



NORTHERN TERRITORY GOVERNMENT RESPONSE TO

3RD REPORT OF THE COUNCIL OF TERRITORY CO-OPERATION

FEBRUARY 2011

A. INTRODUCTION

- The 3rd Report of the Council of Territory Co-operation makes 15 recommendations focussing on the Strategic Indigenous Housing and Infrastructure Program (SIHIP), *Working Future* and local government reform.
- Pursuant to paragraph 14 of the Council's Terms of Reference, the Northern Territory Government (the NTG) is required to table its response to a Report of the Council within 3 months from the date a Report is tabled.
- The NTG provides its response to each of the 15 recommendations made in the Council's Report (Part B).

B. NORTHERN TERRITORY GOVERNMENT RESPONSE TO RECOMMENDATIONS

1. The CTC recommends that SIHIP construction only be of housing designs that will deliver the longest possible useful life and low maintenance requirements.

Position:

Agreed.

Comment:

A requirement for all new houses delivered under SIHIP is that they are designed to achieve a built life of 30-40 years. Current Program Design Management Plan requires a Value Management exercise on all design elements and construction procedures and includes fixtures, fittings and equipment.

SIHIP has aligned with the Department of Housing, Local Government and Regional Services (DHLGRS) Remote Housing Asset Management Strategy to ensure all fixtures and fittings in all community housing assets are robust, fit for purpose, and standardised.

Design Performance Specifications and design experience from past Indigenous housing programs have been collated in the SIHIP Library and are referred to by the SIHIP Alliance Design Team and applied to SIHIP to maximise the build life of the completed dwelling.

Solid wall solutions will be the preferred solution in communities where new house designs are yet to be finalised.

2. The CTC recommends that the Northern Territory and Australian Governments urgently consider transferring SIHIP refurbishment funding from alliances to shires or other local organisations to undertake refurbishments.

Position:

The Northern Territory Government have agreed to pursue this with the Australian Government.

Comment:

The Northern Territory and Australian Governments' have committed to pursue 'best for program' outcomes in all delivery aspects of SIHIP. An ongoing review of the delivery of refurbishments is being undertaken.

Shires and local Indigenous enterprises are continually being assessed for their capacity to deliver construction works. Alliances are required to undertake these assessments both for the delivery of parcels of works or works by trade. This has already delivered successful results in Nguuu, Tennant Creek, Alice Springs, Wadeye and Groote Eylandt.

The NTG is pursuing with the Australian Government possible options for greater involvement of Shires and other local organisations in the refurbishment work.

3. The CTC recommends the SIHIP program managers provide the CTC with details of the 'programmed way' DHLGRS repairs and maintenance funding is being used to complete SIHIP refurbishments.

Position:

Executive Director of Remote Housing will provide further details to the CTC of plans to ensure the co-ordination between SIHIP refurbishments and the repairs and maintenance program.

Comment:

The Remote Housing program covers both construction and repairs and maintenance works in remote communities. Scoping is carried out on each package of works to identify which works are refurbishments and which should be managed via the repairs and maintenance program. Works are then coordinated with repairs and maintenance service providers to achieve best results to meet community housing needs.

To gain the best outcomes for remote housing, construction under SIHIP and repairs and maintenance and tenancy management need to be co-ordinated and integrated to the highest possible degree.

4. The CTC recommends that it be provided with the full details of all conditions and service requirements of housing repairs and maintenance funding paid to shires.

Position:

Agreed. Details have now been provided to the Council of Territory Cooperation.

Comment:

Service Level Agreements are in place for all Shires. The Service Level Agreements set the conditions and service requirements and incorporate regular performance monitoring and reporting. Details of the Service Level Agreements with the Shires have been provided to the Council.

If specific Shire detail is required, this can also be provided with the agreement of the

specific Shire.

5. The CTC recommends a scope of works be published for the three Tennant Creek town camps where infrastructure works are underway.

Position:

The scope of works in Tennant Creek will be provided to the Council.

Comment:

Infrastructure works in Tennant Creek town camps are to an urban subdivisional standard including:

- Roads and drainage
- PWC guidelines and requirements.

The Scope of works in Tennant Creek will be provided to the Council by the date of the next hearing.

6. The CTC recommends:
 - (a) a greater level of consultation occur with shires on how SIHIP subdivisions are planned; and
 - (b) details be provided of the planning processes followed for designing SIHIP subdivisions and who participates in the processes.

Position:

Agreed.

Comment:

At this time, Remote Shire Councils do not have subdivision guidelines and SIHIP are utilising guidelines developed specifically for the program.

It is acknowledged that Shire Councils are important stakeholders and program managers will consult with and involve Shire Councils in future works planning.

At a meeting of the Shire Council Environment, Transport and Infrastructure Reference Group (Shire Council Infrastructure Directors) in Nhulunbuy on 5 November 2010, standards, design, construction and asset handover was discussed with SIHIP representatives.

Current SIHIP infrastructure planning and approval processes include standard design and approval processes involving the Department of Lands and Planning and the Power Water Corporation.

7. The CTC recommends that all cases of apparent malicious and wilful damage to public housing be reported to Police, as part of the tenancy and asset management systems.

Position:

Agreed.

Comment:

The policy in relation to malicious and wilful damage is aligned with that applying to urban public housing, whereby instances of malicious and wilful damage are reported to Police.

The usual rules of evidence apply as to whether the Police will decide to move to prosecution or not.

8. The CTC recommends the Northern Territory Government honour its commitment to provide a detailed financial report on SIHIP each quarter.

Position:

Agreed and provided.

Comment:

A detailed quarterly report is provided to the CTC. Remote Housing NT will continue to work with CTC Secretariat to provide additional information where it is required.

The December 2010 quarterly report has been provided to the Council and included additional information in consultation with the CTC Secretariat.

9. The CTC recommends the Northern Territory Government provide details of how the outcome of delivering healthy homes will be monitored and evaluated.

Position:

Agreed.

Comment:

DHLGRS chair the Healthy Homes Working Group under the Board of Management within the DHLGRS Regional Operations Centre. Condition assessment before and after the program will provide a basis of analysing the improvement in housing amenity across communities. Regular reporting to the Board of Management is in place and ongoing monitoring through the Local Implementation Plans tracker.

DHLGRS agrees to provide further detail on this to the Council prior to the next hearing.

10. The CTC recommends DHLGRS develop memorandums of understanding or agreements with all shires to improve coordination between governments and establish a single point of contact.

Position:

Agreed.

Comment:

The Department now has a single point of contact for the shire councils.

DHLGRS has undertaken a functional assessment that has identified improvements that are achievable within the organisation structure, aimed at improving the engagement between the Agency and all Shire Councils, predominantly aimed at increasing the capacity of regional offices to provide a first response to council issues.

As part of the functional assessment, the DHLGRS has put in place a new Senior Executive Director of Local Government and Regional Services. This position and its underlying local government functions will act as the single point of contact for Local Government.

11. The CTC recommends the Northern Territory Government:

- (a) tell the Australian Government that the closure of CDEP will have a detrimental impact on Aboriginal communities; and
- (b) work with the Australian Government to achieve the maintenance of the CDEP program.

Position:

Supported.

Comment:

The NTG has previously made a number of submissions and representations to the Commonwealth Government concerning the impacts of the cessation of CDEP as a waged program.

In its submission to the Northern Territory Emergency Response Review Board (September 2008), the NTG submitted that:

- CDEP should require the transition of people to work where jobs are available, support mobility for those individuals who chose to move to obtain work, and provide a wage and incentives regime where there is currently a substantial jobs gap in the local labour market; and
- mechanisms must be put in place ensure that CDEP is not used as a mechanism to avoid income management (by strictly applying eligibility criteria for entering the CDEP program based on the behavioural triggers for income management; and by strictly applying employer-employee responsibilities while participating in the CDEP program).

Despite the NTG's view (and similar views of a number of Indigenous organisations concerned at the proposed changes to CDEP), the Australian Government's stated intention is to end CDEP as a waged program by July 2011. Effectively CDEP will become another employment program to support welfare recipients.

Consequently, DHLGRS will continue to discuss with the Australian Government the need for a replacement program or programs that maintains the best attributes of the former CDEP program, while acknowledging that certain elements of the former CDEP program may not have worked to achieve the employment outcomes both governments would support.

DHLGRS is also partnering with LGANT and the shire councils to develop workforce planning capacity to help support the long term strategic planning of shire councils for the development of existing and potential remote Indigenous staff to increase the workforce capacity of shire councils.

12. The CTC recommends the Northern Territory Government provide a report to the CTC on the number of current local jobs in local government by shire and community and the number of jobs that existed prior to local government reform.

Position:

Supported.

Comment:

The NTG agrees that there is a need for improved reporting on local government workforce data and DHLGRS, LGANT and shire councils will develop a template and reporting framework to deliver workforce data, including Indigenous employment data. Data collected from shire councils will be reported by DHLGRS.

The only data that is available at this time however comes from some preliminary doctorate research conducted through the Charles Darwin University, based on an assessment of council records pre-July 2008 and in the first half of 2009, that shows a significant growth in council employment from 1 660 persons with the former community government councils to 2 300 persons with the shire councils in both core and agency-related services.

13. The CTC recommends the Northern Territory Government provide information about ongoing additional funding it has identified that will assist shires in delivering the full range of services.

Position:

No additional funding will be provided at this time.

Comment:

Funding for local government is a national issue that has been highlighted through a number of state and national local government financial sustainability evaluations. Local government in the Northern Territory is limited in its revenue raising capacity due to the small population base, the huge areas of land and, in the case of the regional shire

councils, the prominence of Aboriginal Land.

DHLGRS will negotiate for the development of shared understanding of service levels and standards and seek agreement on the costs of the required level of service delivery to ensure that there is a realistic expectation of service standards within existing financial resources available to shire councils.

14. The CTC recommends the Northern Territory Government urgently establish a Northern Territory statutory lease-holding entity or negotiate with the Australian Government for the transfer of the Office of Township Leasing.

Position:

Agreed.

Comment:

The implementation of this recommendation will require agreement on a process in conjunction with the Australian Government, which has responsibility for appointment of statutory leasing entities under section 19A of the *Aboriginal Land Rights (Northern Territory) Act 1976* (Cth). Preliminary discussions have taken place with Commonwealth officials on this issue.

In order for a Northern Territory Government statutory lease-holding entity to be effective, its establishment should also involve close consultation with all four Land Councils. Ongoing discussions are taking place with Land Councils on preferred future approaches to leasing, particularly in the Territory's larger remote towns in the Northern Land Council and Central Land Council areas.

With the five-year leases to the Commonwealth under section 31 of the *Northern Territory National Emergency Response Act 2007* (Cth) set to expire in August 2011, the Northern Territory Government is seeking formal negotiations to commence in early 2011.

15. The CTC recommends the existing township leases not be used as a template and the Northern Territory Government insist on head lease terms for Territory Growth Towns that exclude the need for permits.

Position:

Agreed.

Comment:

The NTG acknowledges that the existing township leases held by the Commonwealth Executive Director of Township Leasing are too restrictive to support a robust property market and investment environment in Growth Towns. This issue was examined in some detail in the second report of the Northern Territory Coordinator-General for Remote Services.

The NTG is advocating with the Commonwealth Government, Land Councils and local Aboriginal people for township leasing terms to mirror conventional property systems and real estate markets. In particular, the NTG is seeking to ensure that leasehold

property on Aboriginal Land can be registered, transferred, mortgaged, developed and accessed in a similar way to real property off-Aboriginal Land. As Township Leases are agreed under the provisions of the *Aboriginal Land Rights (Northern Territory) Act 1976 (Cth)*, the NTG's current capacity to influence township lease terms is limited when compared to the statutory roles of the Commonwealth Government, Land Councils and Traditional owners (however, note the response to Recommendation 14 above).

The NTG acknowledges that head lease terms should provide those who hold sub-leases (and where relevant their family, staff, contractors and customers) with the ability to freely access sub-leased assets. This does not, however, necessarily require the removal of all permit restrictions in and around Territory Growth Towns.