

# Northern Territory Implementation Plan (2013-14 to 2017-18)

## NATIONAL PARTNERSHIP AGREEMENT ON REMOTE INDIGENOUS HOUSING

### Part 1: Preliminaries

1. This Implementation Plan is a schedule to the National Partnership Agreement on Remote Indigenous Housing (NPARIH) and should be read in conjunction with the Agreement. The objective of the NPARIH is to establish a ten year funding strategy aimed at significantly reducing severe overcrowding; increasing the supply of new houses and improving the condition of existing houses; and ensuring that rental houses are well maintained and managed in remote Indigenous communities.
2. Improvements to the current standard of housing and infrastructure, and measures to address the high levels of overcrowding and homelessness in remote Indigenous communities are critical to meeting the Council of Australian Governments (COAG) endorsed targets to address Indigenous disadvantage.
3. The Parties have agreed other objectives and outcomes, for example in the National Indigenous Reform Agenda, which the Parties will pursue through the broadest possible spectrum of government action. Consequently, this Implementation Plan will be implemented consistently with the objectives and outcomes of relevant National Agreements and National Partnerships entered into by the Parties as detailed in Table 4.
4. The Commonwealth and Northern Territory acknowledge the importance of continued effort beyond the NPARIH to ensure the sustainability of remote Indigenous housing outcomes. Both Governments commit to holding discussions before the expiry of the NPARIH to discuss the ongoing management of remote public housing in the NT, particularly in light of both Governments' commitment through long term housing leases in communities across the NT.

### Part 2: Terms of this Implementation Plan

5. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia and the Northern Territory, represented by the Commonwealth and Northern Territory Ministers with responsibility for Indigenous Housing.
6. As a schedule to the NPARIH, the purpose of this Implementation Plan is to provide the public with an indication of how capital works and property and tenancy management reforms in remote NT communities are intended to be delivered and to demonstrate the Northern Territory's capacity to achieve the outcomes of the NPARIH.

7. This Implementation Plan will cease on completion or termination of the National Partnership, including the acceptance of final performance reporting and processing of final payments against performance milestones.
8. This Implementation Plan may be varied by written Ministerial agreement between the Commonwealth and the Northern Territory Ministers responsible for it, under the overarching NPARIH.
9. The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to the plan and its full implementation.

## Part 3: Strategy for the Northern Territory's implementation

### Project information

10. The project elements planned as shown in Table 1 are:

- a) Capital Works - new housing or replacement of existing housing, and
- b) Property and Tenancy Management.

**Table 1: Project elements**

No	Title	Short description	Planned start date	Planned end date	Dependencies
1	Capital Works – New Housing or Replacement of existing housing	<p>Complete construction of 522 new houses.</p> <p>Completion of new houses in line with the agreed annual Capital Works Schedule determined in accordance with a biennial Competitive Bids Process (CBP).</p> <p>The annual Capital Works Schedule will set the deliverables for Element 1 and will be agreed by the Joint Steering Committee (JSC).</p>	1 July 2013	30 June 2018	<p>Achievement of secure long term tenure providing government with access and control of land not controlled by the Commonwealth or Northern Territory including Aboriginal land, for a minimum period of 40 years.</p> <p>Infrastructure capacity.</p>

2	Property and Tenancy Management	<p>Continue the application of robust and standardised tenancy management to all public and community housing in remote Indigenous communities to ensure that rent collection, asset management and governance arrangements are consistent with relevant public housing standards.</p> <p>All tenants for new and replacement houses are to be signed up to an individual Tenancy Agreement within eight weeks of the works being completed.</p> <p>Implementation of a program of ongoing repairs and maintenance that seeks to optimise the lifecycle of remote Indigenous housing.</p> <p>A framework on Property and Tenancy Management will be agreed by the JSC and reviewed annually thereafter.</p>	In progress	June 2018	Achievement of secure long term tenure arrangements which support implementation of individual tenancy management agreements with tenants without further consent from the land owner and which permit the replacement of the housing service provider if required.
			Early 2014	1 July 2014	

### Capital Works Planning

11. The Commonwealth and Northern Territory recognise that a Remote Public Housing Framework requires assets that provide a standard and amenity that addresses individual needs including disability access and that those assets are sustainable. Both Governments further recognise that the construction industry is subject to trends which cause cost escalation and fluctuations in demand and supply of quality contractors. The JSC will review the progress of the program annually to evaluate the impact on the achievement of targets, cost parameters and level of amenity.
12. In delivering work under this Implementation Plan, the Northern Territory will undertake a comprehensive program of community engagement in line with the Community Engagement Framework at Appendix A.

## Property and Tenancy Management

13. A framework on Property and Tenancy Management will be developed to outline how and when property and tenancy management outcomes and agreed targets will be achieved, including Property and Tenancy activities that are endorsed by the JSC from time to time. The framework will also include key performance measures.
14. The JSC will also keep the progress of all outstanding housing lease negotiations under review and will (where Traditional Owners make a final decision to not grant long term leases to government) agree any necessary revisions to the tenancy agreement milestones in Table 5.

## Estimated costs

15. The maximum financial contribution to be provided by the Commonwealth for the project to the Northern Territory is \$1.7 billion over the ten years commencing 1 July 2008 to 30 June 2018. Under this Implementation Plan, \$536.530 million is payable in accordance with milestones set out in Table 5. All payments are exclusive of GST.
16. The estimated overall budget (exclusive of GST) is set out in Table 2. The budget is indicative only and the Northern Territory retains the flexibility to move received funds between components and/or years, as long as outcomes are not affected. The Commonwealth contribution can only be moved between components and/or years with the agreement of the Commonwealth.
17. The Parties agree that targets and funding arrangements will be reviewed in September and February of each year. If following this review, the Commonwealth and the Northern Territory agree that the due dates for milestones and targets have changed, the Commonwealth will consider whether any funds can be moved between years.
18. Actual capital works allocations may vary from the notional amounts in Table 2, by as much as 25 % per year, in line with the Competitive Bids Process.

**Table 2: Estimated financial contributions**

(\$ million)	2013-14	2014-15	2015-16	2016-17	2017-18	Total
Element 1: Capital works	40.732	40.822	8.850	78.298	62.371	231.073
Element 2: Property and Tenancy Management	45.000	30.158	57.702	72.656	99.941	305.457
Total estimated budget less estimated Commonwealth contribution	85.732	70.980	66.552	150.954	162.312	536.530
Commonwealth contribution equals estimated balance of non-Commonwealth contributions	-	-	-	-	-	-
Commonwealth own purpose expenses*	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Commonwealth contribution</b>	<b>85.732</b>	<b>70.980</b>	<b>66.552</b>	<b>150.954</b>	<b>162.312</b>	<b>536.530</b>

## Program logic

Table 3: Program logic – Northern Territory’s responsibilities

Project elements	Outputs	Outcomes	Reform Objectives
<p><b>Capital Works</b></p>	<p>a) supply of safe and adequate housing that will contribute to improved living standards for Indigenous people in remote communities;            b) construction of new houses and ongoing repair and maintenance of houses in remote Indigenous communities;            c) employment opportunities for local residents in remote Indigenous communities;            d) progressive resolution of land tenure on remote community-titled land in order to support government and commercial investment, economic development opportunities and home ownership possibilities in economically sustainable communities;            e) upgraded housing and housing-related infrastructure in support of the capital works program.</p>	<p>Indigenous people have improved amenity, and reduced overcrowding particularly in remote communities.</p>	<p>Severe overcrowding and the incidence of unsafe public housing are reduced in remote communities.</p> <p>The following performance indicators will be used to measure progress:</p> <ul style="list-style-type: none"> <li>• No more than five per cent of households under Department of Housing management have a permanent resident occupancy greater than 3.1 people per bedroom based on ABS Census data</li> <li>• Completion of 1,456 new houses by 2018</li> <li>• 100 per cent of houses under Northern Territory Department of Housing management to have met Residential Tenancies Act (NT) standard during the program.</li> </ul> <p><u>Indigenous employment target:</u>            At least 20 per cent of people employed to undertake capital works must be Indigenous (including local Indigenous employees).</p>

<p><b>Property and Tenancy Management</b></p>	<p>a) robust and standardised tenancy management of all remote Indigenous housing that ensures rent collection, asset management and governance arrangements consistent with relevant public housing standards; and b) a program of ongoing maintenance and repairs that seeks to optimise the life cycle of pre-NPARIH existing Indigenous housing and assist to achieve the 30 year design life of new remote Indigenous housing constructed under the NPARIH.</p>	<p>A public housing-like system of property and tenancy management is rolled out to remote communities.</p>	<p>Public housing assets in Indigenous communities are better maintained to help them reach their full asset life.</p> <p>The following performance indicators will be used to assess progress:</p> <ul style="list-style-type: none"> <li>• 100 per cent of houses under Department of Housing management are covered by responsive and preventative repairs and maintenance arrangements</li> <li>• 100 per cent of houses that receive NPARIH capital works and where there is secure tenure have a Tenancy Agreement in place within eight weeks of completion.</li> <li>• 100 per cent of prospective tenants moving into new houses that have received NPARIH investment to be offered Living Skills support training in line with the Remote Public Housing Management Framework.</li> </ul> <p><u>Indigenous employment target:</u> At least 40 per cent of people employed to undertake tenancy management must be Indigenous (including local Indigenous employees).</p>
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### Relevant Northern Territory Context

19. In developing this Implementation Plan, consideration has been given to relevant Northern Territory context. Key factors that have influenced the proposed direction are listed below and in Table 4.
- a) Ensuring Indigenous people can live in safe, properly constructed and well maintained homes is fundamental to reducing Indigenous disadvantage. Decent housing is critical for protecting children, improving health, education and employment and rebuilding positive community norms.
  - b) In terms of planning how the project elements will be delivered, a major consideration will be the Stronger Futures in the Northern Territory housing investment to the NT to 30 June 2018. Aligning the housing works covered under this Implementation Plan and those covered by the Stronger Futures program will help ensure that works are carried out in a coordinated way.

20. The parties acknowledge that the Northern Territory has contributed \$240 million to the program with \$100 million invested in housing and \$140 million invested in infrastructure to support housing and other essential services infrastructure.

**Table 4: Links with existing reforms or projects**

Proposed project elements	Existing reforms or projects	Complementary nature of activities
Element 1: Capital Works	Stronger Futures in the Northern Territory National Partnership Agreement – Asbestos measure	The Stronger Futures in the Northern Territory funding for asbestos management, remediation and removal will complement the work being done under the Element 1 (Capital Works). The Asbestos measure provides \$49.8m to assist with the safe dealing with asbestos in NPARIH houses identified for capital works or demolition.
	National Indigenous Reform Agreement	Element 1: Capital Works contributes to the Healthy Homes Building Block identified in the National Indigenous Reform Agreement and has a large impact on the Closing the Gap targets particularly increasing health, education and employment outcomes.
	COAG National Disability Strategy 2010-2020	Element 1: Capital Works contributes to this strategy by referencing Australian building standards relevant to access and mobility requirements.
Element 2: Property and Tenancy Management	Stronger Futures in the Northern Territory National Partnership Agreement – Housing measure	The Housing measure under the Stronger Futures in the Northern Territory complements the work being done under Element 2: Property and Tenancy Management by providing \$230.4m to bring more houses to a standard compliant with the Residential Tenancies Act (NT) and to increase their

		amenity. This will ensure that all houses in remote communities are upgraded, improving the sustainability of the remote public housing system and allowing all properties to be covered by a tenancy agreement.
	National Indigenous Reform Agreement	Element 2: Property and Tenancy Management contributes to the Healthy Homes Building Block identified in the National Indigenous Reform Agreement, and has a large impact on the Closing the Gap targets particularly increasing health, education and employment outcomes.
	Fencing Program	The fencing program, agreed by the Commonwealth and Northern Territory in 2012, provides \$20m in Commonwealth funding to ensure that houses in minor communities (and RSD communities where funding permits) are fenced. The fencing program supports Element 2: Property and Tenancy Management by improving the security of the dwelling and occupants, and assisting tenants to maintain their yards and houses.

#### **Part 4: Roles and responsibilities**

21. To realise the project elements of this Implementation Plan, each Party has specific roles and responsibilities, as well as shared roles and responsibilities, in addition to those set out in the NPARIH.

#### **Role of the Commonwealth**

22. The Commonwealth agrees to be accountable for the following additional roles and responsibilities:
- a) Assessing biennial capital works project bids submitted in line with Clauses 29-29B of the NPARIH (the Northern Territory will be required to submit



a project based bid for the 2014/15-2015/16 program of works, and a final bid for the 2016/17-2017/18 program).

- b) In accordance with the *Fair Work (Building Industry) Act 2012*, ensuring that financial contributions to a building project or projects, as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2005, are only made where a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted.
- c) Ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry is a condition of Commonwealth funding.
- d) Providing (as a member of the Remote Housing Northern Territory joint management team) strategic guidance and direction to the program, addressing strategic priorities as they occur and reporting on the program as it relates to the NPARIH NT outcomes and objectives.
- e) Providing support to the Northern Territory in its efforts to allow maximum transferability of individual titles on Indigenous communally held land with minimum procedural barriers to dealings with such land in order to facilitate home ownership and mortgages, attract commercial investment and generally support a developing economy.
- f) Working with the Northern Territory, land councils and land owners to assist in securing tenure for housing in communities formerly covered by compulsory five year leases.

### **Role of the Northern Territory**

23. The Northern Territory agrees to be accountable for the following additional roles and responsibilities:
- a) Submitting a project based biennial capital works project bid for the 2014/15-2015/16 program of works, and a final bid for the 2016/17-2017/18 program (both bids to be assessed by the Commonwealth).
  - b) Monitoring and assessing the performance in the delivery of the projects outlined in Part 3 of this Implementation Plan.
  - c) Reporting on the delivery of the projects as set out in Part 5 – Performance Monitoring and Reporting.
  - d) Continuing to ensure provision for a minimum six month defects liability period within all contracts for capital construction works under this Implementation Plan.
  - e) Working, in consultation with the Commonwealth, towards a framework allowing the maximum transferability of individual titles on Indigenous communally held land with minimum procedural barriers to dealings with such land in order to facilitate home ownership and mortgages, attract commercial investment and generally support a developing economy. This includes reviewing and reforming land registration and planning and related laws under Northern Territory jurisdiction with a view to reducing the administration burden of implementing commercial operations or home ownership on Indigenous land.
  - f) Ensuring that compliance with the National Code of Practice for the Construction Industry and the Implementation Guidelines for the National Code of Practice for the Construction Industry is made a condition of tender for all contractors and subcontractors who tender for the work where appropriate.
  - g) In accordance with the requirements of the *Fair Work (Building Industry) Act 2012* and subject to financial thresholds defined under the Fair Work (Building

Industry – Accreditation Scheme) Regulations 2005, ensuring that only a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted.

- h) Maintaining a Quality Management Plan to ensure that all housing activity in remote communities complies with relevant building codes and Australian Standards.
- i) Maintaining a risk management plan. In developing this plan, risks will be actively identified, entered into a risk log and categorised in terms of impact and likelihood.
- j) Ensuring that capital works are guided by Standards or Guidelines where relevant to the NT and specifically written for Indigenous housing, including the principles outlined in the National Indigenous Housing Guide.
- k) Providing (as a member of the Remote Housing Northern Territory joint management arrangements), strategic, operational and financial responsibility to deliver the NPARIH Northern Territory outcomes and objectives as agreed through this Implementation Plan.
- l) Working with land owners to resolve secure tenure for housing in remote communities.

### **Shared Responsibilities**

- 24. The Commonwealth and the Northern Territory also share responsibility to participate in the JSC. The role of the JSC is set out in its terms of reference which will be reviewed annually, in August, with any subsequent changes to be approved by the JSC.
- 25. The JSC is the governance body for the implementation of the NPARIH in the Territory and comprises senior Commonwealth and Northern Territory officials.
- 26. Joint project management and operational working groups will continue to help facilitate activity in key priority areas.
- 27. Additionally, the Commonwealth and the Northern Territory acknowledge the importance of maximising employment and workforce development outcomes for Indigenous people across all aspects of the NPARIH, particularly in the areas of property and tenancy management, capital construction and repairs and maintenance. This will involve collaboration with other related Commonwealth and Northern Territory agencies with employment and training responsibilities.
- 28. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Implementation Plan, and that the roles of both Parties will be acknowledged and recognised appropriately

### **Part 5: Performance and reporting arrangements**

- 29. The following performance and reporting obligations will apply to this activity, as set out in Clauses 23-26 of the NPARIH.

## Milestones

**Table 5: Milestones: project (or output based) and implementation**

### Element 1: Capital works

Milestones	Reporting Period	Milestone Due Date	Percentage of Annual Funding
<b>1 July 2013 to 30 June 2014</b>			
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 March 2013 to 30 June 2013	1 September 2013	50%
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July 2013 to 31 December 2013	1 March 2014	50%
<b>1 July 2014 to 30 June 2017</b>			
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 January to 30 June (2014 to 2016)	1 September (2014 to 2016)	50%
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July to 31 December (2014 to 2016)	1 March (2015 to 2017)	50%
<b>1 July 2017 to 30 June 2018</b>			
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule,	1 January 2017 to 30 June 2017	1 September 2017	50%

as evidenced in reports which align with reporting requirements.			
Satisfactory progress of housing works in line with the agreed annual Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July 2017 to 31 March 2018 <sup>1</sup>	1 May 2018	50%

**Element 2: Property and tenancy management**

<b>Milestones</b>	<b>Reporting Period</b>	<b>Milestone Due Date</b>	<b>Percentage of Annual Funding</b>
<b>1 July 2013 to 30 June 2014</b>			
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 March 2013 to 30 June 2013	1 September 2013	50%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July 2013 to 31 December 2013	1 March 2014	50%
<b>1 July 2014 to 30 June 2015</b>			
Acceptance of an agreed framework on Property and Tenancy Management.	1 July 2014 to 30 June 2015	1 July 2014	20%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works	1 January to 30 June 2014	1 September 2014	40%

<sup>1</sup> Reports for April, May and June 2018 are due after the final payment.

Schedule, as evidenced in reports which align with reporting requirements.			
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July to 31 December 2014	1 March 2015	40%
<b>1 July 2015 to 30 June 2016</b>			
Acceptance of a report showing satisfactory progress against and review of the framework on Property and Tenancy Management.	1 July 2015 to 30 June 2016	1 July 2015	20%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 January to 30 June 2015	1 September 2015	40%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July to 31 December 2015	1 March 2016	40%
<b>1 July 2016 to 30 June 2017</b>			
Acceptance of a report showing satisfactory progress against and review of the framework on Property and Tenancy	1 July 2016 to 30 June 2017	1 July 2016	30%

Management.			
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 January to 30 June 2016	1 September 2016	35%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July to 31 December 2016	1 March 2017	35%
<b>1 July 2017 to 30 June 2018</b>			
Acceptance of a report showing satisfactory progress against and review of the framework on Property and Tenancy Management.	1 July 2017 to 30 June 2018	1 July 2017	30%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 January 2017 to 30 June 2017	1 September 2017	30%
Satisfactory progress of tenancy agreements against agreed targets in the Capital Works Schedule, as evidenced in reports which align with reporting requirements.	1 July 2017 to 31 March 2018 <sup>2</sup>	1 March 2018	30%

<sup>2</sup> Reports for April, May and June 2018 are due after the final payment.

Acceptance of a report showing satisfactory progress against the framework on Property and Tenancy Management.	1 July 2017 to 30 June 2018	1 June 2018	10%
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## Reporting

30. The Northern Territory will provide monthly lot level reporting against the milestones in Table 5 relating to:
- Element 1: Progress against capital works schedule, and
  - Element 2: Progress of tenancy agreements.
31. Reports will also include updates on the number of Indigenous people employed on capital works, against an agreed target of at least 20 per cent.
32. The Northern Territory is also required to provide an Annual Status Report to the Commonwealth at the times specified below:

From	To	Due Date
1 July 2013	30 June 2014	30 September 2014
1 July 2014	30 June 2015	30 September 2015
1 July 2015	30 June 2016	30 September 2016
1 July 2016	30 June 2017	30 September 2017
1 July 2017	30 June 2018	30 September 2018

33. The Annual Status Report will (among other things) include a progress report on activities to review and remove barriers to economic development and homeownership on Indigenous held land as per Clause 23(e).
34. Additionally, reports on progress against the framework on Property and Tenancy Management will be brought to the JSC three times each financial year, with each year's final report forming part of the Annual Status Report. The framework, targets and performance measures will be reviewed annually, with amendments to be agreed by the JSC.

**Sign off**

The Parties have confirmed their commitment to this agreement as follows:

Signature  Date 26.8.13

[By Northern Territory Minister]

Signature  Date 2.8.13

[By Commonwealth Minister]