



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

12th Assembly

Public Accounts Committee

Public Hearing Transcript into Housing Repairs and Maintenance on Town Camps

10.00 am, Wednesday, 2 March 2016

Litchfield Room, Parliament House

Members: Mrs Robyn Lambley, MLA, Chair, Member for Araluen
Ms Natasha Fyles, MLA, Member for Nightcliff
Ms Nicole Manison, MLA, Member for Wanguri
Mr Gerry Wood, MLA, Member for Nelson

Witnesses: Department of Housing
Ms Leah Clifford, Chief Executive Officer
Mr Jim Bamber, Deputy Chief Executive Officer
Department of Local Government and Community Services
Mr Mike Chiodo, Chief Executive Officer
Ms Noelene Swanson, Acting Deputy Chief Executive Officer

Madam CHAIR: Good morning, everyone. Welcome to everyone who is attending with us for the hearing of the Public Accounts Committee. I will first explain that the Public Accounts Committee is a committee of the Northern Territory parliament. The committee exists in most, if not all, Westminster parliaments throughout the world. It is designed to scrutinise spending and business of government. It works separately from the work undertaken by the Auditor-General, but complements the work undertaken by the Auditor-General. Today we are doing something similar to what happens in Public Accounts Committees throughout the world.

The current membership of the Public Accounts Committee remains unsettled. In September we changed the configuration of the Public Accounts Committee to two Independents, two opposition members and two government members. Since September last year we have not had two government members nominated by the Chief Minister, which is disappointing. For the last six months we have been operating with four of the allocated six members.

Having said that, we have achieved a lot in the last six months. The four of us have taken on our roles with a great deal of enthusiasm. We look forward to hearing from our participants today.

On behalf of the committee, I would like to welcome to give evidence today Ms Leah Clifford, Chief Executive Officer of the Department of Housing; Mr Jim Bamber, Deputy Chief Executive Officer of the Department of Housing; Mr Mike Chiodo, Chief Executive of the Department of Local Government and Community Services; and Ms Noelene Swanson, Acting Deputy Chief Executive Officer of the Department of Local Government and Community Services. We appreciate you taking the time to attend this important hearing.

This is a formal proceeding of the committee and the protection of parliamentary privilege and the obligation not to mislead the committee apply. This is a public hearing and is being webcast through the Assembly's website. A transcript will be made for use of the committee and may be put on the committee's website. If at any time during the hearing you are concerned that what you will say should not be made public you may ask the committee to go into a closed session and take your evidence in private.

We have asked you here today to be part of an inquiry into the government's involvement in town camps. This has come about through recent concern expressed in the community about some of the problems within the system. The Public Accounts Committee is interested in the systems of government, what government has in place and the role of government in supporting and assisting the residents of town camps throughout the Northern Territory.

Today we seek to understand what those systems are and to shed some light within the community of how government works with other businesses, contractors and tenderers to service the needs of town camps in the Northern Territory.

Please state your name and the capacity in which you appear today. If anyone would like to make an opening statement, feel free to do so now.

Ms CLIFFORD: Leah Clifford, Chief Executive of the Department of Housing. Madam Chair and members of the Public Accounts Committee, presenting with me today is Jim Bamber who is the Deputy CEO. We thank you for the opportunity to present today and

answer the questions you have outlined in a media release relating to town camps and the committee's inquiry.

The Department of Housing's requirement, amongst other activities that relate to public housing, is to provide housing that is habitable, safe and secure in accordance with the *Residential Tenancy Act*. The department manages and maintains approximately 5000 houses in urban and regional areas and a similar number in remote areas. In town camps, the department manages 284 houses in 18 town camps in Alice Springs and 78 houses in seven town camps in Tennant Creek.

In fulfilling its obligations outlined in legislation, the department contracts tenancy management and property maintenance activities to external providers. Trade works are also undertaken via a trade panel contract for specialised work such as plumbing, gas fitting and electrical. The department adheres to the Northern Territory government procurement directions and guidelines and appoints its contractors based on open, transparent and public competitive process.

The department's authority, through its agreement, is to provide property maintenance and tenancy management to the extent of house lot boundaries in town camps. The Department of Housing also provides other services to town camps through the provision of support services to support tenants who are on the wait list or those to sustain tenancies.

The department also maintains a Public Housing Safety Officer presence in Alice Springs. The team of dedicated and professional safety officers works with the NT Police to respond to incidents and complaints related to tenants, not only in the town camps but in Alice Springs more broadly.

To assist our tenants, we have recently undertaken a communications campaign incorporating translation into language to provide clarity to all tenants, both in town camps and remote, in relation to who to call for repairs and maintenance issues.

In short, our tenancy contract provides for an end-to-end service delivery for our clients. This extends from receiving applications, completing tenancy agreements, as well as receiving and logging maintenance requests with the property maintenance provider.

Our contractual arrangements and procedure manuals are clear on the responsiveness required to attend to the housing maintenance requests defined in our various documents as immediate, urgent and routine.

We thank you for the opportunity to provide a broad overview of our role and function, and welcome questions from the committee on this important matter.

Mr CHIODO: Thank you, Madam Chair. Mike Chiodo, Chief Executive of the Department of Local Government and Community Services. I would like to welcome Ms Noelene Swanson, Acting Deputy Chief Executive of my department.

I will present a short opening statement to provide you with an overview of the specific role my department plays in relation to town camps. I will also touch on some of the questions you provided in advance, and I will elaborate as required during the course of this session.

Successive Australian and Northern Territory governments have provided continual support to Aboriginal Territorians living on town camps across the Northern Territory over a number of years. Key arrangements, such as the National Partnership Agreement on Remote Indigenous Housing signed in 2010, and the National Partnership Agreement on Stronger Futures Northern Territory signed in 2012, have provided the platform through which town camp residents have received support such as housing repairs and maintenance and municipal and essential services.

Town camps are commonly referred to as Aboriginal communities that are situated in, adjacent to, or within close proximity to town boundaries. There are currently 43 funded town camps across the Northern Territory, which are located in Alice Springs, Borroloola, Darwin, Elliott, Jabiru, Katherine, Mataranka, Pine Creek and Tennant Creek.

The role the Department of Local Government and Community Services plays in relation to town camps is twofold. The first involves the provision of municipal essential services funded to 43 town camps for matters such as road maintenance, waste disposal, and electricity, water and sewerage systems operation and maintenance.

The second involves the provision of housing repairs and maintenance to 18 of the 43 town camps. That equates to 366 houses where the Department of Housing does not have a presence due to current land tenure leasing arrangements. The 18 town camps that my department provides housing repairs and maintenance assistance to are located in Borroloola by four, Darwin by seven, Elliott by two, Jabiru by one, Katherine by two, Mataranka by one and Pine Creek by one.

It should be emphasised that the housing repairs and maintenance services and the municipal and essential services provided through my department is a contribution only to the cost of living on these town camps. Residents are responsible for meeting other costs and upkeep of their dwellings and facilities. The 366 funded houses located across the 18 town camps are generally under a special purpose lease or Crown lease in perpetuity.

There are seven service providers delivering housing repairs and maintenance services to these 18 town camps on behalf of my department. In the 2015-16 financial year, my department is delivering \$1.1m of housing repairs and maintenance to the 18 town camps I previously mentioned.

My department takes the quality and timeliness of repairs very seriously and has put in place a number of measures that allow us to monitor the quality and timeliness of work undertaken by service providers. The time frames for completing repairs and maintenance work are stipulated in funding agreements with the service providers, as well as program guidelines.

Five of the seven providers who are delivering services to the 18 town camps on behalf of my department are Aboriginal organisations.

Thank you for the opportunity to present my opening statement and I look forward to elaborating further in answering any questions you may have.

Madam CHAIR: I will start by asking one of you to walk the committee through what happens if someone in Abbotts Camp in Alice Springs has a broken tap. What do they do? How does that system work to respond to that problem?

Ms CLIFFORD: Madam Chair, I can answer that. In relation to public housing dwellings, we have an existing contract with Zodiac to provide tenancy management services. Part of that service is in relation to taking repairs and maintenance complaints, if you like, logging them and forwarding them to the property maintenance provider, Tangentyere Constructions, which undertake the works.

Our housing maintenance officer handbook we provide to our contractors makes it clear regarding the responsiveness required for the various types of repair. For example, an immediate repair might be an electrical fault or a sewage overflow. There is a moderate category ...

Madam CHAIR: Ms Clifford, could I clarify that it goes from the resident to the contractor - in this case Zodiac - which then refers it to the next contractor, which is Tangentyere Constructions, and they perform the work?

Ms CLIFFORD: That is correct.

Madam CHAIR: The department is not involved in that cycle at all.

Ms CLIFFORD: Our involvement is in relation to monitoring the contractor's performance. We have weekly meetings with the contractors to informally discuss how they are responding, how they are performing. We also have monthly formal contractor performance reporting that is in place.

Mr WOOD: Why does Zodiac need another contractor? Why does Zodiac not do the work? Why do we have another level of people?

Ms CLIFFORD: All the public housing contracts in the Territory have been awarded on the basis of tenancy managements and repairs and maintenance. The tenancy management contracts also are in relation to supporting tenants in sustainable tenancies. Linking in with those, we provide grant funding to support tenants in their tenancy. The focus of the tenancy management contract is about the tenant, sustainable tenancies, working on rent collection, rental rebates and supporting the tenant in those ways with repairs and maintenance done by an alternate contractor.

Mr WOOD: The case cited by Madam Chair was a leaking tap, and Zodiac is meant to do the repairs and maintenance. Why do they not have staff to do the repairs and maintenance? Why do they go to another sub-contractor?

Mr BAMBER: With the contracts we distinguish between tenancy management, which is a focus on the tenant, which are allocations, rent, tenancy inspections and then the property maintenance. A model we were looking for was to further source the work into the communities. We had the tenancy management, with Zodiac in this case, and the housing maintenance aimed primarily at the initial handyman level - non-trade work. In the latest town camp contract which took effect on 1 February this year we went for Zodiac being nominated so we have a simplified contact point for the tenants to call. We have distributed magnets to all residents. The Zodiac number is on that so they can call and it is then passed on to the housing maintenance contractor. It differs slightly in remote communities where we contract the housing maintenance service provider to live in the communities to be immediately available. For example, in remote communities, the contact number is the

housing maintenance contractor rather than the tenancy management contractor. It is because this is an urban living area rather than a remote community.

Madam CHAIR: So who calls on the maintenance contractors to come in and do the work? Zodiac does not do the work, is that correct?

Mr BAMBER: No. Zodiac will take the call and pass it through.

Madam CHAIR: They are like an agent?

Mr BAMBER: Yes.

Madam CHAIR: Does Zodiac, in this case, call ...

Mr BAMBER: Yes. They will initiate the call through.

Madam CHAIR: Okay.

Mr BAMBER: We have automatically approved housing maintenance work up to the value of \$100 to be performed without our intervention in an attempt to speed it up. This up to the value of \$100 also applies in remote communities to fix a tap, a door or any basic non-trade repair. The work is automatically approved without recourse to us, and then they come back to us at the end of the reporting period to say, 'This is what we have done'. The point of that is they have that immediacy of response. Anything over \$100, with regard to the value-for-money assessment, we need to ensure there is a contact with us to make sure the money has been spent.

Anything that requires panel works, whether it is an electrician, plumber or it requires a building licence, we address through a panel contract. We have a panel contract in each of the regions and for the town camps that responds to trade-qualified works.

Madam CHAIR: Who decides which contractor or business comes into ...

Mr BAMBER: That is our call.

Madam CHAIR: So Zodiac will come to you and say, 'This work will require a plumber', for example.

Mr BAMBER: That is right, yes.

Madam CHAIR: Then the Department of Housing will say ...

Mr BAMBER: Yes, so in that instance ...

Madam CHAIR: ... 'How about organising a tradesman to come in?'

Mr BAMBER: Yes, sorry. We will work with the HMOs and the tenancy managers to scope the work to clarify that this is the work that needs to be done, these are the contractors who need to do it, and then we will organise that work.

Madam CHAIR: It sounds like a convoluted process if you are involving Zodiac, yourselves and a contractor. How has this model come about? Has this been recommended to the government?

Mr BAMBER: The primary split of duties in these contractors was between a focus on the tenants and a focus on the assets. Zodiac is a tenancy management provider and, in this case, Tangentyere Constructions is the housing maintenance provider. We then draw on a

panel of contracts, including Tangentyere Constructions, Ingkerreke and a number of others. To qualify, Tangentyere Constructions are also on our panel and also have trained staff, but the initial contract is for the housing maintenance – the basis handyman work.

The concept of that model was to get more work back into the communities. We were continually told, and still are when we visit communities, there are people who want to work and have skills. The thrust of the contract was if we can have a home handyman contract then that goes to locals who live in the community who can do the work.

Madam CHAIR: Do residents of town camps find this system easy? It sounds complicated?

Mr BAMBER: I attended a recent Tangentyere Council meeting in Alice Springs in January with quite a few residents where it became obvious that there was some confusion. They were thinking that Zodiac did all the repairs and maintenance, and that is not the case. Zodiac does not do repairs and maintenance, even in remote communities. That is performed by Tangentyere Constructions or Ingkerreke Commercial. That is one reason why we put this together – to make it clear, I will hand it up in a minute – tenant services is Zodiac, maintenance Tangentyere Constructions, but for simplicity we did not want multiple numbers so we made a single point of contact. Our number is there as a recourse.

We have identified that even though we have outsourced the work to contractors, they are still our tenants in the end, so we need to make sure there is a safety net so if they are not being appropriately serviced they can escalate it to us, which is why our number is there as well.

Madam CHAIR: If a resident feels unhappy with the response to a repairs and maintenance request, where do they go?

Mr BAMBER: They come to Housing because in the end we have let the contracts. One thing we have learnt recently from communities is we need to more prominently advertise our number as a recourse so if they are not getting satisfaction from the contractors they come to us. We let these contracts and they are our responsibility regardless of how they are being performed. They are our responsibility in the end. We learnt that recently from the Alice town camps and a couple of other communities.

We have also undertaken a fairly comprehensive review of our approach to complaints. We developed a complaints management framework and looked more closely at our call centre and how it operates so we have a better response to and track of non-resolution of faults and issues raised by the residents. That is something we are aware of that we need to improve.

Madam CHAIR: For my benefit, comparing this system of how town camps operate to general public housing accommodation in town, what is the system for general public housing?

Mr BAMBER: With the urban housing in the towns, we will provide the tenancy management directly. It is the departmental staff who are providing the tenancy management services.

Madam CHAIR: Why has it been broken up for town camps? Is this a cultural thing? Is it recognising the special needs of town camp residents?

Mr BAMBER: It is more an extension of the remote community model where the intent was to not have the department delivering services directly, but to localise and outsource the work to the local Indigenous organisations. It is more that the model applies from remote communities into the town camps.

With the town camps specifically, when the 40-year leases were first developed there was a specific requirement that the housing management services would be tendered. We are also following that obligation under the 40-year lease to tender out that work.

Tangentyere was providing those services and set up the Tangentyere Construction company and the Central Australian Affordable Housing company to provide those services. It was a construct of the lease, if you like.

A similar model applies in remote communities where you are trying to localise the work as much as you can.

Madam CHAIR: There was recognition that Aboriginal people on remote communities or living or town camps required a more culturally sensitive service or more local grassroots services that connected with them and understood their special needs. I remember during the intervention the transformation of the town camps was along the lines of recognising that they were people in our community with special needs.

Mr BAMBER: The duties for the tenancy management contract certainly have a focus – because it is around tenants – on appropriate case management and sensitivity in dealing with the residents. We also fund almost \$1m in tenancy support services into the town camps to complement that.

Madam CHAIR: The Department of Housing?

Mr BAMBER: Through the grants process, yes.

Madam CHAIR: For the contractors you use to provide the tenancy management and the repairs and maintenance, are Aboriginal organisations given priority over non-Aboriginal organisations to provide those services given there is a general recognition of the special needs of Aboriginal people living in town camps and remote communities.

Mr BAMBER: There is obviously consideration for that, but the lease clause obligates this to be an open and competitive tender process.

Madam CHAIR: In the last few weeks the government has implemented, for remote civil and construction contracts under \$5m in remote communities, that 70% of those contracts will go to Aboriginal-owned businesses. Will this apply to contracts dispatched by Housing and Local Government? Is that a whole-of-government strategy?

Mr CHIODO: The strategy you are speaking of is the Aboriginal Affairs Strategy. That is a whole-of-government strategy. In relation to the contracts you mention, the 70% component refers to contracts under \$500 000.

Madam CHAIR: A sum of \$5m was mentioned in the media release.

Mr CHIODO: No. It is my understanding that it is actually ...

Madam CHAIR: Are you saying it was wrong?

Mr CHIODO: No, there are two sets of contracts. If you look at the document in its entirety, it speaks of achieving 70% of contracts under \$500 000 ...

Madam CHAIR: In the Chief Minister's media release, it said \$5m, Mr Chiodo. Are you disputing the Chief Minister's media release?

Mr CHIODO: No, I am not. Far from it.

Madam CHAIR: I read it many times, trying to comprehend it.

Mr CHIODO: The second component is for contracts exceeding \$5m. For \$5m and up there was – and I am speaking now very clearly about the remote contracting and procurement policy ...

Madam CHAIR: This is civil and construction contracts I am talking about.

Mr CHIODO: It is all contracts for it.

Madam CHAIR: Okay.

Mr CHIODO: The aim of the policy for contracts over \$5m is for joint ventures between Indigenous businesses and otherwise to achieve five contracts per annum, starting from a baseline of zero, which is where it has been for a considerable period of time. The other contracts were always to be targeted at \$500 000 and under. I am speaking very clearly about the remote contracting and procurement policy.

Madam CHAIR: That flies in the face of the media release that was issued by the Chief Minister three weeks ago. I am confused now unless there have been further changes to that policy since the Chief Minister's media release.

Mr CHIODO: I cannot speak of the media release, Madam Chair ...

Madam CHAIR: Okay.

Mr CHIODO: I can speak to the policy and I am more than happy to table a copy of the remote contracting policy. It sits on our website as well.

Madam CHAIR: That would be very useful. For the purposes of the hearing today, I am interested in how this policy will affect Housing and Local Government contracts. Do you have a quota as you were talking about – 70% Aboriginal-owned businesses?

Mr CHIODO: It is a whole-of-government policy, so it can be directly related to any contract that is let. But it is a remote contract and procurement policy ...

Madam CHAIR: So that does not pertain to town camps?

Mr CHIODO: ... very distinctly. It can be used within the town camp context, but the purpose of the policy was very clearly aimed at remote communities.

Madam CHAIR: So it will not be pertaining to town camps?

Mr CHIODO: No, I said it can be used ...

Madam CHAIR: It could be.

Mr CHIODO: ... within that context. However, the purpose of the policy was aimed at remote communities. It does not preclude it from being used ...

Madam CHAIR: The policy is what? Does it pertain to town camps?

Mr CHIODO: It is a remote contract and procurement policy.

Madam CHAIR: So it does not include town camps?

Mr CHIODO: It does not specify town camps ...

Madam CHAIR: That is my point.

Mr CHIODO: ... however, it can be utilised within an urban or a town.

Madam CHAIR: You are saying it is remote?

Mr CHIODO: It has not because it was only recently released.

Madam CHAIR: There is no provision at the moment to give favour to Aboriginal organisations to provide repairs and maintenance or tenancy management? It is open to the best tenderer through the procurement process, is that correct?

Mr CHIODO: As I stated in my opening, seven of the nine service providers that provide services to town camps we are responsible for are Aboriginal organisations. The other two organisations – one is local government and the other is a private business which has in excess of 30% Aboriginal employees. The emphasis on Aboriginal business is very much ...

Madam CHAIR: Is that in a policy or through them being competitive tenderers?

Mr CHIODO: No. I cannot speak for housing, but within our department it sits within a policy but is not a tender process. In our department it is a grants process, which is distinctly different to the process utilised within housing.

Madam CHAIR: Are you saying contractors, through local government, are selected through a grants process not a tender through the usual procurement process?

Mr CHIODO: Yes, that is correct.

Ms CLIFFORD: Madam Chair, from a Department of Housing perspective with regard to the procurement process we go through, our funding for the provision of services in part is provided through NPARIH. The NPARIH arrangements have Indigenous employment targets. When we let our contracts or our request for tenders we call up those Indigenous employment numbers. For example, the tenancy management calls for 50% Indigenous employment and the property maintenance calls for 40%. We adhere to that, and as Jim explained, we adhere to the lease requirement that we tender for those works.

Madam CHAIR: Could the same organisation do both the property management and the tenancy management? Would that be possible under your guidelines? Is there anything to stop that occurring?

Mr BAMBER: We have one or two organisations in really remote communities where it is more practical it be provided by a single organisation. For example, Thamarrurr Aboriginal Corporation in Wadeye covers both. For Peppimenarti it is Scott Hammett who employs local Indigenous. They cover both.

There are examples. The original tender structures were tenancy management and housing maintenance, but we have a number where we have moved to that model for practicality.

Madam CHAIR: Is there any conflict with having one contractor providing both those services? Conversely, are there any advantages?

Mr BAMBER: There are pros and cons. One of the pros of having it done by the same contractor is you can reduce your overhead and the amount of travel, particularly to remote communities. You do not have multiple contractors going into communities.

One of the cons is you do not have that tension between the tenancy inspections, looking at work being done by the housing maintenance contractor. There are pros and cons for either model.

Madam CHAIR: As a resident, it would be easier to deal with fewer organisations. Would you say that is a fairly reasonable premise?

Mr BAMBER: I would say that, yes. I am holding up again the poster and the magnet. We were trying to simplify to one number to call. In the case of the Alice town camps, we decided it would be better with Zodiac because it is providing that frontline tenancy management. So it is appropriate Zodiac would be raising management issues and passing on the maintenance.

In the case of more remote communities, we tend to use the housing maintenance contractor because they are contracted to be in the community. They are living in the community so you can just hail them down, or call the contractor's number. That is the one that is widely advertised but we try to simplify that communication.

Off the back of that, especially after catch-up with Tangentyere Council and the residents, we have now moved to language announcements clarifying the difference. They play in six different languages. I have one of them; I can play it.

Madam CHAIR: That is okay. I will not understand what you play, but that is very interesting to know.

Mr BAMBER: You can hear ...

Madam CHAIR: Yes, that is a great service.

Mr BAMBER: You would recognise that there is a need for us to be much more cognisant of simplifying communication. So in the case of the Alice town camps, it is playing in seven languages because of the ethnicity of the 18 town camps.

Madam CHAIR: What are you communicating in language?

Mr BAMBER: We are communicating that Zodiac is doing the tenancy, Tangentyere Constructions is doing the housing maintenance, and this is the number to call. There is a repetition to make sure the message is clearly understood and is complemented by the magnets and the handouts we have already provided. We were looking to provide similar in language but have been told it is difficult to translate and does not always come across. That is why we went to the CAAMA radio announcement instead as a better way to get the message across.

Madam CHAIR: That is a good start. What are the main tenancy issues faced by people living in town camps throughout the Territory? What would be the most common problems and issues?

Ms CLIFFORD: Madam Chair, from a housing perspective we could only answer that as it relates to Alice Springs and Tennant Creek. They are the only town camps where we have a presence. Some of the issues surrounding repairs and maintenance Jim alluded to. In regard to improving service delivery, we are meeting with our contractors weekly to get a feeling for what is happening on the ground. We also go to town camps to look at the properties. We also visit remote areas.

With regard to the collection of rent and the tenancy agreements, the contractor also looks after that on our behalf.

Madam CHAIR: In Alice Springs many residents of town camps retain very traditional lifestyles and are closely connected to their families. They are deeply cultural people and the way they live their lives is guided by their culture, their connection and their families. I know it takes particular knowledge and experience to manage those tenancies because I have worked in town camps over the years doing various things. What expertise do you expect from your tenancy managers in order to deal with those complex cultural and social issues we know exist?

Mr BAMBER: One of the reasons we specified 50% Indigenous employment was so that we had a good percentage of the organisation being from the culture and had a good understanding of how to relate. We have also, as I said, engaged \$1m worth of tenancy support program – grant-funded organisations. It is Tangentyere Council. We are engaging them to the tune of \$300 000 just for the town camps to provide that complimentary support. Anglicare Mission as well.

Ms FYLES: Can I jump in with a question? Are tenancy support programs provided across all town camps?

Mr BAMBER: They are targeted at all town camps. It is not specific to any particular town. I am speaking of the Alice town camps.

Ms FYLES: Yes. And across the Territory?

Mr BAMBER: Also we also provide for the Tennant Creek town camps.

Ms FYLES: So Alice Springs and Tennant Creek, but it would be the department of Local Government across the other?

Mr CHIODO: Member for Nightcliff, I think this is causing some of the confusion in the question. There is a distinctly different model between the town camps that have public housing and the 18 town camps. This is to do with repairs and maintenance that comes out of my department.

The ownership and responsibility within each of those town camps sits with the housing associations that carry the leases and the responsibility within those town camps, as per the spreadsheet we provided to the members of the committee.

So issues such as tenancy management sits within the freehold responsibility that is part of the lease arrangements within those town camps.

Ms FYLES: Thank you for clarifying that.

Mr WOOD: There are many questions. Once you have said that, you have left yourself open to the 11 Mile, Knuckey Lagoon, 15 Mile, One Mile owned by Aboriginal Development Foundation – at least they have the lease but they do not manage the houses.

How does what you just said fit? Who is responsible for the houses?

Ms SWANSON: The houses, again – and I guess this is part of the complexity of it – are not public housing. The houses within them are actually privately owned ...

Mr WOOD: I should ask them who is the private owners of the houses?

Ms SWANSON: The ownership is held by the leaseholder, technically, under the leaseholding arrangements.

Mr WOOD: So how does Yilli Rreung maintain a house it does not own?

Ms SWANSON: Yilli Rreung is a service provider providing services on behalf of our department for the contribution towards the housing maintenance. The resident contacts Yilli directly for maintenance repairs they require.

Mr CHIODO: To add to that ADF, as the leaseholder, has the responsibility for those houses. The arrangement for the contribution that the government makes to maintain those properties – the reason we provide the grant process through an organisation like Yilli Rreung, and other organisations, is so we can manage within budget parameters the grant funding available as our contribution. That does not preclude, for example, an organisation like ADF, on behalf of its tenants, bringing in an alternative service provider for anything they are paying for themselves. It is a government contribution as opposed as a whole-of-maintenance program.

Mr WOOD: The money you grant, does it go to ADF or Yilli Rreung?

Mr CHIODO: It goes directly to Yilli Rreung.

Madam CHAIR: What is ADF?

Mr WOOD: Aboriginal Development Foundation.

Is there a written agreement between the Aboriginal Development Foundation and Yilli Rreung?

Mr CHIODO: No, the agreement that exists is purely and simply between my department, on behalf of the Northern Territory government, and Yilli Rreung for delivery of grant funding for repairs and maintenance and municipal essential services within those town camp communities.

Mr WOOD: There is no legal agreement between Yilli Rreung and the Aboriginal Development Foundation?

Mr CHIODO: Unless the Aboriginal Development Foundation, Gwalwa Daraniki or the Bagot Association have come to an alternative arrangement with Yilli Rreung, which would be a commercial agreement between them, no, there is no direct nexus other than that Yilli Rreung provides the services we pay as our contribution.

Mr WOOD: If a tenant in a house on Aboriginal Development Foundation land vandalises that house, who is responsible for removing the tenant?

Mr CHIODO: ADF.

Mr WOOD: Does that make it difficult for Yilli Rreung to operate as a tenancy management and repairs and maintenance provider?

Mr CHIODO: I accept that there would be a complexity in that, yes. However, we are restricted in that they are the leaseholder. As such, they carry those rights and privileges. It would make it difficult for a new service provider in that relationship unless they have an association that is working in conjunction with them in that process.

Mr WOOD: Just ...

Madam CHAIR: Who provides the tenancy management under that system?

Mr CHIODO: There is no tenancy management within those town camps. Provision of tenancy management is meant to be provided by the leaseholder, so therefore the association. I acknowledge it varies according to the town camp and the ability of the specific leaseholder.

Mr WOOD: We have been asking specific questions. Does it not raise a couple of broad questions? One is we have Aboriginal people in the Northern Territory who are in housing that is funded by the Commonwealth or Territory governments. Yet we have two sets of rules; one for Alice Springs and Tennant Creek and one for the rest. One department is looking after it as is another department. There are issues about which I have asked many times. In fact, there was supposed to be a task group looking at the issues of the 15 Mile, Knuckey Lagoon, One Mile and probably Bagot as well. Nothing has gone anywhere.

We have major social problems in those areas because people do not have ownership of where they live. What is highlighted is you have no agreement between the people you give money to, such as Yilli Rreung, for maintenance to the houses, and the people who own the land.

It is all cloudy and I do not think we are going anywhere in the future until that is sorted out. What is the government doing? This has been asked a number of times. In fact, I read a letter in parliament from members of the Knuckey Lagoon community. The women there are sick of it and they have heard that Dave Tollner will so-called 'normalise' Bagot. So they said if the government is giving them rights to buy houses then why not give them some rights. There is a whole spectrum of large issues that are not being looked at.

I am interested to know, Mike, if there is some policy direction in which the department is going to try to sort these things out so people have some future. At the moment, it is absolutely stagnant. Those communities are not going anywhere and they have suicides, fights, social problems, alcohol and drugs. There are good people who cannot live their lives because we have not sorted that out. Where are you going with those issues?

Mr CHIODO: The easy answer would be that the responsibility does not sit within my agency. However, we have been working with other agencies to look at how the leasing arrangements within town camps work. Remember, we are not just talking about Darwin, greater Darwin or Palmerston. We are talking about Borroloola and a number of others.

I am looking at how those leases could transfer to one department, being my department, and we would then be in a position to take a more active participatory role in that. However,

the current situation is – I have responded to this previously – the people in each of those communities – the ADF, as one example - and I reiterate that the associations vary in the role they play within the community – currently is the leaseholder and is meant to, under the lease, represent the wishes of the community. There is a board structure for each association, and the members within the communities would be able to take action through their land trust, foundation or association to alter the circumstances within that.

I am not pushing the onus back on the community, but the current arrangements clearly are you have leases which are held by these associations which are meant to operate as an effective association with a board and a membership that represents the wishes of the people living in those communities. The normal process would be they would raise issues with their association and the association would have a responsibility under the lease to deal with the issues.

Mr WOOD: Who checks to see if the association is running according to its rules? What funding does the association receive? I understand they do not receive much funding as it goes directly to Yilli Rreung for maintenance of houses. I am not sure what ADF does. Perhaps it does some lawn mowing, but Yilli Rreung provides the essential services. That is its role.

There needs to be a proper sit down and work with people in the community from the bottom up because they are the ones telling me that life is pretty miserable. We need to talk to people on the ground about what they want.

I understand the technical side of it, but I have had those communities in my electorate for many years and there has been a lot of talk but there actually has not been a lot of change.

Mr CHIODO: Member for Nelson, if I could take you back to the beginning of that. Yilli Rreung is provided funding to deliver very specific services under grants, but as a contribution from the Northern Territory government. The associations and leaseholders have within their own lease holdings a contribution from each householder, whether they call it rent or a specific service fee. It is how that funding is spent by the foundation or association that is meant to augment any of the contributions that are provided by the NT government.

As far as the funding of the association goes, it is funded by the community itself through those contributions. It can use those contributions for additional repairs and maintenance or services and are free to organise those services as they wish.

We cannot, in fact, interfere with whether those contributions are being collected by the foundation or the specific association.

The emphasis has always appeared to be on Yilli Rreung providing the services. I reiterate Yilli Rreung provides the services that, within budget parameters, we provide funding which is just a contribution. The intent under the lease has always been that individuals living in those houses within those town camp communities pay a fee, contribution or rent to the association and that provides additional funding. How and if that is collected is part of the association.

To answer your first question, they are either registered under the NT Registrar of Associations or under ORIC.

Mr WOOD: One more on that. The complexity for me is that you are giving money to an organisation which does not have any legal status on that land. You are giving money to Yilli Rreung to work on houses they do not own and have no agreement with ADF about. Why not give the money to ADF and say it is their responsibility? It seems messy having an organisation operating as the one doing repairs and maintenance on the houses, and I presume Yilli Rreung collects the rent – I am not sure – but the bottom line is ADF is responsible for everything that happens in those communities.

Mr CHIODO: The model you describe is not unusual. Where the government spends money for the delivery of services it is regularly a contract between the government and the service provider.

To go back to collecting rent, that is the responsibility of the leaseholder. In the specific town camps you spoke of it would be ADF. If it has a separate agreement with Yilli Rreung to collect rent on its behalf it is a commercial agreement between the association and Yilli Rreung. The arrangement between the government and Yilli Rreung is a grant contribution funding process. The reason we select service providers is so that we can service standards in place and try to manage our funding to the best of our ability rather than a more disparate model.

Mr WOOD: That is the technical side of operations, but the human side is life is not improving. There are some very good people, some young people trying to get to school and people trying to get to work, but interrupting that are some major social issues, part of which has to do with alcohol and drug abuse, and part of it is no clear governance for those living there. I understand there is an association, but I do not see these people having some power over their own lives – whether than can own a house. Is there a group of people who feel they have some say in the future of their community? That is partly why I asked the government to look at those communities – and if there are other communities I am happy for them to be looked at. We are looking at details about where money is spent and how houses are fixed, but there are other big issues.

One of these communities is 200 m across the road from a flash new suburb in Palmerston. You might as well be 500 km away from Darwin because the issues are exactly the same.

I believe government has not been responsible. I have no doubt it is a difficult problem, especially about the ownership of the land. But if something is not done, I bet I can come back in 20 years and we have not gone one step forward.

It is not only the issue of the technical side of maintenance of houses and tenancy management, there is a human side that needs to be addressed.

Ms MANISON: Mr Chiodo, can I clarify a few points. I have a few questions to be clear about the difference between your department versus the Department of Housing. You are responsible for the 18 town camps, approximately 366 funded houses, and the Tennant Creek and Alice Springs town camps sit within the responsibility of the Department of Housing?

Mr CHIODO: For municipal essential services, my department provides funding for all 43 town camps.

Ms MANISON: Okay. So the Alice Springs and Tennant Creek as well?

Mr CHIODO: Including Alice Springs and Tennant Creek. But 18 of those town camps are the ones where we provide repairs and maintenance services for housing.

Ms MANISON: Thank you, Mr Chiodo. It is complex, so I appreciate being able to draw a clear line there. The other thing I am curious about is your department does the allocation of repairs and maintenance funding through grants as opposed to the Department of Housing which does it through a procurement model. Why is that?

Mr CHIODO: The grant model has been similar and identical to the one for homelands and outstations in place for a considerable period of time.

Since I have taken over the agency, we have linked the modelling. We are looking at – as I said when I spoke to the PAC in relation to homelands and outstations – a contestable grants model. The difficulty of going directly from a grant funding model into a tender model is you have a number of organisations which, over a period of time, have been established within those communities and are reliant on that funding to continue to provide a number of jobs for local Aboriginals. Rather than tearing asunder the current model of grants to go into a tender model – as I said about homelands and outstations – we are looking at a contestable grants model. One of the first places we did that was Alice Springs and the provision of municipal essential services where we have two providers. One in Ingkerreke and the other is Tangentyere. They service, from memory, nine and six town camps within Alice Springs, and provide those specific services to those town camps. That has created competitive tension, and has, in some ways, improved the level of service.

That is a longwinded answer to your question, but we have stuck with the grants model. There are 137 local Aboriginal jobs directly funded through the agency in homelands, outstations and town camps through these service providers. To alter that model now would have a huge impact on local Aboriginal organisations.

Ms MANSION: How long are those contracts in place?

Mr CHIODO: They are always 12 months.

Ms MANSION: With regard to how much you fund per home for repairs and maintenance, what does the model look like? Do you have a set figure per home for repairs and maintenance? Does it vary from town camp to town camp? What is the model the agency uses?

Mr CHIODO: The dollar figure is \$3066 per house per annum. It does not vary in the quantum per house, but it varies according to the number of houses within each town camp.

Ms MANSION: When it comes to tracking agency satisfaction with the quality of the repairs and maintenance work and timeliness of delivery, how do you do that?

Ms SWANSON: There are several ways we do that. They are all given program guidelines as part of their contract which are clear on the timing of certain types of repairs. I am happy to provide them to you at another time, and you can download them from the website as well. That is attached at the back of their contract. They also have to maintain a log of all the works they undertake. Our technical officers make random visits there to

assess that works have been undertaken as per the logs that have been provided by the organisation. It is checked quite closely.

Ms MANISON: Value for money is something you regularly check?

Ms SWANSON: Same thing. Value for money. That is why we log each job individually, so we can assess the work against the log and the cost.

Ms MANISON: Excellent, thank you. I have some questions for Ms Clifford and the Department of Housing with regard to your property, tenancy management and repairs and maintenance contracts. How long are those contracts in place for?

Ms CLIFFORD: The contracts are in place until 2017.

Ms MANISON: The total period of that contract?

Ms CLIFFORD: I will get that for you.

Mr BAMBER: It is 16 months with an option to extend.

Ms MANISON: How long is that extension option?

Mr BAMBER: To June 2018 effectively, commensurate with the NPARIH agreement.

Madam CHAIR: Why is it 16 months?

Ms MANISON: Yes, it is very ...

Madam CHAIR: That is a strange length of time.

Mr BAMBER: I am sorry, I do not think I can explain the rationale. We were aiming - no, I cannot, sorry. I give you the rationale. We were aiming for something more than a year. Ideally it would have been two years, but we were delayed in getting that contract out. It was what was left. We would not be extending the contracts past our June 2018 until we get clarity on the NPARIH agreement.

Ms MANISON: The expiration of the National Partnership Agreement into Remote Indigenous Housing date, which is fast approaching?

Mr BAMBER: June 2018.

Ms CLIFFORD: June 2018.

Ms MANISON: At the moment it sounds like your contracts are a very random amount of time, as we have just discussed the 16 months, potentially going on to June 2018. Is that usual practice in awarding those contracts for repairs and maintenance and for the property and tenancy management?

Mr BAMBER: It varies. In the case of the remote communities, it was for 55 months. That was in March 2014. That was tacked to the end of the NPARIH contract.

Madam CHAIR: There was supposed to be a major review a few years ago of this whole system of providing services to town camps – 2012 rings a bell.

Mr BAMBER: Of the contract model?

Madam CHAIR: Just the overall provision of services to town camps - the transformation, the whole upgrading and normalisation of town camps which included the contracts. It was not done in 2012, 2013. Does it ring a bell? I can get some more information.

Ms CLIFFORD: Madam Chair, I do not have that detail with me.

Madam CHAIR: The future of how the town camps would be managed was, theoretically, contingent on the outcome of that review which did not take place. I stand corrected on that, but I will get some more information or provide you with a written question.

Ms MANISON: The Alice Springs and Tennant Creek town camps both have contracts in place for 16 months with an option to extend. Thank you.

How do you reach a figure in regard to funding that? Is there per house a rate for property and tenancy management and per house a rate for repairs and maintenance? How is that figure negotiated to see how much those contracts are worth?

Ms CLIFFORD: The procurement identified a flat rate contract. All the contracts in place are a flat fee for service.

Ms MANISON: They put forward the amount of the tender for that 16-month period, which includes all the property and tenancy management for Zodiac. Tangentyere Constructions would have put in a flat rate as well for repairs and maintenance. Is that the case? R and M and property and tenancy management would be different costs.

Ms CLIFFORD: With regard to the tenancy management contract, the request that went out provided details on the number of properties, the number of tenants and a lot of detail around the services required, including quarterly property inspections and the role and function they were to undertake. There was quite a lot of detail in that.

Internally we have an indication of what that cost might potentially be. The tenderers submit a price and are assessed accordingly.

Mr BAMBER: We already had experience of maintenance services and tenancy services in prior years so we had a handle on associated costs for labour and effort so we add our estimate we had built from historical expenditure. That formed the basis for our estimate. Then each of the tenders put forward their response for what they would provide.

Ms MANISON: Okay. So it is not really per house, it is whatever services are delivered in that period of contract time. I am thinking more so about the repairs and maintenance bucket of money. As we all know, year after year, R&M is an ongoing issue for ageing public housing stock across the Territory. You can see how that can very easily blow out. I do not think there is ever enough money.

In the case of these town camp contracts for the repairs and maintenance you have a set amount. What happens if that amount is expended in that period of time for that contract? For example, if you are in the first six months into the 16 months and you can see you have already chewed through half of that money, how do you monitor that? How does that work?

Mr BAMBER: First, I distinguish between that tenancy management which is fairly predictable – X number of inspections, etcetera. With repairs and maintenance, we distinguish between – if you recall, I said anything under \$100 for basic maintenance is different from work we will take to a panel contractor – the standard maintenance, which is

handyman-type maintenance, of which there is a fairly even flow – taps, doors, windows, etcetera, and the repairs you would take to a panel contractor where it is over \$100.

We have had years of experience with the 284 houses and the 78 houses, so we have an idea of the flow of maintenance and we had budgeted for that.

In regard to your question about exceeding the budget, it is for us to address that funding issue.

Ms MANISON: Okay. So you would enter into negotiations with the contractor about possibly providing additional funding ...

Mr BAMBER: Correct, yes. If we set out in our tender a certain flow or amount of work and it exceeds that, then there would be a contract negotiation.

Ms MANISON: With your prior contract, how did that go? Did you require additional money or was it about ...

Mr BAMBER: I think there were variations sought from time to time. Again, I have not been here for all of the contract period because it is going back to 2009. So ...

Ms MANISON: Yes, okay. That was the 55 months ...

Mr BAMBER: Again, it would be a straight contract negotiation.

Question on Notice

Ms MANISON: Okay. Would that be a question I could put on notice about the contract amount and what was actually expended? Is that possible?

Mr BAMBER: Yes.

Ms MANISON: Are you happy with that, Madam Chair?

Madam CHAIR: Yes, absolutely, question on notice.

Ms MANISON: To clarify with regard to rental collection, in Tennant Creek and Alice Springs rent is collected and the money goes back into the Department of Housing; is that correct?

Mr BAMBER: Correct.

Question on Notice

Ms MANISON: Can you advise rent collection for Tennant Creek town camps and Alice Springs town camps for the last financial year?

Ms CLIFFORD: I do not have that level of detail here. We have a breakdown of average rent payable and things like that, but what was collected by camp I do not have today.

Ms MANISON: Can we have that on notice, Ms Clifford?

Madam CHAIR: Does money go back into the camp directly?

Ms MANISON: That was my next question.

Mr Bamber, the money collected in rent from tenants in town camps in Alice Springs and Tennant Creek goes to the department?

Mr BAMBER: Yes.

Ms MANISON: Does that go directly into town camp housing?

Mr BAMBER: Yes, it supports the housing management program. The rents are collected by the department through its agents and is used to fund the housing management arrangement in the town camps.

Ms MANISON: We do not have figures in front of us for amount of rent collected, but is there enough from the rent you collect? Does the agency put in further funds to ensure adequate repairs and maintenance occur?

Mr BAMBER: NPARIH provides subsidy for the housing maintenance program. The rents collected do not cover the full program.

Question on Notice

Ms MANISON: Is there any way the committee could find out the value of contracts for property and tenancy management and repairs and maintenance in place for Tennant Creek and Alice Springs?

Mr WOOD: Why is NPARIH funding town camps? It did not fund anything close to a town. It was always community funding.

Mr BAMBER: I cannot answer about the historical source of that. I just understand the arrangements that are currently in place.

Ms CLIFFORD: I can recall that NPARIH did go in with the repairs and maintenance, rebuilds and new housing as part of the program.

Mr WOOD: It certainly did not go into the Darwin end.

Ms CLIFFORD: Yes.

Mr BAMBER: The NPARIH program funded the Alice town camp and the Tennant Creek town camp refurbishments, rebuilds and new builds.

Ms MANISON: Going back to the management of those day-to-day contracts you have with the property and tenancy managers and the repairs and maintenance. As the department ultimately responsible for that housing, the delivery of those contracts and the services levels, you would have expectations for your contractors to deliver.

How, as an agency, do you monitor that performance? What are the areas you look for and how do you report against that?

Ms CLIFFORD: We have our monthly contractor performance meetings, which is a formal process. The documentation is quite extensive about the key requirements of the contract. We formally go through a process with the contractor in relation to that.

In our recent discussions in Alice Springs with the contractors, they agreed that having a weekly informal meeting would also be beneficial for better dialogue between the department and the contractor. That has also been instigated.

Those formal arrangements are in place and supported through our Darwin office, with our essential service delivery office.

Ms MANISON: Okay.

Ms CLIFFORD: Sorry, if I can add?

Ms MANISON: Yes, please.

Ms CLIFFORD: They are obviously recorded and filed in accordance with TRIM and those types of things and kept on official records.

Ms MANISON: I was trying to get to the types of areas you look for when it comes to the performance of your contractors. Are the things you monitor such as rental collection through them, any tenancy management issues with each household? What are the categories you talk to your property managers about to ensure you are satisfied that you have the property in check? Do you make sure there are quarterly inspections that are followed?

Mr BAMBER: I will go through the broad indicators we use in performance managing the contracts: contractor meetings with 100% attendance; achieve the required number of scheduled tenancy inspections for the six-month period; under this model they are updating the tenancy management system to ensure they are providing the updated data into the system so we have current tenancy information, targeting a decrease in the rent debt, completion of work allocated by the housing contract manager, provision of a tenancy front counter service, decrease in vacant properties – they are working with us to decrease – they are part of the allocation process also – and running the HRGs, and 50% Indigenous employment.

For the housing maintenance contracts the contract performance is the number of housing maintenance officers employed, because you have the local employment model, adherence to the required hours of work and employee numbers, responding to service requests within the specified time frames, registration and reporting of maintenance issues – it is up to them to register – even though they are approved up to \$100, we need to know what they did and where so we have the history of the asset. Ability to demonstrate value for money of materials purchased when requested. If you recall, we have approved that and we need to ensure they are not spending the money inappropriately on materials. Adherence to the operations handbook would form part of the contract, 40% Indigenous employment, which is in the maintenance quota, engagement between community housing officers and the housing maintenance officers so the two are working together, and engagement with stakeholders in the town camps, including tenants and other contractors engaged by the Department of Housing.

With regard to the current contractors, Tangentyere Constructions is the housing maintenance contractor for Alice and Zodiac the tenancy management contractor. We had some detail start-up meetings with them before the contracts commenced on 1 February. They teamed up and went with our housing staff to visit all residents and provide those handouts and make initial contact. They have a constructive working relationship. That is something we have marked, and it has provided a lot of benefit. We are getting feedback from the residents that this is a responsive service.

Ms MANISON: How many staff within your agency are working on the delivery of town camp contracts to ensure you are achieving the required outcomes?

Mr BAMBER: I would say, without consulting the Alice office, about three FTEs. Someone would be focused on the tenancy side, someone of the maintenance side and also working with the contractors where the scoping work over \$100, or scoping work to be put out to a panel, including Tangentyere or Ingkerreke.

We also have a contract manager who manages the contracts themselves – formal monthly contract meetings and the weekly informal meetings.

Ms MANISON: In Tennant Creek, do you have any staff dedicated to working with the town camp housing?

Mr BAMBER: Yes, we do, obviously on a lower scale because we have a smaller number of houses and camps.

Ms MANISON: What was the number of houses again in Alice Springs ...

Mr BAMBER: Seventy-eight. Sorry, 284 in Alice and 78 in Tennant Creek.

Ms MANISON: Thank you for that.

Madam CHAIR: I have just found some information on the review I was referring to before. In Alice Springs, the subleases for the town camps were signed in 2009, or approximately six years ago. Section 12 of the 40-year sublease states that:

- (a) *the Department of Families, Housing, Community Services and Indigenous Affairs of the Commonwealth of Australia will have regard to the continuing housing and infrastructure needs in the Alice Springs living areas in developing and applying new Australian government policy in relation to Indigenous housing and infrastructure subject to the availability of funding and the housing infrastructure and other needs elsewhere in Australia;*
- (b) *to inform the Department of Families, Housing, Community Services and Indigenous Affairs of the Commonwealth of Australia regarding the continuing housing infrastructure needs in the Alice Springs living areas, the Territory will commission an independent review of housing and infrastructure needs on a three-yearly basis. The review will include:*
 - (i) *details of capital works carried out during the reporting period including detail of the works undertaken and associated expenditure; and*
 - (ii) *identification of outstanding housing and association infrastructure needs, including the priority of the needs and estimate of costs based on the market rate at the time of the review.*

The three-yearly reports will be made available by the Territory to the association on request within a reasonable time, subject to any privacy or confidentiality obligations on the Territory.

To date, despite the fact we are six years down the track since the signing of the subleases, the Territory has not yet completed a three-yearly independent review of housing and infrastructure on the Alice Springs town camps.

I take it you are not aware of this? It was possibly before your time? Is that correct?

Mr BAMBER: We are aware of clause 12 of the review ...

Madam CHAIR: Sublease.

Mr BAMBER: Yes, of the lease. I actually thought you were talking about housing systems, because we were talking about tenancy management ...

Madam CHAIR: This is about infrastructure needs and ...

Mr BAMBER: But this is a capital one. I am not aware that a review has been completed. It was before my time, but I am not aware that a review has been completed.

Madam CHAIR: We are looking generally at town camps. This is something the Territory needs to follow up on if it is part of a legal sublease for the town camps.

Ms FYLES: Are there plans for a review to take place?

Ms CLIFFORD: As Jim mentioned no formal has occurred, but we have a presence in town camps. As mentioned previously, we go in with our contractors to look at the standard of housing. Our lease arrangements, from a housing perspective, are to the house boundary. Anything outside that, as Mike explained, relates to municipal and essential services.

The clause you pointed out relates to infrastructure and housing.

Madam CHAIR: So it is the Department of Infrastructure?

Ms CLIFFORD: No, I think ...

Madam CHAIR: Who would be responsible for furnishing these reviews to adhere to the subleases?

Mr CHIODO: Madam Chair, I cannot comment on the intent of the leasing document at the time. Ms Clifford is correct, I said we are responsible for municipal and essential services. The definition of infrastructure – I am not trying to be technical – would include essential services infrastructure. At the time of the lease that clearly sat within a delivery model and the member for Nelson would have known about that as part of strategic Indigenous housing. Since that was all being delivered through that model, I would argue that the responsibility for that review sat as part of the SIHIP model and the subleases.

Madam CHAIR: The transformation of Alice Springs town camps had nothing to do with SIHIP.

Mr CHIODO: Yes, it did.

Mr WOOD: Was the Alice Springs transformation program part of SIHIP or a separate bucket of money?

Madam CHAIR: I did not think it was. Are you sure about that?

Mr WOOD: There was a Commonwealth program called the Alice Springs transformation program, and I am not sure if it was completely finished.

Madam CHAIR: Yes, it was not SIHIP.

Ms CLIFFORD: Unfortunately that was before my time so I cannot answer that.

Madam CHAIR: I thought the length of the contracts we have been talking about today may have been contingent on this type of review occurring. But as the reviews have not occurred it is immaterial in clarifying why the lengths of the contract that exist at the moment are 16 months.

I have a question about overcrowding in the town camps. Is overcrowding still a major issue in the town camps of Alice Springs and Tennant Creek?

Mr BAMBER: We keep a register of the registered tenants in the housing in Alice Springs and Tennant Creek town camps. What is confusing the issue are the visitors to the town camps who come from the remote communities ...

Madam CHAIR: Yes.

Mr BAMBER: We have it communicated in the seven languages, which is indicative of the range of source communities, if you like, for the Alice Springs town camps. So there will be overcrowding there. But it is exacerbated by the visitors coming into the town camps from the remote communities.

We have tried to address that through the Apmere Mwerre Visitor Park to provide that short-term visitor accommodation. Then there is a range of hostels.

Yes, there are probably more tenants and visitors in the Alice and Tennant Creek town camps.

Madam CHAIR: I am about to write a written question to the Minister for Housing asking how many vacant public housing dwellings there are in Alice Springs at the moment. There seems to be a heck of a lot, and a lot on town camps. Do you have figures about that at the moment? How many vacant houses are there? Why do there seem to be so many?

Ms CLIFFORD: I do not have the information here with me today on the broader Alice Springs. But in relation to the broader number of vacancies in Alice Springs, since commencing with the department one of the first things I did in my first and second week, was trawl through public housing vacant properties across the Territory. Jim was with me looking at the state of repairs that were required.

Since that time we have undertaken a tranche of repairs and maintenance works across the Territory, including returning some back to stock in Alice Springs and various other locations. Some of them are vacant due to structural issues. There were ones we had been to that had fire damage, you could see that the beams had broken significantly. To replace those would have been quite costly.

Our tranche program for repairs and maintenance was to look at the ones we could return to service that were financially viable to do so. Our decision with the other ones that were structurally broken, if I can call them that – we had our housing strategy under way – was to retain that stock until such time as we had done our strategy work. We thought it was financially sensible to do that in case there was a need for those parcels of land.

Those repairs and maintenance works are ongoing.

Madam CHAIR: Are you talking about town camp vacant housing?

Ms CLIFFORD: No, I was answering your Alice Springs question generally.

In regard to town camps, if we look at Alice Springs we have that data here. There are 33 vacant dwellings in town camps at the moment.

Madam CHAIR: Out of how many?

Ms CLIFFORD: There are 284. Some are vacant. I recently went to Little Sisters, where a house had also burnt down. Some of these are because they structurally cannot be put back into repair. Some are going through various stages of repairs and maintenance right now and some are pending allocation, but I do not have a breakup of the 33.

Mr BAMBER: I have a further breakup. Of the 33, 11 have been allocated and are waiting for people to move in. The rest are either in a state of repair or require more work than standard repair.

Ms MANISON: How many are beyond economic repair?

Mr BAMBER: Eleven have already been allocated and are about to be occupied.

Ms CLIFFORD: For the town camp dwellings, we do not categorise them internally or classify them as BER but four have suffered fire damage. One at the drive-in site, one at Little Sisters and two are currently getting an engineering report and are at Hidden Valley and Hoppys Camp. Four are questionable with regard to structure.

Ms MANISON: Basically 18 are in different stages or repairs and maintenance at the moment?

Mr BAMBER: Eleven have already been allocated and 11 are waiting on their HRGs to be convened for the relevant town camp to make the allocation, and the rest are in the repairs, or the four that have suffered greater damage.

Madam CHAIR: So repairs and maintenance of a minor or major nature comes out of your infrastructure budget? Is that correct?

Ms CLIFFORD: Madam Chair, in our budget we have a standard repairs and maintenance line item for urban and GH. Our town camps are funded through NPARIH property and tenancy management to do the repairs and maintenance on those houses.

Madam CHAIR: I am looking at your annual report, page 18, Infrastructure Program. Is this building new houses or repairing existing houses? You have Major New Works, Minor New Works and Indigenous Housing and Infrastructure. Where do town camps fit into this? Does this money go to town camps to build new houses or repair houses?

Ms BAMBER: The Alice and Tennant Creek town camps have had a major rebuilding program already which ceased in 2012, I think. A very large number of houses were built, refurbished, or effectively rebuilt in that period. From memory, you have two programmed ...

Mr WOOD: There were not many new houses in Tennant Creek.

Madam CHAIR: No.

Ms BAMBER: There were 78 houses refurbished.

Mr WOOD: Yes.

Ms BAMBER: Sorry, I was talking about Alice Springs.

Mr WOOD: That is all right.

Madam CHAIR: Out of the infrastructure budget? The new houses?

Ms CLIFFORD: The new houses, as Jim explained, was part of that national NPARIH program, but the repairs and maintenance comes out of – we do not classify them as new builds. They are just repairs and maintenance to existing housing through our property and tenancy management line item under the NPARIH budget.

Ms BAMBER: Yes.

Madam CHAIR: I noticed in the 2014-15 financial year, you have only used a third of your capital works budget for housing. Why is that? It is going off on a tangent, but it seems quite unbelievable, given housing is the most critical problem in the Northern Territory, you would only expend a third of your budget.

Ms BAMBER: This is an issue we addressed in a previous Public Accounts Committee. Each year we negotiate the implementation plan with the Commonwealth government, and there were delays in getting that over the line.

Ms CLIFFORD: I think ...

Madam CHAIR: Delays in getting the money?

Ms BAMBER: In negotiation of where the money would be spent over the line, which caused delays for us.

Ms CLIFFORD: Madam Chair, every 12 months we are required to seek approval from the Commonwealth on their next program, or the next year's program for remote builds. There was a delay with that. When addressing a previous Public Accounts Committee we advised that because those remote communities did not have new houses built did not mean people would lose out because the program is rolling until June 2018. The targets for the department set in this year's budget paper are well advanced.

Madam CHAIR: Page 25 says:

The department identified the original estimate of 65 houses in March 2014 ahead of approval by the Commonwealth government on the implementation plan required in accordance with the National Partnership Agreement on Remote Indigenous Housing. The implementation plan was finalised in December 2014. As a result the target of 95 new dwellings was revised to 18 to reflect delivery by 30 June 2015.

Has that happened? Have 95 new houses been built?

Ms CLIFFORD: Correct. The number quoted is what was built and the remainder carried forward.

Madam CHAIR:

The National Partnership Agreement on Remote Indigenous Housing will continue until June 2018 and houses not completed in 2014-15 will be built this year.

Given we are eight months in, are those houses being built? It is connect to town camps because we have discussed overcrowding and people not having anywhere to live in their community.

Ms CLIFFORD: To clarify that statement, the national partnership was delayed. Generally we are asked to provide our budget targets about now. As you mentioned, agreement was not reached until later in the year which impacted on our program. We are on track to deliver against – the budget target for this year is 74 through Budget Paper No 3. Yes, we are on target to achieve that.

This year's budget paper also talks about upgrades. A huge amount of work has been done on that as well.

Madam CHAIR: If a new house is required to be built on a town camp, where does that funding come from?

Ms CLIFFORD: Under the NPARIH budget, as it sits now, funding has been identified for Borrooloola. We are currently in discussion with the residents of the four town camps – as recently as a week ago – in relation to the funding identified through NPARIH and how they would like it allocated and spent. We have been getting great assistance through Mike's agency in discussing tenure arrangements with residents and things like that.

Mr WOOD: Going back to a general question of costs, you spoke about getting money from rent. Are you paying a lease payment per year for your houses on land in Alice Springs and Tennant Creek? You have a lease over the house ...

Ms CLIFFORD: Member for Nelson, I am trying to picture in my head the agreements. I think it is nil. I am going from memory though.

Mr WOOD: Is that because the Commonwealth has the 40-year lease?

Ms CLIFFORD: Correct. Mike will elaborate. Yes, we are only a sublease holder in Alice Springs.

Mr CHIODO: Member for Nelson, as part of the NT government asset lease, negotiations we conducted in 2011, from memory. All public housing in remote communities and town camps were negotiated at a peppercorn rent, or nil rent.

Mr WOOD: That is all right. I just wondered whether there was another cost. I should ask a couple of questions about Tennant Creek. Is Tennant Creek housing all controlled by the Department of Housing?

Ms CLIFFORD: My understanding is the housing in Tennant Creek is a Crown lease in perpetuity to Julalikari and the department has a subleasing arrangement with Julalikari, which is a 20 x 20 x 20 lease arrangement to provide property and tenancy management services.

Mr WOOD: Julalikari acts similar to ADF?

Mr CHIODO: That is correct, member for Nelson. It is on the spreadsheet we ...

Mr WOOD: That is all right. Yes, I have looked at the spreadsheet. I suppose I get back to the beginning. You have Aboriginal housing in Tennant Creek and Alice Springs – sorry, public housing for Aboriginal people. Then you have a different system for the north, you might say. It seems that it becomes complex because of that. Julalikari – you have a lease and you, as the Department of Housing, look after that land. Whereas – and I am not saying this is right or wrong – at the 15 Mile, there is the Aboriginal Development Foundation which

has the lease, but you then have a private body which does the house maintenance instead of the Department of Housing doing it as in Tennant Creek.

Does that make sense?

Mr CHIODO: I think so, but there is no difference in the arrangement. The lease in Tennant Creek is held by Julalikari, and through Julalikari they have sublet to the Department of Housing. The department then engages specific service providers to provide those services. In the other one there is no sublease to my agency or the Department of Housing. That step is missing.

To continue that, an example of a housing association is in Elliott, where they recently coordinated a meeting with me and my agency. There were issued with house. After the minister and I saw clearly the housing association was prepared to accept a number of their responsibilities under the lease, which were that they were clearly putting in place processes for the collection of rent and the contributions being made by the people occupying those houses - and requested from us an opportunity – if we could conduct a review of housing, and we did that. As a result they, as the housing association, accepted the responsibility to work with the provider they worked in conjunction with us in choosing. That happened to be a local business in the Elliott town camp.

As a result of that review and contributions from the housing association, we have managed to make available \$3m to work on houses in Elliott town camps. There is nothing to preclude other housing associations from doing the same thing.

Mr WOOD: When you raise housing associations, I always wonder if we got rid of something which was not such a bad model, especially when you are talking about local employment. Those housing associations built the houses, collected the rent for the houses and maintained the houses. We seem to have gone down a path which now says we should employ 40% and 50% of Aboriginal people, yet we had a model like that once before. It might not have been perfect, but it did what you are trying to do.

I do not know whether the government is considering going back to that type of ownership, but it would be interesting to see. Historically we seem to go around in circles sometimes with housing. Housing associations were quite the in thing many years ago.

Mr CHIODO: Yes, they were, member for Nelson. They predate me ...

Mr WOOD: You are not that old.

Mr CHIODO: In the government, not in age. It was worth a try.

There were also – and it is anecdotal for me – a number of those housing associations that got into severe financial difficulty and therefore, that model was altered. As I reiterate, it predates my arrival in the Territory. But a number of them have, in fact, either fallen over or gone into administration or were being reviewed with a view to placing them under administration. But there were the exceptions to that.

Mr WOOD: I have one other question about employment. One of the issues when SIHIP was operating was the government said X number of Aboriginal people would be employed. One of the issues was that was nice, but how many people were employed for six months or 12 months? Are you able to give us the figures to break down.

You have 50% Aboriginal people working in tenancy management, 40% operating in property management. If I was to ask how many of those people have worked for 12 months or more, are you able to give us that figure? If employment is going to be any good, it has to be long term. One of the issues with SIHIP – I remember the federal government won an award for saying they had X percentage of Aboriginal people employed in SIHIP.

When we received the figures from the Council of Territory Cooperation, there was a very small number of people who worked for a reasonable length of time. That is really what employment should be about: training people and security of job.

Do you have those breakdowns of how long people have worked in those areas?

Ms CLIFFORD: In the Department of Housing, we would need to get those numbers from our contractors. I do not have them here today. I am not sure, in the carry forward from SIHIP through today, what records we have kept in that regard. But we can certainly look.

Mr CHIODO: There are several answers to that. The first is what my department manages is the NT Jobs package. I spoke about that during my presentation to the PAC hearing on homelands and outstations. It is relevant to town camps as well. That is 137 jobs during my tenure within the department for at least two years.

The Commonwealth cut that funding six months ago and incorporated it in a broader program known as IAS. Within the agency, through consultation with my ministers, we found the funding within the agency to continue the program. Our concern was that we would lose those 137 jobs.

What you specified is – I have a copy of the remote contracting policy now and I will table it – the purpose behind the policy. It is an acknowledgement and understanding that in a number of instances and through a number of programs over a number of years that sustainable employment has not always been achieved and has, in fact, created more problems.

The purpose of the remote contracting policy and the Aboriginal affairs strategy, as they were created through my agency but in conjunction with a whole-of-government approach and a standing committee of 13 chief executives, is about economic empowerment within communities but specifically through the provision of sustainable employment in those communities, including town camps. That is the purpose of the policy, and I will table it.

Ms FYLES: With regard to tenancy support programs, are they delivered by government or non-government organisations? What evaluations are undertaken by the department to assess the effectiveness and efficiency of tenancy support programs?

Ms CLIFFORD: The first part of your question regarding who provides them, it is with non-government organisations. Three providers in Alice Springs provide those support services and one in Tennant Creek provide that as well.

In the grant management framework, this year the department moved to a new model of grant funding reporting, working more closely with our NGOs in what they are delivering, how they are delivering and those types of things.

Does that answer your question?

Ms FYLES: More in evaluation of the effectiveness of the program. Obviously there are four programs in place and they are run by NGOs. How does the department assess the effectiveness of them?

Mr BAMBER: The three service providers are Anglicare, Mission Australia and Tangentyere Council. They are funded \$351 000 and \$330 000, GST inclusive. It is over \$1m worth of tenancy support. For the performance management, we require them to provide monthly returns on the nature of the support services they provided. Then, we meet with them to go through those.

Ms FYLES: That is in their grant?

Mr BAMBER: Yes. This year ...

Ms CLIFFORD: They are with ...

Mr BAMBER: Sorry. This year we moved, as Leah said, to a more formal grants reporting arrangement where we are looking more at outputs.

Ms FYLES: I do not think we are questioning – we know that those NGOs do a lot of good work. What types of programs would they control? What is tenancy support, taking it right back to basics? What would they do as part of those grants?

Mr BAMBER: They are providing case management which is designed to assist individuals and families who are experiencing issues like financial crisis, relationship issues, domestic and family violence, mental health disability, substance misuse issues or employment issues.

Ms FYLES: If you have general tenancy issues with the maintenance of the property, do they provide that support - rather than the economic and personal situations that might change. But ...

Mr BAMBER: Yes, we have specific programs tailored at living in a home type programs. For example, in Alice Springs, we have Percy Court which is where they live in the facility for a period of time in order to become more conversant with living in urban situation and budgeting, managing a household, etcetera.

Then we have more mobile programs, where they will go into the houses to provide tenancy support programs.

Ms FYLES: So if they are tenants in the property, they have their agreements in place. But if you are noticing that it is not being kept to a standard and it might have an impact on repairs and maintenance, they can engage in one of those tenancy support programs?

Ms CLIFFORD: That is correct. We also have case managers within the department who also work quite closely with the NGO providers and the tenant, with the very focus you have mentioned around sustainable tenancy.

Mr WOOD: Is that not Zodiac's job? I do not mean whether you have paid your rent or management of the budget, but they have a program about helping people in their house. Are two people doing the same job?

Mr BAMBER: Zodiac provides that primary contact with all the tenants. A number of those tenants would require more specialised support and then they would make the referral

to those organisations or to Percy Court to draw on more specialised tenancy support. I see it more as on a continuum you have Zodiac as a tenancy manager having that contact with all tenants and providing frontline case management but then calling on services from the tenancy support programs as required. There is more handing to more specialised support for case management. It is not a duplication, more a ...

Mr WOOD: Also for Zodiac not to do their job either. I think on the brochure you have it says, 'Help you in your house'. That was one of the issues when we looked at SIHIP – making sure people, before they went into a new house, knew how the stove worked, the lights and the hot water system. Is that the role of Zodiac?

Mr BAMBER: It is part of their role, yes, but it is not a full educational program. As an adjunct to their tenancy inspections, they would be working with the tenants about what they should and should not be doing. If you have a complex case that requires more specialised one on one support - that is something they are geared for. We have three service providers and \$1m worth of support to tap into.

Mr WOOD: I wonder if you are confusing the tenants and tripping over each other's responsibilities.

Question on Notice

Madam CHAIR: I would like to put two questions on notice. Going back to the sublease for Alice Springs town camps, it is important for the committee to understand whether or not the Northern Territory government intends to honour the requirement within the sublease to conduct a three yearly review?

Question on Notice

Madam CHAIR: My second question, which is also relevant to the discussion around town camps, is in relation to the 95 houses the Department of Housing intended to build under the National Partnership Agreement on Remote Indigenous Housing. Eighteen of the 95 were built in the last financial year. Seventy-seven are due to be built by the end of this financial year, 2015-16. I would like to know where those houses are being built and at what stage of completion they are at the moment?

Question on Notice

Madam CHAIR: The next question I have is in relation to the 50% Aboriginal employment requirement you have with your contractors within the Department of Housing, how do you ensure that your contractors meet that obligation?

Mr BAMBER: Through reporting. It is part of their monthly report.

Madam CHAIR: So how do you know someone is Aboriginal or not? Do you do a check or is there some level of detail you need to provide?

Mr BAMBER: I would have to take that on notice.

Madam CHAIR: Okay. It has come up in other forums that employers are now having to provide somewhat confidential information of their employees to prove that they are Aboriginal. I wonder if that is a requirement of the Department of Housing of their contractors to provide that level of information about Aboriginality.

The last question I would like to ask is a question circulating around Alice Springs which has been for some time: what is happening with Ilpye Ilpye? There have been lots of stories about the upgrading and improvement of Ilpye Ilpye. It seems to be in a bit of a bad way despite the work that has been done and the money that has been spent.

Ms SWANSON: There is a set amount of money to be spent and it will be spent. The intention is the Ilpye Ilpye Housing Association wants it to move to freehold and become a suburb of Alice Springs Town Council. For those who are not familiar with the history, there was a plan that was developed over a number of months in collaboration with Alice Springs Town Council. There was an approved, agreed plan with standards they needed to accept it as a subdivision.

There has been a delay in the progress of the works and a new contractor is now on-site that will complete the works this year. It will be completed – delayed yes, member for Araluen – this year.

Madam CHAIR: So it is not technically a town camp anymore? Never was?

Ms SWANSON: At the end of it, it will not be.

Madam CHAIR: Okay, but it is currently?

Ms SWANSON: It is currently until the transition over to the town council fully.

Madam CHAIR: Thank you.

Mr CHIODO: Again, it may sound technical, Madam Chair, but for accuracy, it was not classified as a town camp. It was not one of the original 17 and it stayed under the ownership of the Commonwealth government. The negotiation that took place was between the Commonwealth government, the Northern Territory government and Alice Springs council. More importantly, it was the wishes of the community members and the residents. It will be a really good story when we finally finish it. It will be the first of the old town camps to become a suburb of Alice Springs.

Madam CHAIR: I want clarification of issue which came up before. The Alice Springs transformation plan was a separate program to SIHIP according to my sources. A sum of \$100m was allocated under the transformation plan to new and upgraded housing and infrastructure within town camps.

Mr WOOD: I wonder why NPARIH funding is now being used. I thought the transformation funding was what got repairs and maintenance and upgrades to houses in Alice Springs in the first place. I thought it was a separate bucket of money because it came out during SIHIP and a bureaucracy was set up in Alice Springs to run that. I understand that was done for that purpose – the town camps.

Ms CLIFFORD: I cannot answer that, but to clarify with NPARIH there are different funding streams. One is in relation to capital new builds and one in relation to property and tenancy management. Our upgrade program is part of Stronger Futures.

Mr WOOD: It is a pity we no longer have the Council of Territory Cooperation because we received quarterly reports on every building that was being refurbished, new buildings – every place it was happening and a very detailed analysis of where we were going with housing in those communities.

One of the big problems with that program was many communities did not get housing, Nauiyu was one. Has there been a change in the policy for places like Nauiyu to get new housing or will they have to stay on the refurbish project? Before, there were limitations on where new housing could be built.

Ms CLIFFORD: Member for Nelson, I did not bring all of my remote town camps NPARIH program information with me.

Mr WOOD: Yes, sorry, I just thought of it. I might ask you a question about that.

Ms CLIFFORD: There are 73 communities. We are in the last part of the program to June 2018. I apologise, I cannot remember ...

Mr WOOD: That is all right.

Ms CLIFFORD: ... the program off the top of my head, sorry.

Mr WOOD: I will not put that on notice, but I know that was an ongoing issue for many years. People in smaller communities were crying out for new houses and they were not allowed to get them because that was not the policy.

Madam CHAIR: On that note, we will conclude the hearing for this morning, or this afternoon. It is just past midday.

I thank our guests today, Mr Jim Bamber, Ms Leah Clifford, Mr Mike Chiodo and Ms Noelene Swanson. It has been fantastic having you here. We are in the process of collecting submissions from stakeholders to inform this inquiry into the town camps. It is possible we might ask you to come back again on 11 April to provide some further information.

I can say it has been extremely enlightening and educative for me. Thank you very much.

Ms CLIFFORD: Thank you.

The committee concluded.
