of 13 percentage points by 30 June 2023.

The rate of overcrowding has not reduced to the extent that was expected. This is largely attributable to:

- fewer bedrooms were constructed than forecast (now forecast to construct between 300 and 450 bedrooms less than the June 2023 target)
- a greater number of houses were found to be beyond economic repair and hence were demolished and replaced (approximately 40% of the capital works program has been the replacement of existing houses found to be beyond economic repair)
- the growth in the number of tenants was greater than forecast (563 additional tenants were counted at the end of December 2022 compared to the baseline of September 2017. This equates to approximately 2.7% growth compared to the RHNAM's assumed growth rate of 1.6 %).

Overcrowding in Aboriginal households across the NT as a whole, has improved over the two decades to 2021. However, there is a vast gap between overcrowding in Aboriginal and non-Aboriginal households in the NT and progress has been slow with less than 1% improvement per annum (see Figure 6).

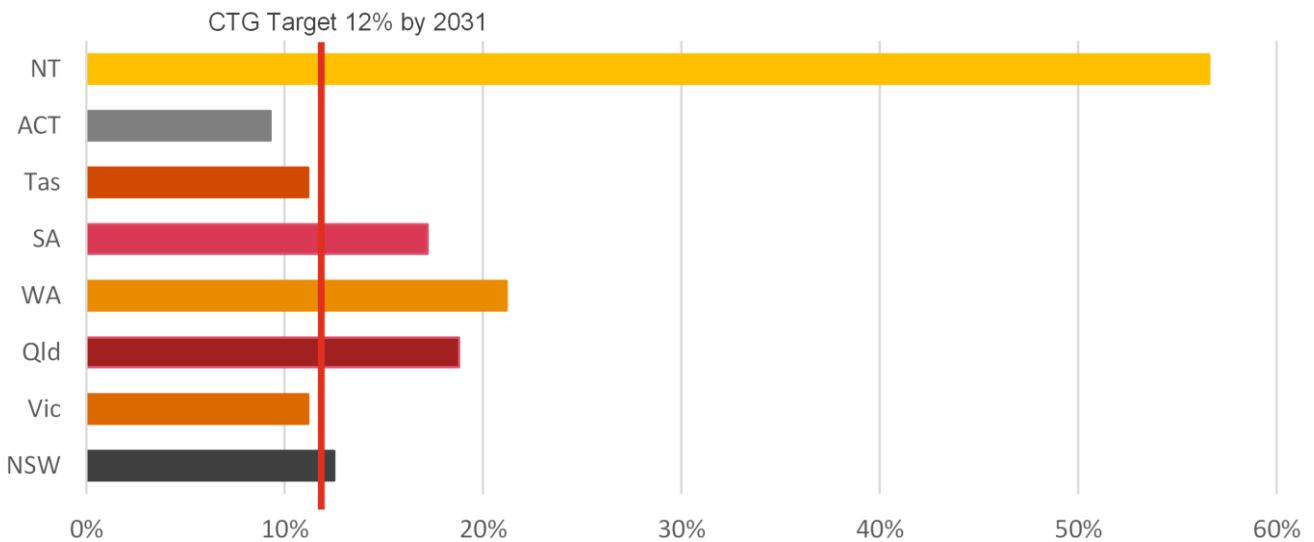
Figure 6 Proportion of dwellings that are overcrowded, whole of NT



Source: Derived from the Australian Government Productivity Commission Closing the Gap Information Repository. <https://www.pc.gov.au/closing-the-gap-data/dashboard/socioeconomic/outcome-area9>. Accessed 20 April 2023

The *National Agreement on Closing the Gap* commits the Australian and NT Governments to increase the proportion of Aboriginal and Torres Strait Islander people in appropriately sized (not overcrowded) housing to 88 per cent by 2031. However, the rate of overcrowding experienced by Aboriginal households in the NT remains substantially higher than any other state or territory in Australia (see Figure 7 below).

Figure 7 Proportion of Aboriginal people living in overcrowded dwellings as at June 2021

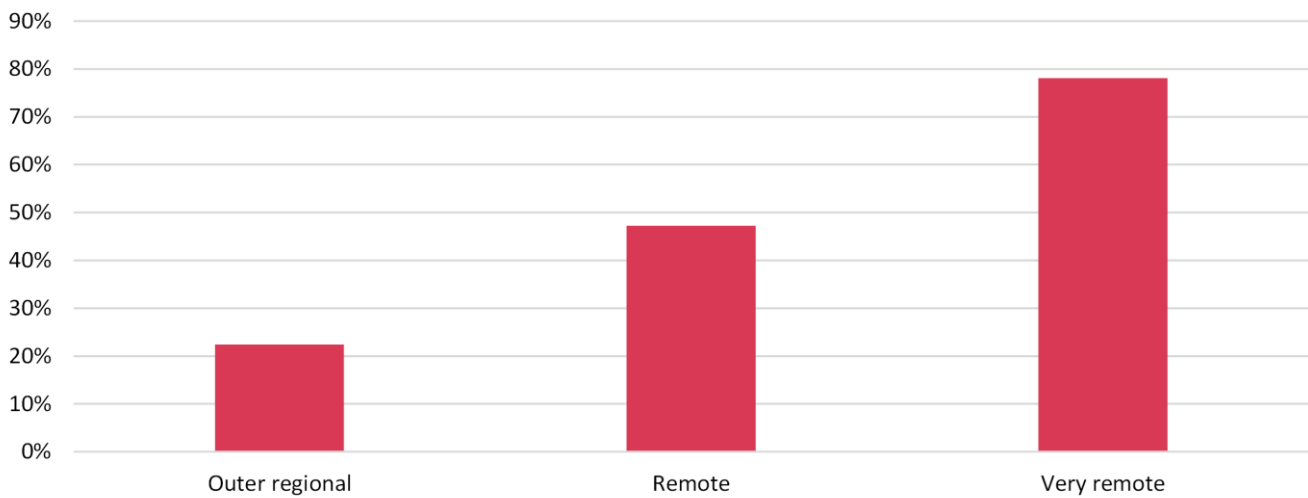


Source: Derived from the Australian Government Productivity Commission Closing the Gap Information Repository. <https://www.pc.gov.au/closing-the-gap-data/dashboard/socioeconomic/outcome-area9>. Accessed 20 April 2023

Further to this, overcrowding in remote and very remote areas is higher than other parts of the NT (see Figure 8 below), as is the case in all other states and territories. However, 74% of Aboriginal Territorians live in remote and very remote areas compared to just 15% of Aboriginal and Torres Strait Islanders in Australia as a whole.¹²

As such, the scale of the 'overcrowding problem' for Aboriginal households in remote and very remote areas of the NT is much larger than the scale of the existing Agreement's capital works program, even when combined with the NT's OCOFOH program.

Figure 8 Proportion of Aboriginal people living in overcrowded dwellings, by remoteness, as at June 2016*



Source: Derived from the Australian Government Productivity Commission Closing the Gap Information Repository. <https://www.pc.gov.au/closing-the-gap-data/dashboard/socioeconomic/outcome-area9>. Accessed 20 April 2023

¹² ABS (2021) *INGP Indigenous Status by MB by Remoteness Areas (National) (UR) by STATE (UR)* [Census TableBuilder]. Accessed 27 April 2023.






3.3 Improved housing conditions (clauses 15, 17(a))

Definition

Whilst the objective of the Agreement is “to improve housing conditions and reduce overcrowding in remote communities in the NT”, the Agreement does not define ‘housing conditions’ or set targets for the degree of improvement required. However, the purpose of the Agreement is “...to improve health and physical outcomes through increasing the supply and standard of remote housing...”.

There is a sizeable body of national and international evidence that describes the key housing factors that affect health outcomes. These factors are shown in Table 6 below with the NT Government processes, included in the Agreement, that will contribute to their achievement.

Table 6 Key housing factors impacting health outcomes and evidence of NT Government processes¹³

	Housing factor	NT Government process and evidence
	Appropriate <ul style="list-style-type: none"> Size (not overcrowded) and functionality 	<ul style="list-style-type: none"> Delivery of capital works program to address overcrowding Adherence to National Indigenous Housing Guide Annual Capital Works Plans informed by LDM
	Safe <ul style="list-style-type: none"> Without major structural, electrical or plumbing defects 	<ul style="list-style-type: none"> Ensure all builders are accredited and comply with Building and National Construction Codes including certification
	Healthy <ul style="list-style-type: none"> Operational hardware that supports healthy living practices 	<ul style="list-style-type: none"> Compliance with Building and National Construction Codes including certification Adherence to National Indigenous Housing Guide Survey of existing dwellings against Healthy Living Practices
	Culturally responsive <ul style="list-style-type: none"> Design and tenancy management 	<ul style="list-style-type: none"> Adherence to National Indigenous Housing Guide Annual Capital Works Plans informed by LDM % Aboriginal people employed to deliver PTM services
	Secure <ul style="list-style-type: none"> Affordability Tenure aligned to housing aspirations 	<ul style="list-style-type: none"> Not applicable. Policies regarding affordability of social housing and home ownership are not covered by the Agreement

¹³ Derived from VA Ware 2013. *Housing strategies that improve Indigenous health outcomes. Resource sheet no. 25*. Produced for the Closing the Gap Clearinghouse. Canberra: Australian Institute of Health and Welfare & Melbourne: Australian Institute of Family Studies. <https://aifs.gov.au/publications/closing-the-gap>. Accessed 12 April 2022, P Pholeros and P Phibbs 2012. *Constructing and maintaining houses. Resource sheet no 13*. Produced for the Closing the Gap Clearinghouse. Canberra: Australian Institute of Health and Welfare and Melbourne: Australian Institute of Family Studies. <https://aifs.gov.au/publications/closing-the-gap>. Accessed 12 April 2022, Commonwealth of Australia, Department of Health 2021. *National Aboriginal and Torres Strait Islander Health Plan 2021-2031*. <https://www.health.gov.au/health-topics/aboriginal-and-torres-strait-islander-health/how-we-support-health/health-plan>. Accessed 12 April 2022 and Coalition of Peaks 2022. *Socio Economic Outcomes and Targets: Review of Implementation Plans against National Agreement* (unpublished).

Under clause 20 (f) and (g) of the Agreement, the NT Government is responsible for:

- ensuring only a builder or builders accredited under the Australian Government Work Health and Safety Accreditation Scheme or the equivalent NT Government legislation is contracted, and providing the necessary assurances to the Commonwealth including requiring compliance with the National Indigenous Housing Guide
- ensuring compliance with the Building Code 2016 is made a condition of tender for all contractors and subcontractors who tender for the work and for all contractors and subcontractors who are contracted to undertake building projects, providing the necessary assurances to the Commonwealth.

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3.12 *The National Partnership states that the construction of additional and replacement houses should contribute to improving housing quality. The 2017 Remote Housing Review found that high quality housing was needed to overcome the increase on the wear and tear on houses resulting from overcrowding, and recommended that details about certification of properties (at all stages of building, and for life after acceptance and tenancing) be reported to the governing body to ensure construction in remote communities is compliant with the appropriate building and certification standards. As part of its assessment for capital works payments NIAA is required to ensure all capital works are compliant with the Work Health and Safety Accreditation Scheme, the Building Code 2016 and the Indigenous building guide.*

3.13 *From August to October 2021 NIAA worked with the NT Government to determine what evidence the NT Government would be required to submit to demonstrate achievement of capital works, and the assurance processes NIAA would apply to validate NT Government's evidence. The resulting document describes the approach that NIAA may apply to verify the NT Government's capital works claim. It states that, if NIAA chooses to, it could select a sample of up to five per cent of houses with bedrooms completed in the claim period, and review certification documents (including the certificate of occupancy) for each of the houses. A further verification step may consist of a site visit.*



Data analysis

To test whether housing conditions have improved over the period of the Agreement, PIC sought evidence of NIAA's verification of the NT Government's capital works milestone claims, in line with the agreed *Verification of Capital Works Milestones Claims* document. This document was referred to in audit finding 3.13 of the ANAO Report and is included at Appendix C.

The *Verification of Capital Works Milestones Claims* documented process was implemented from November 2021 and applied to Milestone Claims

from 1 July 2020 onward. Given that construction did not commence until the 2020-21 financial year, the agreed verification process has been applied to the construction of all bedrooms completed under the Agreement.

Table 7 below shows the number of bedrooms claimed for each of the four Capital Works Milestone Claims made, from inception of the Agreement to December 2022, and the number of bedrooms included in NIAA's sample for verification.

Table 7 Sample size for Capital Works Milestone Claims

Milestone Claim	No. Bedrooms claimed	No. Bedrooms sampled and verified
Jul 2020 - Jun 2021*	299	16
Jul 2021 - Dec 2021	149	7
Jan 2022 - Jun 2022	161	10
Jul 2022 - Dec 2022	392	15
Total	1001	48

* This first claim is for the full 2020-21 financial year. All subsequent claims are for 6 month periods

NIAA's verification process incorporates analysis of the Milestone Claim data from which they select a sample of up to 5% of completed works, taking into account geographic spread and aiming to include a mix of contractors and dwellings in terms of bedroom numbers and building program. NIAA then request the certification documents for the completed works which generally includes a Statement of Compliance/Occupancy Certificates, Builders declarations, structural design, structural construction and plumbing & drainage construction, and electrical safety certificate of compliance.

NIAA has also met with the NT Government's Reform Management Office (RMO) and DIPL as part of the verification process to obtain greater context and any subsequent clarification required. Once satisfied, NIAA provides advice to the minister on payment of the Milestone Claims under the Agreement.

The *Verification of Capital Works Milestones Claims* process also provides for site visits – if requested by NIAA – to view completed bedrooms. NIAA and NT

Government conducted a site visit to Yirrkala on 27 April 2023, to inspect a property included in the July – December 2022 Milestone Claim.

To test whether the delivered capital works had met certification standards, the PIC project team reviewed evidence from NIAA of their verification process, including the original documentation provided by NT Government and email correspondence seeking clarification and confirmation of various details contained within. NIAA sampled 4.8% of bedrooms completed over the life of the Agreement.

Further to the sampling process, the *Verification of Capital Works Milestones Claims* includes the following NT Government responsibilities:

- The NT Government requires tenderers to demonstrate a commitment to Work Health and Safety (WHS) through the procurement process. In addition, the *Work Health and Safety (National Uniform Legislation) Act NT 2011* places responsibility for WHS in the building and construction industry onto head contractors.

- The National Indigenous Housing Guide (NIHG) informs the design and specifications of all Remote Community Housing. The NIHG is incorporated into the following program guidelines:
 - OCOFOH Capital Works Program Design Guidelines
 - OCOFOH Room to Breathe Program Design Guidelines
 - Design Guidelines Remote Community Housing
 - Remote Community Housing Schedules.
- Provision for compliance with the Building Code 2016 is made, where applicable, through:
 - the National Public Works Council (NPWC) NT edition conditions of contract
 - conditions of contract – Period Contract Works and Services (PCWS).

To demonstrate an improvement in the condition of existing housing, the PIC project team also sought evidence of:

- the number of existing dwellings surveyed against the 9 Healthy Living Practices
- the percentage of existing dwellings functioning after Survey Fix 1
- the percentage of existing dwellings functioning after Survey Fix 2
- the average turnaround time, in days, for maintenance to be completed.

However, despite these measures being included in the approved Reporting Framework, they have not been reported publicly or to the JSC as at 31 December 2022.

Additionally, the NT Government provided PIC with data as at 31 December 2022, for the number of houses built to replace houses that were uninhabitable (beyond economic repair). Over the life of the Agreement, 118 houses (approximately 354 bedrooms) were built as replacements and it could be argued that this must have improved the living conditions of the tenants compared to the existing houses that needed to be demolished.

Key informant interviews

Key informants advised that although the Agreement did not have a clear and shared understanding of what was meant by 'improve housing conditions', through the JSC they sought to establish mechanisms and processes to ensure delivery of housing to required standards. They recognised that the process of establishing building standards and building certification into construction contracts, and the verification process established by NIAA is mainly focussed on measuring the standard of construction but this is only a partial measure with 'housing conditions' being broader than this.

Key informants agreed that the construction of new homes, addition of bedrooms to existing homes and repairs to dwellings that are unsafe or uninhabitable improve housing conditions in a community. However, housing conditions are also impacted by liveability factors which are not currently measured, such as:

- being fit for purpose for given locations and environmental conditions
- meeting the tenant's needs (e.g. accessible for people living with disabilities, durable and flexible spaces for multi-family households)
- affordability (e.g. houses unsuitable to climatic conditions which require air-conditioning become unaffordable).

Findings

NIAA verified the certification of capital works completed under the Agreement, in accordance with the agreed *Verification of Capital Works Milestones Claims* documented process.

However, without an agreed definition of the key factors of housing conditions and systematic collection of data to measure changes in these factors, it is not possible to verify the baseline housing conditions or determine whether conditions have improved or deteriorated over the life of the Agreement.

3.4 Local Decision Making (clause 17(a))

Definition

The Agreement requires its' objectives and outcomes to be achieved through, amongst other things, construction of additional and replacement houses and extensions informed by LDM. Under clause 20 (a) of the Agreement, the NT Government is responsible for developing community level programs informed by:

- the principles of the OCOFOH program
- the RHNAM, confirmed through LDM.



ANAO REPORT

4.17 Under the National Partnership, capital works must be informed by the local decision making principles and the NT Government must report to the JSC on the implementation of the local decision-making policy in the capital works program.

4.18 The local decision-making policy is the NT Government's strategy to provide communities with the opportunity to have input into improvements to housing through a community engagement and design process. The policy was developed to be applied to the OCOFOH program and was incorporated into the National Partnership. Under the policy, houses are to be 'co-designed with local decision-makers and individual families to ensure they are place-based, directly related to local priorities and are underpinned by sustainable local employment initiatives'¹⁴

4.19 Implementation of local decision-making involves meetings held by the NT Government with communities at several points in the rollout of the capital works program, to determine the design and location of houses, the schedule of construction, and whether locally operating Aboriginal Business Enterprises (ABEs) have the capacity to deliver works. Parameters that are discussed with the communities include:

- for new houses – location and housing options (for example, three or four bedrooms, duplex), floor plan designs (including bathroom, veranda and kitchen) and fabrication (for example, brick or cladding); and
- for renovations and extensions – location and options (for example, renovation or addition of bedrooms, living spaces, outdoor kitchen or undercover areas, and granny flats for the elderly) and improvement of existing amenities (for example, wet areas or disability modifications).

4.25 NIAA has not sought confirmation from the NT Government that the local decision-making process is being effectively implemented as part of the National Partnership, including whether it has been evaluated to verify, for example, that communities have been appropriately represented at the meetings, or communities' decisions were fully informed and adequately implemented.

¹⁴ Throughout this document 'OCOFOH Local Decision-Making Framework' refers to NT Government (2020) *Our Community, Our Future, Our Homes, Local Decision-Making Framework*. https://ourfuture.nt.gov.au/_data/assets/pdf_file/0006/926178/local-decision-making-framework.pdf. Accessed 25 April 2023.

Data analysis

The PIC project team sought evidence that the outcomes of the community engagement process have informed the annual Capital Works Plans and delivery of capital works occurred in accordance with the relevant Capital Works Plan. Over the life of the Agreement to 31 December 2022, the NT Government had:



* use of trained interpreter is subject to availability

Key informant interviews

Advice received from DIPL confirmed that LDM is integral to the delivery of capital works under the Agreement. However, key informants recognise that the LDM policy and process is more than a mechanism through which government is engaging about the housing program as it was designed to provide a pathway for communities to gain more control over their own affairs, including service delivery based on a community's aspirations and needs. LDM is therefore the process through which communities can have wider conversations with the NT Government about a range of related social and economic opportunities and negotiate about services, programs and infrastructure needs for the longer term future not just the immediate near term.

The RHNAM is a custom-designed data tool used to prioritise the delivery of capital works based on evidence and focused on outcomes such as the reduction of overcrowding, rather than arbitrary hard targets. The RHNAM has been built using a wide range of data sources and assumed inputs including:

- NT Government Tenancy Management System (TMS)
- NT Government Asset Systems Nexus (ASNEX)

- NT Government Integrated Land Information System (ILIS)
- population statistics sourced from Australia Bureau of Statistics (ABS) and TMS with an assumed population growth rate of 1.6% (Source: ABS).

The results of the RHNAM are then tested as part of the LDM process with tenancy data validated directly with communities and information gathered on place-based considerations for determining what should be built along with where and when.

The LDM process is also used to identify modifications to existing homes under the Room to Breathe program (R2B). R2B builds additional living spaces such as bedrooms, granny flats, bathrooms and outdoor cooking places, or making disability modifications, to improve the liveability of existing homes. This allows those homes to be better used, reduces wear and tear and provides opportunities for family-based accommodation options for kinship care, elderly and high dependency tenants. This reduces the negative impacts of overcrowding and tenants have direct input into the extensions to their home and sign-off on completion.

The Land Councils and AHNT are supportive of the scenario planning enabled by the RHNAM and sharing this information with communities to support forward planning. However, some concern was raised as to whether this is informing effective shared decision-making with communities or whether communities are simply presented the outcomes.

Findings

The *OCOFOH Capital Works Program Design Guidelines* and *Local Decision Making Framework* specify the ways in which decision making is to be shared with local communities, at each stage of the capital works program.

Community Engagement

Notes are taken as a record of the discussions and outcomes of the community engagement meeting(s) and confirm attendance at the meeting including the role of attendees (e.g. housing reference group member, local ABE stakeholder) and document decisions made including:

- community and cultural considerations or discussion topics, including identification of local ABEs
- site availability, site selection/confirmation (ideally confirmed using existing lot numbers on map)
- housing mix and design – number of bedrooms (informed by wait list data, and confirmed by housing reference group)
- housing design typology and any required modifications (disability modifications etc)
- specific community requests (i.e. using concrete block construction, or tree removal, civil design works, driveways, noting these may be recorded, but are possibly excluded from Capital Works program scope – refer to part 4 program design guidelines and maximum design parameters).

Figure 9 Models of new houses and extensions for use in community engagement



Source: ANAO

These notes, along with photographs of the meeting, and process design photographs (i.e. participants' final design criteria or modifications using visual aids) are then used to prepare a community engagement meeting summary. The NT Government provided four examples of community engagement summaries completed over the preceding six months for testing. The communities selected were:

- Milikapiti
- Belyuen
- Ramingining
- Gapuwiyak

The summaries, and their supporting documentation, provided some useful information aligned to the documented processes contained in the *Capital Works Program Design Guidelines and LDM Framework*. For example, sign-in sheets are used to capture attendee details and retained with the summaries and other documentation. These provided evidence of the number of attendees, their gender and capacity (e.g. attending as Housing Reference Group member).

The meeting notes contain a space to record the number of meeting attendees and number of tenants consulted. The notes also contain check boxes to indicate the '*Actual level of community participation*', with the following options:

- Inform
- Consult
- Actively participate

Notes are taken as to the main discussion points and outcomes are recorded. The community visit performance measures demonstrate an average 10 visits to each community.

Whilst the sample size was small, the documentation was consistent and aligned to the policy and procedure documentation, providing evidence of effective internal controls.

Capacity building within communities and within government agencies will be necessary to further share authority and devolve decision making to local structures. However, these constraints have been recognised within the NT Government's approach and effective LDM is an iterative process, matching the needs and level of participation determined by the community to be ideal.

Under the *National Agreement on Closing the Gap's* Priority Reform 1, the Australian and NT governments have committed to building and strengthening structures that empower Aboriginal and Torres Strait Islander peoples to share decision-making authority with governments, to accelerate progress against Closing the Gap.



In order to effect real change, governments must work collaboratively and in genuine, formal partnership with Aboriginal and Torres Strait Islander peoples because they are the essential agents of change.

National Agreement on Closing the Gap -
Engagement survey participant from the NT

The *National Agreement on Closing the Gap* contains a set of Strong Partnership Elements which include a subset of shared decision-making elements.

Table 8 below depicts the alignment of LDM under the Agreement, as it is represented in the relevant OCOFOH documents, with the elements of shared decision-making as defined in the *National Agreement on Closing the Gap*. It is important to note that the Agreement was negotiated prior to the *National Agreement on Closing the Gap* being signed and the LDM process is not required to address these elements of shared decision-making. This comparison is for benchmarking purposes only, to identify opportunities for further development.

Table 8 OCOFOH LDM aligned to the elements of shared decision-making, as defined in the National Agreement on Closing the Gap

Elements of shared decision making (National Agreement on CTG)	Aligned to National Partnership Agreement on Remote Housing NT
<p>Shared decision-making is by consensus, where the voices of Aboriginal and Torres Strait Islander parties hold as much weight as the government's.</p>	<p>The LDM Framework states that <i>'LDM means enabling people to have a say in what happens in their community with the ability to influence the outcomes.'</i> LDM in the context of the Agreement is in its early stages, with capacity building required for communities and government.</p> <p>The voices of community members do not hold as much weight as the government's at this stage.</p>
<p>Shared decision-making is transparent, where matters for decision are in terms that are easily understood by all parties and where there is enough information and time to understand the implications of the decision.</p>	<p>The Capital Works Program Design Guidelines and LDM Framework both describe a process of transparent decision making. The LDM Framework sets out the decisions that are in scope for LDM and includes the following guidance:</p> <p><i>'Providing information and agenda papers prior to meeting days to ensure decision makers and stakeholders are well informed of discussion topics and opportunities for input and decision.'</i></p> <p><i>'Where possible, an AIS Interpreter will be available to interpret key information to ensure decision makers and community residents are consulted in language.'</i></p> <p><i>'The LDM group are advised this an opportunity for decision making and valuable community input, however it is not a requirement that a decision be made on the day of a meeting.'</i></p> <p>The Capital Works Program Design Guidelines reiterates that community engagement meetings are arranged once the pre-planning phase is substantially complete as the information gathered is crucial to ensuring the LDM process can be fully informed. The guidelines also state:</p> <p><i>'Communicating and informing community members through informative, easy to understand material is critical to the program. Simple fact sheets, posters or a community public announcement system may be used by the Community Engagement team to keep local community members updated on the progress of the program. Consideration should be given to preparing audio messages in Aboriginal language.'</i></p>

Elements of shared decision making (National Agreement on CTG)	Aligned to National Partnership Agreement on Remote Housing NT
<p>Shared decision-making is where Aboriginal and Torres Strait Islander representatives can speak without fear of reprisals or repercussions.</p>	<p>This element is not specifically addressed in the Capital Works Program Design Guidelines or LDM Framework.</p>
<p>Shared decision-making is where a wide variety of groups of Aboriginal and Torres Strait Islander people, including women, young people, elders, and Aboriginal and Torres Strait Islander people with a disability can have their voice heard.</p>	<p>This element is not addressed specifically; however it is inferred in the LDM Framework which states:</p> <p><i>'Community representation is key. The process for identifying LDM bodies requires the Program to liaise closely with Land Councils, communities, Traditional Owners, HRGs, Local Authorities, and government agencies (including Commonwealth) that have a regional and local presence to seek advice on who the appropriate stakeholder groups are to consult with in regards to decision making and the most appropriate method of engagement for community (i.e. meeting forum, community meeting, extended HRG, LA meeting, Board meeting, Traditional Governance group meeting). Consideration is also given to the LDM Agreements and Multi-Agency Partnership Agreements that have been established between the Department of the Chief Minister and the communities.'</i></p>
<p>Shared decision-making is where self-determination is supported, and Aboriginal and Torres Strait Islander lived experience is understood and respected.</p>	<p>Self-determination is a foundational right under the United Nations Declaration of the Rights of Indigenous Peoples. The LDM Framework, specifies the NT Government's support for self-determination with the following statement:</p> <p><i>'The principles of the LDM Framework Policy embody the spirit and substance of the United Nations Declaration on the Rights of Indigenous Peoples... The principles of the LDM Framework Policy are aimed at empowering Aboriginal organisations and communities in the NT to take control of their futures.'</i></p> <p>Existing community governance structures are respected and the LDM Framework states:</p> <p><i>'The Programs flexible approach to LDM provides the opportunity to develop capacity within established decision making groups, by supporting community groups and decision makers to use their own governance systems to consult internally and make informed decisions.'</i></p> <p><i>The Capital Works Program Guidelines require staff undertake an initial visit to the community to understand place-based requirements for engagement e.g. cultural protocols and ensure alignment of dates with availability of key stakeholders to ensure community engagement meetings are attended by the right mix of the right people at the right time. The Guidelines also state:</i></p> <p><i>'It is important that the housing reference group are not led, or guided in their responses. The meeting should not feel rushed and community members should not feel pressured to make decisions or provide input into design criteria. For this reason, several meetings may be necessary to address all requirements.'</i></p>

Elements of shared decision making (National Agreement on CTG)	Aligned to National Partnership Agreement on Remote Housing NT
<p>Shared decision-making is where relevant funding for programs and services align with jointly agreed community priorities, noting governments retain responsibility for funding decisions</p>	<p>The Capital Works Program Guidelines explain how to determine jointly agreed community priorities including the information gathering conducted in the pre-planning phase to support LDM and enable community empowerment and participation (including culturally appropriate design responses to housing). A pre-briefing guide is developed with the information gathered and contains example questions which can prompt conversation with housing reference group members around possible housing sites, locations, orientation, housing layouts, and housing mix, and any local factors that may impact housing design. The Guidelines also state that:</p> <p><i>'The community engagement meeting should only occur once all required information has been analysed by relevant staff to ensure that any questions asked by the housing reference group can be answered fully and quickly and any issues that may affect rollout can be clearly explained and dealt with at the meeting (e.g. land servicing, drainage constraints, etc).'</i></p> <p><i>'Facilitating informed discussions around housing design criteria is important throughout the meeting. Asking questions and understanding the 'why' of design choice is important for the community engagement process - including discussions to confirm any cultural or place-based inputs relevant to the community.'</i></p>
<p>Shared decision-making is where Aboriginal and Torres Strait Islander parties and government parties have access to the same data and information, in an easily accessible format, on which any decisions are made.</p>	<p>The Capital Works Program Guidelines specify that a pre-planning phase is utilised to collate all relevant reports and known information to:</p> <ul style="list-style-type: none"> • identify existing LDM groups and structures • prepare a current state analysis of existing housing and land conditions • identify initial estimates of housing need (as per RHNAM) • identify local ABEs with interest in delivering capital works <p>This information is consolidated in a pre-briefing plan which, as noted above, is used to inform community engagement. However, community members do not have access to the same data and information, in an easily accessible format, used to make decisions</p>

3.5 Property and Tenancy Management (clause A8 (b))

Definition

Housing service delivery in remote areas of the NT, including PTM, is primarily funded and delivered by government. Under the *Residential Tenancies Act 1999*, the NT Government, through the Chief Executive Officer (Housing), is considered the landlord for public housing and is required to provide PTM services so that tenants can live in a safe and secure home.

The NT Government aims to provide culturally appropriate and effective PTM services in remote NT communities. This will require a place-based approach and will be dependent on the presence and capability of local providers. The PTM framework outlines how the delivery of PTM services through the OCOFOH program and the Agreement will contribute to achieving this goal.

The objectives of the PTM framework¹⁵ are to:

- maximise the number of suitable houses available to tenants in remote communities and selected town camps covered by the Agreement
 - improve and maintain the standard of existing houses in remote communities funded under the Agreement
 - maintain the amenity of existing houses in remote communities in accordance with the *Residential Tenancies Act 1999* and NT public housing standards
 - provide housing services to tenants in remote communities to a level equivalent to that received by public housing tenants elsewhere in the NT
 - increase the number of households in remote communities able to maintain sustainable tenancies
- engage and empower locally based ABEs in delivering services in remote communities
 - maximise opportunities for local Aboriginal employment and training so that service providers have or build the capacity to deliver quality services to housing tenants
 - select service providers consistent with traditional Aboriginal owner and community aspirations, where identified under LDM and/or Housing Reference Groups
 - meet reporting and performance indicator requirements under the Agreement implementation plan
 - work towards transitioning PTM services to local community control through establishment of a community housing model.

¹⁵ NT Government 2020. *Our Community. Our Future. Our Homes. Property and Tenancy Management Framework*.

ANAO REPORT

3.17 Under the National Partnership, biannual payments of \$17.5 million are to be made to the NT Government upon achievement of four tenancy performance measures and two Aboriginal employment performance measures. The performance measures are included in the PTM Framework, which outlines the strategic and operational directions supporting the delivery of PTM services and was endorsed at the first JSC meeting of August 2019. The JSC reviews and has the ability to vary the performance measures from year to year. In August 2020 and July 2021, the JSC agreed to maintain the same measures until January 2022, with changes in the targets for some of the measures.

3.18 As agreed in the Implementation Plan, in April 2019 NIAA released \$35 million to the NT Government for PTM services delivered in 2018–19. This payment was not subject to performance measures and targets. As at November 2021, the NT government had submitted four PTM milestone reports to NIAA.



Data analysis

At the JSC meeting on 18 August 2022, the JSC further extended the use of the existing PTM measures to 30 June 2023. Where the agreed targets are not met, the NT Government provides explanations as to underperformance as part of their report to JSC.

Table 9 NT Government reported PTM performance, 1 July 2019 – 31 December 2022

PTM Performance Measures	Targets	2019-20 Part 1 ^a	2019-20 Part 2 ^a	2019-20 Part 3 ^a	2020-21 Part 1	2020-21 Part 2	2021-22 Part 1 ^b	2021-22 Part 2 ^b	2022-23 Part 1 ^b
Gap between total rent collected and rent charged (%)	≤30	● 19.0	● 26.5	● 26.6	● 27.8	● 27.6	● 23.4	● 24.6	● 24.7
Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears ^c	≥15	● 17.0	◆ 14.5	◆ 13.8	◆ 13.2	◆ 12.3	◆ 11.6	◆ 9.3	◆ 11.9
Properties with tenancy agreements in place within 8 weeks of handover of capital works (%)	100	n/ad	◆ 87.2	◆ 78.8	◆ 88.1	◆ 73.0	◆ 93.0	◆ 91.0	◆ 97.0
Properties receiving annual property inspections (%) ^{e&f}	70 and ≥72	● 72.0	● 75.6	◆ 65.6	◆ 63.4	◆ 66.0	◆ 50.8	◆ 24.2	◆ 21.5
Aboriginal people employed to deliver PTM services (avg FTE) ^g	40 to ≥46	● 59.3	● 60.3	● 60.3	● 51.0	● 51.5	● 53.2	● 52.3	◆ 40.3
PTM contracts awarded to ABEs (%) ^h	≥50	● 60.0	● 60.0	● 68.8	● 69.0	● 32.7	● 78.6	● 81.8	● 77.2
NIAA payment (\$m)		17.5	12.6	4.9	17.5	17.5	17.5	17.5	Not yet paid

Legend: ● Target achieved ◆ Target not achieved

Notes

- Data in these columns has been sourced from the ANAO Report.
- Data in these columns has been sourced from the bi-annual Milestone Payment Claims presented to the JSC and submitted to NIAA for payment.
- An agreement to pay is an arrangement with tenant/s to recuperate outstanding debt (that is, rental arrears) as part of NT Government tenancy management services.
- The NT Government did not report against this measure as no Australian Government funded capital works were completed at the time.
- Properties inspected in the previous 12 months from the date the report was generated.
- Target was 70 per cent in 2019-20 and >72 from 2020-21 onward.
- Target increased on a sliding scale from 40 per cent in 2019-20 to >42 per cent in 2020-21, >44 per cent in 2021-22 and >46 per cent in 2022-23.
- NIAA advised the ANAO that the NT Government changed the way it calculated this performance measure from 1 January 2021 to include trade contractors. As a result of this change, the percentage of contracts awarded to ABEs declined. Using the previous methodology, the result for Report 4 would have been 65.6 per cent.

The Commonwealth makes payments for the achievement of PTM measures in accordance with Part 6 of the Implementation Plan, including the payment to the NT Government of \$35 million in April 2019, upon their agreement to deliver PTM services that year.

The Reporting Framework approved by the JSC contains a broader set of performance measures than the approved PTM measures. These broader measures are not tied specifically to the PTM measures and some are still under development. The broader performance measures, which have not been reported against to date, include:

- Number of inspections conducted by type (property, tenancy and vacate inspection categories)
- Percentage of dwellings inspected within previous 6 months
- Average year to date turnaround time (days) – vacant dwellings
- Number of existing dwellings surveyed against the 9 Healthy Living Practices
- Percentage of dwellings functioning after Survey Fix 1
- Percentage of dwellings functioning after Survey Fix 2
- Average year to date turnaround time (days) – Maintenance.

DTFHC have commissioned the Menzies School of Health to undertake a Healthy Homes Monitoring and Evaluation Project which will measure Healthy Home Program outcomes. Their report is due by 30 June 2023, with the outcomes providing additional evidence of remote housing conditions.

Key informant interviews

Key informants expressed their overall support for the new PTM framework but noted that data is not being reported for several of the agreed performance indicators.

The new contracting model is viewed as a positive step towards property maintenance becoming more localised and there is anecdotal evidence of improvements in timeliness. However, the cost of repairs and maintenance has increased, as has the number of properties being maintained from the PTM budget allocation, raising concern that the budget had not increased proportionately.

Findings

The Reporting Framework contains a broader set of agreed measures which, had they been reported throughout the life of the Agreement, would have provided a clearer picture on the effectiveness of property management services delivered. This additional reporting would have also supported an assessment of the achievement of the PTM Framework objectives. Table 10 below outlines the current gaps in such an assessment. Importantly, achievement of a number of these objectives supports improved housing conditions and hence assessing these would provide further evidence as to whether the objective of the Agreement had been achieved.

Table 10 Gaps in assessment of achievement of the PTM Framework objectives

PTM Framework Objective	Reported measures	Assessment allowed
maximise the number of suitable houses available to tenants in remote communities and selected town camps covered by the Agreement	Properties with tenancy agreements in place within 8 weeks of handover of capital works (%)	The reported measure is a partial measure of objective and was not achieved.
improve and maintain the standard of existing houses in remote communities funded under the Agreement	Properties receiving annual property inspections (%)	The reported measure is a partial measure of objective and was not achieved.
maintain the amenity of existing houses in remote communities in accordance with the <i>Residential Tenancies Act 1999</i> and NT public housing standards	Properties receiving annual property inspections (%)	The reported measure is a partial measure of objective and was not achieved.
provide housing services to tenants in remote communities to a level equivalent to that received by public housing tenants elsewhere in the NT		Unable to assess
increase the number of households in remote communities able to maintain sustainable tenancies	Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears	The reported measure is a partial measure of objective and was not achieved.
engage and empower locally based ABEs in delivering services in remote communities	PTM contracts awarded to ABEs (%)	The reported measure was achieved; however, it is a partial measure of objective.
maximise opportunities for local Aboriginal employment and training so that service providers have or build the capacity to deliver quality services to housing tenants	Aboriginal people employed to deliver PTM services (avg FTE)	The reported measure was achieved; however, it is a partial measure of objective.
select service providers consistent with traditional Aboriginal owner and community aspirations, where identified under LDM agreements and/or Housing Reference Groups		Unable to assess
meet reporting and performance indicator requirements under the Agreement implementation plan		Partially achieved
work towards transitioning PTM services to local community control through establishment of a community housing model.		Unable to assess

3.6 Transparency (clauses 16(c), 17(c))

Definition

Providing transparency about how money is spent is an outcome of the Agreement (Clause 16 (c)) to be achieved through the implementation of an agreed reporting framework for all investment and outcomes (Clause 17 (c)).

Under clause 20 (d), the NT Government is responsible for reporting on the delivery of outcomes and outputs and making information publicly available as set out in the Implementation Plan which requires the NT Government to report as per the Reporting Framework approved by the JSC (Clause A18).



ANAO REPORT

4.38 Advice sent by the Department of the Prime Minister and Cabinet (PM&C) to the Minister for Indigenous Affairs in August 2018 highlighted the importance of financial transparency being reflected in the National Partnership. The Australian Government's objective was to ensure that under the National Partnership there would be full public transparency over how funding was spent and where it was having an impact. While the primary mechanism for the delivery of the Australian Government investment is through the NT Government OCOFOH program, the brief outlined an expectation that there would be clear and demarcated transparency between the Australian and NT Governments funding contributions. This transparency would also address Aboriginal communities' requests for information on the timing and modalities of housing investments made in their communities. For ease of access, information on the National Partnership's performance and investments would be available publicly on a NT Government website.

4.39 The National Partnership Implementation Plan makes provision for the development of a Reporting Framework, in order to define the measures that should be reported to demonstrate progress and support assessment of milestones. The Reporting Framework's purpose is to support the JSC's monitoring of the National Partnership outcomes and milestones payments. It also aims to promote transparency of the program's investments and outcomes for the range of stakeholders involved in housing.

4.40 The JSC decided to establish a subcommittee to consider the Reporting Framework at the first August 2019 meeting, but the framework was not endorsed until the JSC meeting of November 2020.

4.41 The Reporting Framework reflects reporting processes existing under the OCOFOH program and identifies measures that relate specifically to the National Partnership. For each of the 80 measures included, the framework specifies the data source and whether the results are to be reported publicly (on the NT Government's OCOFOH program website) or only to the JSC.⁸¹ The measures specific to the National Partnership are presented in

4.42 Of the 80 performance measures listed in the Reporting Framework, 70 per cent (55) were reported on the NT Government's OCOFOH program website. The information is cumulative, updated quarterly and includes, for each program (HomeBuild or Room to Breathe), community and funding source (Australian or NT Government): expenditure; houses and bedrooms planned and completed; community engagement visits; proportion of Aboriginal employment; and impact on overcrowding.

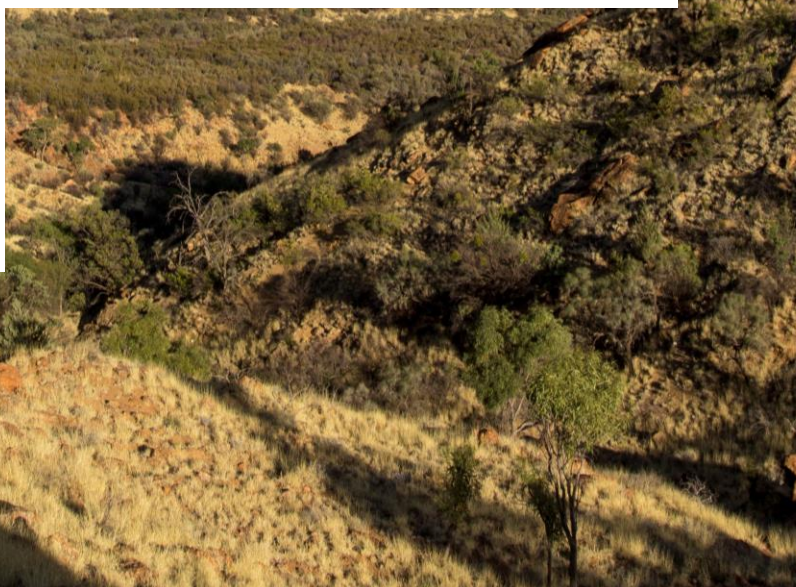


Table 4.1 Performance measures for the National Partnership

Performance measures	
Capital Works	
Proportion of overcrowded houses	JSC and website
Change in total number of bedrooms	JSC and website
Value of contracts awarded and total expenditure, separately identifying new houses built and extensions	JSC and website
Number of bedrooms completed, separately identifying new houses built and extensions	JSC and website
Number of houses completed (separately identifying new houses built and extensions; and houses completed that replace an existing house that was beyond economic repairs)	JSC and website
Property and Tenancy Management	
Gap between total rent collected and rent charged, as a proportion	JSC
Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears	JSC
Properties that have tenancy agreements in place within 8 weeks of handover of capital works (%)	JSC
Properties receiving annual property inspections (%)	JSC
Aboriginal people employed to deliver PTM services (%)	JSC
PTM contracts awarded to Aboriginal Business Enterprises (ABE) (%)	JSC
Aboriginal employment and business enterprise development	
Proportion of Aboriginal people employed to deliver housing works and services	JSC and website
Number of contracts awarded to ABE overall	JSC and website

4.44 Table 4.2 shows the financial information that was reported as at 31 October 2021, at the OCOFOH program level.

Table 4.2 Financial information reported on the NT Government website, as at 31 October 2021

	Australian Government (\$m)			NT Government (\$m)		
	Program budget	Contracts awarded ^a	Total expenditure	Program budget ^b	Contracts awarded ^a	Total expenditure
Capital Works	375.0	47.7	105.0	900.0	339.0	195.7
Repairs and Maintenance (PTM)	175.0		114.7	200.0		81.8
Total	550.0	47.7	219.7	1100.0	339.0	277.5

a The value of the contracts awarded does not include contracts completed (which are recorded in total expenditure).

b NT Government capital works budget includes \$200 million for government employee housing.

Source: Northern Territory Government, Our Community. Our Future. Our Homes. [Internet], available <https://ourfuture.nt.gov.au/accountability-and-reporting/program-progress#/> [accessed 14/12/2021]

Data analysis

The data published on the OCOFOH website provides sufficient information for community members to understand the capital works delivered in their respective communities and allow them to confirm the number of community engagement meetings held for example.

However, whilst expenditure information is reported separately for the Australian and NT Governments on the website, other measures are reported on a consolidated basis. It is also unclear to the reader, even taking into consideration the data definitions published on the website, whether the number, proportion and value of contracts awarded to ABEs includes PTM contracts, at the whole of program level.

With regards to reporting on activity and measures attributable to the Agreement, the data reported online, and in some cases, to the JSC is reported against a baseline period of September 2017 – prior to the Agreement's commencement.

The Reporting Framework, approved by the JSC, states that overcrowding and PTM measurements will be benchmarked against data as at 1 July 2018, however, the NT Government's quarterly reports use September 2017 as the benchmark period. The JSC reports also contain a mix of measures reported separately and some which are consolidated for the Australian and NT Governments. This reduces the ease of readability of the reports and could lead to misinterpretation of the data.

Table 11 Program budget and expenditure to 31 December 2022

	HomeBuild		Room to Breathe		Land Servicing		Total	
	Awarded (\$m)	Expenditure (\$m)	Awarded (\$m)	Expenditure (\$m)	Awarded (\$m)	Expenditure (\$m)	Awarded (\$m)	Expenditure (\$m)
Commonwealth	206.42	265.58	7.17	9.96			213.59	275.54
NT	313.95	143.00	81.11	59.81	66.59	127.00	461.65	329.81
Total	520.37	408.58	88.28	69.77	66.59	127.00	675.24	605.35

Note: The value of contracts awarded does not include contracts completed (which are recorded in total expenditure).

Key informant interviews

There was consensus amongst the key informants that the RHNAM has improved transparency which in turn has built trust and improved working relationships between JSC members.

Some key informants suggested that the JSC would benefit from the inclusion of additional narrative in the reports they receive, explaining the program's performance to inform more strategic discussions, rather than a focus on the data required for milestone claim purposes.

Findings

Development and implementation of the Reporting Framework has provided substantial transparency over some of the Agreement's outputs and outcomes, primarily the construction of additional and replacement bedrooms through the HomeBuild and R2B programs. The ANAO, in their 2022 Report No. 18 found that:



The publicly available information is comprehensive and can provide good visibility for stakeholders and residents to understand and confirm work conducted in communities.

Further development of the reporting measures could support monitoring and decision-making regarding strategic objectives such as improving housing conditions as discussed in section 3.3 above.



3.7 Role of Land Councils (clause 16(b))

Definition

Under clause 16 (b), an outcome of the Agreement is to ensure that the Land Councils have a role in its governance. The Preamble to the Agreement includes the following statements relevant to the Land Councils' role.

Box 3 Role of the Land Councils described in the Preamble to the Agreement

-  This Agreement embodies the principles of the Council of Australian Governments (COAG) Statement on the Closing the Gap refresh (12 December 2018), to effect *“real change by working collaboratively and in genuine, formal partnership with Aboriginal and Torres Strait Islander peoples as they are the essential agents of change.*
 - 
 - 
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 - 
-  *To achieve a genuine and mutually respectful formal partnership between governments and Aboriginal people from the Northern Territory, this Agreement will incorporate Local Decision-Making policy to inform housing outcomes at the community level and will include the four NT Land Councils on the Joint Steering Committee (JSC) of the National Partnership Agreement.*
 - 
 - 
-  *The Land Councils will participate in decisions of broad policy and strategy for remote housing and will have a monitoring role of this Agreement's investment.*
 - 
 - 
 - 
 - 
 - 
-  *As part of this partnership, the Land Councils, consistent with their statutory functions and broad responsibilities for Aboriginal people in their regions under the Aboriginal Land Rights (Northern Territory) Act 1976, will support governments on land related matters necessary for delivery of housing outcomes...*
 - 
 - 
-  *The Governments and Land Councils will... continue the work towards options for sustainable remote Indigenous community housing models in the NT.”*

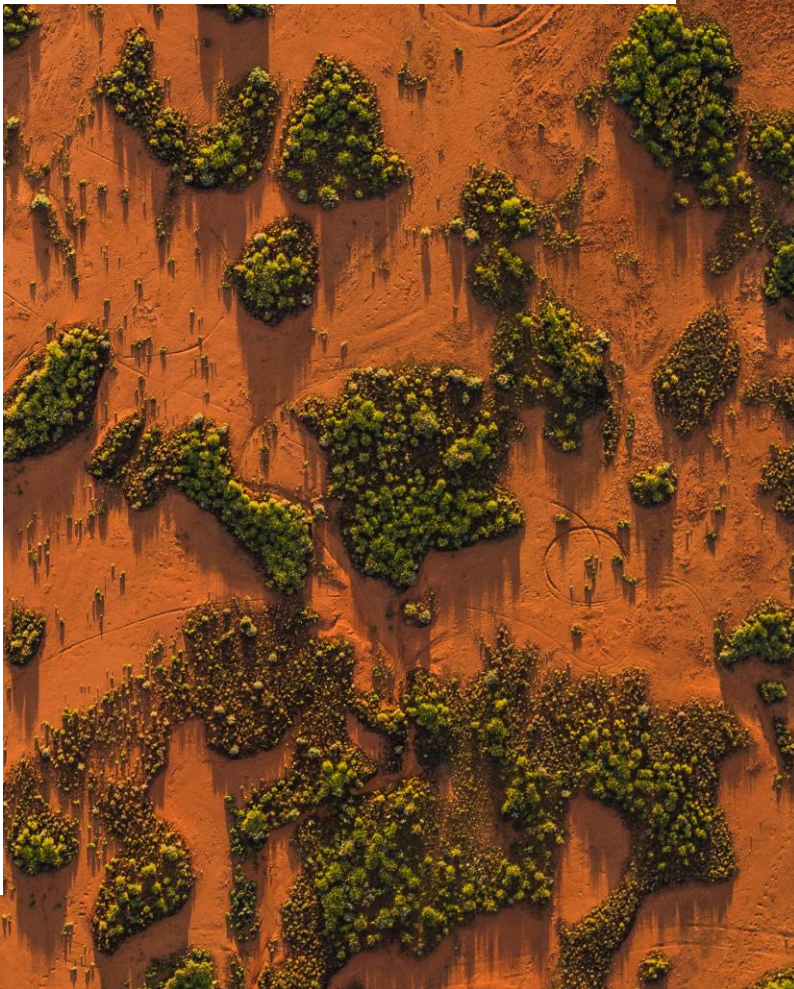
ANAO REPORT

4.12 *Housing is not a primary function of the Land Councils (see Paragraph 1.21). To support the role of the Land Councils in the National Partnership, the Minister for Indigenous Affairs agreed in October 2018 to provide \$900,000 over two years to the Northern Land Council for three additional full-time staff and operational costs associated with remote housing reforms. In March 2020 the Minister also agreed to provide \$300,000 to the Central Land Council to progress work on a new model for delivering remote housing in the NT.*

4.13 *The JSC terms of reference establish that each Land Council should have two representatives at the JSC, including the Land Councils' Chief Executive Officers. Representatives from at least two Land Councils are required to reach the quorum for a formal JSC meeting. Each JSC meeting should be co-chaired by a representative of one of the Land Councils and a representative of either the Australian or NT Governments (on a rotating basis). For the first ten meetings to September 2021, the four Land Councils were represented at each meeting (except for meeting 7 of March 2021 and meeting 10 of November 2021, for which the Anindilyakwa Land Council representatives were apologies) and co-chaired the meeting on a rotating basis. The Land Councils are also represented in the two JSC sub-committees (the reporting sub-committee and leasing and housing review subcommittee).*

4.14 *The level of representation of Land Councils in the JSC suggests that the JSC has been an effective forum to support Land Councils' participation in decisions of policy and strategy for remote housing. In discussions with the ANAO the Land Councils confirmed that their involvement had generally been effective. The inclusion of the Land Councils in the JSC has allowed them to participate in decisions of broad policy and strategy for remote housing, as stated in the National Partnership.*

4.15 *During the National Partnership's negotiations, NIAA played a key role in ensuring that the Land Councils were represented in the National Partnership's governance. This resulted in the National Partnership being the first national partnership agreement for remote housing to include Land Councils in the governance structure, in line with Priority Reforms 1 and 3 of the National Agreement on Closing the Gap (see Table 2.2). The Australian Government's Closing the Gap Implementation Plan refers to Land Councils' oversight role in the National Partnership as one of the areas where the objectives of Priority Reform 1 (partnership and shared decision-making) are being implemented.*



Data analysis

In the period between the completion of the ANAO audit and 31 December 2022, the JSC have convened a further four meetings. Attendance at these four meetings is summarised in Table 12 below.

Key informant interviews

All key informants agreed that the Land Councils' role is significant and important to the governance of the Agreement. There is an expectation that senior staff from all partners will attend the JSC and while this has been the case for the most part, there have been times when attendance has been delegated or has fluctuated.

The Land Councils recognise that the Agreement was developed and signed by the Commonwealth and NT Governments as a bilateral funding agreement, and that the Agreement predates the National Agreement on Closing the Gap which laid the foundation for a different relationship between governments and Aboriginal peak and representative bodies. As a result, the Land Councils do not perceive the Agreement fully embodies the principles of Closing the Gap or reflects a 'true partnership'. However, they do believe that the JSC as the governance group has made strides forward in operating in a new way.

The Australian and NT Governments' expectation is that the Land Councils bring accountability and responsibility for some of the important levers in housing, namely land tenure and leasing. While the Land Councils acknowledge the important role they play in housing policy and implementation, their accountability and monitoring role in relation to the

Agreement has not been clarified beyond participation at the JSC.

Additionally, the Land Councils feel that policy-level discussions at JSC meetings are necessary to ensure the Committee maintains a strategic and systemic view and considers the range of factors that impact on the achievement of the Agreement's objectives.

The Central Land Council (CLC) highlighted that they have statutory responsibilities regarding the granting of leases which include consultation and consent processes. These processes are impacted by a number of variables and cannot necessarily be expedited. The timeframes required for these processes can at times be in tension with the targets set by government, however the CLC is not aware of any significant or routine delay in the granting of leases. The CLC prioritises housing leases, as far as possible, given the importance of housing to their constituents.

The CLC emphasised that the format and accessibility of data shared under the Agreement is just as important as the availability of the data, and had made requests of government to explain the way data was presented. They also raised the need for adequate time and resources to be allocated to facilitate the flow of information about the housing program between residents on-the-ground and the JSC. Program data needs to be presented to communities in a manner and format that is easily understood, and there need to be more effective mechanisms to gather residents' input to inform and monitor the housing program.

Table 12 Attendance of Land Council representatives at JSC Meetings

JSC Meeting Date	No. Land Councils represented	Land Council Apologies	Co-Chaired
3 Feb 2022	3	Central Land Council	No ^a
19 May 2022	3	Anindilyakwa Land Council	Yes
18 Aug 2022	3	Anindilyakwa Land Council	No ^b
1 Dec 2022	4		Yes

a As all Land Councils and NIAA attended via video conference, they were unable to co-chair the meeting and it was agreed that the DTFHC would chair the meeting.

b The Northern Land Council were scheduled to co-chair; however they were an apology for the meeting and hence an alternate chair was agreed to in the meeting and noted in the minutes as such.

Findings

The *Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA)* requires Land Councils to be formed to represent Aboriginal people in the task of managing their land and the opportunities it may offer. One of the key responsibilities of the four NT Land Councils is to consult with Traditional Owners and other Aboriginal people with an interest in land, subject to negotiations regarding the use or lease of Aboriginal land. The NT Land Councils are Commonwealth corporate entities and are the only bodies with authority and capacity to direct and administer Aboriginal land trusts.

In addition to their statutory responsibilities under the ALRA, the Land Councils have housing policy responsibilities including:

- participation in the governance of the Agreement
- their individual housing policy responsibilities (for example, housing is a priority set by the CLC, reflecting the interests and needs of their constituents).

The role of the Land Councils as set out in the JSC Terms of Reference is to

- a consult with and represent communities (including homelands, outstations and satellite communities) within their jurisdictions with respect to housing

policies and outcomes arising from the Agreement and Homelands Program, as appropriate

- b inform the JSC of other Land Council policies and programs in the NT that may impact on investments and programs occurring under the Agreement
- c work with the NT Government through the JSC on land matters necessary for the delivery of housing outcomes consistent with their statutory function under the *Aboriginal Land Rights (Northern Territory) Act 1976*
- d ensure operational requirements relating to land matters, including land tenure consultations, are in place to effectively implement the Agreement.

Given the stated intention of the JSC is "To achieve a genuine and mutually respectful formal partnership between governments and Aboriginal people from the Northern Territory..." the PIC project team has considered the role of the Land Councils in the context of the Strong Partnership elements outlined in the National Agreement on Closing the Gap (see Table 13 below).

This analysis has been completed against the new JSC Terms of Reference endorsed at their meeting held on 16 March 2023.

Table 13 Terms of Reference aligned to the Strong Partnership elements, as defined in the National Agreement on Closing the Gap

Strong Partnership Elements (National Agreement on CTG)	JSC Terms of Reference and operations
<p>Partnerships are accountable and representative and are between:</p> <ul style="list-style-type: none"> i Aboriginal and Torres Strait Islander people, where participation in decision-making is done by Aboriginal and Torres Strait Islander people appointed by Aboriginal and Torres Strait Islander people in a transparent way, based on their own structures and where they are accountable to their own organisations and communities ii up to three levels of government, where government representatives have negotiating and decision-making authority relevant to the partnership context iii other parties as agreed by the Aboriginal and Torres Strait Islander representatives and governments. 	<p>The JSC comprised representatives from the Australian and NT Governments and the four NT Land Councils until their meeting in December 2022 when the peak body for Aboriginal community-controlled housing in the NT, Aboriginal Housing NT (AHNT) joined.</p> <p>Land Council members are nominated and elected by their communities (the Australian Electoral Commission oversees the vote). The full Council then elect an Executive Council and appoint a Chair and Deputy Chair. The role of Land Council members is to represent the interests of their communities.</p> <p>AHNT is incorporated under the <i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i> and its' membership is comprised of Aboriginal community-controlled organisations that provide housing and / or housing related services in the Northern Territory.</p> <p>The Terms of Reference include the following statement:</p> <p><i>“that each Committee member has an equitably valuable role to fulfil on the Committee through providing senior representation for their organisation or agency.”</i></p> <p>The Terms of Reference also include the following responsibilities which address various strong partnership elements:</p> <p><i>All Members and their representatives agree to:</i></p> <p><i>participate in good faith and contribute in a constructive and timely manner;</i></p> <p><i>share relevant and necessary information and data in a timely, accountable and transparent manner for the purpose of informing the work of the Committee;</i></p> <p><i>ensure that representatives have the required level of delegated authority to fully participate in Forum business including making commitments on behalf of the Member; and</i></p> <p><i>fulfil their roles and responsibilities under the Agreement and Homelands Program, as relevant.</i></p>
<p>A formal agreement in place, that is signed by all parties and:</p> <ul style="list-style-type: none"> i defines who the parties are, what their roles are, what the purpose and objectives of the partnership are, what is in scope of shared decision-making, and what are the reporting arrangements, timeframes, and monitoring, review and dispute mechanisms ii is structured in a way that allows Aboriginal and Torres Strait Islander parties to agree the agenda for the discussions that lead to any decisions iii is made public and easily accessible iv is protected in state, territory and national legislation where appropriate. 	<p>The Terms of Reference define the parties, their roles, the purpose and objectives of the partnership, what is in scope of shared decision-making and provides for the JSC's approval of the Reporting Framework setting out the reporting arrangements, timeframes, and monitoring and evaluation mechanisms. The Terms of Reference also define the review and dispute mechanisms.</p> <p>The Land Councils have the opportunity to inform the agenda for each meeting as follows:</p> <p><i>“The Secretariat ...will circulate a draft agenda and request agenda items from Committee members at least 15 full working days before each meeting; circulate the final agenda and papers at least 5 full working days before each meeting”</i></p> <p><i>“Each meeting of the Committee will be co-chaired by a government Committee representative (Australian Government or Northern Territory Government) and a Land Council Committee representative, on a rotating basis.”</i></p>

Decision-making is shared between government and Aboriginal and Torres Strait Islander people. Shared decision-making is:	
Strong Partnership Elements (National Agreement on CTG)	JSC Terms of Reference and operations
by consensus, where the voices of Aboriginal and Torres Strait Islander parties hold as much weight as the government's.	<p>"A quorum for a formal Committee meeting will consist of at least 5 representatives including:</p> <ul style="list-style-type: none"> a one representative from the Australian Government; b one representative from the Northern Territory Government; c one representative from at least two Land Councils; and d one representative from Aboriginal Housing Northern Territory". <p>"The Committee will make decisions by consensus. The Committee members will make genuine efforts to reach consensus on all matters that are within the decision-making remit of the Committee."</p>
transparent, where matters for decision are in terms that are easily understood by all parties and where there is enough information and time to understand the implications of the decision.	<p>The Terms of Reference include the following:</p> <p>"Committee members are committed to working together collaboratively and transparently in equal partnership to achieve the purpose of the Committee."</p> <p>"A key function of the Committee is to ensure accountability and transparency over housing outcomes and investment, including the progress of capital works. The Committee will monitor the achievement of milestones and benchmarks under the Agreement. This includes identifying and mitigating risks to milestones being achieved."</p>
where Aboriginal and Torres Strait Islander representatives can speak without fear of reprisals or repercussions	<p>The Terms of Reference do not address this point specifically, however, it is inferred in the meeting and decision making protocols.</p>
where a wide variety of groups of Aboriginal and Torres Strait Islander people, including women, young people, elders, and Aboriginal and Torres Strait Islander people with a disability can have their voice heard.	<p>The Terms of Reference do not address this point specifically.</p>
where a wide variety of groups of Aboriginal and Torres Strait Islander people, including women, young people, elders, and Aboriginal and Torres Strait Islander people with a disability can have their voice heard.	<p>Land Council members are nominated and elected by their communities (Australian Electoral Commission oversees the vote). The full Council then elect an Executive Council and appoint a Chair and Deputy Chair. The role of Land Council members is to represent the interests of their communities.</p>
where self-determination is supported, and Aboriginal and Torres Strait Islander lived experience is understood and respected.	<p>The Terms of Reference do not address this point specifically.</p>
where relevant funding for programs and services align with jointly agreed community priorities, noting governments retain responsibility for funding decisions	<p>Funding for the capital works and PTM programs align with the annual Capital Works Plans and Schedules, Property and Tenancy Management Framework; Reporting Framework and the Employment and Procurement Framework which were approved by the JSC.</p> <p>Clause 17(a) of the Agreement requires the "objectives and outcomes of the Agreement be achieved through construction of additional and replacement houses and extensions informed by Local Decision Making."</p>
where Aboriginal and Torres Strait Islander parties and government parties have access to the same data and information, in an easily accessible format, on which any decisions are made.	<p>"The NT Government shall</p> <ul style="list-style-type: none"> a report on agreed performance benchmarks and milestones; b identify and present delivery risks, including options for mitigation and ongoing risk management..."

This assessment shows that the JSC Terms of Reference have been established in line with the majority of the Strong Partnership elements. Any new agreement should ensure an equitable and genuine partnership by:

- specifically addressing all of the Strong Partnership elements and resourcing non-government parties to participate fully in its operation.
- defining and scoping the specific roles of non-government parties, such as monitoring delivery of capital works and PTM services, upon commencement of the agreement.
- implementing mechanisms for effective two-way flows of information about program delivery which gather residents' input to inform and monitor the housing program.

3.8 Aboriginal economic participation (clauses 16(d), 17(b))

Definition

The Agreement's outcomes include ensuring, to the maximum extent possible, works are delivered by local Indigenous Territorians and businesses. This is to be achieved through the implementation of an agreed employment and procurement framework to maximise local Aboriginal jobs and business outcomes.

As set out in Part 7 of the Implementation Plan, the engagement and development of Aboriginal employees in the delivery of housing works and services is a priority of the Agreement. Annual targets for Aboriginal full-time equivalent (FTE) employment were set at 40 per cent of total FTE for capital works and PTM in 2019-20, followed by increases of 2 per cent each financial year over the life of the Agreement.

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3.41 One of the National Partnership's outcomes is to ensure, to the maximum extent possible, that works are delivered by local Indigenous Territorians and businesses. Supporting this outcome, an annual payment of \$7.5 million is to be made upon the achievement of an Aboriginal employment target of 40 per cent in 2019-20, rising to 46 per cent by 2022-23. The Procurement Framework, which outlines the strategies for undertaking procurement activities, and the Aboriginal Employment and Business Enterprise Development Framework, which outlines the rationale and strategies for achieving the Aboriginal employment target, were endorsed at the first JSC meeting of August 2019.

3.42 To qualify for the employment payment the NT Government must submit a report which demonstrates its achievement against the target each financial year. As at November 2021, the NT Government had claimed the annual payments for 2018-19, 2019-20 and 2020-21.

Data analysis

The proportion of Aboriginal employment, utilised in the delivery of the capital works program, increased 8.8 percentage points to 31 December 2022. Whilst this demonstrates an increase of 25.4 per cent over the life of the Agreement to date, it does not achieve the 2022-23 agreed performance target of 46 per cent (see Table 14 below).

Aboriginal employment in PTM services is reported in section 3.5 above.

Table 14 Aboriginal employment in the delivery of the capital works program (FTE)

PTM Performance Measures	Targets (FTE)	2019-20 Part 1	2019-20 Part 2	2020-21 Part 1	2020-21 Part 2	2021-22 Part 1 ^b	2021-22 Part 2	2022-23 Part 1
Proportion (%) of Aboriginal people employed to deliver capital works (average FTE)	40 to ≥46	◆ 34.5	◆ 32.0	◆ 34.6	● 42.1	● 47.4	◆ 43.4	◆ 43.3

Legend: ● Target achieved ◆ Target not achieved

The number and proportion of capital works contracts delivered by ABEs has increased over the life of the Agreement to December 2022 (see Table 15 below).

Table 15 Capital works contracts delivered by ABEs

	2019-20	2020-21	2021-22	2022-23
Number of builds contracted to ABEs	0	2	21	19
Number of ABEs contracted	0	1	3	6
Proportion of builds contracted to ABEs	0	2.2%	20.0%	15.2%

As at 31 December 2022, the NT Government had achieved the Aboriginal employment targets, on a consolidated basis, and claimed the associated payment for the financial years 2019-20 to 2021-22.

Table 16 Milestone payments for achievement of Aboriginal employment targets (average FTE)

	PTM	Capital Works Contracts	Total	Target	Achieved	Milestone payments
2019-20	59.8%	33.3%	52.0%	40.0%	✓	\$7.5m
2020-21	51.5%	38.3%	44.1%	42.0%	✓	\$7.5m
2021-22	52.7%	45.0%	47.6%	44.0%	✓	\$7.5m
Jul - Dec 2022	40.3%	43.3%	42.2%	46.0%	✗	Awaiting payment ^a

a. The milestone payment claim has been lodged and the necessary verification processes completed by NIAA. Minister Burney has written to DTFHC to confirm the milestone payment claim has been certified. NIAA has provided verbal advice to DTFHC that the payment should be made on 7 June 2023.

Key informant interviews

The majority of key informants felt that the Agreement has taken positive steps to increase Aboriginal employment, but more could be done. Under the existing arrangements, contractors are responsible for the costs of employing, training and supporting local Aboriginal employees and this drives up the costs of delivering the capital works program. All key informants wanted to understand how Commonwealth and NT Government funded employment programs could be used to better support housing programs.

Key informants were concerned that while the Agreement's outcomes and outputs specified 'local Aboriginal jobs', it is not yet possible to measure the proportion of jobs created through the construction and PTM contracts that are filled by Aboriginal people residing in the relevant community, resident in the NT or otherwise. This was seen as an important aspect of the economic participation purpose of the Agreement and something that must be kept in mind for the future.

Findings

Aboriginal employment, as a proportion of total employment, has increased in the delivery of capital works and decreased in the delivery of PTM services over the life of the Agreement to December 2022.

The number and proportion of capital works and PTM contracts delivered by ABEs has increased over the life of the Agreement to December 2022. However, the proportion of capital works contracts awarded to ABEs remains relatively small and investment in capability and capacity building may be required to support new market entries and scaling up of current contractors. Given the current workforce shortages experienced by existing contractors, a centralised approach to funded training packages that are delivered and supported locally, would assist in reducing the construction bottleneck. In the JSC meeting held on 1 December 2022, it was raised that Aboriginal community-controlled organisations are not cost-competitive and that an Aboriginal business development fund may be required. As the approach to LDM matures, the JSC may wish to consider setting regional or local employment targets matched to the circumstances and aspirations of communities.

4 Effectiveness of the Partnership Implementation

This chapter discusses the effectiveness of the Partnership implementation in meeting the objectives, outcomes, and outputs in the Agreement. The analysis summarises comments made by key informants and the findings in the previous chapter to explore the enablers and barriers to effective implementation. It also includes several other considerations that arose during the review which have relevance for the future.

4.1 Enabling factors

Relationships between parties and shared commitment

During this review, all key informants referred to the significant improvement in the way the JSC operates as the governance body for the Agreement over the past two years. They referred to past difficulties and tensions between parties that are now resolved and that there is now a sense of trust and respect for the relevant roles and responsibilities of each partner. Examples of this are that members feel they can raise issues and discuss concerns openly in the JSC, and that they will be heard.

There was unanimous support for the inclusion of AHNT as a formal member of the JSC in recognition of the role they play in bringing the voice and experiences of the growing number of Aboriginal community housing providers to the policy and decision-making table, and the role they play in building the capacity of that sector for the future. In line with the National Agreement on Closing the Gap, key informants see the inclusion as moving towards tripartite and shared decision making.

It was also evident that the parties share a common vision for a sustainable Aboriginal community controlled remote housing system in the NT with increased and sustained investment from both the NT and Australian Governments to address overcrowding and build the capacity of the Aboriginal community-controlled sector. Key informants appear to have confidence that while more needs to be done,

they can continue to build on the foundations achieved through the Agreement and the JSC.

The Remote Housing Needs Assessment Model supports transparency and information sharing

All key informants referred to the RHNAM as a valuable shared asset built by the NT Government and maintained by DIPL. Many informants acknowledged the considerable efforts made to develop the asset and to continue to maintain and enhance it as not only an information sharing tool, but also as a tool to support informed decision making in multiple ways. Key informants referred to the information being useful for the following purposes:

- establishing a baseline to measure trends, improvements and gaps against, at both community and consolidated levels
- enabling scenario modelling at community and consolidated levels to inform future funding needs
- providing evidence-based scenario modelling for forward works planning to support LDM discussions and translation into procurement contracts
- providing confidence about the allocation of government funding and the outcomes being achieved.
- Community planning and local decision making.

Community level planning and LDM processes have been developing over the life of the Agreement, and some key informants believe that where they have occurred together, they have resulted in a more coordinated building and maintenance program and enabled the development of local capacity and a regional Aboriginal community-controlled housing system. This is seen by many as a model to further develop and test through a future agreement.

PTM contracts and construction contracts

Key informants reported that although more local Aboriginal businesses are needed to meet the current and future housing growth, the Aboriginal Contracting and Procurement Framework established under the Agreement has been a welcome first step. It has enabled the NT Government to contract for longer periods of time, at a regional level and with targets that support Aboriginal economic development and local employment.

Key informants were supportive of the changes that have meant price is not the deciding factor in procurement decisions, despite the implications of this for the program budget.

Addition of AHNT as a member of the governance group

As stated above, the recent addition of AHNT as a member of the JSC governance group was applauded by all parties and seen as important for the realisation of the vision of an Aboriginal community-controlled remote housing system in the NT. However, key informants acknowledged that AHNT is still in their infancy and will need ongoing support and investment to build their capacity as a peak body and to lead long term sector development into the future.

JSC Remote Housing NT Work Plan

Following a strategic planning workshop in 2022, a new JSC work plan was developed and endorsed at their meeting held on 16 March 2023. The work plan contains five projects to support the negotiation of a new longer-term agreement and one project relating to the maintenance and administration of the existing Agreement and new, one year agreement which is to be implemented while the longer-term agreement is negotiated. These projects are summarised in Figure 10 below.

Figure 10 JSC consolidated work plan endorsed at their meeting on 16 March 2023

Project 1	Land Tenure and Footprint	<ul style="list-style-type: none"> Consider recommendations from the leasing review Advise on the footprint of the agreement Increase efficiency in leasing Reduce complexity and administration
Project 2	Community Controlled Housing	<ul style="list-style-type: none"> Cost and Financial Modelling (PTM, ACHP) Aboriginal Employment and Business Development Aboriginal Community Housing Pilots Sector Capacity Assessment and Improvement
Project 3	Building Design, Standards and Costs	<ul style="list-style-type: none"> Housing Standards and Liveability Climate Change Mitigation Impact on Delivery Costs and Schedule Potential for Innovation in Delivery
Project 4	Reporting and Monitoring	<ul style="list-style-type: none"> New Measures Outcomes and Service Quality Measures Targets (consistent with CtG)
Project 5	Homelands	<ul style="list-style-type: none"> Develop a shared policy on NT Homelands Clarify responsibilities Develop a financially sustainable model
Ongoing	Maintain and Deliver on the NPRHNT	Continued Delivery

Source: Paper presented at JSC meeting held on 16 March 2023

4.2 Barriers to effective partnership implementation

Protracted negotiations at the start of the agreement

Key informants referred to protracted negotiations at the start of the Agreement with signing not occurring until March 2019 and the first payments not flowing until September 2019. In practical terms this has meant that parties have been working closely, and at pace, for closer to 3.5 years of the intended 5-year period.

Capacity and capability in the system

Review of the JSC papers, ANAO report and consultation findings show that while the number and proportion of capital works and PTM contracts delivered by ABEs has increased over the life of the Agreement, there is clear recognition that the current capacity and capability of local Indigenous businesses has been an inhibitor to meeting the Capital Works and PTM targets. Key informants know that it will be difficult to meet future needs if capacity is not built to support new market entries and scaling up of current contractors.

Given the current workforce shortages experienced by existing contractors, partners have discussed a centralised approach to funded training packages that are delivered and supported locally, as well as development of an Aboriginal business development fund may be required.

As the approach to LDM matures, the JSC may wish to consider setting regional or local employment targets matched to the circumstances and aspirations of communities.

There is agreement that capacity and capability will need to be built over time and the contracts resulting from this Agreement have been a major growth stimulus, but more is needed over the longer term, including capacity and capability growth through Aboriginal Corporations to take on tenancy management and to become registered Aboriginal Community Housing Provider organisations.

While some stakeholders reflected that a faster construction pace could have been achieved in some areas if builders had used more prefabricated homes and/or used more interstate contractors and labour, they also recognise that this would have worked against the achievement of the other employment outcomes and outputs.

Lack of serviced land and funding for new housing

Delivery of the capital works program was constrained by a lack of available, serviced land. The NT Government allocated an additional \$432 million to address this issue, on top of their \$550 million contribution to fund the Agreement.

To the end of December 2022, 309 sub-divisions and 532 infill lots had been completed to provide land for new housing construction.

Leasing

As noted in section 3.7 above, the NT Land Councils are responsible for consulting with Traditional Owners and other Aboriginal people with an interest in land, subject to negotiations regarding the use or lease of the land. This process is to ensure that:

- appropriate community consultation occurs with the traditional Aboriginal owners and any Aboriginal community or group that may be affected by the proposed grant of a lease
- appropriate action is undertaken in a timely manner, in accordance with the Land Councils functions, as outlined in the *Aboriginal Land Rights Act 1976* s.23, so that clear expectations for applicants are established.

Figure 11 depicts how one Land Council enacts this process as contained in their plain English summary brochure *The Land Rights Act Made Simple*.¹⁶

These processes may necessarily take time to be concluded in a satisfactory manner and at times, this does not align to the expediency required for housing construction programs.

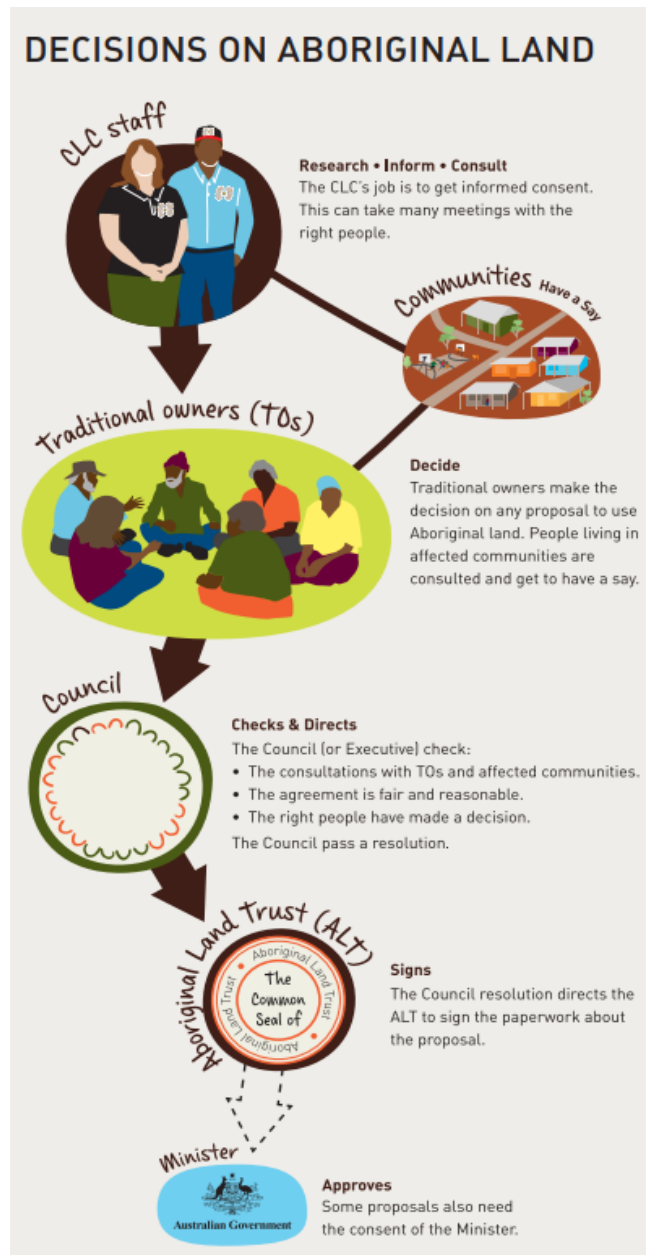
While a joint review of leasing models has been led by the JSC and a report prepared, the new JSC Work Plan (see Figure 10) shows that further consideration is being given to the joint review’s recommendations, including how to increase efficiency in leasing.

Fixed investment compared to variable costs

The increased variable costs of both new construction and repairs and maintenance have been acknowledged as challenging given the Agreement’s fixed investment and targets. The Agreement does not provide for indexation nor have targets been modified in light of increasing costs and increasing numbers of dwellings to maintain over time.

It was reported to PIC that on commencement of the Agreement, costs were split evenly between the NT and Australian Governments, however, as costs have grown the NT Government has met the shortfall through their procurement process. As at 30 December 2022, the split of contributed funds was 54% NT Government (\$329 million) and 46% Australian Government (\$275 million).

Figure 11 Example of one Land Council’s process for decision-making about Aboriginal land



¹⁶ Central Land Council. *The Land Rights Act Made Simple*. <https://www.clc.org.au/the-ala/>. Accessed 5 May 2023.

The ANAO report also found that “the size and remoteness of the NT affects the cost of delivering housing and housing related services, including because of:

- *higher price of materials due to the distance from sources of building materials and a lack of competition in the supply*
- *shortage of tradespeople*
- *insufficient competition in tender processes due to the scarcity of building companies willing and able to build in remote areas*
- *higher labour costs and longer building times from having only a six or seven month construction window due to inaccessibility in the wet season in the north, and desert summer heat in the south of the NT*
- *greater costs of developing and maintaining infrastructure such as water, electricity and sewage.”¹⁷*

The COVID-19 pandemic and natural disasters around Australia have also impacted labour and materials supply chains. Key informants for this review provided examples of contractors reporting increased costs due to meeting Aboriginal employment targets e.g. supervision and mentoring, training etc.

Furthermore, key informants reported that as more dwellings and bedrooms are constructed, the total number of properties that need to be maintained has increased, yet the number of tenants living in the dwellings has not decreased. This has meant that wear and tear on the housing stock has remained high however the budget for property maintenance has remained the same.

4.3 Other considerations

The issues outlined below emerged throughout the review and PIC believe they are relevant for consideration in future partnership negotiations to develop a robust and sustainable Aboriginal community-controlled housing system in the NT.

Role of the JSC has evolved and is taking a wider ‘custodianship’ role for the Aboriginal community housing system in remote communities, homelands and community living areas

The JSC has been evolving and shifting their focus from monitoring performance against operational targets and KPI’s in the Agreement to strategic assessment and planning for the ‘whole of remote housing system’. This shift to a strategic and policy role for JSC was agreed by all parties to be a necessary and positive move.

JSC members also agreed that while accountability for the use of government funds is imperative, alternative funding models should be investigated to provide the JSC with sufficient autonomy and flexibility to commit to and implement whole of system reforms (e.g. system-wide strategies to develop the remote community-controlled housing sector, build capacity across the system and address overcrowding).

Key informants believe this approach better reflects a genuine partnership and shared decision-making.

¹⁷ Department of Local Government, Housing and Community Development, *A Home for all Territorians – Northern Territory Housing Strategy 2020-2025* [Internet], pp. 5 and 16; J Fine, E Charlesworth, ‘*Why isn’t it solved?: Factors affecting improvements in housing outcomes in remote Indigenous communities in Australia*, Habitat International 36 (2012), p. 23.

The coverage of the Agreement is arbitrary and a legacy of the NT Emergency Response definitions and land tenure arrangements as at 2007

As the ANAO stated in their review, the Northern Territory National Emergency Response Act 2007 (NTNER Act)¹⁸, enabled the Australian Government to acquire compulsory five-year leases over 73 communities and later have long-term leases (40-99 years) held by the Executive Director of Township Leasing.¹⁹ As a result of these leases, *‘the Australian Government retains an underlying interest in the majority of public housing in remote areas of the NT (approximately 3,500 houses, which represents 59 per cent of the total remote housing portfolio in the NT).*

The Agreement and its investment package were based on this ‘footprint’ and Land Councils, the NT Government and AHNT believe a more inclusive definition of remote communities needs to be developed for any future agreement. There are other communities with similar needs as those currently included and while underlying land tenure arrangements need to be considered when determining how housing will be delivered, this should not exclude Aboriginal peoples living in other communities, homelands and living areas from having access to appropriate housing as a basic human right.

Roles and responsibilities for Homelands

As discussed previously, the Agreement only covers 73 communities and 17 Alice Springs Town Camps, effectively excluding several other communities and homelands. Homelands are remote areas where small populations of Aboriginal people live on lands usually in small family groups.

There are over 600 locations in the NT which have been gazetted as family outstations. The NT currently provides funding contributions to approximately 6,500 homeland residents living permanently in 1,500 homes in 394 of these locations.

Homelands Program Funded Locations	No. houses
Homelands	1,500
Town Camps	700
9 major communities receiving municipal services grants	200
Total houses	2,400
Total Population	10,000 approx

Key informants reported that it was time housing in homelands was addressed through one system, and relatively recent action appears to have been taken to move in this new direction.

In 2015, the Australian Government had handed policy and financial responsibilities for homelands to the NT Government and in 2019 an independent review of the NT’s Homelands Policy and Programs was commissioned by the NT Government to provide a new direction for the delivery of services to homelands. The Australian Government announced \$100 million to invest in urgent repairs and maintenance across NT homelands, and then in April 2023 a new Federation Funding Agreement on *‘Restoring funding for Northern Territory homelands’* was signed by both Governments marking an essential step to improve living conditions for Aboriginal Territorians. Funding has been allocated across two years; \$25 million in 2022-23 and \$75 million in 2023-24.

¹⁸ In 2007, the NT Emergency Response provided the Australian Government with powers to acquire, rights, titles and interests in land, and the ability to grant leases. The NTNER Act included provision to designate remote communities in the NT as ‘prescribed areas’, including all land held by a land trust under ALRA. Through the NT Emergency Response the Australian Government compulsorily acquired leasing interests covering the majority of the prescribed areas.

¹⁹ The Executive Director of Township Leasing is a statutory Australian Government office holder. The position was established in 2007 through amendments to the ALRA. Under a township lease, a township on Aboriginal land is leased to the Executive Director to manage on a long-term basis.

The governance of this new Federation Funding Agreement was assigned to the JSC effectively bringing together the structures and processes for decision making, accountability, control and delivery of urgent housing and essential services on Northern Territory homelands with the delivery of capital works, property and tenancy management for housing in the 73 remote communities and 17 town camps.

Every partner has a role and has ‘levers they can pull’

Government key informants commented that the right partners are involved in the JSC and collectively bring the responsibilities to meet the shared outcome of improving housing conditions and addressing overcrowding in remote Aboriginal communities and homelands in the NT. Each partner has policy responsibility and accountability for matters that could change housing outcomes, however not all those accountabilities have been leveraged to date. Examples of the accountabilities each partner can bring are summarised in Figure 12 below.

Figure 12 Examples of JSC parties’ accountabilities



A call for community master planning as a future planning tool

Several Land Council key informants reflected on the value of undertaking community level master planning with communities to build a long-term plan for not only housing and essential service infrastructure, but also for the other enabling infrastructure and services needed for people living in remote areas to be healthy and have social, cultural and economic sustainability. Plans of this type will support communities to enter into Local Decision-Making processes and agreements as has been shown by the Anindilyakwa Land Council led process on Groote Eylandt.

One stakeholder commented that redefining terminology for homelands, outstations and communities would be important as would all levels of government committing to working in partnership with communities to act on the priorities arising for the planning processes. No one program or agency will be able to meet the needs and an 'across government, cross portfolio' approach will be essential.

Housing quality and liveability

Whilst out of scope for this review, defining 'housing conditions' and ensuring the delivery of capital works and PTM services will contribute to improvement in those conditions, is paramount to the negotiation of a new longer term agreement. An assessment of the current state of housing quality and liveability, including tenants' experience of their new or extended homes could support this.

We note that Project 3 of the new JSC work plan (see Figure 10) includes Housing Standards and Liveability which is to incorporate the follows tasks from the JSC's previous work plan:

- Implement independent consultations with new housing residents to assess satisfaction levels and identify issues with liveability of new and refurbished housing stock.
- Review of the housing technical guidelines to ensure climate suitability, liveability and Health Living practice standards are up to date.

We reiterate the importance of this work informing the content of any new agreement and the need to consider the delivery of housing services in addition to capital works.

Alignment of the objectives and outcomes with CTG outcomes, principles & priority reforms

The current Agreement was developed to align with the Council of Australian Governments (COAG) Statement on the Closing the Gap refresh 2018²⁰, the precursor to the National Agreement on Closing the Gap signed in 2020. The National Agreement brings a stronger set of commitments to partnership principles, targets and four priority reforms (PR's) which will need to be reflected in any future Agreement.

Key informants in this review recognise that through the JSC, the Land Councils and AHNT have been brought to the governance table to have a greater focus on partnerships and shared decision making which is consistent with PR1. There is also evidence that progress has been made in data sharing (PR4) and that there is agreement to a future model for remote community housing in the NT that embodies transition to community control (PR2).

The future agreement and governance mechanisms need to embed these actions and others to address all priority reforms including PR3, into any future Agreement and its associated administration and funding architecture.

²⁰ COAG Statement on the Closing the Gap Refresh (2018). <https://apo.org.au/sites/default/files/resource-files/2018-12/apo-nid219911.pdf>. Accessed 4 May 2023

Table 17 Alignment of principles between the Agreement and National Agreement on Closing the Gap

NPRHNT	National Agreement on Closing the Gap
Improve housing conditions & reduce overcrowding	<p>Outcome 9 - Aboriginal people can secure appropriate, affordable housing aligned with their priorities and need</p> <p>Outcome 9a - Aboriginal households receive essential services that meet or exceed the relevant jurisdictional and local area standards</p> <p>Target: By 2031, increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing to 88 per cent</p>
Ensuring a role for Land Councils in Agreement's governance	<p>Priority Reform 1 - Partnership and shared decision-making</p> <p>Housing is one of five policy priority areas for establishment of a joined approach between all levels of government and Aboriginal and Torres Strait Islander representatives</p> <p>Priority Reform 3 - Transforming government organisations, including through 'improving engagement with Aboriginal and Torres Strait Islander people'</p>
Providing transparency about how money is spent	<p>Priority Reform 3 - Transforming government organisations, 'increasing accountability through transparent funding allocations'</p> <p>Priority Reform 4 - Shared access to data and information at regional level</p>
Works are delivered by local Indigenous Territorians and businesses	<p>Socio-economic outcome 7 - Young people engaged in employment</p> <p>Socio-economic outcome 8 - Strong economic participation</p>
Construction is informed by local decision-making	<p>Priority Reform 1 - Partnership and shared decision-making</p>

4.4 Summary of findings against Review Objectives

The evidence collected during the review has been analysed and validated against the Review objectives and questions. However, given the life of the Agreement is almost complete, it is important to make some overarching comments about the effectiveness of the whole program of works delivered since 2019 and the governance arrangements established to provide program oversight:

- 1 All parties have demonstrated a shared commitment to the partnership between governments and Aboriginal communities to improve housing conditions for Aboriginal peoples in NT's remote communities.
- 2 There has been a substantial investment in developing systems to provide for evidence-based and shared decision-making, including development of the RHNAM and supporting Frameworks and Guidelines.
- 3 There is a high level of transparency, including public reporting, of the Agreement's outputs and outcomes.
- 4 Ensuring that construction of housing is informed by LDM and to the maximum extent possible, delivered by local ABEs is a sound, evidence-based strategy for improving health and housing conditions for Aboriginal communities. Both of these elements of the program are iterative processes that require consistent and sometimes intensive support in their initial stages.
- 5 This strategy has impacted the timeframes for delivery of the capital works program (in addition to industry, market and other external factors).
- 6 While the benefits of these approaches will largely not be seen until after the commencement of a new Agreement, the strategies have laid a solid foundation for moving beyond a housing focused program to a whole-of-housing-system approach in the future.

A summary of the specific findings against each review question is contained in Table 18 below.



















Table 18 Summary of Findings Against the Review Questions

Review Objective	Summary of Findings
<p>1.1 To what extent have the core objectives, of the National Partnership Agreement, as set out in Part 2 of the Agreement, been achieved?</p>	<p>Core Objective:</p> <p>The core objective of the Agreement is to improve housing conditions and reduce overcrowding in the NT's remote communities.</p> <p>Improve housing conditions</p> <ul style="list-style-type: none"> • 'Housing conditions' were not defined for the purposes of the Agreement. • The <i>OCOFOH Capital Works Design Guidelines</i> and <i>Verification of Capital Works Milestones Claims</i> documents describe the processes used to ensure builders and new capital works are certified. The NIAA has implemented an assurance process to verify these certifications prior to payment of milestone claims. • Broader consideration should be given to other key factors of housing conditions, such as the functionality and appropriateness of housing to meet the needs of tenants in the context of their location, environment and climactic conditions, safety and healthy living practices. • Given the elements of 'housing conditions' were not defined and hence, not measured throughout the life of the Agreement, the Review was unable to ascertain whether housing conditions had improved. <p>Overcrowding</p> <ul style="list-style-type: none"> • Overcrowding has reduced by 3.1% from 58.1% in September 2017 to 55.0% in December 2022. However, there is still a very long way to go to address the current levels of overcrowding in remote communities in the NT. • The size of the 'overcrowding problem' for Aboriginal households in remote and very remote areas of the NT is much larger than the scale of the existing Agreement's capital works program, even when combined with the NT's OCOFOH program. • The impact of the capital works program on overcrowding has been tempered by: <ul style="list-style-type: none"> – fewer bedrooms being constructed than forecast – a greater than expected number of houses found to be beyond economic repair and hence were demolished and replaced (approximately 40% of the capital works program has been delivered through the replacement of existing houses found to be beyond economic repair) – the growth in the number of tenants was greater than forecast (563 additional tenants were counted at the end of December 2022 compared to the baseline of September 2017. This equates to approximately 2.7% growth compared to the RHNAM's assumed growth rate of 1.6 %).

Review Objective	Summary of Findings
<p>1.2 To what extent have the core outcomes of the National Partnership Agreement, as set out in Part 2 of the Agreement, been achieved?</p>	<p>Outcomes:</p> <p>Reduction in overcrowding</p> <ul style="list-style-type: none"> This has been discussed as part of the core objectives above. <p>Ensuring a role for Land Councils in this Agreement's governance</p> <ul style="list-style-type: none"> The Land Councils are central to the Agreement's governance through their membership of the JSC, the main forum for monitoring the delivery of the Agreement's outcomes. The JSC makes decisions on matters of policy and strategy to ensure effective delivery of the Agreement. The Land Councils' role as defined in the JSC Terms of Reference includes: <ul style="list-style-type: none"> consult with and represent communities (including homelands, outstations and satellite communities) within their jurisdictions with respect to housing policies and outcomes arising from the Agreement and Homelands Program, as appropriate inform the JSC of other Land Council policies and programs in the NT that may impact on investments and programs occurring under the Agreement work with the NT Government through the JSC on land matters necessary for the delivery of housing outcomes consistent with their statutory function under the <i>Aboriginal Land Rights (Northern Territory) Act 1976</i> ensure operational requirements relating to land matters, including land tenure consultations, are in place to effectively implement the Agreement. The JSC Terms of Reference have been established in line with the majority of the Strong Partnership elements defined in the National Agreement on Closing the Gap. Any new agreement should ensure an equitable and genuine partnership by: <ul style="list-style-type: none"> specifically addressing all of the Strong Partnership elements and resourcing non-government parties to participate fully in its operation defining and scoping the specific roles of non-government parties, such as monitoring delivery of capital works and PTM services, upon commencement of the agreement implementing mechanisms for effective two-way flows of information about program delivery which gather residents' input to inform and monitor the housing program. <p>Providing transparency about how money is spent</p> <ul style="list-style-type: none"> Key informants believe that this has been achieved. This is evidenced by the level of detailed reporting provided to the JSC and publicly available information regarding the delivery of capital works and related expenditure on the OCOFOH website. <p>Ensuring, to the maximum extent possible, works are delivered by local Indigenous Territorians and businesses</p> <ul style="list-style-type: none"> The Procurement Framework, which outlines the strategies for undertaking procurement activities, and the Aboriginal Employment and Business Enterprise Development Framework, which outlines the rationale and strategies for achieving the Aboriginal employment target, were endorsed at the first JSC meeting of August 2019. An annual payment of \$7.5 million is made upon the achievement of the Aboriginal employment target. The target was set at 40 per cent in 2019-20, rising to 46 per cent by 2022-23. Aboriginal employment, as a proportion of total employment, has increased in the delivery of capital works and decreased in the delivery of PTM services over the life of the Agreement to December 2022. The target was achieved for PTM services in 2019-20 to 2021-22 but is under target for the first half of 2022-23. The employment target for Capital Works was only achieved in 2021-22. On a consolidated basis, the target was achieved in 2019-20, 2020-21 and 2021-22. It is not yet possible to measure the proportion of local jobs created through the construction and PTM contracts that are being filled by Aboriginal Territorians or the

Review Objective	Summary of Findings
	<p>community where they usually reside. Local employment is considered an important aspect of the economic participation purpose of the Agreement and should be considered in any new agreement.</p> <ul style="list-style-type: none"> The number and proportion of capital works and PTM contracts delivered by ABEs has increased over the life of the Agreement to December 2022. The proportion of capital works contracts awarded to ABEs remains relatively small and investment in capability and capacity building may be required to support new market entries and scaling up of current contractors. Given the current workforce shortages experienced by existing contractors, a centralised approach to funded training packages that are delivered and supported locally, would assist in reducing the construction bottleneck. In the JSC meeting held on 1 December 2022, it was raised that Aboriginal community-controlled organisations are not cost-competitive and that an Aboriginal business development fund may be required. As the approach to LDM matures, the JSC may wish to consider setting regional or local employment targets matched to the circumstances and aspirations of communities.
<p>1.3 To what extent have the core outputs of the National Partnership Agreement, as set out in Part 2 of the Agreement, been achieved?</p>	<p>Outputs:</p> <p>Construction of additional and replacement houses and extensions informed by Local Decision Making to reduce overcrowding including via improving housing quality - with a minimum total output of 1950 bedrooms providing and equivalent impact of 650 three bedroom houses</p> <ul style="list-style-type: none"> This has been addressed in review question 2 below. <p>Implementation of an agreed employment and procurement framework to maximise local Aboriginal jobs and business outcomes</p> <ul style="list-style-type: none"> This has been addressed in review question 1.2 above. <p>Implementation of an agreed reporting framework for all investment and outcomes</p> <ul style="list-style-type: none"> This has been achieved through the development and implementation of the Reporting Framework and the production of quarterly reports to the JSC. In addition, a subset of performance measures are published on the OCOFOH website in a form that can be disaggregated by community and that show trends over time. Implementation of the Reporting Framework has provided substantial transparency over some of the Agreement's outputs and outcomes, primarily the construction of additional and replacement bedrooms through the HomeBuild and R2B programs. The ANAO, in their 2022 Report No. 18 found that "The publicly available information is comprehensive and can provide good visibility for stakeholders and residents to understand and confirm work conducted in communities." Further development of the reporting measures could support monitoring and decision-making regarding strategic objectives such as improving housing conditions. The new JSC Work Plan envisages work on new measures.

Review Objective	Summary of Findings
<p>2. To what extent have the outcomes and outputs related to Capital Works as set out in Part 2 of the Agreement, been achieved?</p>	<p>Construction of additional and replacement houses and extensions - informed by Local Decision Making (LDM) - to reduce overcrowding including via improving housing quality. A target was set at a minimum total output of 1,950 bedrooms providing an equivalent impact of 650 three bedroom houses.</p> <ul style="list-style-type: none"> • The pace of delivery of the capital works program has been impacted by a number of factors, including the COVID-19 pandemic which restricted movement and constrained the construction industry and supply chains in general, initial protracted negotiations delaying the signing of the Agreement, access to serviced land, negotiation of leases, the capacity of contractors to access and support their workforce and secure building materials, and the rising costs of construction. • The lead time to commencement of the procurement process was lengthened considerably by implementing LDM as a precursor to planning and scheduling construction and the agreed approach to supporting ABEs to deliver the program to the greatest extent possible. However, the key informants recognise these are evidence-based strategies to improving health and housing outcomes for Aboriginal peoples. • At the JSC meeting held on 16 March 2023, the NT Government advised that it is unlikely the target of 1,950 bedrooms will be met by 30 June 2023. Their revised forecast for construction to June 2023 is 1,500 to 1,650 bedrooms. • NIAA verified the certification of capital works completed under the Agreement, in accordance with the agreed Verification of Capital Works Milestones Claims documented process. • However, without an agreed definition of the key factors of housing conditions and systematic collection of data to measure changes in these factors, it isn't possible to verify the baseline housing conditions or determine whether conditions have improved or deteriorated over the life of the Agreement. • The NT Government's approach to LDM recognises that capacity building within communities and government agencies is required to further share authority and devolve decision making and effective LDM is acknowledged to be an iterative process, matching the needs and level of participation determined by the community to be ideal. Although the sample size was too small to give assurance over the entirety of the life of the Agreement, the documentation was consistent and aligned to the policy and procedure documentation, providing evidence of effective internal controls.

Review Objective	Summary of Findings														
<p>3. To what extent have the outcomes and outputs related to PTM been achieved?</p>	<ul style="list-style-type: none"> The NT Implementation Plan provides for bi-annual payments of \$17.5 million to be paid upon the NT Government's achievement of the PTM measures. The PTM measures are set out in the PTM Framework, which outlines the strategic and operational directions for delivery of PTM services. The PTM Framework and measures were approved by the JSC in August 2019. The JSC has the option of revising the PTM measures annually but has only revised the associated targets on one occasion to date. The PTM measures and results are summarised below. <table border="1" data-bbox="523 629 1401 1070"> <thead> <tr> <th data-bbox="523 629 1257 674">PTM Measures</th> <th data-bbox="1257 629 1401 674">Achieved</th> </tr> </thead> <tbody> <tr> <td data-bbox="523 689 1257 741">Gap between total rent collected and rent charged, as a proportion</td> <td data-bbox="1257 689 1401 741"></td> </tr> <tr> <td data-bbox="523 748 1257 808">Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears</td> <td data-bbox="1257 748 1401 808"></td> </tr> <tr> <td data-bbox="523 815 1257 875">Properties that have tenancy agreements in place within 8 weeks of handover of capital works (%)</td> <td data-bbox="1257 815 1401 875"></td> </tr> <tr> <td data-bbox="523 882 1257 934">Properties receiving annual property inspections (%)</td> <td data-bbox="1257 882 1401 934"></td> </tr> <tr> <td data-bbox="523 940 1257 992">Aboriginal people employed to deliver PTM services (%)</td> <td data-bbox="1257 940 1401 992"></td> </tr> <tr> <td data-bbox="523 999 1257 1050">PTM contracts awarded to ABEs (%)</td> <td data-bbox="1257 999 1401 1050"></td> </tr> </tbody> </table>	PTM Measures	Achieved	Gap between total rent collected and rent charged, as a proportion		Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears		Properties that have tenancy agreements in place within 8 weeks of handover of capital works (%)		Properties receiving annual property inspections (%)		Aboriginal people employed to deliver PTM services (%)		PTM contracts awarded to ABEs (%)	
PTM Measures	Achieved														
Gap between total rent collected and rent charged, as a proportion															
Tenancies with an agreement to pay in place as a proportion of total tenants in rental arrears															
Properties that have tenancy agreements in place within 8 weeks of handover of capital works (%)															
Properties receiving annual property inspections (%)															
Aboriginal people employed to deliver PTM services (%)															
PTM contracts awarded to ABEs (%)															
<p>4. To what extent have the outcomes and outputs related to Aboriginal Employment as set out in Part 2 of the Agreement, been achieved?</p>	<ul style="list-style-type: none"> This has been addressed in review question 1.2 above 														

Review Objective	Summary of Findings
<p>5. What enablers and/or barriers have impacted the effectiveness of the partnership implementation?</p>	<p>Enablers:</p> <ul style="list-style-type: none"> • The relationship between parties is strong, with key informants reporting improved levels of trust and a greater sense of shared commitment resulting in improved functioning of the JSC governance mechanism over the life of the Agreement. • The RHNAM was reported by key informants to be a major development providing one 'source of truth'. This has improved transparency and enabled scenario modelling and comparative analysis to support decision making and increasing the level of trust between the governance parties. • Community level planning and LDM processes have developed over the life of the Agreement, and where they have occurred together, they have improved coordination of the building and maintenance program and enabled the development of local capacity and a regional Aboriginal community-controlled housing system. This is seen by key informants as a model to further develop and test through a future Agreement. • The new PTM and construction contracts for local ABEs are contributing to future economic development in regions and remote communities through business and employment outcomes. • The recent addition of AHNT as a member of the JSC was applauded by all parties as important for the realisation of an Aboriginal community-controlled housing system in remote NT communities. However, key informants acknowledged that AHNT is still in its infancy and will need ongoing support to build their capacity as a peak body and to lead long-term sector development in the future. <p>Barriers:</p> <ul style="list-style-type: none"> • The protracted negotiation process at the start of the Agreement has effectively meant that the parties have only really been operating at full strength for 3.5 years not 5 years. • The Agreement does not contain mechanisms to address the increasing costs of construction and property and tenancy management brought about by rising costs of labour, building supplies and the increased number of dwellings requiring maintenance over the life of the Agreement. This has resulted in the NT Government needing to meet the cost differences that have had to be agreed as part of the new regional contracts to keep the programs on 'track'. • JSC papers, the ANAO and all key informants recognise that additional capacity and capability is needed to meet the local Indigenous business targets, as well as to achieve the construction, property and tenancy management targets, let alone meet the needs that exist. The existing contracts have been a major growth stimulus, but more is needed over the longer term, including capacity and capability growth of Aboriginal Corporations to take on tenancy management and to become registered Aboriginal Community Housing Provider organisations. • Delivery of new housing has, in part, been constrained by the availability of serviced land. • The Land Councils are responsible for consulting with traditional owners and other Aboriginal people with an interest in land, subject to negotiations regarding the use or lease of the land. This process will necessarily take time to be concluded in a satisfactory manner. This does not always align with the expediency of housing construction schedules and processes.

5 Recommendations

The JSC endorsed their revised Terms of Reference and agreed a forward work plan for 2023-24 at their meeting held on 16 March 2023. The Terms of Reference recognise that:



successful remote housing policy requires consideration of the broader cultural, social, policy and investment environments in the Northern Territory.

and that



effective and culturally appropriate housing programs and services need to be designed, developed and implemented in partnership with Aboriginal and Torres Strait Islander peoples and their representative organisations. This includes facilitating place based design, LDM and community voices through local reference groups and regional Aboriginal community housing organisations.

The forward work plan contains five projects to support the negotiation of a new longer-term agreement.

It is with these commitments and current developments in mind that we make the following recommendations for consideration by the Committee as they continue their deliberations and work in 2023-24.

²¹ Joint Steering Committee for Remote Housing Terms of Reference, March 2023

²² Ibid

1 Consider developing an overarching tripartite NT Housing and Homelands Agreement supported by one or more Federal Funding Agreements and/or other funding arrangements.

a Governance and term of Agreement

The new overarching agreement would be signed by the Australian and NT Governments, the four Land Councils and Aboriginal Housing NT and reflect the Strong Partnership elements defined in the National Agreement on Closing the Gap, in full, thereby demonstrating the genuine partnership approach needed to transform the remote Aboriginal housing system in the NT.

The agreement would provide for the implementation governance mechanism (the JSC) and would ideally have a term of ten years, in recognition of the time needed for the new system to mature and meet the gap in current housing need.

b Objective and shared vision

The objective of the new agreement would embed the shared vision that we believe is now agreed by JSC partners for a sustainable Aboriginal community housing system across the NT that will reduce overcrowding and improve housing conditions, and support increased economic participation for Aboriginal people in remote communities and homelands in the NT.

c Agreed definitions of key terms and scope

The objective and intended outcomes of the agreement should be clearly defined, and any funding agreement should reflect the agreed performance measures of these outcomes. The funding agreement(s) may be both bilateral Federation Funding Agreements and direct funding agreements between one level of government and other partners or entities such as AHNT.

The data limitations identified in this review should be considered in the negotiation of a new agreement along with the outcomes of the JSC Work Plan projects to improve performance measurement, reporting and monitoring and evaluation of the agreement. Performance indicators in a new agreement should be meaningful, simple and comprehensible to the public

2 Embed Aboriginal community housing and Aboriginal business sector capacity building as a core objective of the new NT Housing and Homelands Agreement and address the need for long term funding to support this objective.

The JSC parties recognise that the objective of a new NT Housing and Homelands agreement will not be fully realised without Aboriginal community-controlled housing providers managing tenancies and properties and ABEs constructing and maintaining housing across remote NT. At present, this is the case to varying degrees across the Territory with Aboriginal communities and organisations also having variable capacity.

The JSC's forward work plan includes work to scope and cost programs that will accelerate and support growth of the community-controlled sector with housing services to be transitioned as capacity grows and communities express willingness and readiness to take control.

As already noted in Recommendation 1 above, the new agreement would ideally have a term of ten years, in recognition of the time needed for the new system to mature and meet the gap in current housing need.

3 Recognise that a higher level or sustained long term investment is needed to meet overcrowding in remote communities in the NT and factor indexation and growth into the funding agreements to recognise the growth in total dwellings and a mechanism to monitor and address increasing construction and maintenance costs assuming that continues over the forward years.

The experience of the past five years has made a small impact on the high level of overcrowding in remote communities and demand for new housing remains high. The total investment package under a new agreement needs to increase year on year to enable this demand to be met as well as recognise that construction and maintenance costs will increase as more dwellings are built, and existing housing is renovated and improved. It was not within the scope of this review to quantify this growth; we recognise that the JSC plans to undertake this work in 2023-24.

The JSC has also recognised that it is important to undertake pilot projects to qualify the costs of transferring properties and tenancy management to Aboriginal community-controlled housing providers and that there will need to be a level of ongoing government subsidy for those organisations to operate sustainably in the future. It would be beneficial to agree to a sustainable level of ongoing funding for remote housing to remove the peaks and troughs of capital activity. The benefits would promote:

- industry confidence
- efficient planning and seamless capital works from one year to the next
- sustainable employment outcomes for development of ABEs and Aboriginal community-controlled housing providers.

4 Recognise the need to improve and expand essential service infrastructure to enable new housing development and improve current housing conditions in remote communities and homelands.

While the NT Government's investment in essential services and the recent investment in homelands infrastructure is a good start, all partners agree that more investment is required to increase the number of dwellings and meet factors such as poor water quality, power and sewage systems that are at capacity and impacting the health and wellbeing of residents in many remote communities as well as homelands. It was not within the scope of this review to quantify the size and nature of the investment needed, the JSC work plan for 2023-24 does include a number of focus areas and activities that will explore this issue and may inform the new agreement.

5 Recognise the need for on-the-ground assessments that includes building inspections and feedback from tenants about how to improve housing conditions.

Due to its' limited scope and timeframes, this review was not able to incorporate the perspectives of remote housing tenants and as such, does not fully assess the effectiveness of the agreement on improving housing conditions. It will be important and informative in the negotiation of a new agreement to seek further information regarding housing conditions, including feedback from tenants to complement the information assessed through this review.



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Appendix A Data matrix

No.	Ref	Review Question	Method	Data Source
Objective: To what extent has overcrowding been reduced, and housing conditions improved, in remote communities in the NT since the agreement was signed in 2019?				
1	NPA 16a	To what extent have the outcomes and outputs related to Capital Works, as set out in Part 2 of the Agreement, been achieved?		
		To what extent has overcrowding been reduced, in each community	Quantitative analysis	Quarterly Reports
1.1	NPA A8a	Have Capital Works Plans been developed and approved by JSC annually	Qualitative analysis	Capital Works Plans & JSC Minutes
1.3	NPA A22a	How were the Capital Works Plans informed by NT Government's Remote Housing Needs and Assessment model	Qualitative analysis	Key informant interviews
1.31		Total number of additional bedrooms required (to meet CTG overcrowding target) by community	Quantitative analysis	Not available
1.4	NPA A8a	Has NT Government delivered capital works in accordance with Capital Works Plans	Qualitative analysis	Capital Works Plans & JSC Minutes
1.41	NPA 17a	Number of additional and replacement houses constructed by location (HomeBuild)	Quantitative analysis	Quarterly Reports
1.42	NPA 17a	Total number of additional bedrooms constructed by location (Room to Breathe)	Quantitative analysis	Quarterly Reports
How has the quality of remote housing improved since the agreement was signed in 2019?				
4.3	NPA 20f	Are contracted builders accredited under the Australian Government Work Health and Safety Accreditation Scheme or the equivalent NT Government legislation	Qualitative analysis	Certification of Builders / Dwellings provided to NIAA upon request
4.4	NPA 20f&g	Have contracted builders complied with Building Code 2016, National Construction Code and the National Indigenous Housing Guide	Qualitative analysis	Certification of Builders / Dwellings provided to NIAA upon request
		How did adherence to the Building Code 2016, National Construction Code and the National Indigenous Housing Guide impact the quality of housing in remote communities?	Qualitative analysis	Key informant interviews
		Did the construction of additional bedrooms impact the existing maintenance program and if yes, what was that impact?	Quantitative analysis	Quarterly Reports
1.43	NPA 17a	Number of houses that received capital upgrades to improve housing quality by community	Quantitative Analysis	Quarterly Reports
		How effective were the annual Capital Works Plans, in supporting implementation of the agreement?	Qualitative analysis	Key informant interviews

No.	Ref	Review Question	Method	Data Source
To what extent has the NPA addressed the priorities of local communities?				
		How effective was the LDM process in determining local housing needs and priorities	Quantitative analysis	Quarterly Reports
		How did the outcomes of LDM process inform annual Capital Works Plans	Quantitative analysis	Outcomes of LDM process & Capital Works Plans
		Did the construction program align to the Capital Works Plans	Quantitative analysis	Capital Works Plans & Quarterly Reports
To what extent have the outcomes and outputs related to Property and Tenancy Management, been achieved?				
5	NPA A8b	To what extent have the agreed Property and Tenancy Management measures been achieved since the agreement was signed in 2019?		
5.1	NPA A8b	Have the Property and Tenancy Management Framework and annual Property and Tenancy Management Measures been developed and approved by the JSC	Qualitative analysis	JSC Minutes
5.2	NPA A8b	Has NT Government implemented and adhered to the Property and Tenancy Management Framework and annual Property and Tenancy Management Measures	Quantitative analysis	PTM Framework / Measures and Milestone Claims
To what extent have the outcomes and outputs related to Aboriginal Employment as set out in Part 2 of the Agreement, been achieved?				
		To what extent has the annual minimum Aboriginal full-time equivalent annual rate of Aboriginal employment of 40% of the workforce, been delivered via capital works?	Quantitative analysis	Milestone Claims
		To what extent has the annual minimum Aboriginal full-time equivalent annual rate of Aboriginal employment of 40% of the workforce, been delivered via property and tenancy management services?	Quantitative analysis	Milestone Claims
4.2	NPA 17b	Has NT Government implemented and adhered to the Employment and Procurement Framework	Qualitative analysis	
		How effective was the Employment and Procurement Framework in guiding implementation of the agreement?	Qualitative analysis	
To what extent has there been transparency about how money is spent?				
3.1	NPA 17c	How was a reporting framework for all investment and outcomes agreed and implemented?	Qualitative analysis	JSC Minutes
3.2	NPA 17c	Has NT Government implemented and adhered to Reporting Framework	Qualitative analysis	JSC Minutes, Quarterly Reports & Milestone Claims

No.	Ref	Review Question	Method	Data Source
How has the role of the Land Councils in the National Partnership Agreement's governance embodied the principles of Closing the Gap to effect change by working collaboratively and in genuine formal partnership				
2.1	NPA 41	Were the Terms of Reference for JSC developed and approved by JSC on or before 30 June 2019	Qualitative analysis	JSC Minutes
2.2		Did the Land Councils participate fully and equally in decision-making on the Terms of Reference	Qualitative analysis	JSC Minutes
2.3	NPA 41	As described in the JSC Terms of Reference, what is the role of the Land Councils	Qualitative analysis	JSC Terms of Reference
2.4		Are there any impediments to Land Councils performance of their roles	Qualitative analysis	
Overall, to what extent have the core objectives, outcomes and outputs of the National Partnership Agreement, as set out in Part 2 of the Agreement, been achieved?				
		What other enablers contributed to the effectiveness of partnership implementation?	Qualitative analysis	
		What barriers impeded the effectiveness of partnership implementation?	Qualitative analysis	
		What can be improved for the next multi-year agreement?	Qualitative analysis	

Appendix B Overcrowding by community

Housing Region	Community	no. overcrowded houses			% houses overcrowded			Forecast reduction to June 2023
		Baseline 2017	December 2022	Variance (no.)	Baseline 2017	December 2022	Variance (%)	
Arafura	BELUEN	10	12	2	24%	29%	5%	-
	GUNBALANYA	70	76	6	46%	46%	0%	-16%
	MANINGRIDA	188	213	25	71%	73%	2%	-17%
	MILIKAPITI	36	31	-5	38%	31%	-7%	-9%
	MINJILANG	18	17	-1	45%	41%	-4%	-12%
	NAUIYU	41	38	-3	63%	63%	0%	-14%
	NGANMARRIYANGA	28	30	2	72%	67%	-5%	-19%
	PEPPIMENARTI	12	15	3	43%	60%	17%	-18%
	PIRLANGIMPI	33	26	-7	38%	25%	-13%	-27%
	WADEYE	177	172	-5	72%	67%	-5%	-13%
	WARRUWI	31	27	-4	50%	48%	-2%	-14%
WURRUMIYANGA	129	110	-19	46%	39%	-7%	-14%	
Arnhem	ANGURUGU	76	68	-8	58%	46%	-12%	-15%
	GALIWINKU	141	184	43	75%	77%	2%	-16%
	GAPUWIYAK	70	98	28	73%	80%	7%	-13%
	GUNYANGARA	13	17	4	48%	68%	20%	-17%
	MILINGIMBI	104	98	-6	90%	84%	-6%	-8%
	MILYAKBURRA	15	9	-6	50%	33%	-17%	-29%
	RAMINGINING	70	76	6	82%	77%	-5%	-17%
	UMBAKUMBA	33	37	4	46%	52%	6%	-10%
	YIRRKALA	41	47	6	57%	55%	-2%	-19%
Barkly	ALI CURUNG	38	25	-13	54%	40%	-14%	-22%
	ALPURRURULAM	36	22	-14	55%	30%	-25%	-23%
	AMPILATWATJA	32	27	-5	78%	68%	-10%	-19%
	CANTEEN CREEK	12	13	1	52%	54%	2%	-19%
	EPENARRA (WUTUNUGURRA)	11	12	1	65%	39%	-26%	-10%
	IMANGARA	4	8	4	29%	53%	24%	-18%
	TARA	5	3	-2	28%	18%	-10%	-28%

Housing Region	Community	no. overcrowded houses			% houses overcrowded			Forecast reduction to June 2023
		Baseline 2017	December 2022	Variance (no.)	Baseline 2017	December 2022	Variance (%)	
Big Rivers	AMANBIDJI	4	6	2	27%	40%	13%	-15%
	BARUNGA	36	25	-11	64%	35%	-29%	-27%
	BESWICK	49	54	5	74%	66%	-8%	-7%
	BINJARI	16	28	12	67%	72%	5%	-19%
	BULLA	6	3	-3	29%	20%	-9%	-9%
	BULMAN - WEEMOL	25	25	0	69%	68%	-1%	-26%
	DAGURAGU	26	21	-5	65%	60%	-5%	-19%
	JILKMINGGAN	19	18	-1	63%	62%	-1%	-36%
	KALKARINDJI	31	26	-5	61%	46%	-15%	-23%
	KYBROOK FARM	9	7	-2	75%	58%	-17%	-25%
	LAJAMANU	62	56	-6	65%	65%	0%	-16%
	MANYALLALUK	7	10	3	47%	71%	24%	-18%
	MINYERRI	31	53	22	97%	96%	-1%	-13%
	NGUKURR	91	98	7	77%	66%	-11%	-16%
	NUMBULWAR	72	58	-14	63%	49%	-14%	-4%
	PIGEON HOLE	7	10	3	64%	56%	-8%	-34%
	RITTARANGU	6	7	1	67%	58%	-9%	-25%
	ROBINSON RIVER	12	20	8	71%	61%	-10%	-19%
YARRALIN	17	26	9	61%	52%	-9%	-14%	

Housing Region	Community	no. overcrowded houses			% houses overcrowded			Forecast reduction to June 2023
		Baseline 2017	December 2022	Variance (no.)	Baseline 2017	December 2022	Variance (%)	
Central	AMOONGUNA	13	4	-9	30%	15%	-15%	-14%
	APATULA (FINKE)	15	7	-8	44%	21%	-23%	-44%
	AREYONGA	19	16	-3	59%	55%	-4%	-22%
	ATITJERE	12	12	0	52%	44%	-8%	-44%
	ENGAWALA	9	16	7	50%	76%	26%	-50%
	HAASTS BLUFF	9	7	-2	69%	70%	1%	-22%
	HERMANNSBURG (NTARIA)	52	50	-2	54%	50%	-4%	-21%
	IMANPA	7	8	1	30%	40%	10%	-25%
	KALTUKATJARA	22	21	-1	48%	51%	3%	-35%
	KINTORE	38	32	-6	68%	50%	-18%	-30%
	LARAMBA	19	18	-1	48%	47%	-1%	-40%
	MOUNT LIEBIG	13	14	1	50%	58%	8%	-50%
	MUTITJULU	19	22	3	59%	71%	12%	-
	NTURIYA	2	1	-1	11%	7%	-4%	-11%
	NYIRRIPI	10	15	5	24%	38%	14%	-20%
	PAPUNYA	30	26	-4	68%	55%	-13%	-68%
	PMARA JUTUNTA	14	8	-6	45%	25%	-20%	-30%
	SANTA TERESA	56	40	-16	61%	41%	-20%	-33%
		19	21	2	51%	57%	6%	-33%
	WALLACE ROCKHOLE	3	0	-3	21%	0%	-21%	-21%
WILLOWRA	20	17	-3	51%	53%	2%	-34%	
WILORA	9	1	-8	45%	6%	-39%	-44%	
YUELAMU (MT ALLEN)	6	6	0	20%	24%	4%	-20%	
YUENDUMU	42	51	9	36%	47%	11%	-11%	
Total		2,458	2,475	17	58.1%	55.0%	-3.1%	-22.4%

Appendix C Verification of capital works process

Verification of Capital Works Milestones Claims

Verification process

1. The Northern Territory Government (NTG) will submit a capital works claim for completed bedrooms for consideration by the Australian Government (AG).
2. The capital works claim will include:
 - Name of the program, i.e. HomeBuild NT or Room to Breathe
 - Funding source
 - Community name
 - Lot number
 - Number of bedrooms per lot
 - Name of contractor
 - Certification date of completed dwellings.
3. The AG may, if it chooses to, survey a sample of up to 5% of dwellings with bedrooms completed in the claim period - selected at their choosing from the list of addresses submitted with each claim - for the purpose of verifying the Northern Territory's claim for funding.
4. The AG will review and advise the NTG which communities and dwellings they would like to include in a survey sample. Any increases to the survey sample above 5% would be through agreement between the NT and AG considering resourcing implications.
5. Initial verification by the AG will consist of a review of supplied documentation. The NTG will provide the relevant certification documents associated with each of the lots in the Communities within the sample.
6. As a further verification step and subject to the limitations of the *Residential Tenancies Act* in relation to frequency of visits by the landlord and/or representatives, the NTG will arrange for a site visit with NT and AG staff – if requested – in order to view the selected completed dwellings (bedrooms). The cost of site visits is to be borne by the AG, whose officers will be accompanied by an appropriate NTG representative.

National Partnership for Remote Housing Northern Territory (NPRHNT)

The NPRHNT has the following requirements in relation to:

Work Health and Safety Accreditation and National Indigenous Housing Guide compliance.

- Role of the Commonwealth – in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring Commonwealth financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulation 2016, are only made where a builder or builders accredited under the Australian Government Work Health and Safety Accreditation Scheme and/or the Northern Territory equivalent legislation is contracted
- Role of the Northern Territory – ensuring only a builder or builders accredited under the Australian Government Work Health and Safety Accreditation Scheme or the equivalent Northern Territory Government legislation is contracted, and providing the necessary assurances to the Commonwealth including requiring compliance with the National Indigenous Housing Guide

Building Code 2016:

- Role of the Commonwealth – ensuring compliance with the Building Code 2016 is a condition of Commonwealth funding
- Role of the Northern Territory – ensuring compliance with the Building Code 2016 is made a condition of tender for all contractors and subcontractors who tender for the work and for all contractors and subcontractors who are contracted to undertake building projects, providing the necessary assurances to the Commonwealth.

Work Health and Safety Accreditation

The Northern Territory Government requires tenderers to demonstrate a commitment to WHS through the procurement process. In addition, the *Work Health and Safety (National Uniform Legislation) Act NT 2011* places responsibility for work health and safety in the building and construction industry onto head contractors.

National Indigenous Housing Guide

The National Indigenous Housing Guide (NIHG) informs the design and specifications of all Remote Community Housing. The NIHG is incorporated into the following program guidelines.

- OCOFOH Capital Works Program Design Guidelines,
- OCOFOH Room to Breathe Program Design Guidelines,
- Design Guidelines Remote Community Housing, and
- Remote Community Housing Schedules.

Building Code 2016

The Building Code 2016 is a code of practice authorised under subsection 34(1) of the Building and Construction Industry (Improving Productivity) Act 2016.

Provision for compliance with the Building Code 2016 is made, where applicable, through:

- the National Public Works Council (NPWC) NT edition conditions of contract and
- Conditions of contract – Period Contract Works and Services (PCWS).

Certification**Within a Building Control area**

The Northern Territory Government has designated building control areas. Through the Building Act and Regulations requirements for occupancy certification at the end of the construction process are described. A building permit and related certification is not required to build outside a declared building control area, including most Indigenous communities.

Building control areas are listed at <https://nt.gov.au/property/building/build-in-a-controlled-area/building-control-areas>

For all construction activity within Building Control Areas, the Northern Territory Building Act and Regulations prescribes the need for a Certificate of Occupancy to be issued at the end of the construction process prior to occupation. A Certificate of Occupancy can only be issued where a set list of certificates and assurances are received from sub-contractors and tradesmen and submitted by the head contractor to a Building Certifier. The list of documentation required for the issue of Certificate of Occupancy is generally, but not necessarily limited to, the following:

- Occupancy assessment
- Builders declaration
- Termite certificate
- Glazing certificate
- Electrical certificate
- Plumbing construction certificate
- Any other inspection reports

Building control areas and additional information are listed at <https://nt.gov.au/property/building/build-in-a-controlled-area/building-control-areas>

Building Control Areas are designated through the NT Planning Scheme, however a building permit, certificate of occupancy and related certification are not required to build outside of the declared building control area, including most remote Aboriginal communities in the NPRHNT footprint.

Outside of a Building Control Area

As the majority of remote communities fall outside of the designated Building Control Areas, certification of works prior to occupation is not a legislated requirement. Copies of building records and certification may be retained for private records, if and when issued by a certifying body, but are not required to be retained by the Director of Building Control.

In order to maintain a consistency of build quality, a parallel process to occupancy certification process is managed by the Department of Infrastructure, Planning and Logistics (DIPL) to ensure that all remote area construction achieves a similar level of compliance and quality control. Similar to the needs of a Certificate of Occupancy, a Letter of Compliance is required from the head contractor upon handover of each dwelling and is supported by the same documentation as would be required for the Certificate of Occupancy.

As the parallel process is not a legislated requirement, there is no uniform method of providing compliance and documentation may be provided by an issuing body under a range of names, such as:

- Letter of Compliance,
- Certificate of Construction Compliance (non-declared building area of the Northern Territory), and
- Occupancy Assessment in accordance with the National Construction Code



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