

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Higgins to the Minister for Housing and Community Development:

**Annual Report – Department of Housing and Community Development**

1. The Chief Executive wished to highlight introducing a Purpose and Direction Strategy. Where is this document available? Will you please provide a copy of this document?

The Purpose and Direction Strategy was released on 5 April 2017. The strategy was developed after talking to and taking feedback from staff, it provides a clear purpose, vision and mission for all in the department. It provides prompts that can be applied in practice to achieving our day to day activities and our goals.

The strategy references what we do, ensuring we are maintaining our client focus as a frontline social service agency. The Purpose and Direction Strategy is an internal document located on our department's intranet.

<http://internal.dhcd.nt.gov.au/about/publications/purpose-and-direction>

2. The Chief Executive wishes to highlight providing drafting instructions for the *Local Government Act* and *Cemeteries Act*. When will these amendments be introduced?

While drafting instructions have been prepared, drafting of a new *Local Government Act* has not yet commenced.

New cemeteries legislation is currently being drafted and may be introduced in 2018.

3. On page 10 of the Annual Report you list your stakeholders and partners. Do you not consider tenants in your housing as a stakeholder?

The Department of Housing and Community Development provides services in affordable and accessible housing, local government and community development across the Northern Territory.

Public housing tenants are both clients and stakeholders and while not listed on page 10 of the Annual Report, they are considered primary stakeholders.

4. On page 10 of the Annual Report you list your stakeholders and partners. Do you not consider council ratepayers to be a stakeholder?

The Department of Housing and Community Development administers the *Local Government Act* and supports the local government sector.

Local government councils provide services not only to ratepayers but also to residents and visitors. All ratepayers, residents of and visitors to the Territory are stakeholders.

Ratepayers, residents of and visitors to a local government area are the direct stakeholders of the particular council and the Territory Government.

5. What is the reason behind the over 35% reduction in female employees from 2015-16 to 2016-17?

The Workforce Profile data published on page 12 of the annual report is incorrect. Female employee total for the 2016/17 year has been amended from 245 to 372.86. This is a reduction of 4% in female employees. Overall the department has a representation of 64% female employees in its workforce (as at Pay 11 2017/18).

6. What is the reason behind the 7% decline in indigenous employees from 2015-16 to 2016-17?

The Department of Housing and Community Development's monthly FTE variations are caused by the fluctuation of casual interpreters within the Aboriginal Interpreter Services. This variance, as at Pay 26, 2016/17, can be attributed to the number of casual interpreters who worked during that period, compared to the number of casual interpreters that worked during 2015/16.

7. Why was the top position in the department raised from an ECO 5 to an ECO 6 position? Did the applicant bring remote housing delivery experience or any housing experience?

The former Department of Housing merged with the former Department of Local Government and Community Services under Machinery of Government changes in September 2016. The Chief Executive Officer role was evaluated through the Job Evaluation System and recruited to through merit selection process. Mr Jamie Chalker was successful and commenced 19 December 2016. Mr Jamie Chalker brings extensive remote engagement and senior executive management experience.

8. How many and what proportion of current executive contract officers within the Department had experience with remote housing delivery before the August election?

There are 13 Executive Contract Officers within our Department who have experience with remote housing delivery.

9. Can you explain the substantial discrepancies between the numbers of indigenous employees on pages 12 and 15?

The data represented on page 12 is the paid head count of all ATSI staff employed by the department. The data represented on page 15 is the actual headcount of all ATSI staff employed by the department. Both of these figures are as pay period 26, as at 30 June 2017.

10. Can you explain the more than 200% increase in WHS incidents in vehicles, from 12 in 2015-16 to 37 in 2016-17?

Of the 12 incidents that are categorised as “Vehicles and Other” in 2015/16 only 6 of these incidents relate to a vehicle incident and the other 6 come under the category of “Other”. Of the 37 incidents categorised as “Vehicle and Other” in 2016/17 only 10 relate to a vehicle incident and the remaining 27 have been categorised as “Other” and relate to a range of incidents such as dizziness, aggressive dogs and hazards that have been categorised incorrectly. The main reason for not categorising correctly is likely to have resulted from the limited categories for staff to choose from when reporting. The reporting categories are pre-determined in the whole of government WHS incident system.

11. The report states that as a result of the increase in vehicle incidents, four-wheel drive training was provided for staff. However four wheel drive training was provided in November and December 2016, less than halfway through the reporting time. Can you explain the discrepancy?

Four wheel drive training is provided for all staff who are required to travel remotely as part of their job. The four wheel drive training in November and December 2016 was part of an ongoing corporate training program. This preventative approach aims to reduce the amount of Vehicle incidents throughout the year.

12. Why was only one property sold under the Remote Home Ownership program across the Territory? What strategies can be implemented to increase this number?

In June 2014, the Remote Home Ownership Program was launched offering existing public housing tenants living in remote communities the option of buying their home.

The Program initially included the communities of Wurrumiyanga, Milikapiti, Umbakumba, Milyakburra and Angurugu, which have tenure arrangements in place (Township Leases) with the Executive Director of Township Leasing that potentially allow for financing.

Eligibility for the Program requires potential purchasers to:

- o be currently living in the house and be a signatory to the tenancy, and
- o have two or more years of good rent payment and property condition history.

Expected sale prices are between \$80 000 and \$150 000. To date, houses offered under the Program have ranged between \$70 000 and \$140 000. A specific valuation methodology had to be developed and implemented as there is no existing

market in remote communities. In addition, land tenure arrangements need to be considered. Consultation was required with the Department of Treasury and Finance, the Office of Township Leasing, and subsequently with Indigenous Business Australia.

In March 2017, the first house was sold under the Program, which was in Wurrumiyanga. This sale took approximately two years of intensive case management to eventuate due to the relative complexities of home ownership in a remote community, both for the purchaser and financier.

Of the 27 applications to date, the successful Wurrumiyanga purchasers are the only applicants to proceed to a stage of applying for finance.

In May 2017, the Program was expanded to include the communities of Binjari, Mutitjulu and Gunyangara.

Applicants under the Program require intensive (and specific) case management over long periods of time to go through the Program. Even with this assistance, the success rate has been very low.

There are no current active applicants in the Program. Aspirations for home ownership in remote communities must be supported and developed over time to ensure the homeowners the best chance of success. There are other factors that must be considered by applicants when purchasing, such as the cost and availability of tradesman to undertake repairs and ongoing employment opportunities.

To date, Indigenous Business Australia is the only financier willing to consider remote purchases under the Program. Indigenous Business Australia was very risk adverse in its approach to the only finance application under the Program. Strong influence was required from the Department of Prime Minister and Cabinet to achieve finance approval.

Indigenous Business Australia has advised that it has financed homes in Wurrumiyanga previously under a Commonwealth remote home ownership initiative. It is in the process of taking possession of two homes in Wurrumiyanga that are no longer habitable and for which loans have defaulted. Indigenous Business Australia has advised that the owners of these homes will be seeking public housing.

With regard to strategies to increase home ownership in eligible remote communities, the following options could be considered:

- allocate funding to employ case managers to assist applicants through the Program;
- develop the economic environment in eligible communities to increase employment; and
- consider alternate financing arrangements – i.e. Government loans.

13. What is the difference between the Aboriginal Jobs Development Funding and the Indigenous Jobs Development Funding?

There is no difference between the Aboriginal Jobs Development Funding and the Indigenous Jobs Development Funding.

The program's correct title according to the Department of Housing and Community Development's budget is the Indigenous Jobs Development Funding.

All correspondence sent to regional councils refer to this program as the Indigenous Jobs Development Funding. The change of the word Indigenous to Aboriginal is a typographical error.

14. Why is there no mention of department's assistant Ministers (the Assistant Minister for Homelands and the Assistant Minister for Remote Homelands Delivery) within the annual report? What role do the assistant ministers play within the Department of Housing and Community Development?

Assistant Ministers work directly with the Minister, the Minister's office and the Department as necessary.

15. What steps have been put in place to implement the recommendations by Merit Partners in the Independent Probity Audit?

Following the announcement of the independent probity audit on 17 February 2017 the CEO made a number of re-organisational structure that strengthens the independence and oversight of the Chief Procurement Officer (CPO);

- Fostering a more collaborative approach between the procurement function and program areas to improve the way we plan and design our tender processes;
- Targeted training for officers involved in procurement including participation in whole of government Certificate IV and Diploma level training programs and technical skills course being facilitated through the Department of Trade Business and Innovation (DTBI) including a commitment to ongoing training and professional development for staff;
- Strengthening the support and guidance that is provided to employees involved in tender assessment panels to ensure they fully understand procedural, probity and confidentiality requirements;
- Instructed the CPO to work more closely with the senior executive team to drive cultural change in how we use the procurement function, redesigning existing processes and improve monitoring and compliance activities in higher risk areas.

The formation of the Executive Management Board that is responsible for overseeing the agency's corporate governance framework in order to support the delivery of government's priorities. The CPO is a member of the board to ensure there is a strong focus on procurement compliance, performance and risk mitigation at a whole of agency level. The Executive Management Board convened on 16 June 2017 for its inaugural meeting.

The agency is developing a new procurement functional model and governance framework that will clearly describe roles and responsibilities in respect to key

stakeholders in procurement, how business units will interface with the procurement team and establish work flow processes to manage and support procurement.

The department has commenced mandated procurement awareness training for all staff and assessment panel training for specific staff involved in the assessment of tenders, this training will continue in the New Year.

Panel Chair training will commence in the New Year for staff undertaking the role of Panel Chair on assessments for tenders.

The department is treating this matter with the utmost importance and will continue to take further measures to improve procurement processes and restore confidence in procurement decision making.

16. What authority do Housing Reference Groups have to allocate public housing within their area? Under what circumstances will the department overrule decisions of Housing Reference Groups?

Housing Reference Groups are situated in remote communities, town camps and community living areas as a primary engagement point for the Department of Housing and Community Development and provide information relating to all public housing related activities in these areas.

The Department consults the Housing Reference Groups to ensure community and cultural issues are taken into account when making decisions regarding a housing allocation.

17. How many Territorians went without housing (including transitional housing) due to upgrades or works during the period of the annual report? Please provide a breakdown by number and location.

Under the former Government – no additional funds were made available to the communities for transitional housing, forcing residents to be without suitable housing for weeks at a time.

This government introduced a policy to provide transitional housing whenever residents need to move out of their homes.

This policy has been implemented and residents now have access to transitional options that did not exist under previous policies.

18. Under the Government's "fast tracked" Room to Breathe program, how many rooms or living spaces were completed with the \$10 million brought forward to the 2016-17 financial year as of 30 June 2017?

Eight bedrooms and 10 living spaces were completed prior to 30 June 2017.

It is anticipated that 71 additional bedrooms and 66 additional living spaces will be completed as part of the \$10 million early works packages.