

# Living in the Sunburnt Country



Department of Families, Community Services  
and Indigenous Affairs

Indigenous Housing: Findings of the  
Review of the Community Housing and  
Infrastructure Programme

Final report – February 2007

.....  
“ No Government  
can justify keeping on  
building houses in the  
middle of nowhere where  
there is no school, no  
healthcare, no law and  
order, unreliable power  
and water, no jobs...  
and no hope for another  
generation of our young  
people ”

– an Australian Indigenous leader  
.....

## Acknowledgements

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We would also like to acknowledge the contribution of those who took part in the consultations, provided submissions and agreed to be interviewed as part of the report. The review team is also appreciative of the input of the staff of the Department of Families and Community Services and Indigenous Affairs.

The photographs that appear in this review were either supplied by the Department of Employment and Workplace Relations, Bushlight/Centre for Appropriate Technology or taken by PricewaterhouseCoopers with permission as part of the stakeholder consultation meetings.

While the information collected for this report came from a wide range of sources, the findings and the conclusions drawn are those of the review team.

*PricewaterhouseCoopers*



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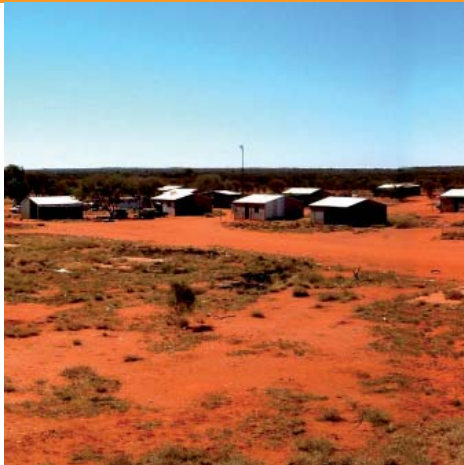
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# 1 | Review scope



## Review scope

The Review is to focus on:

- Reviewing the purpose of CHIP, what it has achieved and develop proposals that could form the basis of possible future programme policy options that would most effectively and efficiently achieve the Australian Government's outcomes in relation to Indigenous housing and related infrastructure.
- Reviewing current national and international literature, research and data relating to the services and functions provided under CHIP, and related programmes in comparable countries. In doing so, alternate service delivery and administrative mechanisms should be identified along with any gaps in research.
- Examining and documenting the scope and range of services delivered under CHIP and their relationship to the broader Australian Government Indigenous affairs and social policy agendas.
- Exploring alternate service delivery mechanisms, including linkages with other Australian Government Indigenous programmes and policies, and opportunities to increase access to mainstream programmes for the provision of Indigenous housing and related infrastructure, including relationships with the Aboriginal Rental Housing Programme (ARHP) and the Commonwealth State Housing Agreement (CSHA).
- Developing options for appropriate administrative arrangements for the delivery of Australian Government Indigenous housing and related infrastructure programmes, including opportunities to streamline processes and reduce red tape.
- Examining current planning and data methodologies and needs analysis. In so doing, identify gaps in these methodologies and analysis and provide options for alternate data and evaluation models.
- Engaging and consulting with key stakeholders, including other Australian government agencies and state and territory governments, and advisory groups set up under the Indigenous Housing and Infrastructure Agreements in relation to a future strategic and operational framework for Indigenous housing and related infrastructure.

## The CHIP Review will provide:

- a robust and up to date evidence base on the current situation facing Indigenous Australians with regard to housing and housing related infrastructure, and
- advice on a strategic and operational framework for the future delivery of housing and related infrastructure to Indigenous Australians within a whole of government approach to Indigenous affairs.

## Methodology Overview

Given the breadth and complexity of CHIP, the review considered:

- Strategic and operational framework
- Programme Management – design and implementation
- Sector capacity and governance
- Housing and related Infrastructure, and
- Essential Services.

FaCSIA in conjunction with PricewaterhouseCoopers developed the CHIP Review Issues Paper, 'The Best Way Forward' which was released on 22 May 2006 to encourage debate on future directions for delivery of housing and infrastructure to Indigenous Australians and to seek written responses about CHIP as part of the review process.

## Stakeholder Consultations

Between May and August 2006 consultations occurred as face to face meetings across Commonwealth, State, Territory Governments agencies and Indigenous organisations, these included:

## Indigenous Organisations

Cairns and District Regional Housing Corporation, QLD  
Cape York Institute for Policy and Leadership, Cairns QLD  
Kozan Cooperative Society Ltd., Cairns QLD  
NT Shelter, Darwin NT  
Mitakoodi Aboriginal Corporation, Cloncurry QLD  
Waringarri Aboriginal Corporation, Kununurra WA  
Wynnum Aboriginal and Torres Strait Islander Corporation, Wynnum QLD  
Woompera Muralug Cooperative Society, Cairns QLD  
Wunan Foundation, Inc, Kununurra WA  
Yarrabah Community Council, Yarrabah QLD  
Yilli Rreung Regional Council, Darwin NT

## Commonwealth Government

Aboriginal Hostels, Canberra, Port Augusta  
Australian Army, Sydney  
Centrelink, Kununurra  
Department of Defence  
Department of Employment and Workplace Relations  
Department of Families and Community Services and Indigenous Affairs, Sydney, Cairns, Mt Isa, Kununurra and Darwin  
Department of Health and Aging  
Department of Prime Minister and Cabinet  
Department of Transport and Regional Services  
Indigenous Coordination Centres, Cairns, Mt Isa, Brisbane  
Office of Indigenous Policy Coordination, Darwin, Canberra  
State Government  
ACT Department of Multicultural Affairs, Territory and Municipal Services  
NSW Department of Aboriginal Affairs  
NSW Aboriginal Housing Office  
NT Department of Community Development, Sport and Cultural Affairs  
NT Department of Local Government, Housing and Sport  
NT Department of Planning and Infrastructure  
NT Treasury Corporation  
QLD Aboriginal and Torres Strait Islander Housing  
QLD Department of Housing  
QLD State Housing Loans

SA Department of Families and Communities  
SA Aboriginal Housing Authority  
TAS Department of Health and Human Services  
VIC Department of Planning  
VIC Department of Housing  
VIC Human Services  
WA Department of Housing and Works

### Industry

ARUP, Brisbane, Darwin  
Centre for Appropriate Technology, Alice Springs  
GHD (Gutteridge Haskins & Davies) Canberra  
Healthabitat, Alice Springs, Sydney  
Housing Industry Association, Canberra  
Parsons Brinckerhoff, Adelaide  
School of Architecture, University of Sydney



## 2 |

## Summary of findings

### Summary of findings and recommendations and the Proposed Strategic and Operational Framework for Indigenous Housing and Infrastructure Services

“In one Western Desert community we had 132 consultation meetings in three months... it’s a red-tape nightmare”

*Stakeholder Interview, June 2006*

“It’s too bureaucratic, too top down, there’s no plans to advance the community, 9 out of 10 houses that get built are unsuitable because of a one size fits all approach – but the current process means it’s just easier to spend the money than to set objectives and monitor outcomes”

*Stakeholder feedback May 2006*



## Summary of findings and recommendations

Since the 1960s, the Community Housing and Infrastructure Programme (CHIP) and its predecessors have funded the provision of housing and related infrastructure for essential services such as water, power, sewerage and transport access; and some municipal services, on former Aboriginal reserves, missions, traditional land and assisted some Indigenous Australians living in cities and regional centres.

The programmes have been administered through specialist government agencies such as the Department of Aboriginal Affairs, the Aboriginal Development Commission and the Aboriginal and Torres Strait Islander Commission. Responsibility was transferred to the Department of Family and Community Services in July 2004 (now the Department of Families, Community Services and Indigenous Affairs).

CHIP, along with the Australian Government's other Indigenous housing programme, the Aboriginal Rental Housing Programme (ARHP), currently provides funding of over \$380M per annum. These funds are channelled through a complex mix of state government departments, state housing authorities, private contractors and Indigenous Community Housing Organisations.

These programmes were designed to meet the housing needs of Indigenous people unable to access mainstream public housing programmes, the private rental market or purchase their own home.

The greatest level of need for assistance amongst Indigenous Australians for housing (which is safe and has adequate access to law and order, health and education services and employment) continues to be for those who have remained on former reserves and missions in remote communities. Many of these are the same communities that face related problems of poverty, overcrowding, domestic violence and preventable illnesses and disease.

### The Problems

Indigenous Australians needing accommodation face a number of problems including:

- a lack of public housing; little or no private rental housing; and limited opportunity for home ownership
- a series of failures of Indigenous housing programmes resulting in poorly targeted and inappropriate housing
- CHIP funding being used as a substitute for mainstream public housing in urban and regional areas
- poor construction of new houses; a lack of maintenance of existing housing
- a fragmented and inconsistent Indigenous Community Housing Organisation sector
- the constraints caused by community title over land and housing.

As well:

- the current system is vulnerable to incidents of financial and operational mismanagement, nepotism and favouritism
- inadequate rent collection restricts the amount of money available for maintenance on housing stock which leads to the deterioration of buildings, and a downward spiral develops
- significant funds are wasted through administrative costs, overheads, bureaucratic red tape, poor governance and expensive, poorly designed houses unsuited to the needs of their occupants

### Overall Conclusion

The housing needs of Indigenous Australians in remote areas have not been well served and the interests and expectations of taxpayers have not been met.

CHIP in its current form contributes to the policy confusion, complex administration and poor outcomes and accountability of government funded housing, infrastructure and municipal services. The Community Housing and Infrastructure Programme should be abolished.

The current framework for the delivery of housing and related infrastructure and services to Aboriginal and Torres Strait Islander people has not worked and cannot work. It should be reformed and modernised and refocused so that all participants ranging from governments through to tenants are part of a new practical era - one based on national, state, regional, community and individual responsibilities and accountabilities which delivers appropriate accommodation for those most in need.

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*‘CHIP should be axed and the phoenix to arise from its ashes should never again be allowed to morph itself into a bottomless pit into which public money is poured but the expected outcomes are never delivered. It’s just no good for this generation of Indigenous Australians or the next one’*

– Central Australian Community Adviser

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## The Views of Stakeholders

As part of the Review, significant time was spent travelling to all States and Territories speaking with Indigenous communities and service providers about the issues facing Indigenous Australians, particularly those living in the remotest parts of Australia.

This stakeholder consultation has shown clear support for the Australian Government to remain engaged in driving the changes needed to:

- address overcrowding and poor infrastructure in some remote and regional communities to improve the well being of Indigenous Australians
- increase housing and related infrastructure for Indigenous people, in association with State, Territory and Local Governments, that is close to sustainable essential services such as water, power and sewerage; transport access; and, basic support systems such as law and order, education, training, employment and health
- achieve better accountability from services funded through government agencies, community housing organisations and contractor arrangements.

Stakeholder feedback has also raised a number of serious concerns which indicate that the way all levels of government currently deliver Indigenous housing in Australia is flawed and lacks accountability.

There is a strong view that fundamental reforms are needed to address the inequities that have evolved over the past forty years which have resulted in a lack of housing in more remote communities and the substitution of CHIP and ARHP funded housing for mainstream public housing in regional centres and capital cities.

A range of other issues relating to the current CHIP programme were also raised through stakeholder consultation.

Specifically, CHIP:

- is ineffective at targeting need and this particularly disadvantages remote communities
- does not ensure service delivery is cost efficient, integrated and sustainable which results in funds being used for high levels of programme management and administrative costs rather than for housing and related infrastructure. Examples were provided to this Review of quotations to build new housing costing in excess of \$800,000 in some remote communities and in excess of \$600,000 to buy in some capital cities

- is not able to deliver housing and related infrastructure that consistently meets basic construction and maintenance standards and specific regional and user requirements
- appears unable to reign in the cost of providing housing and infrastructure and there is no co-ordinated focus on the most efficient ways to deliver each step of the process ranging from identifying need, deciding on design; tendering for construction, overseeing the delivery, ensuring ongoing asset maintenance
- focuses on capital expenditure at the expense of recurrent funding for asset maintenance resulting in a ‘running down’ of existing infrastructure
- has resulted in the creation of a large number of small, fragmented Indigenous Community Housing Organisations (ICHOs) as grant recipients that do not always collect adequate rent to fund their operations, prevent nepotism and favouritism, or ensure proper accountability. Over 80% of ICHOs manage 50 dwellings or less, the average rent collected is \$40 per week. Analysis has shown small ICHOs cannot operate viably on this basis to properly manage tenants and assets. Recent investigations by FaCSIA have highlighted weaknesses in governance and accountability which make these problems worse
- has been used by some decision makers to avoid providing mainstream services to some communities
- excludes sustainable employment and training opportunities related to construction and maintenance and municipal services
- does not foster the economic independence and wealth creation that housing can provide as an asset.

.....

*‘It’s not a big mountain to climb. All it will take is to fix up a few things. This might be the last chance for the next generation’*

*– a Northern Territory community leader*

.....

## Review input

### Stakeholder Issues

There were a number of consistent themes in the feedback provided by stakeholders. Common was the view that the current arrangements are confusing and that funding is too thinly spread. Current Programme guidelines preclude training which has led to a scarcity of basic repairs and maintenance skills. This in turn has diminished the opportunity the investment made in housing and infrastructure could have offered to foster economic as well as social development in Aboriginal and Torres Strait Islander communities.

Set out below are the major issues raised by stakeholders:

- the current approach is ‘national programme management’ which lacks regional focus. Inappropriate expenditure is the end result when a co-ordinated response at community level is not achieved and local consultation is inadequate
- funding is not targeted based on current need – i.e. additional housing and infrastructure for remote and regional communities to address overcrowding
- focus has been ‘capital’ rather than good asset maintenance through recurrent funding
- accountability is ‘input’ rather than ‘outcomes’ focussed with audits often showing ‘process’ was followed but health and housing results show outcomes not improved
- the current approach of very small community housing organisations attempting proper tenancy management and asset maintenance is not viable

- programme does not provide employment opportunity to foster economic development
- recent policy has established, then ceased to fund, outstations
- creates 'gap' in services for homeless and people needing support during health, court, cultural and other short term or transitory stays away from home
- CHIP is not part of a policy of a 'continuum' approach of assisting homeless, providing public housing, accessing the private market
- CHIP does not foster home ownership.

Stakeholders' input to this review forms the basis of recommendations for the strategic and operational frameworks for the future delivery of housing and related infrastructure to Indigenous Australians within a Whole of Government approach to Indigenous affairs.

Appendix 2 is a summary of stakeholder feedback based on consultation on the Issues Paper and collected for the purposes of this review.

### The CHIP Review other Input

In addition to stakeholder consultation, the following input was used to help develop recommendations for the proposed strategic and operational framework for providing Indigenous housing and related infrastructure:

- current Australian Government strategies impacting on Indigenous housing and service delivery i.e. Building a Better Future 2010 (BBF); the COAG Indigenous Service Delivery Strategy
- FaCSIA's financial records of CHIP expenditure for 1998/99 to 2005/06
- FaCSIA's current CHIP policy and funding guidelines documents
- recent reviews by other consultants of various aspects of CHIP were referred to and accepted as endorsed by FaCSIA
- Census data and other data and research, including that funded by FaCSIA, relating to the circumstances of Indigenous Australians available to the department – particularly through the Australian Institute of Health and Welfare (AIHW), the Australian Housing and Urban Research Institute (AHURI) and the Productivity Commission, and
- PwC also considered other information as part of this review including working documents and unpublished material for FaCSIA use only.

An internal project team situated in the Indigenous Housing and Infrastructure Branch provided overall management and coordination for the project working under an internal FaCSIA CHIP Review Steering Group.

### The Problems with Tenancy and Maintenance Arrangements

There are around 21,000 houses currently owned by 616 Indigenous Community Housing Organisations (ICHOs) located across Australia.

It is estimated that approximately one in four of these houses requires some type of repair or replacement due to lack of maintenance, faulty construction, age, use of asbestos or no longer being occupied as they are uninhabitable.

It has been clearly established for some time that most ICHOs have not been able to maintain housing assets due to low rent collection, poor tenancy management, the standard of workmanship and other asset maintenance issues – all usually exacerbated by remoteness, lack of the necessary skills and the cost of materials and trade services.

Similarly, the maintenance of infrastructure such as roads, water services, power generators, airstrips and sewerage works and the provision of municipal services such as waste management in small, remote communities is expensive and difficult under the current funding arrangements.

Such maintenance falls outside mainstream arrangements in place for the rest of the Australian community and stretches already fragmented and fragile resources in remote communities.

These same issues of remoteness and available funds impact how housing is planned, costed and delivered in Indigenous communities. Stakeholder feedback is that the current programme management arrangements and funding has resulted in a 'piecemeal' approach. The pattern described during consultation is of poor or non-existent co-ordination of planning and then only some of the required housing and/or infrastructure being built in a community.

During visits to remote communities as part of this Review, evidence was provided of houses being built without power and water being connected; plumbing running 'uphill'; run-off from rubbish tips flowing into drinking water; and houses being built without consultation with the community causing them to be built on the wrong site.

There was consistent feedback about the missed opportunity to benefit from economies of scale, poor planning and inappropriate design – all adding to costs and reducing the level of housing that could be provided.

Currently, in most remote Indigenous communities, there is little or no opportunity for people to aspire to, let alone achieve, home ownership. In fact, in some States and the Northern Territory community title over the land prevents individual home ownership.

In some communities there is overcrowding (which can have its origins in cultural 'obligations') to levels of 30 people in a house usually meant for 4-5 people. Unsurprisingly overcrowding leads to further deterioration of existing houses. Recent research has shown that around one in four ICHO dwellings require major repair or replacement.

A further impact on the level of available housing is where there is nepotism or favouritism which can lead to those houses that are available being allocated unfairly in a community or, in some instances, more than one house being allocated to some families and individuals – an arrangement recently barred under some state government policies.

In framing the recommendations of this review, the approach has been to establish a balance between providing government funding for a minimum standard of housing and related services for Indigenous Australians; and, fostering economic independence through providing better access to employment, education, health services and mainstream service providers to encourage home ownership and use of mainstream services.

There was clear feedback that in addition to improving planning and delivery of housing by government, there is a need to assist Indigenous people to develop the skills and capacity to take on the responsibilities of tenants and home owners.

There was also clear feedback that tenancy management and asset maintenance need to be managed on a basis that ensures houses are properly looked after.

As a result, the recommendations made in this report seek to :

- foster individual home ownership on community and freehold land
- improve access to mainstream public housing and links to improved opportunity for economic independence
- improve tenancy and asset management
- improve accountability for funds and outcomes of services

## Who received the CHIP money?

**There has been no single, accurate set of expenditure and outcome information available for CHIP<sup>1</sup> in the past. As a result, there has been no clear picture as to where the money went.**

However, detailed analysis completed for 1998/99 – 2005/06 as part of this Review<sup>2</sup> shows in fact that funding is almost equally divided between government departments, local government, Aboriginal Corporations incorporated under the Australian Government's Office of the Registrar of Aboriginal Corporations; and, a myriad of small Indigenous organisations incorporated under a range of state government legislation<sup>3</sup>.

## What did CHIP deliver?

It has been even more difficult to get a clear picture of the actual results achieved from the CHIP expenditure because up until now, the record of on-the-ground outcomes has been inconsistent and it appears that a culture developed over decades that did not encourage close scrutiny.

There is no complete national record currently available of the location and condition of housing and related infrastructure delivered through CHIP funding, nor accurate advice of the legal status of ownership of CHIP funded housing or other assets.

There are fragmented streams of information available regarding the location and condition of some Indigenous housing through the 2001 CHINS survey data<sup>4</sup>, AHURI<sup>5</sup> and AIHW<sup>6</sup> analysis and the recent review of the Fixing Houses for Better Health programme (FHBH)<sup>7</sup>. Most of this research has been commissioned in recent times through FaCSIA.

However there has been no development of a single compilation of information about what housing and infrastructure has been funded under CHIP or asset ownership or asset maintenance or tenancy management arrangements to ensure viability.

Similarly, there is no single compilation of information, which can have an ongoing use, about appropriate designs, construction materials and maintenance methods best suited to regions that range from tropical to desert.

As a result:

- needs based planning for the construction of future housing and infrastructure and the maintenance of existing housing and infrastructure is not always accurately informed
- design and construction continue to be inappropriate according to stakeholder feedback as part of this Review and there continues to be examples of lack of co-ordination of delivering housing and infrastructure and other services<sup>8</sup>
- liability for fixing problems emerging over time associated with inappropriate design, inadequate building materials or faulty workmanship etc have been difficult to resolve particularly for smaller ICHOs which have no discretionary funds to allocate to maintenance

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1 FaCSIA Grants Management Systems records 1998 -2006.

2 PwC CHIP Funding Data .

3 Appendix 1 Table A3.1

4 ABS ATSI Community Housing and Infrastructure Needs Survey Australia 2001.

5 AHURI Submission of 29 June 2006 to CHIP Review.

6 AIHW Indigenous Housing Indicators 2003 2004; Indigenous Housing needs 2005 a Multi Measure Needs Model.

7 FaCSIA FHBH 2006 Presentation and Report.

8 Appendix 2 to this report Stakeholder Interviews.

- the development of the capacity to maintain airstrips and roads and other infrastructure within safety standard requirements have not been addressed. This was confirmed in consultations with DOTARS and community stakeholders as part of this Review<sup>9</sup>
- sensible policy options for increasing home ownership through asset transfer, as recommended in other reviews<sup>10</sup> (and consistent with international trends reported on separately as part of this Review)<sup>11</sup> are difficult to progress until there is clear information on housing asset ownership available.

It is not possible to state categorically what has been achieved from substantial government investment over many years. For a programme that is meant to produce physical assets, this is surprising in these times of close scrutiny, easy communication and constant accountability.

## Has CHIP ensured cost efficient and effective housing and related infrastructure?

CHIP is not an efficient way to deliver housing policy objectives.

A number of issues reduce the cost efficiency of the current arrangements for providing Indigenous housing including the complexity of the administration of grants, the quality of housing, the cost effectiveness of the housing options currently provided; and, a perceived lack of adequate consultation at the community level<sup>12</sup>.

The current approach, if unchanged will continue to result in:

- the delivery of housing and related infrastructure that is not co-ordinated resulting in instances of houses without power and water; houses built in the wrong locations; or houses unsuited to meet identified needs. This is made worse where there is limited opportunity for effective community participation in consultation
- continued use of a 'list' of housing needs established seven years ago resulting in the continuation of complex contractual arrangements for recipient grantees who in many cases are unable to meet governance or reporting obligations.<sup>13</sup>

As well there are a number of recent reports that indicate that the current arrangements for providing housing and related infrastructure are not cost efficient, particularly the programme management arrangements for the National Aboriginal Housing Strategy (NAHS) which is the single biggest component of CHIP funding and for the Aboriginal Rental Housing Program.

In future it will be prudent to undertake benchmarking of the fees charged by external contractors; performance managing of outcomes; and, to provide training and employment opportunities in Indigenous communities.

## The current arrangements are unsustainable

There has not been a complete, up to date set of information of the housing and infrastructure funded through CHIP available nor of the accountabilities in place for funded Indigenous Community Housing Organisations (ICHOs), government agencies or contractors. This lack of information has led to significant misconceptions about funding distribution; outcomes; and, the performance of ICHOs, government agencies and contractors.

9 Stakeholder interview DOTaRS.

10 A Framework for Assessing Alternative Models for Housing Provision on Indigenous Communal Title Land.

11 Appendix 4: International Programmes. Detailed analysis and comprehensive documentation of initiatives in Canada, NZ and UK provided to FaCSIA .

12 Range of stakeholder feedback; Appendix 2

13 FaCSIA industry briefing for NAHS 3

There has been evidence available for some time that ICHOs cannot function viably on the current income from tenants. In some cases this results from inadequate rent collection and in others it is simply caused by the small number of homes in the ICHOs stock pool. As a result, they defer maintenance, under-insure, under administer and/or not pay rates and charges. This all leads to deterioration of the housing stock and other assets under their management.

ICHOs have continued to be made the recipients of housing and infrastructure funded through CHIP and the NAHS programme within CHIP. This is despite evidence that adequate asset maintenance in most cases was not achievable.

It has been established that Aboriginal Rental Housing Programme funding is not being utilised effectively to meet housing and infrastructure needs in remote locations. At times money earmarked for remote areas has been spent by state and territory public housing agencies in urban and regional locations. These inequities have not been addressed, to the detriment of Indigenous Australians requiring housing in remote locations.

There has been extensive analysis of Census and other data establishing current and future need, largely funded by FaCSIA and the various agencies responsible for public housing and/or services for Indigenous Australians. However CHIP funding is not closely tied to needs based planning utilising this research.

## Recommendations

**It is recommended that the Community Housing and Infrastructure Programme (CHIP) be abolished and replaced with a new strategic approach to Indigenous housing in remote areas and urban/regional centres as follows:**

### New Strategic Framework

1. Link the provision of all future housing and infrastructure with access to:
  - sustainable essential services including water, power and sewerage;
  - transport; and
  - basic support systems such as law and order, education, training, employment and health
2. Increase the quantity and standard of available housing through a three year programme of targeted repairs and maintenance 'blitz' of the existing stock
3. Provide public housing services for Indigenous Australians through mainstream Commonwealth State Housing Agreement (CSHA) funded services in NSW; Victoria; Tasmania; ACT and urban and regional WA; Qld; and, SA from 1 July 2008
4. Increase the supply of public housing through transfer of community housing to public housing agencies where possible
5. Case manage those communities in remote locations which need a high level of assistance to increase the standard and availability of housing, related infrastructure and municipal services
6. Increase housing options available to families and individuals through mobility assistance to move to new public housing in more sustainable locations
7. Provide assistance to increase individual home ownership on community title land and in the private sector
8. Continue the shift away from building housing on "on country" outstations and homelands and focus on building new housing where there is access to education, health, law and order and other basic services
9. Provide essential service infrastructure e.g. water, power, sewer, transport access and municipal services through 'mainstream' service delivery arrangements

## Operational Framework for Remote locations

10. A Remote Indigenous Accommodation Service (RIAS) be established from 1 July 2007 for a period of six years to focus resources on those areas of greatest need in remote Australia where there is also the greatest difficulty in delivering outcomes
11. RIAS to focus solely on remote Indigenous communities and 'emerging towns' with a significant Indigenous population in Western Australia, South Australia, Queensland and the Northern Territory
12. Any housing and infrastructure provided through RIAS programmes be delivered through coordinated service delivery linked to regional level planning based on access to education, health and law and order services.
13. Establish a "Reference Group" of experts in remote housing design and construction; residential development and leveraging private sector investment to provide practical and innovative advice on policy and implementation issues to:
  - RIAS;
  - the Secretary of FaCSIA; and
  - the Minister for Families, Community Services and Indigenous Affairs.
14. Establish construction management at a regional level on a competitive tendering basis, to co-ordinate planning and delivery of housing and infrastructure to meet current needs. This will facilitate:
  - benefits from economies of scale; and
  - the completion of construction work in a single, integrated programme.

Options such as prefabricated housing or utilising the resources of other residential housing providers such as mining companies etc. should be included. State and Territory government agencies as well as private sector contractors should be able to compete for contracts.
15. Reduce overcrowding in remote accommodation by an immediate short term 'blitz' to repair and increase available housing stock as a 'one-off' programme for three years. Involve DEWR to develop trade and employment skills and sustainable job opportunities
16. To increase the availability of public housing in remote communities, ownership of all new housing delivered through RIAS be transferred to State and Territory public housing agencies and transfer new infrastructure to State and Local government service providers and utilities
17. Improve the management of housing stock in remote communities by developing options where State and Territory agencies are contracted by RIAS to provide tenancy and asset management services either directly or through other organisations contracted by State and Territory public housing agencies to provide agreed tenancy management and maintenance services
18. Continue the move away from building new housing on "on-country" outstations and homelands where there is no certainty of access to education, health, law and order and other basic support services. Encourage the use of native title trust fund monies, royalties etc to maintain meeting areas so the community's cultural and social links to the area can continue.
19. Examine the benefits of providing "mobility incentives", including help with the costs of building and establishing new housing, to assist families or individuals to move to new or existing housing in locations with better access to health, education and law and order and other basic services
20. Foster home ownership on community title land through Indigenous Business Australia which has responsibility for assisting home ownership on community title land and has had success with assisting increased private home ownership. Consider:
  - deposit assistance schemes
  - direct lending Programmes
  - loan insurance Programmes and
  - guarantor schemes similar to those in Canada and New Zealand for the purchase of community housing

21. Implement a community case management approach for those communities identified by RIAS as having high priority needs for housing based on overcrowding, lack of access to law and order, health, education and other services or other self identified need due to remoteness. Where community case management arrangements are put in place to provide adequate housing, consider shared responsibility arrangements such as:
  - employment in construction and maintenance
  - home purchase
  - formal rental agreements and rent payment
  - transfer of community housing to public housing agencies where possible and/or
  - community improvement strategies such as school attendance and/or other agreed outcomes
22. Assist new tenants and home owners with home living skills and financial management skills – particularly where case management has been implemented

### Operational framework for Urban and Regional locations

23. Provide public housing services for Indigenous Australians through mainstream Commonwealth State Housing Agreement (CSHA) funded services in NSW; Victoria; Tasmania; ACT and urban and regional WA; Qld; and, SA from 1 July 2008
24. To increase the availability of public housing and improve the tenancy and asset management of existing community housing, develop an incentive arrangement for the transfer of existing community housing to State and Territory authorities

### Implementation Arrangements

25. Allocate resources within FaCSIA from 1 January 2007 to effect the new arrangements at the direction of the Secretary of FaCSIA and in consultation with the Australian Government Secretaries' Committee
26. Undertake a stock inventory to:
  - establish an ongoing list of housing stock and basic services such as water, power and sewer
  - audit the condition of current Indigenous community housing and essential services and
  - assess the final cost of a repairs and maintenance blitz

As well, combine this with a review of asset title to enable discussions or negotiations to transfer ownership of community held assets to State and Territory public housing or private ownership; and any Australian Government caveats be removed once agreement is reached regarding transfer of ownership.
27. State, Territory and Federal Governments agree to set aside the current 2005-2008 Indigenous Housing and Infrastructure Agreements and set in place transition funding and accountability arrangements from 1 July 2007 with future funding to be determined in line with the new strategic direction at subsequent Commonwealth/ State Housing negotiations
28. Incorporate the Standing Committee on Indigenous Housing within the Standing Committee on Housing from 1 July 2007. Implement accountabilities that better reflect Indigenous needs in mainstream public housing and focus on increasing options for meeting those needs
29. That the cost efficiency of current designs, building materials and construction arrangements be reviewed and a “best of” selection be placed on a website for all relevant parties to draw on thus avoiding duplication and better directing available funds to providing housing
30. Benchmark future contractual arrangements against accepted industry standards in remote and regional areas for:
  - programme management
  - project and construction management; and the
  - associated fees for the planning, design, construction and maintenance of Indigenous housing and infrastructure

31. Assess the ongoing viability of existing ICHOs against agreed standards for tenancy management and asset maintenance and where those ICHOs are not viable, arrange for amalgamation, outsourced management, or contracted public housing management to be put in place
32. Develop arrangements for the delivery of essential service infrastructure e.g. water, power, sewer, transport access and municipal services that are consistent with other Australian, State and Local Government arrangements. This may require additional financial assistance being provided or other options such as Special Purpose Payments through the Grants Commission process
33. That housing and infrastructure be delivered through co-ordinated service delivery linked to regional level planning and based on new Census and other data
34. That the Australian Government establish governance priorities for Indigenous housing and infrastructure provided through Australian, State and Local government agencies, RIAS and funded organisations and contractors
35. Better utilise 'mainstream' consumer protection regulation to ensure that proper landlord and tenant arrangements are enforced to benefit both parties. Standard tenancy Agreements would better assist with rental collection; property management and mutual accountability and there should be greater use of regular payment methods such as Centrelink's 'Centrepay', direct debit etc.



# 3

## The purpose, scope and range of services

### The purpose, scope and range of services of the Community Housing and Infrastructure Programme

#### Purpose of the Community Housing and Infrastructure Programme (CHIP)

The 2005-06 FaCSIA Agency Budget Statement states that CHIP provides:

*'funding for housing and environmental health related infrastructure ... to supplement the efforts of state and territory governments through providing additional, adequate, appropriate and sustainable rental housing including:*

- *construction and purchase; renovations and upgrade of community owned and managed rental housing;*
- *provision of serviced land, repairs and maintenance of existing housing stock; and*
- *supplementing management costs of housing stocks where rental income/services charges are not sufficient to meet these costs.*

*The programme also aims to achieve... improvements to environmental health conditions and...the provision of essential municipal services ... to ensure Aboriginal and Torres Strait Islander people are able to live in a location of their choice and have access to essential services that are consistent and appropriate to their needs'.*



The extent to which CHIP can be effective in contributing to the well being of Indigenous Australians through housing and related infrastructure and municipal services is dependent on the current relevance of the policy objectives underpinning the programme.

Similarly, the extent to which CHIP funds can be used to ensure cost efficient and accountable outcomes for the programme's clients and stakeholders is dependent on: the standard of the initial planning and consultation; the way funded services are procured and delivered; and, the governance arrangements in place to ensure accountability for the funds provided.

The benefits and burdens of the CHIP Programme and its current purpose and administrative arrangements are discussed throughout this report.

## Scope and range of CHIP services

While the Australian Government has provided funding for housing and related infrastructure services for nearly 40 years, the focus of this review is for the period since 1998-99. PwC developed a pivot table entitled *CHIP funding data*<sup>14</sup> categorising all funded expenditure for the period 1998-99 to 2005-06. The data collected for the review is the source of tables and figures constructed specifically for this report. Other sources are identified where used.

The analysis of funded services provided is **indicative only** and is based solely on programme and financial information provided by the Department of Families, Community Services and Indigenous Affairs. Additional information relating to remoteness and legal classification of funded entities is drawn from Accessibility and Remoteness Indicator (ARIA<sup>15</sup>) data and FaCSIA records.

The categorisation of CHIP funded services has been done to facilitate discussion of current issues and future options for each grouping as well as simplify the programme elements which have changed during the period being reviewed.

While the financial information utilised in developing the pivot table is complete, as provided by FaCSIA, it cannot be a 100% accurate categorising of expenditure. That is not possible as a significant number of the descriptions provided on how the money was used were unclear, or were combinations of a number of funded items<sup>16</sup>.

### The scope of CHIP services covers

CHIP programme guidelines<sup>17</sup> explain that CHIP provides funding for:

#### *Community housing:*

- construction
- purchase
- demolition and replacement
- major renovations
- staff housing
- asset management – repairs and maintenance
- tenancy management – rent collection
- community housing organisation administration and operational costs including administration buildings
- home living skills

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14 PricewaterhouseCoopers 2006 *CHIP Funding Data*, supplied to FACSIA as part of the review.

15 ARIA –Accessibility Remoteness Index of Australia - a systematic geographic analysis according to remoteness to support understandings about health status and service availability in remote areas of Australia - [www.health.gov.au](http://www.health.gov.au)

16 Some Australian Government funds are combined with money from a state in a single pool, administered by the state but with joint planning and accountability. Partial pooled funding has been operational since 1995 in NSW.

17 Community Housing and Infrastructure Programme (CHIP) Programme Guidelines [www.facsia.gov.au](http://www.facsia.gov.au)

#### *Community infrastructure:*

- water supply – construction and asset maintenance
- power supply – construction and asset maintenance
- sewerage – construction and asset maintenance
- community roads/ drainage – construction and asset maintenance
- waste disposal facilities – construction and asset maintenance
- facilities to enable external access to transport for food, supplies, medical assistance etc [airstrips, jetties etc] – construction and maintenance
- community infrastructure administration and operational costs including administration buildings

#### *Municipal services:*

- waste management services

#### *Capital items:*

- plant and machinery for construction and maintenance of housing, community infrastructure and municipal services facilities
- community facilities such as fire control equipment; community sheds for equipment; communal refrigeration; communal kitchens; community ablution blocks
- radio communications equipment
- fencing

#### *Renewable energy:*

- research and development
- installation and maintenance
- administration costs

#### *Environmental health measures:*

- dog control
- dust control

#### *The scope of CHIP services excludes:*

- aged care
- services for the homeless/ crisis accommodation
- training
- community Development Employment Programme (CDEP) organisations
- commercial enterprises
- new Indigenous Community Housing Organisations (ICHOs) since July 1996 except as a result of an amalgamation of existing organisations

As noted above, the review categorised expenditure to assist in analysis. These categories and corresponding codes are listed as Table 1.

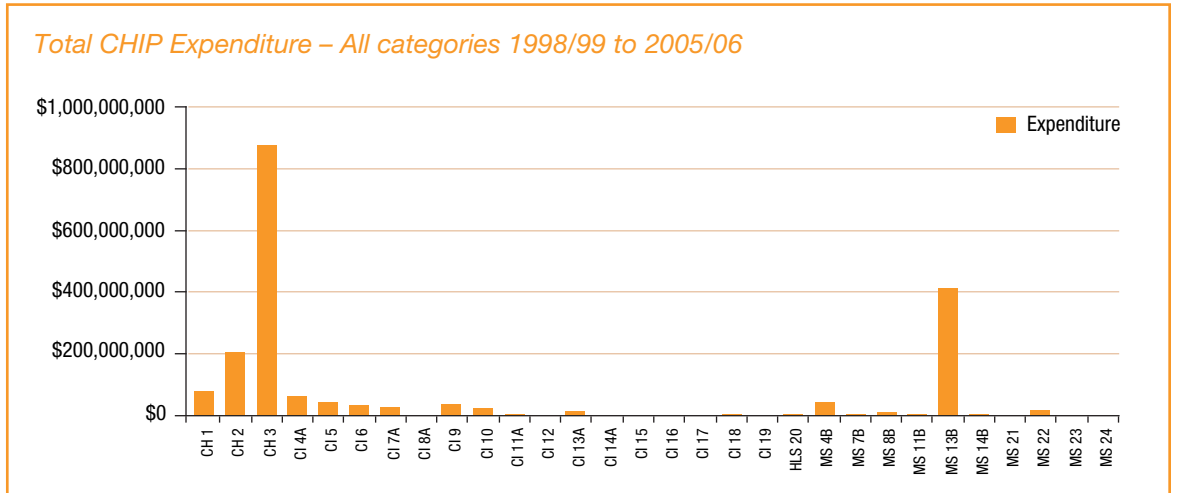
Table 1 Key to CHIP Services and Codes

Community Housing	
CH 1	Upgrades and renovations to houses
CH 2	Asset and Tenancy Management
CH 3	Construction and Acquisition of houses
Community Infrastructure	
CI 4A	Water Supply
CI 5	Power Supply
CI 6	Sewerage Services
CI 7A	Internal Roads and Drainage
CI 8A	Waste Disposal Facilities
CI 9	Renewable Energy
CI 10	Plant, Machinery and Tools
CI 11A	Jetties, boat ramps, airstrips
CI 12	Staff housing
CI 13A	Administration buildings
CI 14A	Dust control
CI 15	Community fire control equipment
CI 24	Communal refrigeration
CI 16	Sheds
CI 17	Communications
CI 18	Kitchen and ablution blocks
CI 19	Fencing
Municipal Services	
MS 4B	Power, water and sewerage operation and maintenance
MS 7B	Road maintenance
MS 11B	Aerodrome maintenance
MS 8B	Waste disposal
MS 14B	Landscaping and dust control
MS 13B	Management of infrastructure and municipal services
MS 21	Dog control
MS 22	Environmental health activities
MS 23	Other municipal services
HLS 20	Home Living Skills

**Appendix 1** shows a detailed description of services under each code within CHIP funding.

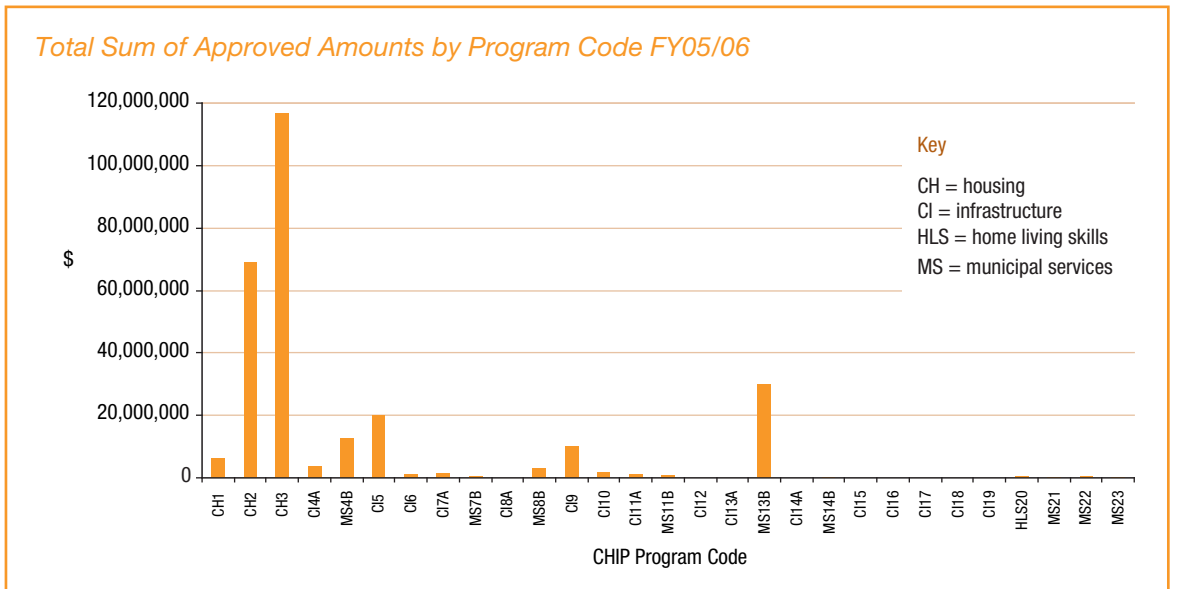
**Figures 1.1 and 1.2** show the total amounts of funding for these categories

Figure 1.1 CHIP funding by code 1998/99 to 2005/06



source – CHIP Funding Data PwC analysis

Figure 1.2 CHIP funding by code 2005/06

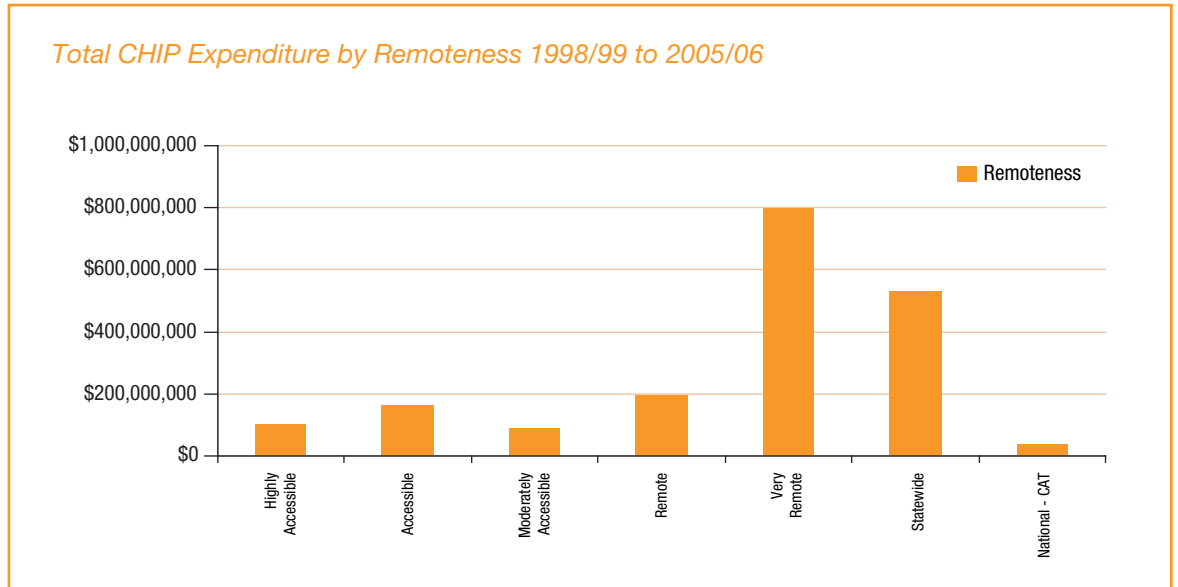


source – CHIP Funding Data PwC analysis

## The range of CHIP services

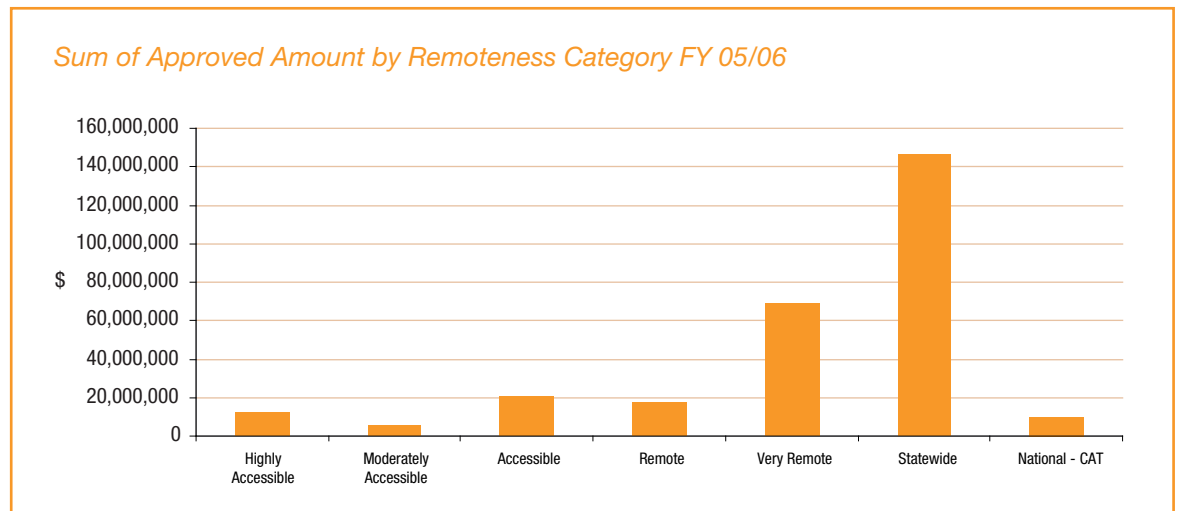
Figures 2.1 and 2.2 give an indication of the distribution of funds under CHIP by remoteness of location (according to the ARIA classification) Payments made to government departments (mainly state and territory and to “national” projects (eg. research) are not distributed by remoteness.

Figure 2.1 All CHIP funding by remoteness 1998/96 - 2005/06



source – CHIP Funding Data PwC analysis

Figure 2.2 All CHIP funding by remoteness 2005/06



source – CHIP Funding Data PwC analysis

Figure 3 Remoteness by Number of Organisations

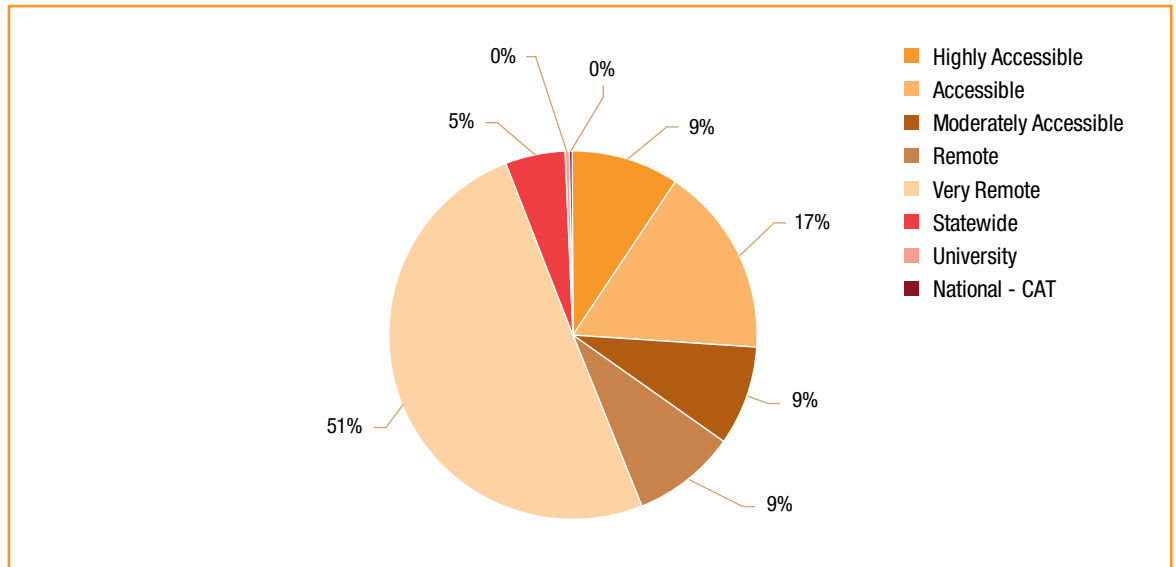


Figure 3 Shows the proportion of organisations that have received CHIP funds by each ARIA remoteness classification. Government departments and organisations in receipt of ‘National’ project funding are not classified by remoteness.

Throughout the stakeholder consultation, it emerged that there is a misconception that CHIP funding is primarily managed directly by Indigenous Community Housing Organisations. This misconception has led to the perception that accountability is being focussed on the administration of funds i.e. the ‘red tape’ at the expense of ensuring appropriate outcomes for Indigenous people are delivered by those who are actually funded to provide housing and municipal services.

Because of these concerns about a perceived lack of accountability by all funding recipients i.e. State and Local Government organisations and private sector programme management arrangements funded through CHIP, as well as the Indigenous Community Housing Organisations, a detailed analysis was undertaken of who actually received funds under CHIP (i.e. the legal entities) as well as what was funded.

This detailed analysis summarised by State in Tables 2 and 3, shows that funding recipients were divided almost equally between:

- state and territory government departments
- local government – both mainstream and Indigenous Councils with equivalent responsibilities
- Aboriginal Corporations, incorporated under the Australian Government’s Office of the Registrar of Aboriginal Corporations, and
- a myriad of small Indigenous organisations incorporated under a range of State legislation.

The data was further analysed to show which funding was actually administered through private sector programme managers under contract to FaCSIA and its predecessor agencies. This arrangement is known as the National Aboriginal Health Scheme (NAHS). This analysis shows that 31.5% of all funds provided under CHIP for the period 1998/99 – 2005/06 was managed directly by private sector programme management contractors.

Similar analysis for funding provided directly to State, Territory and Local Government agencies shows a further 34% of funds was administered through these government agencies.

Of the remaining funds provided under CHIP for the period 1998/99 – 2005/06, 19.5% was provided directly to Aboriginal Corporations set up and regulated by the Australian Government and 15% was provided directly to Indigenous and other organisations set up and regulated under various State and Territory legislation.

The data used for this analysis was all grants recorded under CHIP for 1998/99 – 2005/06 as provided by FaCSIA from the Grants Management System. A complete and detailed copy of the data used for legal entities and NAHS recipients was provided to FaCSIA as part of this review.

The issues raised by this analysis and taken into account when making the recommendation of this review are:

- the need for better accountability for funds granted by the Australian Government to State and Territory governments for Indigenous housing
- the need to clarify the accountabilities of Local Government for Commonwealth funding provided for infrastructure and municipal services for Indigenous Australians – especially where that is through State/Territory government grants or outsourced programme management arrangements
- the effectiveness of Commonwealth and State/Territory government regulatory bodies with responsibility for Indigenous organisations to ensure accountability for funded services for their clients
- the need to ensure value for money from outsourced programme management arrangements, better engagement by contractors with Indigenous communities and improved co-ordination of the services delivered.

Tables 2 and 3 show the break-up of CHIP funding between these 4 types of recipients as well as showing NAHS and non-NAHS streams.

Table 2 All Chip Funding by Legal Entity/National Aboriginal Health Strategy (NAHS) for 1998/99 to 2005/06

<b>NT</b>	<b>Total</b>	<b>Other</b>	<b>Aboriginal Corporation</b>	<b>Government Department</b>	<b>NT LG Community Council</b>			
	NAHS	294,720,781	78,411,965	81,283,901	15,230,930	119,793,985		
	Other	422,241,695	132,954,692	120,736,803	146,505,372	22,044,828		
	<b>Total</b>	<b>716,962,476</b>	<b>211,366,657</b>	<b>202,020,704</b>	<b>161,736,302</b>	<b>141,838,813</b>		
<b>WA</b>	<b>Total</b>	<b>Aboriginal Corporation</b>	<b>Government Department</b>	<b>WA Community Inc</b>	<b>Other</b>	<b>University</b>		
	NAHS	99,990,412	65,344,827	1,490,293	19,667,187	13,488,105	0	
	Other	363,640,122	177,594,348	134,041,566	31,822,620	20,169,588	12,000	
	<b>Total</b>	<b>463,630,534</b>	<b>242,939,175</b>	<b>135,531,859</b>	<b>51,489,807</b>	<b>33,657,693</b>	<b>12,000</b>	
<b>Qld</b>	<b>Total</b>	<b>Other</b>	<b>Qld Aboriginal Shire Council</b>	<b>Aboriginal Corporation</b>	<b>Government Department</b>	<b>Qld Shire Council</b>		
	NAHS	123,624,243	20,684,507	74,147,286	10,847,450	925,000	17,020,000	
	Other	231,839,621	111,998,882	30,914,750	44,656,610	39,866,213	4,403,166	
	<b>Total</b>	<b>355,463,864</b>	<b>132,683,389</b>	<b>105,062,036</b>	<b>55,504,060</b>	<b>40,791,213</b>	<b>21,423,166</b>	
<b>NSW</b>	<b>Total</b>	<b>Government Department</b>	<b>NSW Local Ab'l Land Council</b>	<b>Other</b>	<b>Aboriginal Corporation</b>	<b>NSW Shire Council</b>	<b>University</b>	
	NAHS	71,247,883	9,225,105	36,168,107	18,714,272	6,130,046	1,010,353	
	Other	126,652,218	105,132,440	4,356,005	4,937,996	11,525,077	190,700	
	<b>Total</b>	<b>197,900,101</b>	<b>114,357,545</b>	<b>40,524,112</b>	<b>23,652,268</b>	<b>17,655,123</b>	<b>1,201,053</b>	
<b>SA</b>	<b>Total</b>	<b>Government Department</b>	<b>SA Community Council Inc</b>	<b>SA Community Inc</b>	<b>Aboriginal Corporation</b>	<b>Other</b>	<b>SA Reserve Council Inc</b>	<b>SA District Council</b>
	NAHS	6,158,349	0	1,783,821	3,630,100	406,752	261,176	50,000
	Other	102,119,608	66,537,766	13,387,520	7,650,828	5,605,033	5,634,303	2,738,850
	<b>Total</b>	<b>108,277,957</b>	<b>66,537,766</b>	<b>15,171,341</b>	<b>11,280,928</b>	<b>6,011,785</b>	<b>5,895,479</b>	<b>2,788,850</b>
<b>Vic</b>	<b>Total</b>	<b>Vic Aboriginal Cooperative Ltd</b>	<b>Other</b>	<b>Aboriginal Corporation</b>	<b>Government Department</b>	<b>Vic Aboriginal Association Inc</b>		
	NAHS	6,580,504	601,000	5,979,504	0	0	0	
	Other	45,316,546	24,450,413	9,444,123	7,151,768	3,663,500	606,742	
	<b>Total</b>	<b>51,897,050</b>	<b>25,051,413</b>	<b>15,423,627</b>	<b>7,151,768</b>	<b>3,663,500</b>	<b>606,742</b>	
<b>Tas</b>	<b>Total</b>	<b>Tas Ab'l Association Inc</b>	<b>Aboriginal Corporation</b>	<b>Government Department</b>				
	NAHS	661,771	661,771	0	0			
	Other	16,388,323	8,476,853	4,825,425	3,086,045			
	<b>Total</b>	<b>17,050,094</b>	<b>9,138,624</b>	<b>4,825,425</b>	<b>3,086,045</b>			

Source: Chip Funding Data

Table 3 Funding Recipient by Legal entity 1999/99 -2005/06

Legal Status	NAHS	Non-NAHS	Total
Aboriginal Corporation	164,012,976	372,095,064	536,108,040
Government Department	26,871,328	498,832,902	525,704,230
NT LG Community Council	119,793,985	22,044,828	141,838,813
Qld Aboriginal Shire Council	74,147,286	30,914,750	105,062,036
Incorporated	18,421,442	51,843,790	70,265,232
Community Incorporated	27,055,469	27,114,891	54,170,360
Association Incorporated	25,148,665	28,721,709	53,870,374
WA Community Inc	19,667,187	31,822,620	51,489,807
Company Ltd	10,621,441	31,036,278	41,657,719
NSW Local Ab'l Land Council	36,168,107	4,356,005	40,524,112
Corporation Ltd	7,210,000	25,882,723	33,092,723
Co-operative Society Ltd	8,301,885	22,371,173	30,673,058
Vic Aboriginal Co-operative Ltd	601,000	24,450,413	25,051,413
Association	11,638,674	12,661,416	24,300,090
Council Incorporated	3,535,000	16,705,675	20,240,675
SA Community Council Inc	1,783,821	13,387,520	15,171,341
Qld Shire Council	10,937,000	2,889,217	13,826,217
Community Association Inc	7,970,000	5,209,214	13,179,214
Ltd	3,297,453	8,977,822	12,275,275
SA Community Incorporated	3,630,100	7,650,828	11,280,928
Tas Ab'l Association Inc	661,771	8,476,853	9,138,624
Co-operative Ltd	0	8,737,618	8,737,618
Aboriginal Council	3,822,000	4,080,406	7,902,406
Qld Shire Council	6,083,000	1,513,949	7,596,949
Aboriginal Trust	2,500,500	4,736,511	7,237,011
Association Ltd	0	8,737,618	8,737,618
Other	111,000	5,646,706	5,757,706
Pty Ltd	660,000	3,565,225	4,225,225
Council Incorporated	650,000	3,411,897	4,061,897
Foundation Incorporated	0	3,152,791	3,152,791
Corporation Pty Ltd	0	3,031,546	3,031,546
SA Reserve Council Inc	50,000	2,738,850	2,788,850
Inc	1,695,000	1,089,011	2,784,011
Council Association	0	2,705,136	2,705,136
Aboriginal Community Council	1,900,000	50,000	1,950,000
Council	0	1,892,151	1,892,151
Co-operative	0	1,892,000	1,892,000
Community Council	1,800,000	14,000	1,814,000
Society	1,001,000	592,349	1,593,349
Company	0	1,340,431	1,340,431
NSW Shire Council	1,010,353	190,700	1,201,053
Corporation	0	774,980	774,980
Vic Aboriginal Association Incorporated	0	606,742	606,742
Community Co-operative Society Ltd	0	593,670	593,670
SA District Council	26,500	656,308	591,808
Society Ltd	0	548,025	548,025
University	0	522,000	522,000
CLC	0	278,000	278,000
Board	0	215,772	215,772
Aboriginal Association	200,000	0	200,000
Federation	0	184,472	184,472
Trust	0	148,086	148,086
Incorporation	0	100,387	100,387
Association Inc	0	37,000	37,000
Foundation	0	7,704	7,704
Organisation	0	4,000	4,000
Grand Total	602,983,943	1,308,198,133	1,911,182,076
Aboriginal Corporation	164,012,976	372,095,064	536,108,040
Government Department	26,871,328	498,832,902	525,704,230
Other	137,539,529	285,661,584	422,201,113
Local Government	274,560,110	151,608,583	426,168,693

## CHIP community housing expenditure

### Community housing capital and repairs and maintenance

For community housing, a significant amount of funds has been directed towards construction and acquisition; a lesser amount to major renovations and upgrades; and a relatively low level of funding for asset and tenancy management. This is shown in figures 4.1 and 4.2.

The inadequacy of the current arrangement for funding repairs and maintenance (including very low rates of self-funded maintenance by ICHOs), when combined with the demand caused by overcrowding, has led to estimates of \$705M to repair or rebuild existing stock to make it liveable.<sup>18</sup>

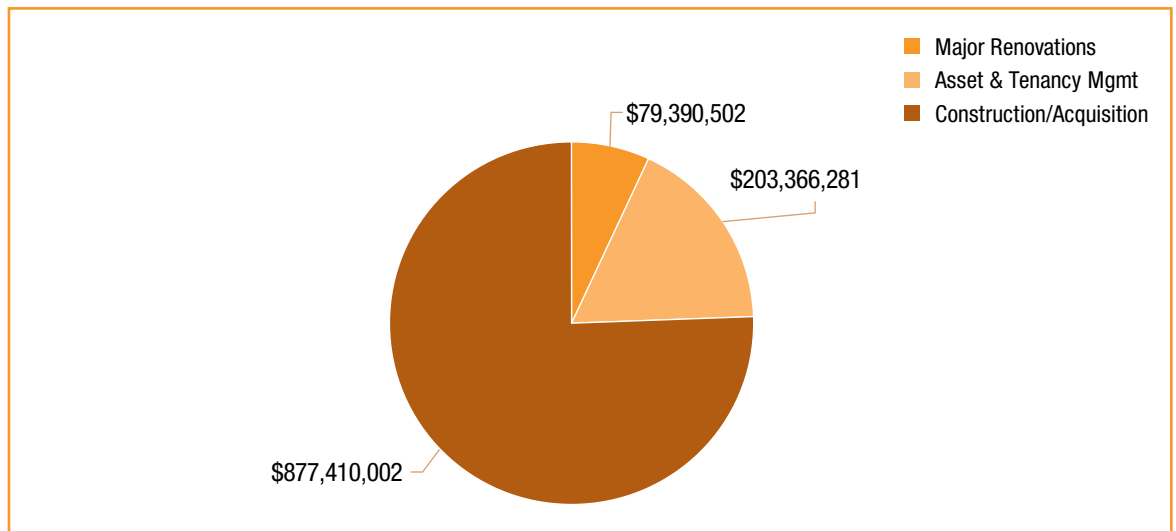
Consultations around the country revealed an acceptance that the fastest way to provide more housing and therefore have an impact on overcrowding was to put together maintenance teams to carry out a 'blitz' on existing buildings.

A blitz to repair and refurbish existing housing and infrastructure is recommended to address this problem of a lack of funded asset maintenance and to increase the available housing stock.

Chapter 4 includes more details on the condition of community housing and maintenance costs.

Figures 4.1 and 4.2 show CHIP categories nationally.

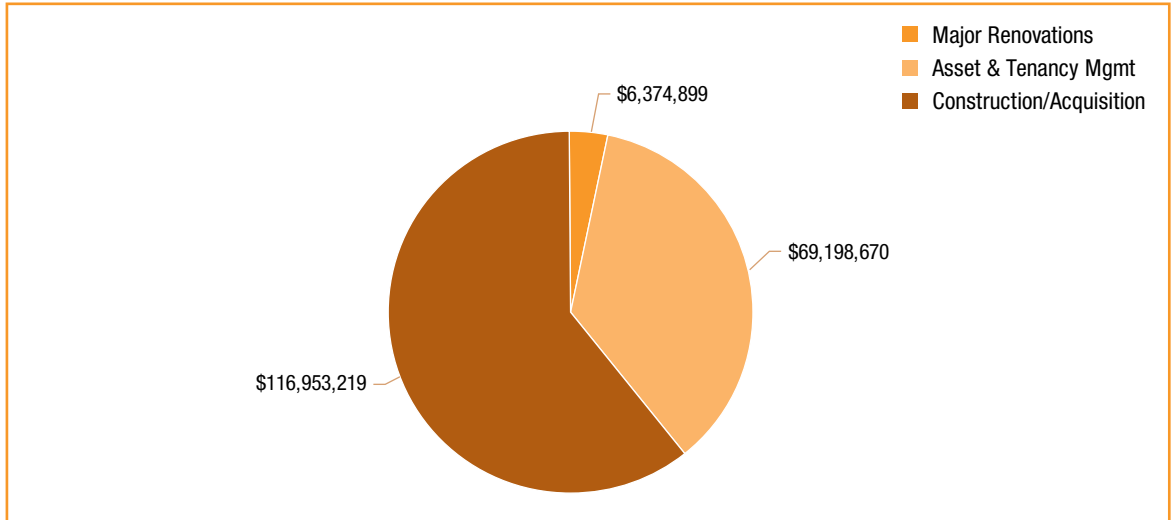
Figure 4.1 Community Housing Expenditure 1998/99-2005-06



source CHIP Funding Data

18 AHURI Cost of housing in diverse indigenous communities 2006

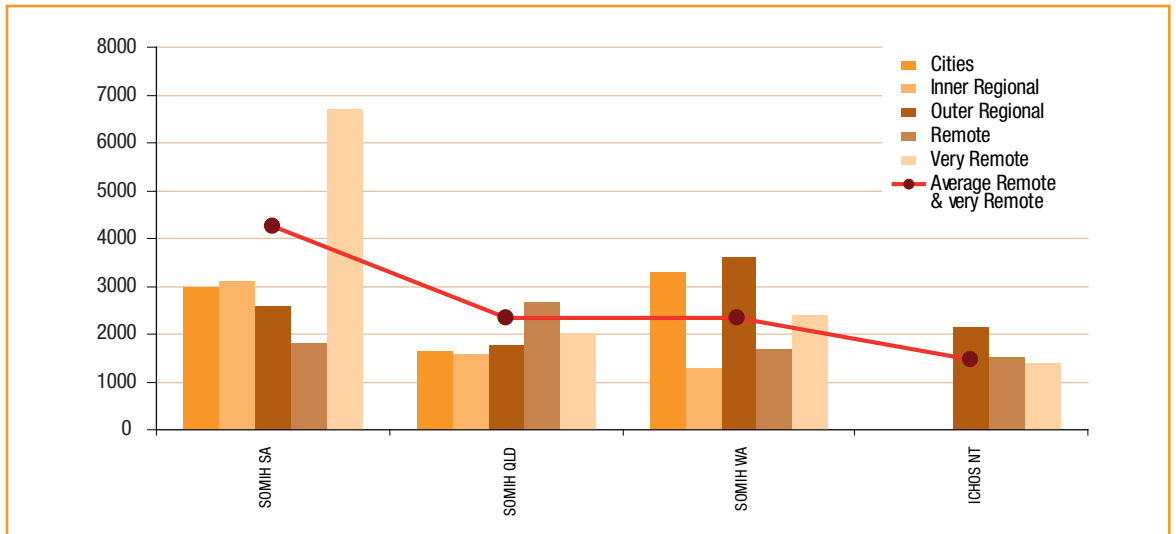
Figure 4.2 Community Housing Expenditure 2005-06



source CHIP Funding Data

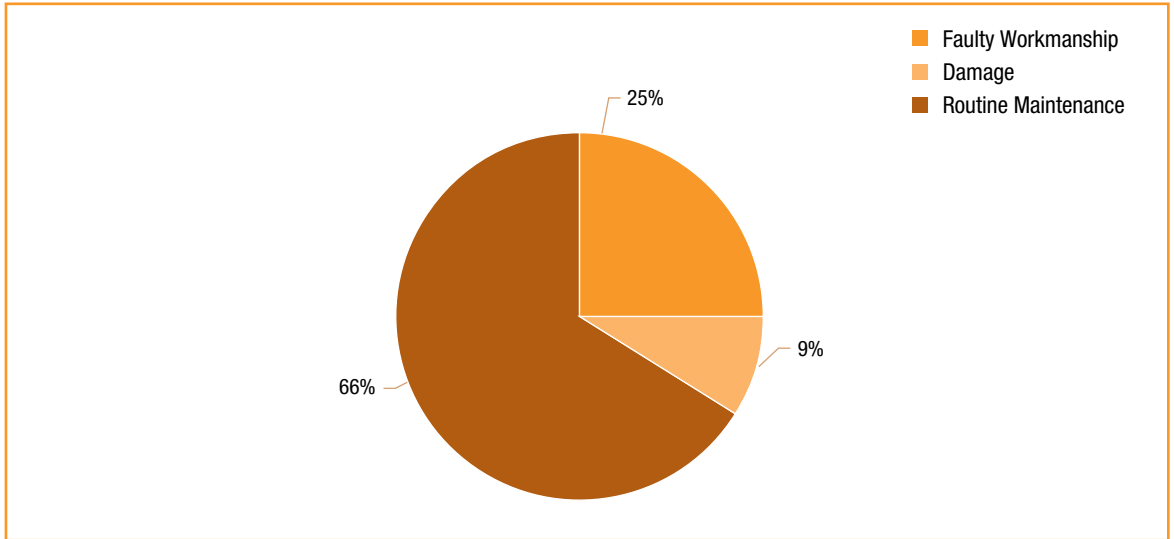
Figure 5.1 below, compares annual maintenance expenditure per dwelling in state-owned-and-managed- Indigenous housing (SOMIH) in SA, Qld, WA and in ICHOs in NT. (AHURI research indicated that maintenance problems are most acute in these three states and the NT.) Maintenance spending per dwelling is significantly lower in NT ICHOs.

Figure 5.1 Maintenance Expenditures per dwelling per annum



Data collected from ABS, AIHW and state government housing expenditure on SOMIH where identifiable like data was available (SA, Qld and WA).

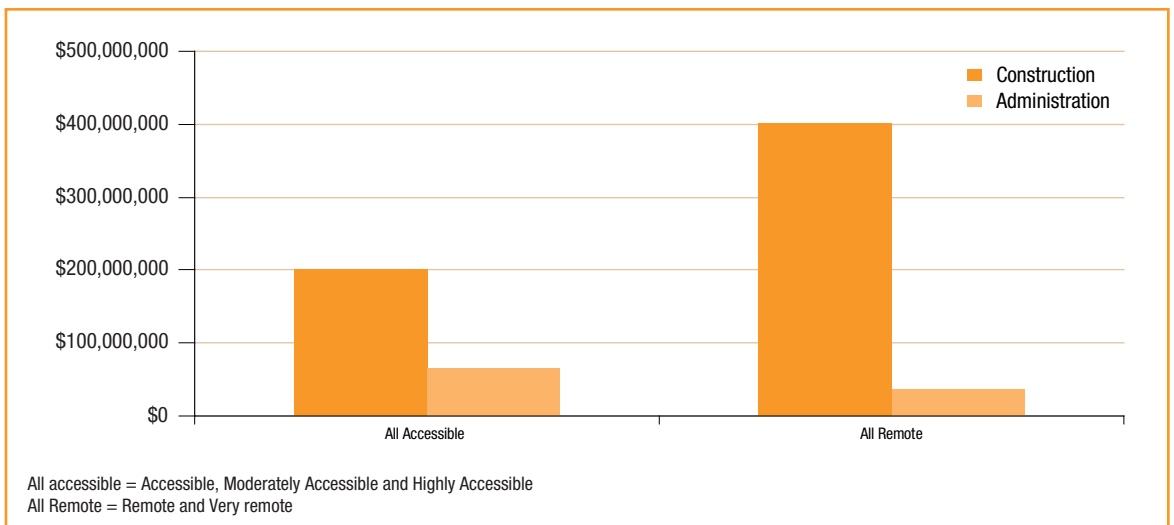
Figure 6 Fixing Houses for Better Health



Data collected from ABS, AIHW and state government housing expenditure on SOMIH where identifiable like data was available (SA, Qld and WA).

The findings of this review mirror the analysis of Fixing Houses for Better Health<sup>19</sup> in relation to the real problems of Indigenous housing maintenance i.e most remedial work is normal wear and tear, and that poor specifications and faulty workmanship are 2.5 times more likely to be the cause of maintenance problems than intentional or unintentional damage.

Figure 7 Housing Administration and Recurrent Costs 1998/99 – 2005/06



source CHIP Funding Data

Figure 7 suggests that not only is ICHO housing under-maintained, it is also under-administered. This is particularly true in remote areas and is supported by detailed analysis of ICHO funding and activities.

19 Fixing Houses for Better Health projects were originally funded through the Aboriginal and Torres Strait Islander Commission (through CHIP – now with FACSIA) and implemented by the state or regional Indigenous housing agencies.

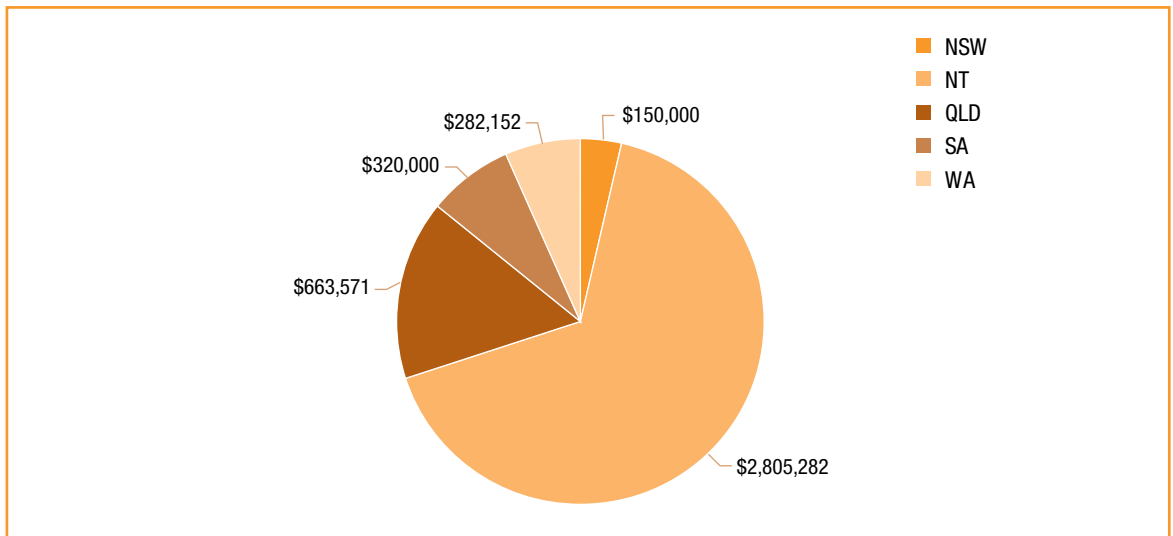
## Home Living Skills

Home Living Skills assists home management for example providing information on safety in wet areas and use of the stove, fridge and washing machines, budgeting, paying bills and nutrition. It is delivered by a variety of organisations including TAFEs, CDEP, public housing and ICHOS.

Home living skills expenditure (see Figure 8), whilst relatively minor, was consistently well regarded and stakeholder feedback suggests assistance with these skills is a vital link to good tenancy or home ownership.

It is recommended that assistance be provided to individuals and families so that they may have the opportunity to learn home living skills; financial management skills; and tenancy management skills to achieve the planned objectives of improved rates of home ownership and private and public housing tenancy.

Figure 8 Home Living Skills Expenditure 1998/99 – 2005/06



source CHIP Funding Data

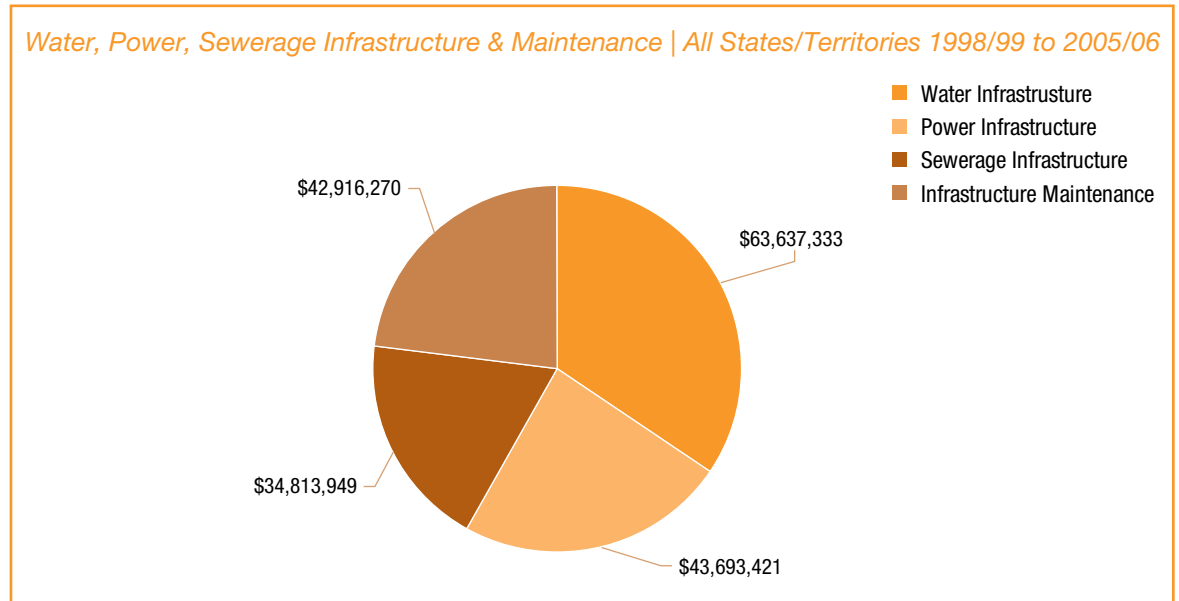
## CHIP Infrastructure and Municipal Services expenditure

### Water, Power, Sewerage and Transport Infrastructure Services

Similar to housing, infrastructure for water, power and sewerage is funded for construction and to a significantly lesser extent for maintenance. Infrastructure such as roads, airstrips and jetties is also funded under CHIP.

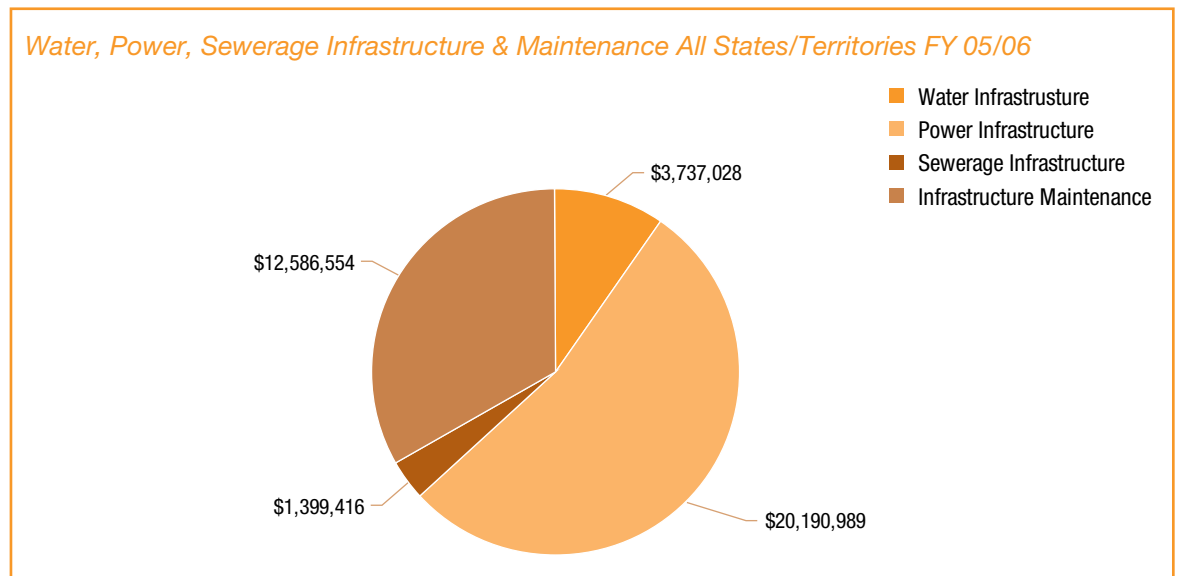
Figures 9.1 and 9.2 show funding for water (CI 4A), power (CI 5), sewer (CI 6) Infrastructure and maintenance (MS 4B).

Figure 9.1 Community Infrastructure 1998/99 – 2005/06



source CHIP Funding Data

Figure 9.2 Community Infrastructure 2005/06



source CHIP Funding Data

Figure 10.1 Transport access infrastructure spending in remote areas

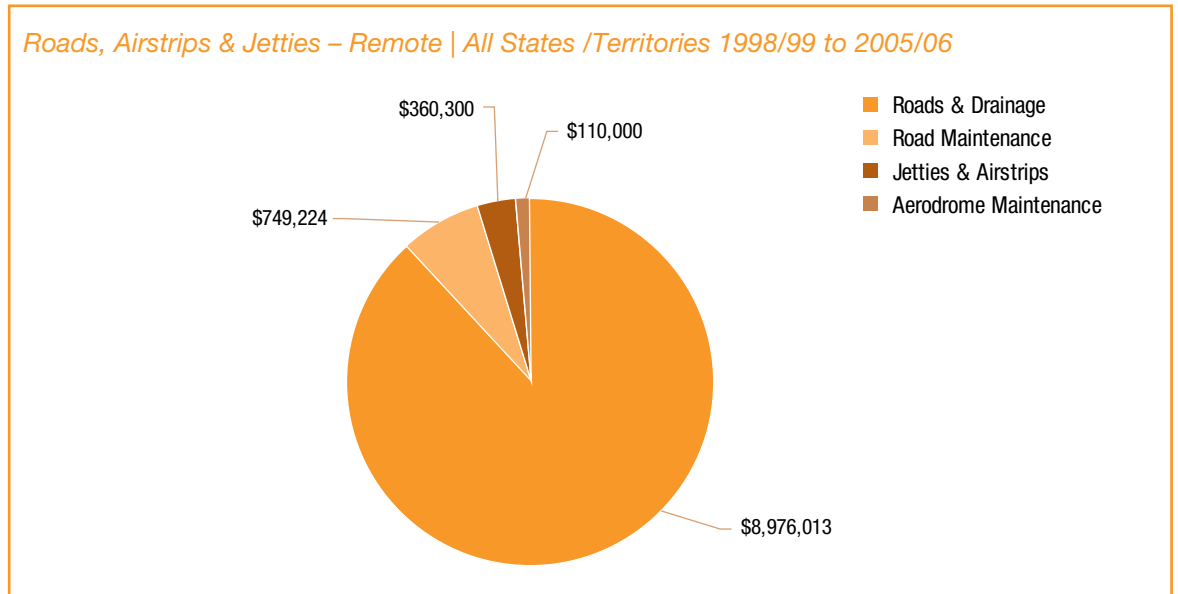
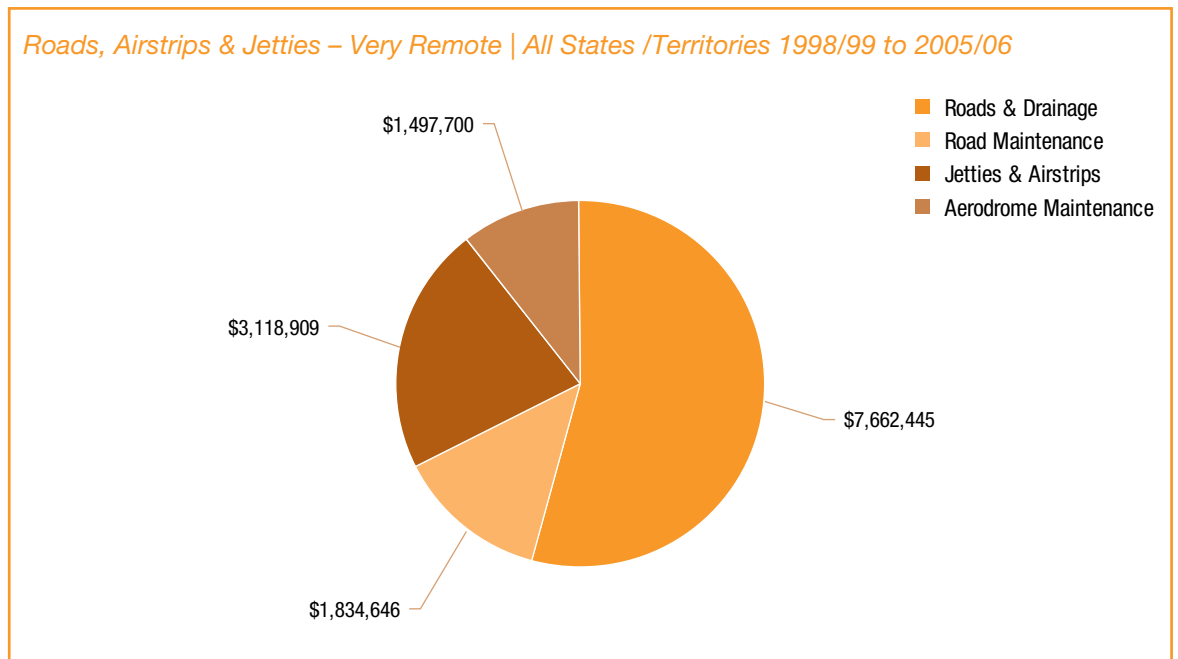


Figure 10.2 Transport access infrastructure spending in very remote areas



See Appendix 3 for state expenditure on roads, airstrips and jetties.

*Roads, airstrips and jetties are needed for basic transport and access and are the types of infrastructure that Indigenous communities are currently expected to maintain.*

The review found that assets such as airstrips and jetties have become liabilities in many Indigenous communities. Managing this infrastructure is a core responsibility, either directly or indirectly, of the Department of Transport and Regional Services in all other parts of the country. It is appropriate that Indigenous communities which because of their isolation need these transport facilities are treated like other communities. Where possible, mainstream services should be provided.

Similarly roads maintenance, water, power and utilities as well as municipal services should be provided and managed by Local Government. This requires direct payment by the Australian Government (Community Service Obligation). It should be managed with a view to transferring to mainstream arrangements where practicable.

To better mainstream services and support for municipal and infrastructure services, it is recommended that all infrastructure and municipal services be transferred to and funded by, the relevant mainstream Government agencies and programmes as part of implementing the recommendations of this review.

### Environmental Health

Funding is provided through CHIP for waste disposal, dust control, community sheds and fencing, dog control and management of other municipal services. The funds provided under CHIP supplement Local Government funding and services provided in the broader community through mainstream services.

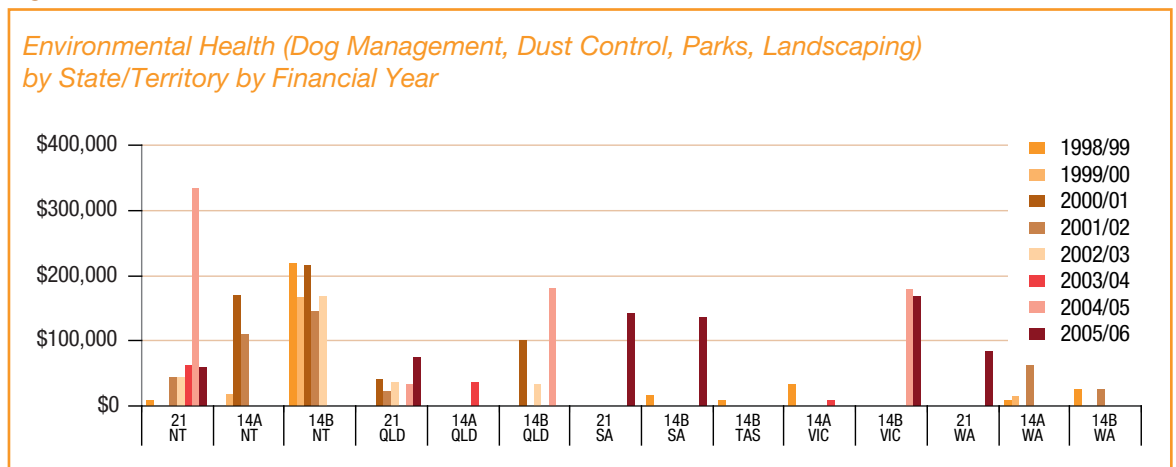
In addition to the benefits of dust control and waste disposal in contributing to environmental health, dog management was considered by stakeholders to be a very important contributor to good environmental health.

The establishment of the Remote Area Essential Services Programme (RAESP) to provide municipal services (for water power and waste water) in very remote locations also supplemented local government services provided in some States and the Northern Territory.

A number of stakeholders, including Aboriginal health services and local government organisations, stressed the importance of maintaining funding, even though it is a relatively minor amount, to continue the dog management programme in Indigenous communities. This could be done as part of the Local Government role as recommended in the previous section.

**Figures 11 and 12** show CHIP funding of environmental health and municipal services which are the types of services Indigenous communities are currently expected to provide themselves.

Figure 11 Environmental Health 1998-1999 - 2005/06



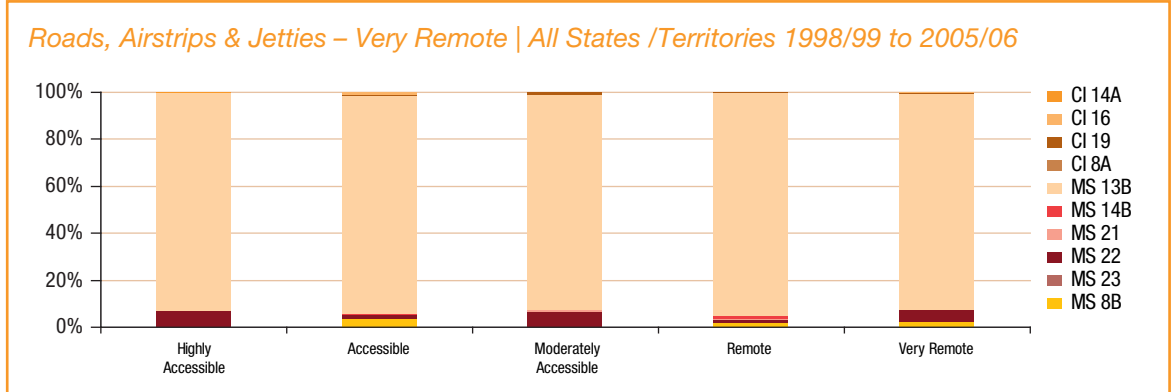
source CHIP Funding Data

*Municipal Services are necessary to ensure communities are sustainable.*

CHIP Funding included the following categories used in Figures 12 & 13

- MS 21 Dog Control
- CI 14A Dust Control
- MS 14B Landscaping and dust control

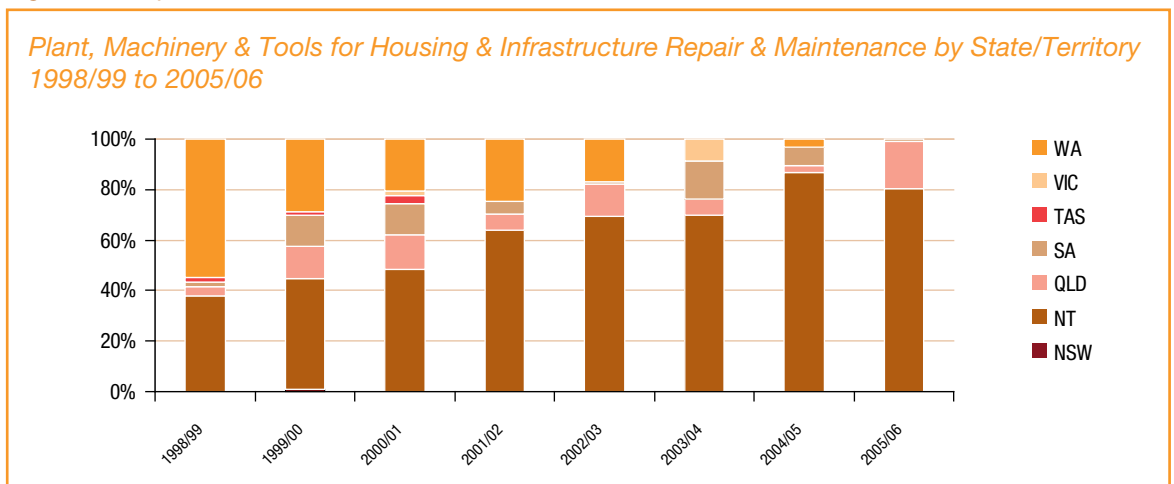
Figure 12 Municipal Services



source CHIP funding data

- CI 14A Dust Control
- CI 16 Sheds
- CI 19 Fencing
- CI 8A Waste Disposal Facilities
- MS 13B Management of infrastructure and municipal services
- MS 14B Landscaping and dust control
- MS 21 Dog Control
- MS 22 Environment Health Activities
- MS 23 Other Municipal Services MS8B Waste Disposal

Figure 13 Capital items

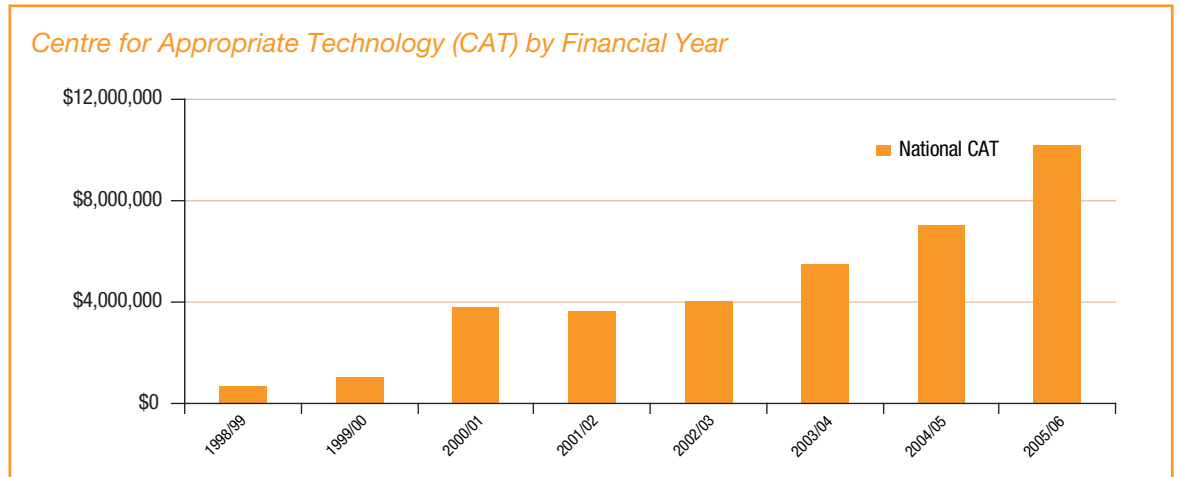


source CHIP funding data

Figure 13 shows the mix of expenditure under CHIP to provide tools and equipment to communities for housing and infrastructure repairs and maintenance and to provide municipal services.

**NOTE:** WA funding was incorporated into pooled funds from 2004/05. See Appendix 3 for Municipal Services by State.

Figure 14 Renewable energy



One response to the costs and difficulties of providing remote communities with energy infrastructure has been to fund renewable energy infrastructure. Figure 14 shows the level of investment made through the Centre for Appropriate Technology. (Data sourced from CHIP funding data set).

### Outstations and Homelands

Approximately 10% of CHIP funding has been spent on outstations, homelands and the Remote Area Essential Services Programme (RAESP).

Homeland and outstation funding grew from Indigenous Australians' movement onto traditional lands. Some housing, related infrastructure and services have been funded under CHIP to support the homeland and outstation communities.

The level of CHIP expenditure on homeland, outstation and RAESP services is summarised in Figures 15.1 and 15.2 below.

Figure 15.1 Outstations, Homelands and RAESP Expenditure

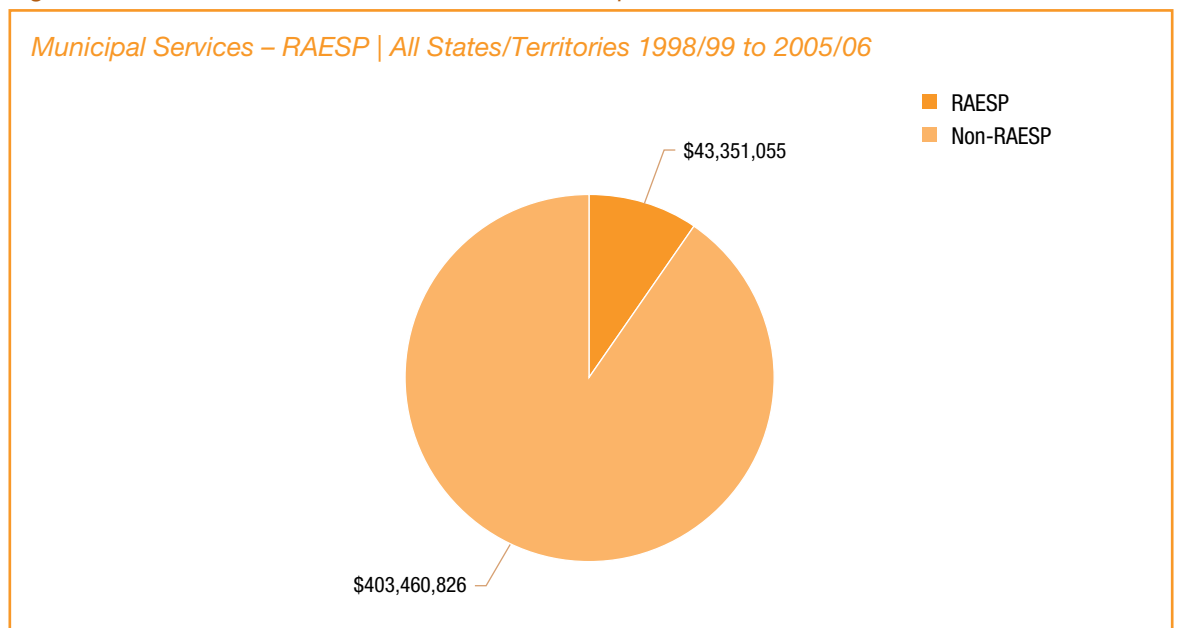
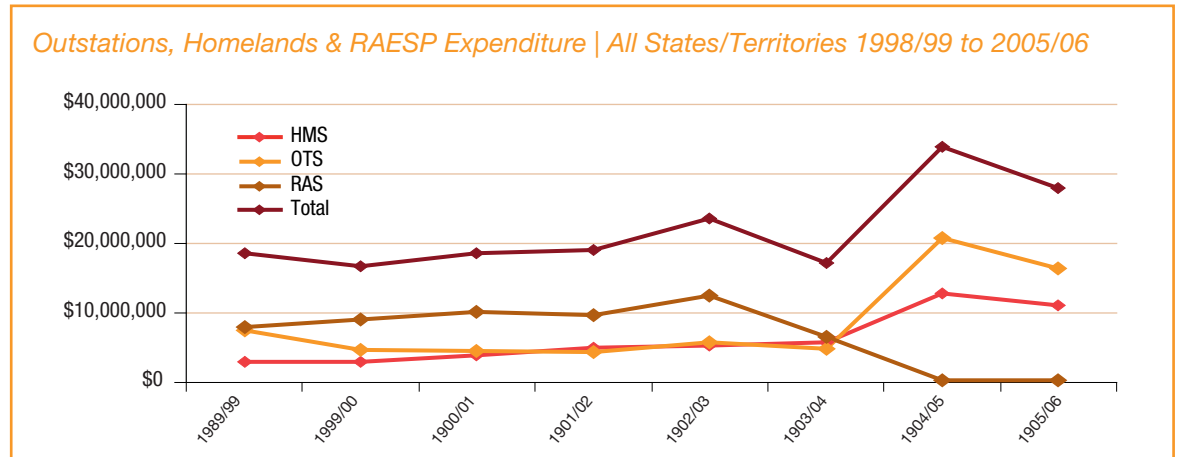


Fig 15.2 RAESP Expenditure by Category



RAESP was part of the NAHS 2 round and some NAHS projects continue at the time of this review. Due to WA funds being pooled, fig.15.2 shows no further RAESP in the last two financial years for WA.

Table 4 Housing and Infrastructure For Outstations in 2001<sup>20</sup>

Housing and infrastructure standards in indigenous communities with populations less than 100 and with populations greater than 100 as at 2001			
Housing	Permanent Dwellings	People	Density
Communities < 100	3,980	19,817	5 per dwelling
Communities > 100	12,980	99,268	7 per dwelling
Temporary Dwelling	No of Temporary Dwellings	Total Dwellings	Percent of Dwellings that are temporary
Communities < 100	1,179	5,159	23
Communities > 100	703	13,683	5
Potable Water	Organised Water Supply	No Organised Water Supply	Percent with Water
Communities < 100	970a	21	98
Communities > 100	225	0	100
Electricity Supply	Available	Unavailable	Percent with Electricity
Communities < 100	911	80b	92
Communities > 100	225	0	100
Sewerage	Available	Unavailable	Percent with sewerage
Communities < 100	900	91c	91
Communities > 100	225	0	100

NOTES  
a 2% failed water quality test  
b Mainly Communities with <20 persons represent 681 residents  
c Mainly Communities with >100 persons representing 1,110 residents

Source CHINS 2001 (ABS 2002b)

The significance of the data in Table 4 is that while it shows the majority of outstations did have access to sewerage, power and potable water, there were a significant number that did not.

Consultations during this review reveal disappointment with the approach of the past. This resulted in small communities being established in areas where there is no likelihood of long term sustainability.

20 In Search of an Outstations Policy for Indigenous Australians, JC Altman Working Paper No. 34/2006 CAEPR p.8 www.anu.edu.au/caepr



## Analysis of current Housing, Infrastructure and Municipal Services Provided for Indigenous Australians

### Chapter Overview

*This chapter presents the analysis of the CHIP Review and includes:*

#### *Housing*

- Housing tenure and where Indigenous people live
- Indigenous Housing Outcomes
- Aboriginal Rental Housing Programme
- Allocations of CHIP Funding
- Access to Public Housing
- Home Ownership – International initiatives & Australian trends
- Indigenous Community Housing Organisations

#### *Other elements of CHIP*

- National Aboriginal Health Strategy
- The Army Aboriginal Community Assistance Programme
- Fixing Houses for Better Health

#### *Infrastructure and municipal services*

#### *Measuring CHIP*

- Measuring CHIP against current whole of government strategic approach to Indigenous affairs
- Measuring CHIP against recent Red Tape Reviews of Service Delivery by FaCSIA



## Housing

### Housing tenure and where Indigenous people live

Of the 115,278 Indigenous households recorded in the 2001 Census

- 14,485 owned their own home
- 22,417 households were purchasing with a mortgage and
- 27,533 households were in the private rental market

In summary in 2001 more than half of Indigenous Australian households (mainly in metropolitan and regional centres) had attained a degree of independence in their housing arrangements and did not rely upon government/community housing.

One third of all Indigenous people live in Sydney, Brisbane, Perth, Coffs Harbour and Wagga Wagga where there is greater access to mainstream accommodation and services. This contrasts markedly with the lack of services provided in outlying areas where those who are among the most disadvantaged live.

*Table 5 Estimated resident Indigenous population distributed by remoteness (ARIA) category, 2001*

ARIA	Indigenous
Major city	138,494
Inner regional	92,988
Outer regional	105,875
Remote	40,161
Very remote	81,002
Total	458,520

Source: Australian Bureau of Statistics (ABS) 2003a.22

Figure 16 shows the percentage of Indigenous Australians in each state and territory who require housing assistance (above the line), and those who are more self sufficient (below the line)

*Figure 16 Housing Tenure of Indigenous Households*

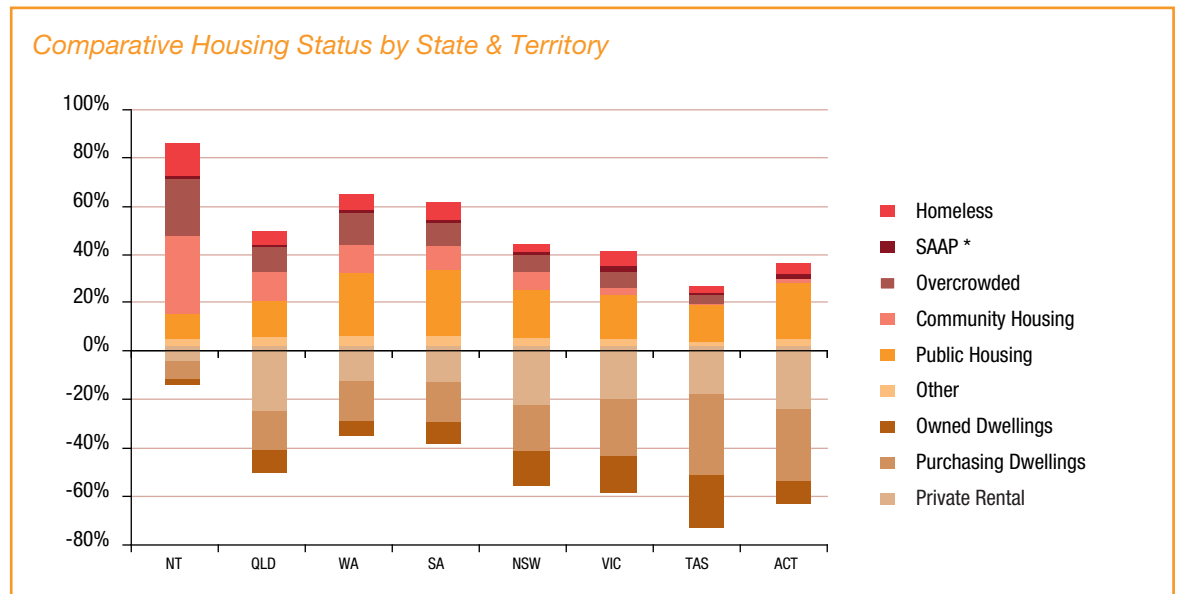


Table 6 and Figures 17 and 18 provide more detail and break down of the data used in this analysis of Indigenous households.

Table 6 Occupancy Status of Indigenous Dwellings in 2001

	NSW	Qld	WA	NT	SA	VIC	TAS	ACT	Total
Owned	6,021	3,437	1,083	379	684	1,407	1,358	116	14,485
Purchasing	7,492	5,473	2,747	953	1,266	2,142	1,972	374	22,417
Priv rent	9,828	9,638	2,445	847	1,178	2,068	1,209	322	27,533
Public	8,146	5,058	4,288	1,414	2,156	1,665	921	295	23,943
Community	2,725	4,271	2,069	4,434	738	276	43	18	14,574
Other	1,341	1,421	669	351	300	279	96	33	4,490
	35,551	29,298	13,301	8,378	6,322	7,837	5,599	1,158	107,442

These figures have been compiled from Cat. No ABS 2002.1 Census 2001. The figures for dwellings rental and public housing types are derived from AIHW data on Aboriginal Housing. The table deals with dwellings (physical structures) as distinct from the tables in appendix 2 that deal with households. (one or more persons who usually reside in a dwelling and who define themselves as a household). Some policymakers would focus on physical structures, others will focus on the occupants of those structures.

Figure 17 Relative Proportions Private vs. Public Housing by Type and State

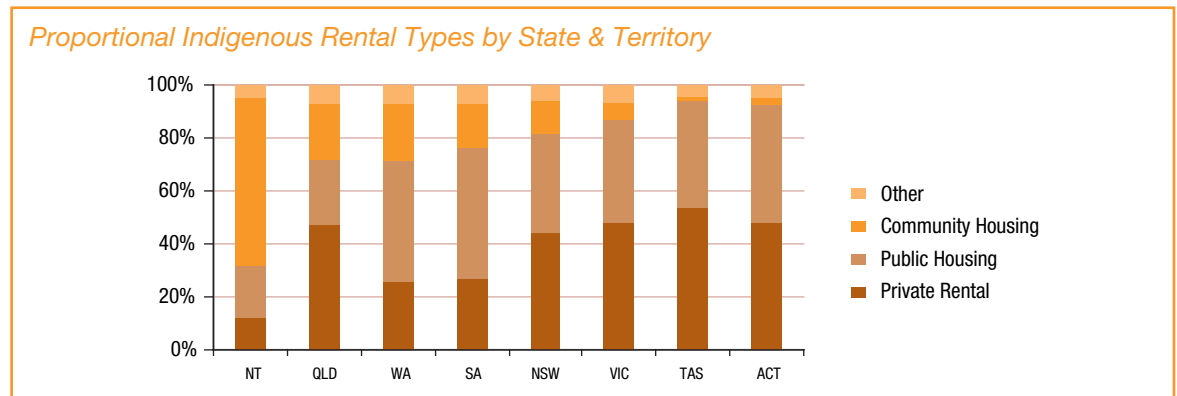


Figure 18 Indigenous Households in Rented Housing

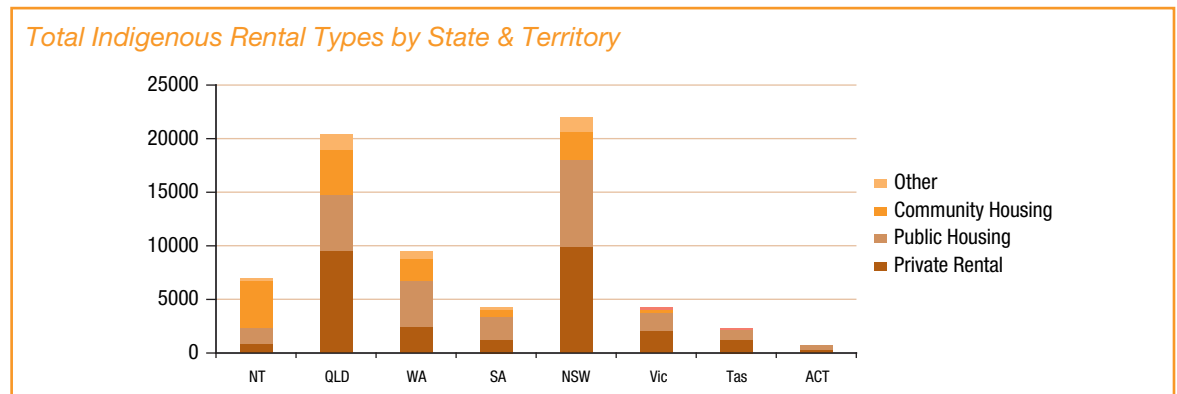


Table 6 and figures 17- 18 indicate that:

- Rates of ownership and home purchase amongst Indigenous households relatively are higher in the eastern states because of the relatively larger regional and urban population to which private rental and home ownership are more accessible.
- Indigenous households are more reliant on public and community housing in WA and especially NT. This is a reflection of their relatively larger remote Indigenous populations. In very remote areas, public housing is limited and the main type of tenancy is community housing.  
**NOTE** "Other" denotes temporary and mobile accommodation.

(See Appendix 3 for details of tenure by rental by state for Indigenous households).

## Indigenous Housing Outcomes

### Homelessness

Homelessness amongst Indigenous Australians is estimated at 7,526 people at 2001 with the highest proportion in the Northern Territory. However, the Australian Institute of Health and Welfare (AIHW) estimate that the number of Indigenous people who are homeless could range from 7,526 to 10,471 depending which estimates are used; and that, if, in addition, those residents in caravan parks are also included in the estimates, the number of Indigenous people who are homeless could range from 9,313 to 12,258<sup>21</sup>.

### Overcrowding in Remote Areas

The Productivity Commission reported in 2002 that 72,600 Indigenous people aged 15 years and over lived in overcrowded housing and that of that number 44.9% were living in overcrowded housing in very remote areas<sup>22</sup>.

Further, the proportion of Indigenous people 15 years and over living in overcrowded housing varied from 61.7% in very remote areas to 12.6% in inner regional areas and 14.9% in major cities. Overcrowded housing also varied significantly by housing tenure ranging from 52.4% in community rental housing to 10.1% in houses fully owned or being purchased.

### The Health and Housing link

In the 2006 Australian Institute of Health and Welfare report into Australian health<sup>23</sup> the impact of adequate housing as a major factor affecting health is noted:

... “many Indigenous people live in housing conditions that are overcrowded and that are unacceptable by general Australian standards because they do not satisfy the basic requirements of shelter, safe drinking water and adequate waste disposal.”

Overcrowding can put excessive demand on bathroom, kitchen and laundry facilities as well as on sewerage systems such as septic tanks. It can lead to the spread of infectious diseases such as meningococcal meningitis or septicaemia, tuberculosis, rheumatic fever and respiratory diseases and skin infections (Baillie & Runcie 2001<sup>24</sup>). It has also been associated with poorer self-reported physical and mental health, and higher rates of smoking and hazardous drinking (Waters 2001)<sup>25</sup>.

While the achievements of programmes such as CHIP are significant, there are still high levels of overcrowding, poor standard housing and infrastructure and homelessness in remote and very remote areas of Australia to be addressed.

In addition, there are the emerging issues of an increasing younger population in those remote communities, an ageing population nationally and the impact of health issues such as diabetes, where those being treated (and family members) need accommodation in larger centres.

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21 Indigenous Housing Needs, A Multi-measure Needs Model, October 2005, AIHW

22 Overcoming Indigenous disadvantage – Key indicators 2005

23 *Australia's health 2006* –Australian Institute of Health and Welfare Cat no (Aus) 73

24 Baillie & Runcie 2001

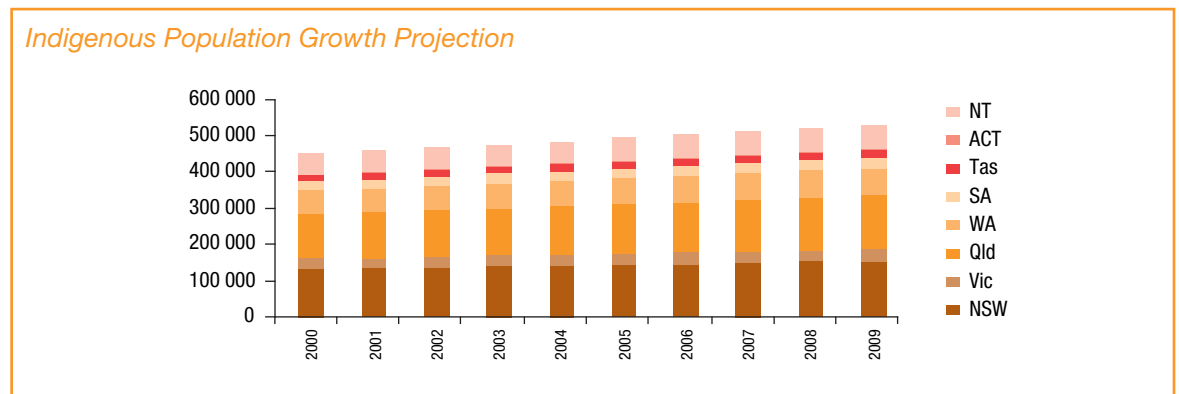
25 Ibid

## Growth in Indigenous Population

ABS has projected an annual growth rate of Australia's Indigenous population over 2001-2009 of 1.8 per cent (low series)<sup>26</sup> and 3.4 per cent (high series). By comparison, since the early 1990s Australia's population has grown by around 1.2 per cent and 1.3 per cent per year, with just over half of this growth resulting from natural increase (the excess of births over deaths) and just under half from net overseas migration (ABS<sup>27</sup>).

Projections to 2016 of the Indigenous population in select regions across much of remote Australia indicate a rapidly growing Indigenous population in Cape York Peninsula, west Arnhem Land and the Gulf country of the Northern Territory, and more moderate, but nonetheless sustained growth in the East Kimberley region and across the arid zone<sup>28</sup>.

Figure 19 Indigenous Population Growth to 2009



Source - ABS data

These figures indicate that Indigenous population growth will place further pressure on community and public housing and private rental in some remote areas as well as other parts of Australia in the years to come.

## Indigenous Housing Outcomes and CHIP Funding

The following graph compares each state profile for Indigenous household tenure at 2001 with average shares of CHIP funding 1998-99 to 2005-06.

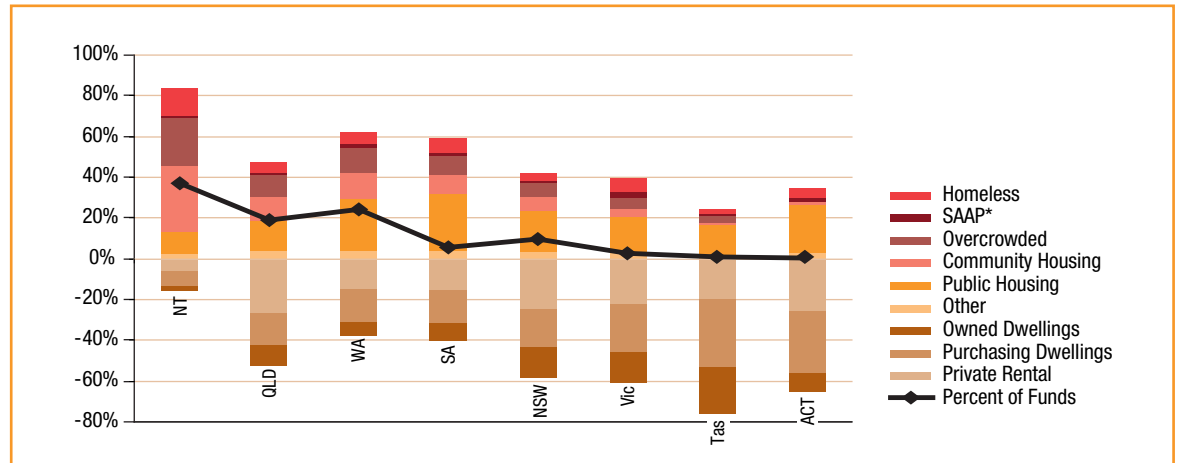
This graph represents the proportional housing outcomes by state. The approach was to show above the line public housing outcomes and unmet needs and below the line (0%) the degree to which Indigenous Australians in each state and territory participate in the private sector.

26 Two main projections of the Indigenous population have been generated and reflect either no unexplained increase in population (low series) or unexplained growth continuing at the rate observed between 1996 and 2001 (high series).

27 ABS, Experimental Estimates and Projections 30 June 1991 to 30 June 2009, Australian Bureau of Statistics Paper no. 3238.0 27/9/2004.

28 J Taylor, Population and Diversity: Policy Implications of Emerging Indigenous Demographic Trends, Centre for Aboriginal Economic Policy Research, Discussion Paper 283/2006.

Figure 20 States share of CHIP spending compared with proportional needs



\*SAAP – Supported Accommodation Assistance Programme.  
See Table 7 for source data

Figure 20 indicates that overcrowding and homelessness are relatively bigger problems in the NT in particular but also in WA, Qld and SA than in the south east states.

As discussed earlier overcrowding is more severe in remote areas where the private housing market and public housing are limited or absent. These are reasons for focusing available Indigenous housing funds on remote areas.

Table 7 Dwellings and Households for each State and Territory

STATE	NT	QLD	WA	SA	NSW	Vic	Tas	ACT
Owned Dwellings	379	3437	1083	684	6021	1407	1358	116
Purchasing Dwellings	953	5473	2747	1266	7492	2142	1972	374
Private Rental	847	9638	2445	1178	9828	2068	1209	322
Public Housing	1414	5058	4288	2156	8146	1665	921	295
Community Housing	4434	4271	2069	738	2725	276	43	18
Other	351	1421	669	300	1341	279	96	33
Overcrowded	3160	3740	2110	690	2810	580	220	0
SAAP *	97	395	210	158	391	260	27	28
Homeless*	1864	1918	1054	544	1376	564	151	55
Percentage of total CHIP Funds provided	37	19	24	6	10	3	1	0

\* Source AIHW and Census 2001(ABS 2003.0)

Homeless is the ABS and AIHW estimate of individuals who define themselves as homeless.

All figures are quoted as dwellings other than SAAP and Homeless which are counted as persons and assumed as potential single households.

## Aboriginal Rental Housing Programme (ARHP)

To address the need for additional public housing in remote and rural communities, the Australian Government funds the Aboriginal Rental Housing Programme (ARHP) as part of the Commonwealth State Housing Agreement (CSHA) arrangements.

FaCSIA advised that the policy rationale for ARHP is “Indigenous people have a significantly greater need for housing assistance than non-Indigenous people, with 21% of Indigenous people experiencing homelessness or overcrowding. This compares with a figure of 3.6% for non-Indigenous Australians.

Whilst there is significant housing need in both urban and rural and remote regions, ARHP funds are directed to rural and remote areas where there are no public or private housing markets. The need for more housing and better quality housing and infrastructure is highest, and there tends to be high levels of overcrowding and homelessness, in these areas<sup>29</sup>.

Indigenous housing need in rural and remote areas remains critical despite the level of funding. There are still insufficient funds to provide adequate on-going management and maintenance to protect capital investment in Indigenous housing in rural and remote areas<sup>30</sup>.

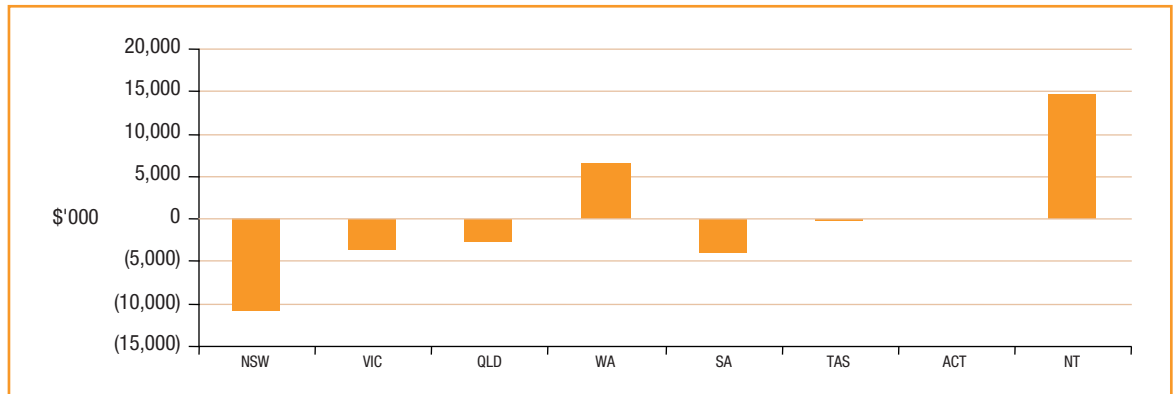
Figure 21 ARHP Funding Allocation



Sources FaCSIA ARHP funding data

In matching ARHP funding to ABS Census 2001 figures for Remote and Very Remote Indigenous population, by State and Territory, it would appear there is a misalignment between identified need, as measured by Indigenous population, and available funding. This may reflect the historical basis of the CSHA arrangements. Even by the Commonwealth's own criteria money has not gone to areas of greatest need in remote and very remote areas.

Figure 22 Changes in ARHP Annual Funding proportional to Remote Population



This figure indicates that NT and WA are proportionately under-funded based on remote population

29 FACSIA website [www.facsia.gov.au](http://www.facsia.gov.au)

30 FACSIA 2003, Review of Aboriginal Rental Housing Programme internal document

If funding matched remote need there would be a shift in priorities as to where ARHP money is spent as displayed in Figure 22 (above). It is clear that the current approach to Indigenous housing will not adequately address the needs for housing and related infrastructure identified in reports such as the 2005 Productivity Commission's economic indicators<sup>31</sup> and in extensive reports and research on the need for housing for Indigenous Australians.

A cross-section of stakeholders identified the administrative burden of accounting separately and differently for ARHP funds and mainstream CSHA funds – particularly in relation to the comparatively small payments.

Given the increasing move towards single service administration of public housing by State Governments, (eg. Queensland), it is consistent with those initiatives to have a single stream of public housing funding based on an overall assessment of public housing need. The more general issue of the overall adequacy of public housing funding is outside the scope of this review.

While reform in this area may meet some initial resistance, there is a clear need for better outcomes and a transition period that eventually delivers better services in remote areas. Clearly if there is to be funding specifically for Indigenous housing in remote communities it will need to be based on a precise definition of remoteness.

To better focus effort on remote need, it is recommended that public housing services for Indigenous Australians be provided in urban and regional communities through mainstream Commonwealth State Housing Agreement (CSHA) funded services in NSW; Victoria; Tasmania; ACT and urban WA; Qld; and, SA from 1 July 2008.

By way of background to the above discussion on ARHP, the review notes the relevance of similar analysis undertaken by the Grants Commission in its Indigenous Funding Inquiry in 2001, and raised by OIPC in its submission to this Review.

OIPC noted that:

*A significant proportion of the Commonwealth's \$310 million Indigenous housing and infrastructure budget is spent in cities and towns where the residents already have access to mainstream public rental housing (and to Commonwealth Rental Assistance for private rental). For example:*

- I. NSW and Victoria, which have few remote communities, account for 23.5% of ARHP funds and for 21.1% of CHIP housing funds (Source: .CGC p. 154).*
- II. Substantial funds continue to be spent in metropolitan areas: for example, between 96-97 and 98-99 ATSI's Sydney Region accounted for over 10% of the Commission's community housing budget for (NSW), and the South East Queensland (Brisbane) Region accounted for almost 20% of (Queensland's community housing) budget (Source: CGC Vol 2 p. 123).*
- III. By way of comparison, over this same period the Sydney Region received more ATSI housing funds than the Alice Springs Region, the Many Rivers (Coffs Harbour) Region more money than the Malarabah (Derby) Region, and the Kamilaroi (Tamworth) Region almost as much as the Papunya (Apatula) Region (Source: CGC Vol 2 p. 127).*
- IV. The States' apportionment of Commonwealth Indigenous housing funds (and their own) is similar. For example, of the \$28.8 million being spent on new capital stock on the mainland [excluding the Cape and Torres Strait Islands] in 2001 by Queensland under its ATSI Housing Plan, 12% is planned for the Brisbane area. Similarly, the NSW Aboriginal Housing Office earmarked half of its 130 unit capital works programme for its Sydney (27), south coast (15) and north coast (21) regions including towns like Ulladulla, Goulburn, Queanbeyan, Nowra, Newcastle, Port Macquarie, Coffs Harbour etc.*

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31 SCRGSP (Steering Committee for the Review of Government Service Provision) *Overcoming Indigenous Disadvantage: Key Indicators 2005*

This in effect means that CHIP money which could have been used to provide accommodation to Indigenous Australians in remote and regional areas has instead been spent in metropolitan areas which have access to mainstream public housing arrangements. The current CHIP strategic framework does not ensure adequate priority is given to remote communities experiencing significant overcrowding.

### Access to Mainstream Public Housing

In looking to increase Indigenous peoples' utilization of mainstream public housing in urban centres and increase the opportunity to fund housing in remote communities, the following research from the Australian Housing and Urban Research Institute (2005) is encouraging<sup>32</sup>.

The AHURI research findings included:

- access by Indigenous people to mainstream public housing has increased in the past four years with the number of newly assisted Indigenous tenants growing by 11.6% over the period 2000-01 to 2003-04. There is a need to further boost the stock of larger dwellings to reduce overcrowding for Indigenous households in mainstream public housing, and to continue to improve the sustainability of tenancies.
- the proportion of Indigenous households in public housing administered by States and Territories, but excluding public housing funded under the Aboriginal Rental Housing Programme (ARHP), has increased from 3.4% of households in 2001 to 5.2% of households in 2004 (estimates exclude NSW where data on the Indigenous status of existing tenants are incomplete).
- there is an urgent need to arrest recent declines in the overall supply of mainstream public housing dwellings if levels of housing need among Indigenous people are to be further reduced. In particular, State and Territory Housing Authorities could boost the stock of dwellings, especially larger dwellings, through the ongoing sale of smaller units and the purchase or building of larger dwellings, to overcome overcrowding. Supported tenancy programmes to improve the sustainability of tenancies must be high on the agendas of State Housing Authorities.
- an important factor contributing to the increasing number of Indigenous people in mainstream public housing is the growth in newly assisted tenants.
- indigenous households are more likely to enter mainstream public housing as 'greatest need' tenant households than non-Indigenous households and experience lower income levels while in public housing. This outcome is probably a reflection of the higher levels of severe housing need among Indigenous applicants compared with non-Indigenous applicants.
- the case studies reveal histories of discrimination in housing experienced by Indigenous people in need. Discrimination experienced by Indigenous people in housing leads to its own negative outcomes including a lack of dignity, self-worth and feelings of shame.
- the case studies provide evidence that a lack of permanent long-term housing and the high use of emergency accommodation helps to perpetuate the social circumstances which conspire against good housing outcomes for Indigenous people in housing need. The high levels of use of emergency accommodation illustrate the 'stop gap' housing history of unstable accommodation and homelessness. The case studies also point to concerns regarding the quality of public housing available to tenants and to its suitability for Indigenous households.
- once in public housing Indigenous households face particular problems. The rate of moderate overcrowding is twice that for non-Indigenous households and remains of critical policy concern. The 'moderate overcrowding' rate (where one additional bedroom is required to satisfy the proxy occupancy standard used by the AIHW) is also twice that for non-Indigenous households.

Given the increasing move into mainstream public housing by Indigenous tenants in urban areas, and the support that is now available, the opportunity exists to better direct CHIP funding to remote and regional areas where there is a greater need for accommodation to address overcrowding.

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32 October 2005 Australian Housing and Urban Research Institute (AHURI) Bulletin *Indigenous Access to Mainstream Public and Community Housing*

There also needs to be a reassessment in the future about the availability of funding for public housing given the movement of Indigenous tenants towards urban areas where families can have access to schools, healthcare, law and order and job opportunities.

As well there is a need to assist individuals and families with home living skills; financial management skills; and tenancy management skills to achieve the planned objectives of improved rates of home ownership and private and public housing tenancy<sup>33</sup>.

## Home Ownership – International Initiatives and Australian Trends

A significant amount of information was provided to FaCSIA as part of this review relating to Indigenous people in Canada and New Zealand<sup>34</sup>.

### International Initiatives

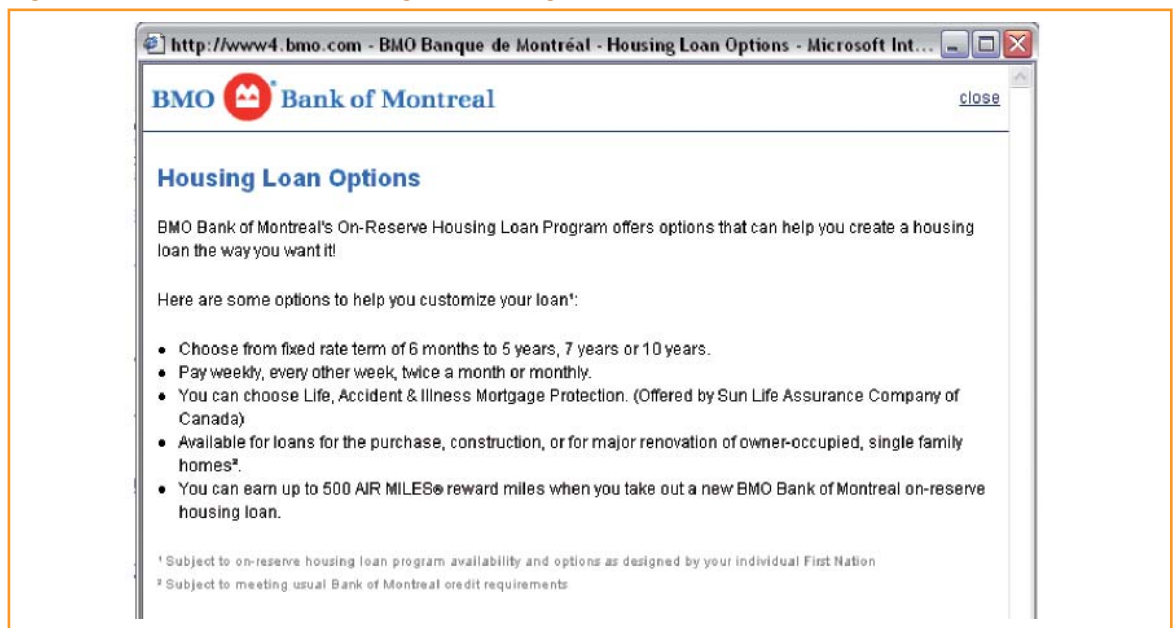
#### Canada

In Canada, effective initiatives include Homeownership Assistance and initiatives for community land, i.e. On-Reserve. A **Direct Lending Programme** provides financing and renewals for eligible social housing projects and offers the lowest average financing available. Other initiatives for On-Reserve homeownership include loan insurance programmes through ministerial loan guarantees and financial assistance to repair sub-standard homes to a minimum level of health and safety and to improve accessibility to housing for disabled persons.

There are also practical homeownership assistance initiatives for Off-Reserve purchase including **Residential Rehabilitation Assistance** for conversion of commercial or industrial buildings into affordable housing and financial assistance to repair sub-standard homes; these programmes are in addition to direct lending programmes.

Other initiatives are worthy of consideration. For example: The Bank of Montreal established a commercial approach to Aboriginal banking within its existing structure. In 1992 the value of its commercial loan business with Aboriginal communities amounted to \$10 million dollars. Some eight years later, that same commercial loan business had grown to \$1 billion, with the bank holding a further \$1 billion in trust for First Nations communities.

Figure 23 Bank of Montreal Aboriginal Banking Service



33 Stakeholder feedback particularly WA and NT. Refer page 103-122 of this report

34 See to Appendix 5 for a summary of international initiatives

The Bank of Montreal has 11 full service branches, 4 community banking outlets and 1 in-store facility servicing Aboriginal communities across Canada. It employs Indigenous people in these banks and throughout its organisation.

Importantly for these remote communities the Bank of Montreal provided an “On-Reserve” housing loan programme that allowed Indigenous families to borrow funds for the construction, renovation and purchase of owner occupied housing.

### *New Zealand*

Similarly, in New Zealand there are a range of general lending programmes, low deposit rural lending arrangements and ‘Papakāinga’ loans to assist Maori people who are building or buying a house on multiple-owned Maori land.

### *United Kingdom*

The United Kingdom has recently, in April 2006, also launched a range of Social Homebuy and other home ownership schemes for the purchase of social housing including schemes that allow tenants to buy their council homes at a price that is lower than its full market value.

In August 2006, the consulting firm SGS Economics and Planning provided FaCSIA with their draft report *A Framework for Assessing Alternative Models for Housing Provision on Indigenous Communal Title Land*. The report summarises the range of Canadian, American and New Zealand initiatives for homeownership as well as options for reducing the costs of labour and materials and collective delivery and adaptive collaborative management initiatives which might be applied on Indigenous land.

While these models may not be exactly suited to Australian conditions it can and should be used as an example to Australian financial institutions and businesses on how commercially viable ventures can be conducted with Indigenous communities and people on community title land.

### *Australian Trends*

A number of stakeholders raised homeownership as relevant to a strategic framework for Indigenous housing policy. This is consistent with international trends.

Local options include initiatives such as:

- Indigenous Business Australia within DEWR
- the Homeownership on Indigenous Land Programme (HOIL) to provide affordable homeownership borrowings for Indigenous people on Indigenous land
- home purchase Incentive Scheme on Community Title Land.

It is noted that while the take up of homeownership loans for freehold etc has been encouraging, the take up of loans through IBA for homeownership on Indigenous land has been low to date. It is understood that a number of loans are about to be taken up based on the initiatives of IBA.

*“Access to capital, on proper and equitable terms, is paramount for Indigenous economic development. It is time to allow communities to adopt normal risk and for governments to stop sheltering communities and wrapping them up in cotton wool for “their own good”. It is also time for the private sector and in particular the financial sector, to pursue investments involving Australia’s first peoples. The overseas models clearly reinforce the importance of non-government interventions.”<sup>35</sup>*

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35 Indigenous Economic Empowerment: Fact or Fiction Joseph Elu Chairman, Menzies Research Centre Lecture Series Brisbane, March 2001

## Indigenous Community Housing Organisations

The current community housing arrangements funded through CHIP rely heavily on Indigenous Community Housing Organisations (ICHOs) for tenancy management and asset maintenance. There has been past criticism about the capacity of ICHOs to meet the expectations of the tenants and deliver the outcomes sought by governments.

Yet there was little criticism of ICHOs amongst most stakeholders interviewed as part of this Review. There was concern however about the capacity and viability of ICHOs.

The 1998 report by Spiller Gibbins & Swan<sup>36</sup> indicates that studies concluded at that time that *'no ICHO on current income generation and expenditure requirements was sustainable and that most to forestall insolvency, had to defer maintenance; under insure; not pay rates and charges (where they are applied), under-administer and/or seek additional financial assistance from outside funding agencies.'*

This Review found that a vast majority of ICHOs are still operating on or below viability.

### The Viability, Governance and Service Delivery Capacity of ICHOs

Any examination of CHIP needed to include an examination of ICHOs to determine whether they are sustainable and whether or not they could meet modern governance and service delivery standards. We have analysed the current mix and funding arrangements for ICHOs as input to the recommendations.

#### *What are ICHOs?*

ICHOs own, manage and provide support for Indigenous community housing including tenancy, community and asset management services.

There are approximately 600 ICHOs managing approximately 21,000 dwellings. However, more than 80% of ICHOs manage fewer than 50 dwellings [see following table of ICHO managed dwellings]

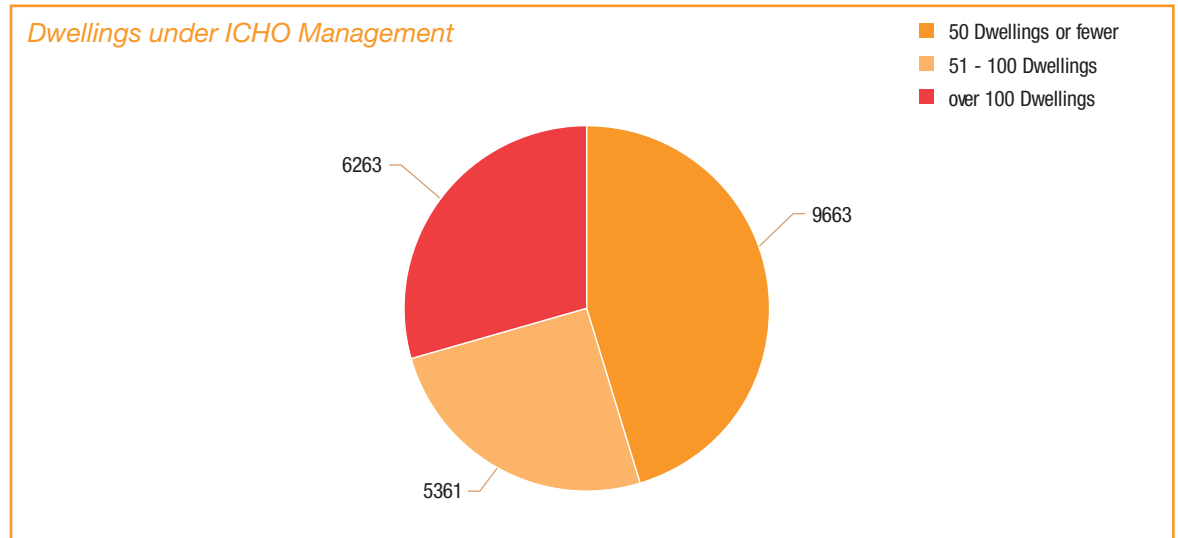
*Table 8 - ICHO Housing Management breakdown*

ICHOs Managing	Dwellings under Management	Percent of total ICHO dwellings	Number of ICHOs	% of Total ICHOs
50 Dwellings or fewer	9,663	45.39	504	81.82
51-100	5,361	25.18	77	12.50
Over 100	6,263	29.42	35	5.68
Total	21,287	100	616	100

This is a profile of dwellings under ICHO management

36 Spiller, Gibbins & Swan, 1998 Financial Viability of Aboriginal and Torres Strait Islander Housing

Figure 24 High level view of ICHO sizes



Source: PricewaterhouseCoopers analysis of AIHW and ABS data

#### How do they operate?

ICHOs receive grants for capital works and repairs and maintenance. They also receive rentals from the tenants of community housing at an average of \$40 per week. Expenses relate to management activities, repairs and maintenance and administration.

#### Are they financially viable?

Table 9 The following analysis summarises the per dwelling income and expenditure of an average ICHO

	Capital	Recurring
<b>Income</b>		
Capital grant for dwelling		Nil
Rental at \$40 per week	\$80,000 <sup>37</sup>	\$2,080
Repairs and maintenance grants (average per dwelling)		\$454 <sup>38</sup>
<b>Expenses</b>		
Maintenance		\$1,926 <sup>39</sup>
Administration	\$80,000	\$1,200 <sup>40</sup>
House purchase		
<b>Surplus/(deficit)</b>	<b>Nil</b>	<b>(\$592)</b>

Based on this analysis, we would expect that the average ICHO would not be financially viable. This analysis is also supported by AHURI<sup>41</sup> which estimated a deficit of \$3,800 per dwelling. The AHURI estimate is greater than that developed above for the reasons that (i) the above analysis assumes efficiency levels comparable with private sector property managers and (ii) many of the ICHOs operate at sub-scale levels.

37 According to CHINS 1999, cost of Medium cost area dwelling. We understand that the cost of dwellings in remote areas particularly has increased tremendously since 1999 approaching \$400,000 in 2006.

38 Annual grants of \$11,000,000 divided by 22,000 dwellings

39 According to CHINS 1999

40 Based on real estate property management charges of 10% reduced by real estate industry profit margins of 16% (ATO Statistics 2004-05, corporations data) multiplied by implied rental charge on property with 20 year life and 5% interest plus maintenance expenditure.

41 AHURI Research and Policy Bulletin, Issue 72 May 2006, *The Cost of housing in diverse Indigenous communities in Australia*

To achieve even the average level of deficit shown above, an ICHO employing one person at the Australian average wage of \$35,000 per annum (plus overheads of approximately \$10,000) would need to manage in excess of 35 properties. This suggests that the overwhelming number of ICHOs operate at well below viable scale.

With the information available at the current time, it is not possible to estimate the financial condition of individual ICHOs; however, it could be reasonably assumed that the financial viability of regional and remote area ICHOs would be under considerably more financial stress.

This lack of viability has led to delays in repairs and a requirement to fund administrative expenditure at the expense of repairs. This has, in turn, created a backlog of repairs and maintenance estimated in excess of \$700 million<sup>42</sup>. This part of our report deals with the ongoing expenditure shortfall rather than addressing this backlog.

### *What are the viability improvement options?*

#### Revenue improvements

- Rental revenue could be increased to sustainable funding levels on average. Average rentals revenue required to cover maintenance and tenancy management would be between \$50 and \$100 per week. This is still significantly less than the average full cost of community housing which we estimate at in excess of \$200 per week<sup>43</sup>.
- Alternatively, incremental funding could be provided through government subsidy at an incremental cost of between \$12 million and \$68 million: such a subsidy scheme would need to have appropriate performance conditions attached.
- It is likely that the most appropriate revenue improvement would be some combination of these two alternatives.

#### Cost efficiency

- Reduce levels of repair required
- Our observations, (confirmed by FHBH data supplied by an experienced on site maintenance firm, Healthhabitat) indicate that 25% of repairs are due to faulty construction and materials specification (see Figure 6).
- FACSIA has an excellent handbook on design of appropriate housing that provides a basis for evaluating design and specification of inclusions and materials<sup>44</sup>. A significant part of the operating deficit of the average ICHO can be eliminated by restructuring purchasing arrangements for the houses constructed, so that recovery could be made against the builders of these houses.
- Furthermore, incentives to reduce vandalism could be introduced to reduce repair costs by around 10%. Such incentives may take the form of community bonuses for low or nil damage levels; these bonuses may take the form of clearance of the repair backlog in the respective community.
- Improved procurement of repair works may be achieved by three strategies relevant to the location of the ICHOs. These are:
  - (i) for **urban ICHOs** leverage the procurement of larger mainstream community housing institutions,
  - (ii) for **regional ICHOs** combine the procurement activity with either local council or regional mainstream community housing and
  - (iii) for **remote ICHOs**, set up cooperative procurement between a number of ICHOs in similar geographic regions
- Increase community self-sufficiency for repair works

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42 AHURI, op cit, pg. 4

43 Based on an \$80,000 dwelling with a 20 year life, 5% interest rates and an expense profile as set out in 3.1 above

44 Department of Family and Community Services 2003 *National Indigenous Housing Guide 2nd edition*, [www.facsia.gov.au](http://www.facsia.gov.au)

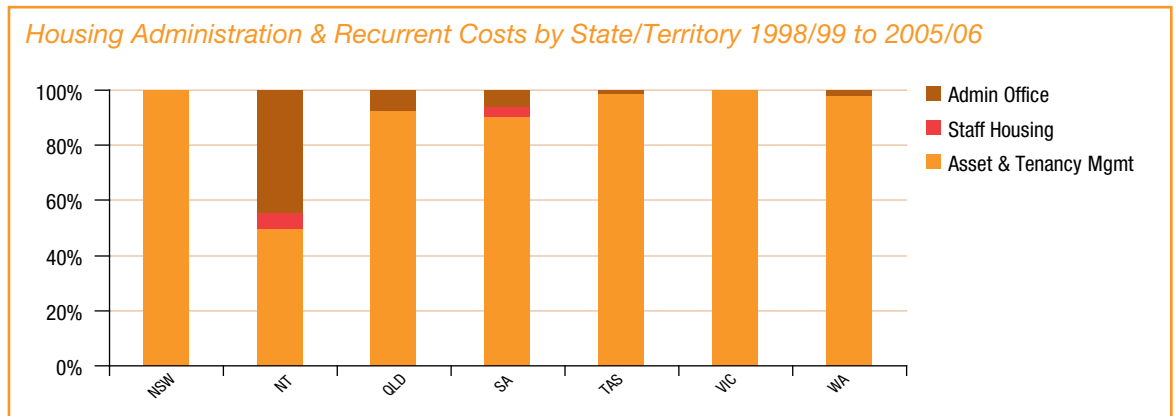
For remote area ICHOs, a significant barrier to economic repair works is the disproportionate impact of travel and transportation costs. Where repair work is able to be conducted by the local community, more economic and rapid repair works can take place.

However, in many cases, this would require either significant re-skilling of the local population and/or changes in design and construction of delivered housing to make repair work less frequent or more straightforward.

### Tenancy Management

Tenancy management involves tenancy allocation, preparing lease agreements, managing the rental roll and coordinating repairs. Administrative activities include payroll and accounts payable as well as grant application and acquittal. Each of these activities are readily standardised and therefore scale economies can be derived.

Figure 25 Tenancy management and administrative expenditure



Source: FaCSIA CHIP Funding Data

Figure 25 reflects the need for NT to spend more on administration because of the larger number of small ICHOs.

However, in the small ICHOs it is likely that not only are these scale economies forfeited but the skills to adequately discharge these responsibility are spread thinly. Furthermore, these activities divert scarce resources from the conduct of repair work in the local community.

Accordingly, it is recommended that to reduce this administrative burden activities of this nature should be conducted on a larger scale. Strategies to achieve this outcome are as follows:

- (i) for **urban ICHOs** the cost of management and administration could be lowered by having these services provided by larger mainstream community housing institutions
- (ii) for **regional ICHOs** the services could be combined with either local council or regional mainstream community housing and
- (iii) for **remote ICHOs**, tenancy management and administrative activities could be established on a cooperative basis across a number of ICHOs in similar geographic regions

To best provide tenancy services and asset maintenance through ICHOs, it is recommended that:

- an assessment be undertaken of the ongoing viability of existing ICHOs against agreed standards for tenancy management and asset maintenance
- where ICHOs are not viable, arrangements for amalgamation, outsourced management, or contracted public housing management be put in place

- ICHOs better utilise ‘mainstream’ consumer protection regulation to ensure that proper landlord and tenant arrangements are enforced to benefit both parties. Standard tenancy agreements would better assist with rental collection, property management and mutual accountability
- Greater use of regular payment methods such as Centrelink’s ‘Centrepay’, direct debit etc<sup>45</sup>

## The condition of community housing

The 2001 Community Housing and Infrastructure Needs Survey (CHINS) collected detailed data on dwelling conditions for permanent dwellings on discrete Indigenous communities that were managed by Indigenous housing organisations.

The survey identified 21,287 permanent dwellings managed by Indigenous housing organisations. The majority of these dwellings (70%) were located in areas classified as Remote or Very Remote areas. Of these, 2,914 (19%) required major repairs and 1,461 (10%) required replacement (ABS & AIHW 2005)<sup>46</sup>.

There are four main categories of housing repair and maintenance needs to be addressed urgently:

- the backlog of repairs and maintenance
- major renovation of existing housing to better meet the needs of the Indigenous families
- demolition and/or replacement of housing no longer safe to live in
- infrastructure.

Several sources were consulted to arrive at reasonable estimates of costs for housing repair and maintenance. AHURI has estimated that it would require \$705 million of new funding to address the maintenance backlog in the current housing stock. This figure is reinforced by estimates gained from Fixing Houses for Better Health of between \$3,000 and \$12,000 per dwelling for repairs and maintenance. To fix health hardware alone eg. fixing drains, toilets, taps, showers, kitchens and electrical; FHBH estimate an average cost of \$7,000 per dwelling. By contrast the AHURI estimate is based on the need for major repairs and replacement.

A maintenance focus such as described above is the fastest and most practical way to increase the available housing stock and reduce overcrowding. The maintenance blitz can also have the added benefits of developing skills and capabilities and creating lasting jobs.

## Other Elements Of Chip

### *National Aboriginal Health Strategy (NAHS)*

The National Aboriginal Health Strategy (NAHS) is a capital works programme involving large integrated projects, mainly in rural and remote areas. The objectives of NAHS are to:

- improve environmental health by upgrading or providing new sustainable infrastructure and priority housing
- target funding to those communities in greatest need as demonstrated by housing needs surveys, housing organisations’ waiting lists, Census data, Project Impact Assessments and reports from NAHS Programme Managers
- gain increased commitments from State, Territory and local governments
- properly plan and deliver large-scale projects to ensure future sustainability.<sup>47</sup>

45 Victoria FaCSIA state office submission to this review, QLD “One Social Housing Strategy”; Stakeholder interview Mita Koodi ICHO Qld. 3 Aug 2006; Yilli Rreung ICHO Darwin 10 Aug 2006; AHL Interview Canberra 19 Jun 2006; AHL Port Augusta 24 July 2006.

46 AIHW 2006, Australia’s Health 2006, cat no. AUS73, p. 232

47 ibid

In 1994-95, the Health Infrastructure Priority Projects (HIPP) Scheme was established under CHIP to provide better programme and project delivery of large scale housing and infrastructure projects to achieve the NAHS objectives<sup>48</sup>.

NAHS was initially launched by the Commonwealth Government in 1990. The Strategy was intended to supplement State and Territory Government funding by providing essential services and community infrastructure and priority housing to improve primary health care services and environmental health conditions in Indigenous communities<sup>49</sup>.

An evaluation of NAHS in 1994 criticised the limited coordination of NAHS funding and the extent to which ATSIC's funds had made any significant impact on Indigenous environmental health needs. As a result of the evaluation, the primary health care component of NAHS was passed to the Office for Aboriginal and Torres Strait Islander Health (OATSIH) to deliver. ATSIS retained delivery of the housing and infrastructure component for delivery of environmental health benefits but made several changes to the delivery of the programme<sup>50</sup>.

The HIPP Scheme encompassed several key features upon which the NAHS programme delivery arrangements are based. These included: identifying environmental health impacts in the project identification stage; triennial funding of projects; outsourced programme and project management to provide project monitoring and assessment of project design and construction; and inclusion of employment and training as an element of programme funding<sup>51</sup>.

A key feature of the NAHS programme is the use of private-sector programme and project managers to ensure professional project identification, monitoring and implementation of all aspects of planning, design, construction and maintenance of facilities. A number of reviews in the mid 1990s determined that ATSIC and its client organisations did not have the necessary project management and other professional skills to successfully manage and deliver large-scale complex housing and infrastructure projects. The use of programme management services was initially trialled in the Health Infrastructure Priority Projects (HIPP) Programme and extended to each subsequent round of NAHS<sup>52</sup>.

Contracted Programme Manager (CPM) services are provided by Arup<sup>53</sup> in New South Wales, Queensland and the Northern Territory; and Parsons Brinckerhoff<sup>54</sup> in Victoria, South Australia and Western Australia; and Gutteridge, Haskins and Davey<sup>55</sup> provided CPM services for Round 1 NAHS in New South Wales<sup>56</sup>.

As NAHS projects are sizeable capital projects, they are usually implemented and funded over a number of financial years. The current average allocation for NAHS projects is approximately \$2 million. The total value of NAHS projects approved since 1995 is \$694.4 million. This includes projects started under HIPP and projects approved as a result of extending the current NAHS round through to 2003-04<sup>57</sup>.

Projects are selected using the Project Impact Assessment (PIA) methodology, previously known as the Health Impact Assessment. The NAHS PIA Methodology aims to target communities with the greatest environmental health needs in an objective manner<sup>58</sup>.

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48 *ibid*

49 ANAO *National Aboriginal Health Strategy Delivery of Housing and Infrastructure to Aboriginal and Torres Strait Islander Communities Follow-up* Audit Report no. 44, 2003-04, ANAO

50 *ibid*

51 *ibid*

52 *ibid*

53 Arup in Australasia provides engineering, design, planning and corporate advisory services. [www.arup.com/australasia/](http://www.arup.com/australasia/)

54 Parsons Brinckerhoff Australia provides operational design and project management [www.pb.com.au](http://www.pb.com.au)

55 Gutteridge, Haskins and Davey Infrastructure, Mining & Industry, Defence, Property & Buildings and the Environment [www.ghd.com.au](http://www.ghd.com.au)

56 *op cit* ANAO 2003/04

57 *ibid*

58 *ibid*

A total of 286 projects have been approved under NAHS since 1995, including those started under HIPP. Of these projects, 211 have been completed (including 25 completed during 2003-04) and 75 are currently in the planning or construction stages. Completion of the ongoing projects is expected by June 2005<sup>59</sup>.

Under HIPP and NAHS, a total of \$453.52 million has been provided for housing and \$241.88 million for infrastructure. A total of 1642 new houses have been constructed, 2514 houses have been renovated and 245 sites will have been serviced from 1995 to 2005. There has been a steady increase in housing provided from 1995 to 2005 and a steady decrease in infrastructure funding from 1995 to 2005, reflecting the focus on meeting infrastructure needs in the earlier years of NAHS funding. A high concentration of housing constructions in the earlier years of NAHS has been replaced with a steady increase in the number of housing renovations<sup>60</sup>.

Infrastructure work carried out on NAHS and HIPP projects includes the provision of power, water, roads and drainage, sewerage, flood mitigation, town planning, community facilities, landscaping and dust control and waste disposal<sup>61</sup>.

*Table 10 NAHS project approvals between 1995-96 and 2003-04<sup>62</sup>*

NAHS Round	Number of Projects	Amount (\$Million)	Infrastructure (\$Million)	Housing (\$Million)	Project Mgmt (\$Million)
HIPP Round 1 (1995-96 to 1998-99)	29	69.8	35.2	27.7	6.9
HIPP Round 2 and NAHS Round 1 (1996-97 to 1999-00)	120	291.7	102.4	162.2	27.1
NAHS Round 2 (2000-01 to 2003-04)	132	327.5	78.9	212.6	36.0
<b>Total</b>	<b>281</b>	<b>689.0</b>	<b>216.5</b>	<b>402.5</b>	<b>70.0</b>

Table 9 shows the expenditure on NAHS 1995-96 and 2003-04

In 1999 and 2004 the Australian National Audit Office (ANAO) reviewed NAHS and made a number of recommendations. These appear still valid based on stakeholder feedback of their experience with the NAHS programme.

In summary, the recommendations made by the ANAO in its 1999 report that would assist with better needs-based planning, coordination of service delivery and development of training and skills are as follows:

- further develop the criteria for assessing, monitoring and reporting state/territory and local government support for Indigenous housing and infrastructure
- summarise and analyse relevant data on the support for NAHS projects at the state/territory and national levels to assist in reviewing its performance in increasing commitments from state and territory governments to those projects
- benchmark NAHS programme management arrangements, including project planning and project management costs, for the delivery of housing and infrastructure to Aboriginal and Torres Strait Islander communities to assist in the achievement of better performance
- in its negotiations with other Commonwealth and state/territory agencies (FaCSIA) for future NAHS projects identify and agree with those agencies, at the national level, a sound basis for funding and cooperative effort for Indigenous employment and training.

59 *ibid*

60 *ibid*

61 *ibid*

62 2003-04, ANAO *National Aboriginal Health Strategy Delivery of Housing and Infrastructure to Aboriginal and Torres Strait Islander Communities Follow-up Audit Report* no. 44, pp 7-8

In the ANAO's follow-up report of 2003-04 it noted that:

- AT SIS does not report to stakeholders against the stated programme objective to increase commitment and support for infrastructure projects
- AT SIS partially implemented the recommendation that the agency should report using more detailed output and cost information to make certain that NAHS reporting complies with the Government's accrual budgeting expectations and more broadly the ANAO considers that the current level of aggregation of NAHS programme reporting makes it difficult to identify the particular contribution that the NAHS programme makes in improving services to Indigenous communities
- elements of CHIP contribute across several Outputs and the performance measures are not specific to measuring NAHS programme outcomes and AT SIS should report on the aggregated performance of activities/sub-programmes under the CHIP. The current level of aggregation of performance reporting of the contribution of CHIP elements does not easily allow external stakeholders to identify the contribution of sub-programmes such as the NAHS programme to the performance of outputs and
- AT SIS should develop its performance indicators for assessing, monitoring and reporting on NAHS performance to improve stakeholders' ability to understand AT SIC's role in the delivery of housing and infrastructure for environmental health purposes.

The ANAO found that the current level of reporting of financial performance information, such as output costs, provided a broad assessment of the efficiency and cost effectiveness of the NAHS programme. The ANAO suggests that the provision of additional financial information on the NAHS programme, including cost effectiveness and operational efficiency against the NAHS programme objectives (for example, the cost of providing housing and infrastructure for environmental health benefits) would be beneficial for stakeholders wishing to form a detailed view of the NAHS programme.

That the ANAO recommendations warrant revisiting is clear after reviewing the documentation provided by Programme Manager, Arup:

- the AT SIC National Aboriginal Health Strategy Environmental Health Programme Project Management Contract of 5 November 2002
- current FaCSIA Programme Management Services Contract for the National Aboriginal Health Strategy (provided by FaCSIA to this review) and
- the FaCSIA Industry Briefing for NAHS 3 held on 16 January 2006.

In considering future options for cost effective design and construction, as well as project management, the current fee arrangements provide a useful benchmark against which competitive tenders could be evaluated.

The following extracts (shown in table 12) from the current NAHS 3 contract provide a basis for assessing the cost effectiveness of the programme and project management arrangements.

*Table 11 Fees payable to Contracted Program Manager (CPM) for Grant Projects (excluding the Establishment Services and the Overarching Services) for average project of \$2.5M<sup>63</sup>*

Project Description	Total capital value of CPM Grant Projects	Fee (expressed as percentage of capital value of CPM Grant Project)
Small programme (5 projects)	\$11M	4.08%
Medium programme (10 projects)	\$25M	3.88%
Large programme (30 projects)	\$80M	3.48%

A major problem observed was the focus on smaller projects by the contract programme manager with an average programme of \$2.5 million. This is well below the negotiated range of programmes to \$80million as shown in the above table.

The practical implication is that there is an inbuilt incentive for contractors to ‘cherry pick’ small projects in a range of communities and not address the real community need in a cost effective and integrated way.

To gain better cost efficiencies it is recommended that the future contractual arrangements for programme management, project and construction management and the associated fees, for the design, construction and maintenance of Indigenous housing and infrastructure be regularly benchmarked against accepted industry standards in regional and remote areas<sup>64</sup>.

It is recommended that regional level construction management arrangements be established on a competitive tendering basis, to co-ordinate planning and delivery of housing and infrastructure to meet current needs.

*Table 12 Programme Management Fee Basis Payment Timeframes Milestones – Project Planning Phase*

Key CPM Grant Project Milestones	Percentage of Fee per Project Payable
Upon Execution of an Official Order	10%
Recommendation to Grantee Community of Project Manager appointment	20%
Delivery of Design Report	20%

Source current NAHS agreement

### *Payments in Delivery Phase*

*Subsequent to Departmental approval of the Design Report for each CPM Grant Project, unless the department specifies otherwise in the Official Order the Department will pay up to a maximum of 50% of the Fee for Project for the CPM Grant Project to the CPM in monthly instalments.*

Table 12 is an extract from the Current NAHS Agreement and shows that some 50% of the contract fee is paid before work even commences on the project. While it is acknowledged that some design work and preliminary planning is needed, functioning and liveable housing is the objective.

As part of this review we observed houses that were built without the necessary services (water, power and sewerage). There was also evidence of housing delivered with major faults.

63 NAHS 3 contract provided by FaCSIA to this review, pg. 23

64 ANAO National Aboriginal Health Strategy Delivery of Housing and Infrastructure to Aboriginal and Torres Strait Islander Communities, 1999: ANAO National Aboriginal Health Strategy Delivery of Housing and Infrastructure to Aboriginal and Torres Strait Islander Communities Follow Up ANAO Audit Report No 44, 2003, 2004

To address these issues it is recommended that a review be carried out of existing designs and materials with attention being paid to the local climatic conditions. A 'best of' selection should be placed on a website for all relevant parties to draw on thus improving the structures, avoiding duplication and better directing available funds to construction.

It is recommended that regional level construction management arrangements be established on a competitive tendering basis, to co-ordinate planning and delivery of housing and infrastructure to meet current needs; benefit from economies of scale; and, 'complete' the construction work in a single, integrated program including through options such as prefabricated housing and utilizing the resources of other residential housing providers, eg. mining companies etc. State and Territory government agencies, as well as private sector contractors, should be able to compete for RIAS contracts.

### **The Army Aboriginal Community Assistance Programme (AACAP)**

Another element of the CHIP programme is AACAP – The Army Aboriginal Community Assistance Programme.

AACAP is a cooperative initiative between FaCSIA, the Department of Health and Ageing and Army to improve environmental health conditions within remote Aboriginal communities. This initiative was announced in November 1996 after members of the Council for Aboriginal Reconciliation met with the Prime Minister earlier that year to raise concerns about the poor primary health of Indigenous Australians. The most current MOU was signed on 27 March 2006.

A Steering Committee with representation from all key organisations runs the programme, identifying appropriate locations for project delivery. Each project has a construction component, a health component and a training component. The construction component focuses on the provision of environmental health infrastructure such as housing, water, sewerage and electrical services as well as improving access to primary health care facilities by constructing or upgrading roads and airfields. The health component focuses on augmenting existing community, medical, dental and veterinary programmes. The training component focuses on specific skills required within the community and includes courses on construction and building maintenance, vehicle and small engine maintenance, welding, concreting and cooking.

It is noted that this provides a range of training for the Armed Services that has delivered real benefits in peacekeeping and reconstruction missions throughout the world, and has strong support throughout the senior ranks. As well, it delivers housing and infrastructure that may otherwise not be available. However, due to its unique characteristics, it is not a cost model that can be applied to any other delivery method.

### **Fixing Houses for Better Health Programme (FHBH)**

Fixing Houses for Better Health (FHBH) projects use the Housing for Health approach to assess and fix health hardware. The approach has a safety and health focus and is underpinned by a philosophy of "no survey without service". The first rounds of projects were known as FHBH1 and were funded in 1999-2000 through the Aboriginal and Torres Strait Islander Commission. These projects surveyed and fixed health hardware in 969 houses in 29 communities for a total of \$3.5 million<sup>65</sup>.

In the 2001 Federal budget, the Department of Family and Community Services (FaCSIA) was allocated \$9 million over four years to continue funding FHBH projects. In 2001-02 and 2002-03, FHBH2 projects assessed and fixed health hardware in 434 houses in 11 communities for a total of \$3 million. In 2003-04, FHBH3 projects assessed and fixed health hardware in 446 houses in 12 communities for \$3 million. In 2004-05, FHBH4 projects assessed and fixed health hardware in 545 houses in 19 communities for \$3 million<sup>66</sup>.

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65 National Housing Conference 2005 FHBH, Fixing Houses for Better Health in Remote Communities, Tess McPeake, Indigenous and Infrastructure Branch FaCS, Paul Pholeros, Director, Healthabitat, pg. 2, 2005

66 *ibid*

In January 2005 independent consultants (SGS Economics and Planning Pty Ltd and Tallegalla Consultants Pty Ltd) were commissioned by FACSIA, to complete an evaluation of the FHBH projects 2, 3 and 4. The results of the evaluation and recommendations were published 2006<sup>67</sup>.

While FHBH projects have been funded under CHIP, it is not within the scope of this review to comment on other consultants' reviews of components of CHIP. However, to provide a complete and consistent set of recommendations to the Department, this review has noted the findings and recommendations of that report.

Particularly significant to the CHIP Review are:

- the FHBH approach is a conceptually straightforward methodology which accords with best practice asset management principles and has been shown to be appropriate and adaptable to its circumstances. (FHBH Evaluation Review Recommendation 2)
- the demonstration role of the FHBH projects in capacity and partnership building is built upon with explicit regard for the limits to what this role can achieve. (FHBH Evaluation Review Recommendation 3)
- changes to the FHBH information system be implemented so as to enable project by project financial information to be incorporated and that all available financial information previously gathered be integrated into this system, is strongly supported as consistent with improving the national understanding of the condition of Indigenous housing and better targeting funding to meet current need including for asset maintenance. (FHBH Evaluation Review Recommendation 10).

## Infrastructure And Municipal Services

The current CHIP funding for community infrastructure and municipal services is provided *“to enable the provision of essential municipal services by supplementing the efforts of State, Territory and local governments to ensure Aboriginal and Torres Strait Islander people are able to live in a location of their choice and have access to essential services that are consistent with and appropriate to their needs”*<sup>68</sup>.

In considering the strategic objectives for providing Indigenous Australians with access to essential service infrastructure such as water, power, sewerage and local government services such as waste management, it is proposed that funding for these services be moved to ‘mainstream’ providers best able to provide these services.

Some of the current arrangements such as providing diesel powered fuel and a series of stand-alone solar generators received mixed reports from stakeholders. In addition, there is the administrative burden for each community managing and maintaining their own supply of power and access to water and sewerage services to meet basic public health standards.

Other items of infrastructure such as roads and airstrips, passed to communities as assets, have not been maintained. Recent initiatives by the Department of Transport and Regional Services (DOTARS) to provide additional assistance with the maintenance of these infrastructure assets provide a useful initiative in looking at options to provide the capacity to maintain these assets.

The funding for municipal services through untied Financial Assistance Grants is unlikely to deliver improved outcomes for Indigenous communities. Other funding options, including direct Specific Purpose Payments (SPP) will be required to deal with the Indigenous infrastructure and municipal service needs. The rural assistance and regional planning frameworks (covering roads, airstrips, barge landings and jetties and other municipal services) of DOTARS offer possible options.

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67 FACSIA 2006 Occasional Paper Number 14 Evaluation of Fixing Houses for Better Health Projects 2, 3 and 4.

68 FaCSIA Agency Budget Statements – Agency Outcomes – Outcome 2, 2005-06

The other major issue raised in this review relating to infrastructure and municipal services was the impact of CDEP funded positions in cross-subsidising these services while at the same time not fostering the level of full-time, real wage employment and the development of skills and the maintenance of assets that could have been achieved.

Appendix 3 shows data for each State/Territory's CHIP funding for Municipal Services.

Recommendations from this review include

- linking all future housing with access to sustainable essential services including water, power and sewerage
- case manage those communities in remote locations which need a high level of assistance to increase the standard and availability of housing, related infrastructure and municipal services
- provide essential services infrastructure eg. water, power, sewer, transport access and municipal services through “mainstream” service delivery arrangements
- regional level construction management arrangements to be established on a competitive tendering basis, to co-ordinate planning and delivery of housing and infrastructure to meet current needs
- develop arrangements for the delivery of essential services infrastructure eg. water, power, sewer, transport access and municipal services that are consistent with other Australian, State and Local government arrangements. This may require additional financial assistance being provided or other options such as Special Purpose Payments through the Grants Commission.

### Measuring CHIP against current whole of government strategic approach to Indigenous affairs

In the broader social policy context, CHIP does not appear to contribute significantly to achieving the objectives of economic development or access to employment and training which are currently the strategic priorities of other policy agendas. But a housing programme such as this could, and in the future, should. The following **figure 26** draws the comparison between CHIP and the high level COAG strategic framework for all Indigenous service delivery; the Building a Better Future framework; and, the other relevant programme specific policies.

Table 13 Delivery Against Whole of Government Objectives

Australian Government Role: Indigenous Housing and Infrastructure

CHIP Policy Alignment with	Current Arrangements		
	Medium	Low	Marginal N/A
<b>BBF 2001</b>			
Identify and address unmet housing needs of indigenous people	✓		
Improve the capacity of indigenous community housing organisations & involve indigenous people in planning and delivery		✓	
Achieve safe, healthy sustainable housing		✓	
Coordinate program administration			✓
<b>COAG Better Service Delivery 2004</b>			
Sharing Responsibility		✓	
Harnessing the mainstream			✓
Streamlining service delivery			✓
Establishing transparency and accountability		✓	
Developing a learning framework			✓
Focussing on priority areas	✓		
<b>Other Government policies for indigenous people</b>			
Training and skills development			✓
Employment		✓	
Improved health outcomes		✓	
Economic development and wealth creation			✓
Home ownership			✓
Assisting with transient homeless indigenous people			✓
Reducing red tape			✓

Source: PricewaterhouseCoopers analysis

The review found that there is a strong misalignment of policy and delivery.

### Measuring CHIP against recent Red Tape Reviews of Service Delivery by FaCSIA

The current administrative arrangements in place for CHIP reflect the nature of the programme, i.e. it provides a very broad range of housing, municipal services, construction, maintenance and other essential services in urban, regional and remote Indigenous communities through Indigenous organisations, State and Local Government and contractors.

The Departmental resources reflect recent machinery of government changes and historical arrangements splitting policy and programme management. The Office of Indigenous Policy Co-ordination (OIPC), which has policy co-ordination responsibility for Indigenous affairs, was transferred from the Department of Immigration and Multicultural Affairs to the Department of Families, Community Services and Indigenous Affairs (FaCSIA) in January 2006. The Community Housing and Infrastructure Programme, as part of the Indigenous Housing and Infrastructure Branch, has been located within FaCSIA since machinery of government changes of 2004.

The funding approval process for CHIP is split between:

- providing three year untied funding to State and Territory governments
- direct funding to Indigenous Community Housing Organisations
- indirect funding to ICHOs through NAHS contractual arrangements.

Other specific programmes such as:

- Fixing Houses for Better Health (FBHB)
  - the Army Aboriginal Community Assistance Programme (AACAP)
  - the Bushlight Centre for Appropriate Technology (CAT) Renewable Energy programme
- are also funded under CHIP to provide housing and infrastructure.

Recent reviews of 'red tape' at the Departmental level for delivering its programmes and services and at the recipient organisation level show starkly the complexity and high volume processing arrangements that are in place for Indigenous programmes and services<sup>69</sup>.

Both reports comment on the fragmented nature and divergent approaches to the administration of Indigenous housing. A significant summary finding of the Deloitte report is that "there is significant confusion within IHIB around where responsibilities lie across the funding agreement life-cycle; these responsibilities are not always clearly communicated or understood in other programmes; and, this confusion affects every process in the funding agreement life-cycle bar none"<sup>70</sup>.

A similar level of confusion and complexity was reported in the Morgan Disney Report, particularly around the numbers of contracts in place for services; and the amount of paperwork and duplication by each department<sup>71</sup> providing services.

To address these issues, fundamental reform to, and simplification of, the operational framework is recommended as a result of this Review.

### Proposed Framework

In proposing a strategic and operational framework for providing housing and accommodation, the priorities are seen as increasing access to public housing, private rental and homeownership nationally.

The recommendations and proposed framework are based upon analysis of issues and data covered in this report.

### Recommendations for a new Strategic Framework

To address the remaining need for housing and related infrastructure, it is recommended:

- that the Community Housing and Infrastructure Programme (CHIP) be replaced by a Remote Indigenous Accommodation Service (RIAS) from 1 July 2007 for a period of six years.
- that RIAS focus solely on regional and remote Indigenous communities and 'emerging towns' with a significant Indigenous population, in Western Australia, South Australia, Queensland and the Northern Territory.
- link all future housing and infrastructure provided for Indigenous Australians to access to sustainable essential services such as water, power and sewerage; transport; and basic support systems such as law and order, education, training, employment and health.

The following three diagrams illustrate the current proposed and strategic operational framework together with a suggested approach to implementation.

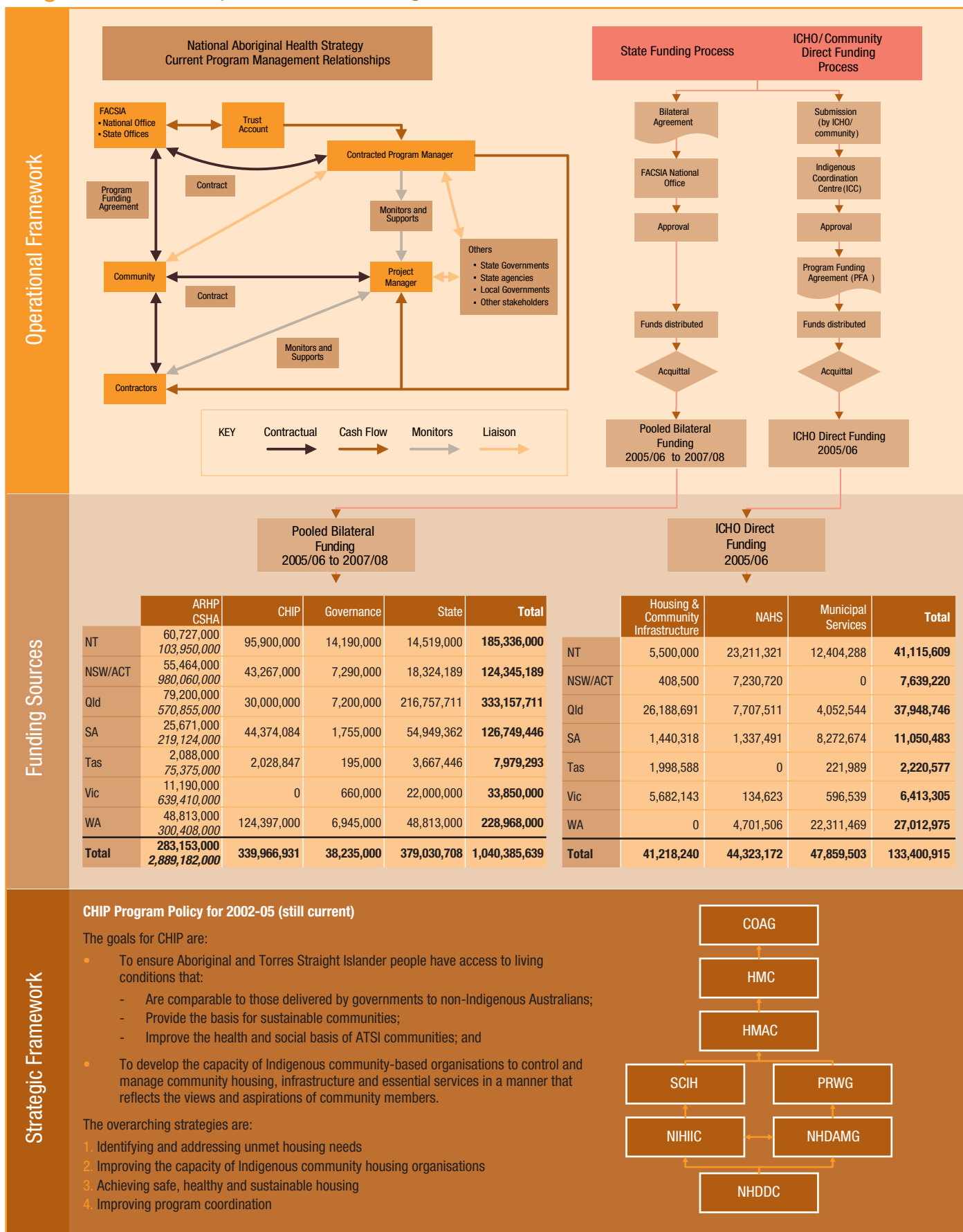
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69 A Red Tape Evaluation in selected Indigenous Communities Draft Report, Morgan Disney and Associates Pty Ltd, February 2006 and Deloitte, Peter Bycroft 17 June 2005, Business Transition Team Review Report to IHIB, FaCS Re-engineering Project, As-Is Assessment – BPR Working Group Presentation, 17 January 2006

70 *ibid*

71 *ibid*

Diagram 1 Current Operational and Strategic Framework



**Diagram 2 Proposed Operational Framework for Indigenous Housing and Infrastructure – developed by PricewaterhouseCoopers**

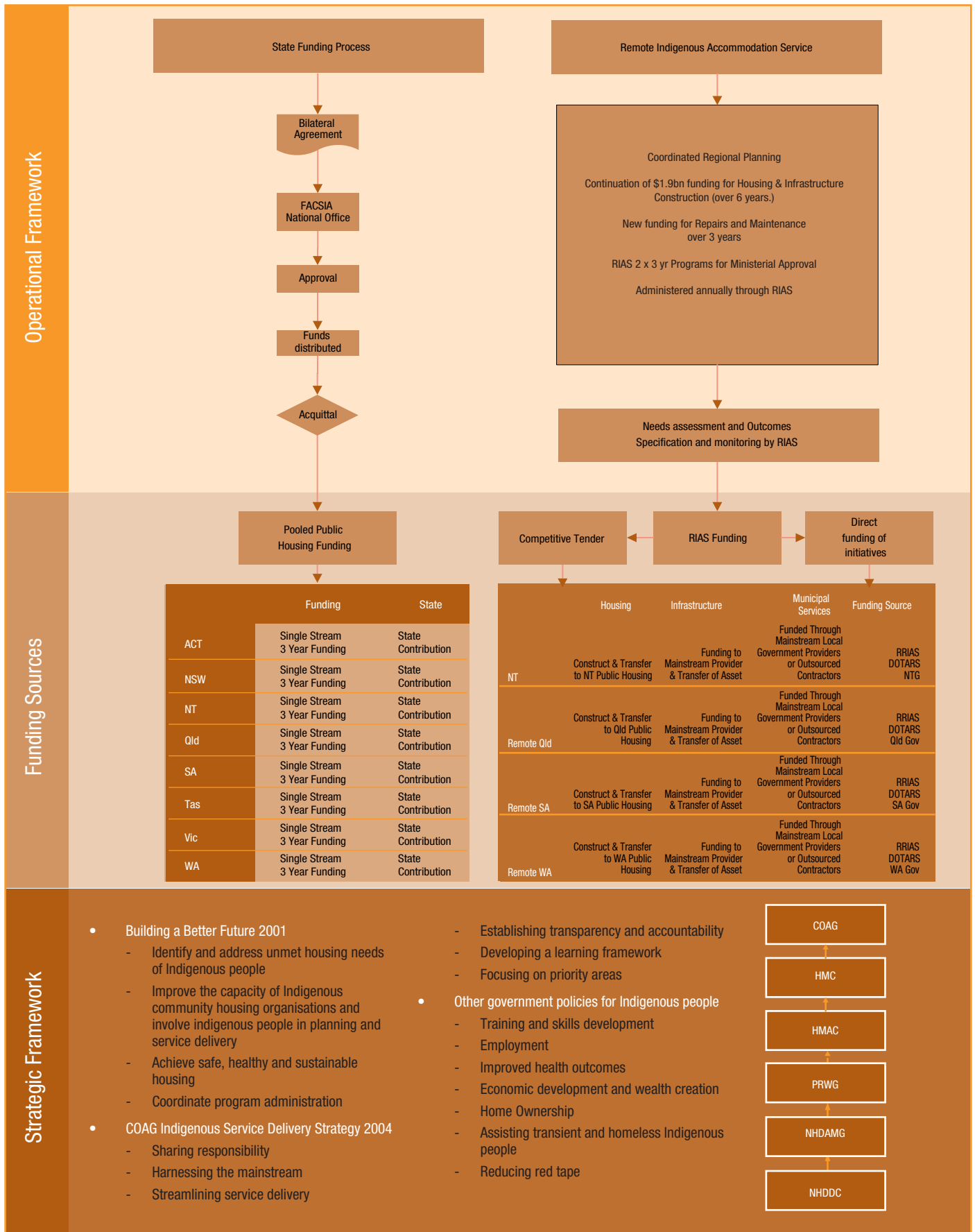
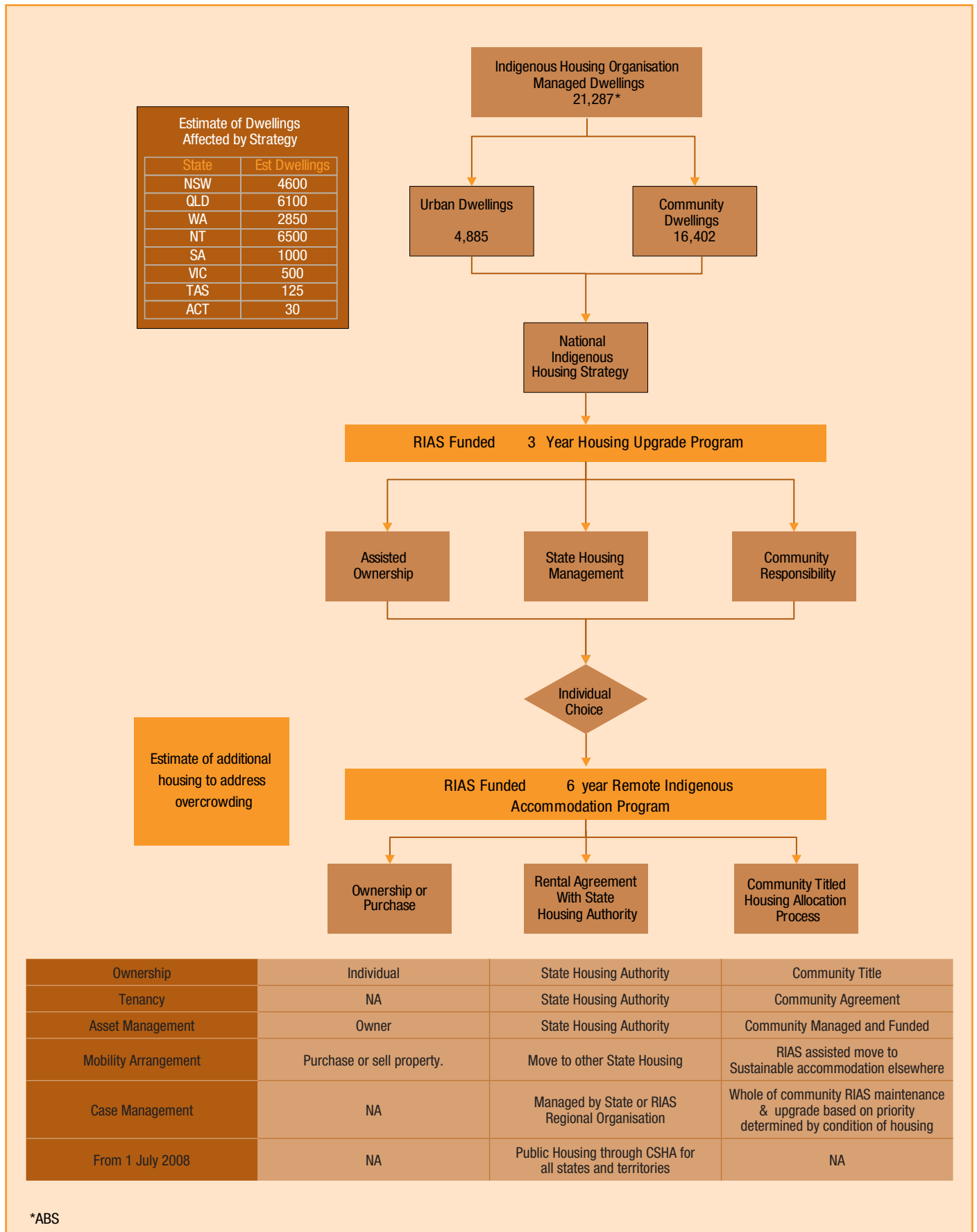


Diagram 3 Proposed New Indigenous Strategy Implementation



\*ABS

## The Operational Framework

### *The role of RIAS*

The purpose of the new operational framework is to focus Australian Government funding on to specific needs-based projects to provide the housing and infrastructure necessary to alleviate overcrowding – particularly in remote communities. It is proposed this be done by a specific purpose entity within FaCSIA. This is part of the solution to improving efficiency in delivering housing to targeted areas. The current system is and has been failing.

It is proposed the new entity be called RIAS – the Remote Indigenous Accommodation Service. There are numbers of options available to create RIAS within FaCSIA: resources from within the Indigenous Housing and Infrastructure Branch (IHIB) could be utilised; resources from within the Office of Indigenous Policy Co-ordination(OIPC) could be allocated; or the role of Aboriginal Hostels Ltd (AHL) could be expanded. An expansion of AHL’s current role and resources would align with AHL’s existing Charter. AHL has a company structure and it is a long standing, practical Indigenous organisation already providing accommodation services on the ground, to Aboriginal and Torres Strait Islander people.

We recommend some flexibility in the final details of the operational framework for RIAS until the condition and ownership stock-take of housing is undertaken and a clear picture of the size and scope of the work to be undertaken by RIAS is established.

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*RIAS should focus solely on remote Indigenous communities and ‘emerging towns’ with a significant Indigenous population, in Western Australia, South Australia, Queensland and the Northern Territory.*

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At present the provision of housing in remote areas is through a mix of NAHS housing and infrastructure under programme and project management contracts, ARHP funding through state and territory governments and via direct funding of Indigenous Community Housing Organisations.

It is acknowledged that the recommended approach is outside the scope of the current pooled funding approach and could replace the current outsourced NAHS arrangements and untied funding provided to the state and territory governments to provide housing and infrastructure. However, it is considered the most efficient and workable means available to actively target remote Indigenous communities; to ensure co-ordination of housing and infrastructure delivery; to identify and prioritise future need; and bring about better consultation at the community level.

It is also considered to be a time efficient way to establish RIAS given the proposed 6 year role envisaged for RIAS.

For NAHS, a contractor’s assessment of need recommended seven years ago has been the basis of funding. As a result, consistent feedback to this Review was that housing provided this way:

- did not involve adequate current needs assessment
- was often inappropriate to current conditions of the communities
- was extremely costly
- diluted funding by not achieving economies of scale and therefore incurred much higher overheads.

For ARHP funding, the expenditure is not tied or targeted to specific remote communities and as a consequence, there has not been a clear outcome in terms of providing adequate housing in remote communities.

That means that more money was spent for less housing.

In addition, under the various arrangements in place through NAHS, ARHP pooled funding provided to state and territory governments and direct funding of ICHOs, the provision of housing is not always co-ordinated with the essential services providers. As a result, there continues to be examples of houses being built with no water or power and often in areas where the provision of these services could not be guaranteed in a reasonable timeframe. Further, there was feedback to this review that NAHS, ARHP, State and Local Government initiatives are not effectively coordinated.

In many cases there is evidence that the specification of inclusions and the workmanship in the delivery of them leaves much to be desired. FaCSIA has over a long period of time developed a guide for the types of housing that are appropriate, their design and the specification of inclusions that meet the target of sustainability and appropriateness that is often missing in houses. This guide should be the basis of RIAS specifications for housing and related services.

For these reasons the Australian Government should, through FaCSIA, set priorities and ensure transparent accounting and outcome based accountability from the providers of housing. By using RIAS to target needs of these communities and assess and define the outcomes necessary to achieve safe, sustainable housing then, the Australian Government can manage the assignment of priorities and the allocation of funds.

#### *What will Remote Indigenous Accommodation Services (RIAS) do and how?*

RIAS in direct consultation with each community should:

- define the needs for housing and related services and infrastructure
- set the target outcomes
- contract directly to provide housing and infrastructure such that houses are liveable on completion
- have an enforceable warranty on fittings and workmanship
- have sustainable municipal services and infrastructure that is operational.

Where the states and territories are able to provide such facilities they will be tasked and funded by specific contracts with RIAS, to deliver specific housing and related services and infrastructure.

RIAS should also assess the locations of potential housing based on the services (health, education and law and order) that can be delivered to that location. It is recommended that RIAS continue the move away from focusing on building new housing on “on country” outstations where there is no certainty of access to education, health and law and order services. As well, examine the benefits of providing “mobility incentives” to assist families or individuals to move to housing in locations with better access to health, education and law and order services.

By adopting such an approach, the combined inputs can also be directed to building and maintaining skills in the local and area-based communities and develop over time local economic activity much as local governments have in other areas. Such a plan would initially augment Government funding and over time provide (for some) an increasing degree of autonomy from welfare programmes and developing economic independence through business based on services provision and other activities.

RIAS should be staffed and managed in such a way that FaCSIA can track the funding provided to the remote areas and relate it directly to the houses built and community needs met. This will require contracts with providers and communities to achieve the stated objectives of the Minister and Secretary of FaCSIA.

A governance framework will need to be developed to support this approach including reporting and comparative measurements to ensure that quality and costs are measured against not just the objectives for each project but compared in ways that show inefficiencies and anomalies.

In this way RIAS will deliver less costly housing both from the point of view of building costs and operational and supporting services. Most importantly though, RIAS will be able to directly influence the price of housing and achieve economies of scale that are not present in the current approach.



## Appendices

### **Appendix 1:**

CHIP Funding Analysis Coding  
(based on 2006-07 funding guidelines)

### **Appendix 2:**

Stakeholder Consultation Summaries

### **Appendix 3:**

Additional Figures And Tables

### **Appendix 4:**

International Programmes

### **Appendix 5:**

International References

### **Appendix 6:**

References

### **Appendix 7:**

Abbreviations and Acronyms



## Appendix 1: CHIP Funding Analysis Coding (based on 2006-07 funding guidelines)

Community Housing		
Upgrades and renovations to houses	CH 1	Renovation of rental houses to bring them up to a good quality standard or upgrading rental houses to adequately accommodate larger families.
Asset and Tenancy Management	CH 2	Assistance with the management of community rental housing, related essential repairs and maintenance, operational costs (where cost recovery is in place). The provision of home living skills assistance.
Construction and Acquisition of houses	CH 3	Purchase or construction of quality, appropriate and sustainable housing (including land) for rental to Indigenous people. This could include project management costs such as the provision of feasibility scoping and design studies, and other expert services directly related to the provision of housing capital.
Community Infrastructure		
Water supply	CI 4A	Adequate supply of good quality water and related services, such as reticulation, bores and pumps for communities.
Power supply	CI 5	Adequate and reliable power supply and related services, such as generators, solar and wind systems, reticulation, power card systems for communities.
Sewerage services	CI 6	Adequate and appropriate sewerage systems and related services, such as reticulation, septic tanks and pumps for communities.
Internal Roads and Drainage	CI 7A	Construction and repair of internal community roads to an adequate standard depending on location and climate and provision of related services, such as adequate and effective drainage and kerbing for communities.
Waste disposal facilities	CI 8A	Construction or upgrade of community rubbish sites including fencing.
Renewable energy	CI 9	Provision of funding for new Renewable Energy power generation systems or upgrades.
Other housing related Infrastructure	CI 10 CI 11A CI 12 CI 13A CI 14A CI 15 CI 24 CI 16 CI 17 CI 18 CI 19	<ul style="list-style-type: none"> <li>• Plant, machinery and tools used on the construction and repair and maintenance of housing and infrastructure assets.</li> <li>• Facilities to enable external transport access (jetties, boat ramps, airstrips) and related access roads on discrete Indigenous communities.</li> <li>• Staff housing that is used to provide rental accommodation.</li> <li>• Administration buildings of ICHOs including essential office equipment and furniture. Funding can only be provided where substantial housing and infrastructure assets are managed satisfactorily by the ICHO, and where viable alternatives (rent, leasing, and joint funding) are not available.</li> <li>• Landscaping and dust control (community parks, windbreaks and trees).</li> <li>• Purchase of community fire control equipment.</li> <li>• Communal refrigeration.</li> <li>• Community work sheds for storage and maintenance of community owned plant and equipment.</li> <li>• Radio communications.</li> <li>• Communal kitchen and ablution blocks, taking into consideration the possible environmental and health risks of such facilities.</li> <li>• Fencing infrastructure and community boundaries, where the absence of such is likely to cause serious damage to housing or infrastructure.</li> </ul>

Municipal Services – Priorities		
Power, water and sewerage operation and maintenance	MS 4B	Assistance with operational costs and essential/routine repairs and maintenance to community water, power and sewerage systems in discrete communities. This includes assisting in shortfalls in operational costs of energy supply where communities are making significant efforts to collect revenue from users.
Road maintenance	MS 7B	Routine and essential maintenance to internal roads and drainage in discrete communities that are clearly not the responsibility of a state, territory or local government body. Access roads on Aboriginal community land, which are clearly not the responsibility of another body, can be considered for assistance.
Aerodrome maintenance	MS 11B	Routine and essential maintenance of aerodromes in discrete remote communities.
Waste disposal	MS 8B	Effective and regular waste removal services and tip maintenance in communities.
Landscaping and dust control	MS 14B	Essential and effective landscaping and dust control services in communities including routine management and maintenance of community ovals, parks and playgrounds.
Management of infrastructure and municipal services.	MS 13B	This includes operational costs required to provide infrastructure and municipal services including assistance with administration costs, running costs of municipal services vehicles, repairs and maintenance to essential community buildings.
Dog control	MS 21	Programmes should aim to improve the general health of people in the community, improve health of community dogs, reduce hygiene and nuisance problems, and provide educational programmes for communities on basic health care and control.
Environmental health activities	MS 22	Activities and strategies to reduce environmental health risks and related diseases in communities.
Other municipal services	MS 23	Other necessary municipal services such as fire prevention, preparation of town plans, and insurance on assets used specifically to provide municipal services.
Home Living Skills	HLS	Provides appropriate community level training in home skills and advisory services to families

## Appendix 2: Stakeholder Consultation Summaries

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### Commonwealth

#### Current issues

- Australian Government has obligations around outstations
- CHIP still not meeting needs of the Indigenous population, still severe overcrowding, lack of infrastructure and services
- A culture of dependency has developed – should be mutual Obligation
- Land ownership arrangements
- Not unreasonable for unsustainable outstations to suffer the same fate as unsustainable small towns – have few services, no funding, people who stay do so by choice, many ultimately collapse

#### Future needs

- Regionalised services – access to housing, health, education at a centre near the outstations so that they are available Monday to Friday
- Increased support for Indigenous home ownership and caretaker leasing of vacant properties
- Consideration of cluster concept: 4-5 homes with a body corporate, security, ownership
- Gazetted towns model for State Government accepting Responsibility
- Consider bundling CSHA and ARHP money and monitoring through funding agreements
- Encourage independent economy
- Suggestion: no CHIP funding to NSW, ACT, Tasmania or Victoria
- Murdi Paaki is a good model for provision of regionalised services:
  - DEST acts as lead agency for whole of government (COAG) service delivery based on community priorities and principles of shared responsibility
  - leads to increased coordination and flexibility of service delivery between the Australian, State, and local governments
  - a Shared Responsibility Agreement signed by all parties which outlines commitments, roles and responsibilities, and priorities (which include health, education, governance)
  - other trial sites include Wadeye (NT), the Australian Capital Territory and Queanbeyan, Anangu Pitjantjatjara (SA), East Kimberley (WA), Cape York (QLD), Shepparton (VIC), and Tasmania
- Greater focus on fire and electrical safety, environmental health, sewerage, community stability
- Prioritise houses near to economic opportunities, preferably including several different types of housing (homes for ownership by higher income families, welfare housing for lower income earners, and hostel-type housing for younger people looking to move out of home)
- Create incentives for private sector involvement
- Improve Indigenous employment and enterprise opportunities, particularly in the areas of construction and the delivery of essential services
- Increased investment in training in literacy and numeracy as well as in employable skills

- Improve transparency of cross-government efforts to improve Indigenous housing outcomes
- Improve asset and tenancy management
- Confront governance issues, fraud, corruption, nepotism
- Develop better, more comprehensive indicators of success
- Better define roles/responsibilities of ICHOs
- Contend with issues such as the income barrier on community housing, which create disincentives to employment
- Increase commerciality of housing
- More checks and balances in the system, to increase accountability

## New South Wales

### State profile

Total Indigenous population	119,835
Indigenous population residing in remote regions	7,311
Total Indigenous households	37,598
Indigenous dwellings in community housing	2,725
Indigenous dwellings owned outright	6,021
Mortgaged Indigenous dwellings	7,490
Privately rented Indigenous dwellings	9,828
Publicly rented Indigenous dwellings	8,146

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- Funding has not increased significantly since 1989
- Existing funding is currently uncoordinated
- Violence and social upheaval are causally linked to poor housing and infrastructure
- Sustainability and management of housing stock, and payment of rent, are critical issues which need to be addressed
- NSW has encouraged flexibility in the use of CHIP money, and encouraged Indigenous involvement

### Future needs

- Security of families, especially children, must be factored into housing design
- Development of fully brokered bilateral agreements and agreed frameworks for measuring and monitoring performance improvements
- Use of performance measures that are based on outputs (wellbeing, employment, crime levels) rather than inputs
- Requirement that organisations to demonstrate their ability to operate efficiently against performance measures
- Effective needs-based planning, based on reliable data, which accounts for population movements e.g. migration to urban areas

- Performance of planning and infrastructure development in one hit, as per Growth Commission initiative in NSW
- Ensure Indigenous involvement in policy, programme planning, and delivery
- Development of leadership skills, training and engagement of local people in all areas
- Encourage private sector involvement
- Understanding that governance and investment funding are as important as delivering housing – need to focus on the intergenerational and sustainability aspects
- Development of a single delivery mechanism for each state and territory, a seamless social housing model integrating private housing and rentals as well as community and public housing
- Clarification of the role of local government in coordinating and delivering municipal services and infrastructure
- Support for Aboriginal building corporations to become competitive providers, and employers, in the marketplace

### State-specific

- 3% of Australia’s Indigenous population live in NSW
- Larger communities should be run like local government authorities

## Northern Territory

### State profile

Total Indigenous population	50,790
Indigenous population residing in remote regions	41,204
Total Indigenous households	9,748
Indigenous dwellings in community housing	4,434
Indigenous dwellings owned outright	380
Mortgaged Indigenous dwellings	953
Privately rented Indigenous dwellings	847
Publicly rented Indigenous dwellings	1,414

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- CHIP funding provides housing, but only maintains the status quo; it isn’t enough to help the emerging disadvantaged
- Insufficient focus on repairs and maintenance means that houses and infrastructure are often substandard, and do not maintain their original condition
- Overcrowding, health, and educational needs are not being met
- Provision of housing and infrastructure (roads, water and power) is not increasing with population growth
- Difficulties arise with budgeting across the 12 month CHIP cycle
- There is no direct correlation between CHIP and outcomes
- ICHOs have insufficient funding and skills to be able to fulfil reporting requirements (require IT systems, business training etc)

## Future needs

- Increased focus on infrastructure development and maintenance
- Culturally appropriate housing, including consideration of the needs of a transitional population
- Increased access to mainstream funding – e.g. Commonwealth Rent Assistance, which is currently unavailable to those in public or community housing
- Consideration of the viability of outstations and smaller ICHOs, and of what constitutes appropriate funding/resource provision
- Improved service and infrastructure for the aged and disabled into the future as demand increases
- A focus on training and employment of local community to provide stable local workforce to help with repairs and maintenance; and also to target some possible income streams for community members
- Provision of training in home maintenance and living skills to elevate quality of life, and ease transition into private tenancy
- Supply of training and IT systems to facilitate reporting
- Development of appropriate bilateral agreements
- Establishment of clear rights and responsibilities, and rigorous reporting requirements for ICHOs, with non-compliant organisations shut down
- Planning of bulk construction to maximise potential for economies of scale
- Managed accommodation options: Construction of various types of housing for different need-groups – “hostel” type for short-term visitors (in town for medical treatment etc); units, as a first step towards independent tenancy; gender specific housing for women and children versus single men; managed facilities for the aged and disabled (need to start planning this now due to many victims of diabetic retinopathy and diabetic amputees)
- Redesign of the planning model, including centralised (which manages all aspects together – housing, infrastructure and services); and regional-level aspects (which recognise transitory migration of the population and other local issues)
- Indigenous housing should be included under general public housing policy and terms of delivery
- Shire Council model could effectively provide informed and responsive “regional authority” with centralised coordination, but need to control nepotism
- Reliable data to quantify, and appropriately plan for, needs
- Needs-based assessments to allocate funding, but first define parameters: What constitutes need?

## State-specific

- The Northern Territory is vast, and much of it is remote, with many small, isolated, and discrete communities
- 70% of the population lives outside urban areas
- There are many different cultural sub-groups which should not necessarily be treated as one
- Distinct wet seasons affect everything and limit the window for activity such as building to six months of the year
- Despite exponential population growth (population has doubled in 25 years), there has been no major increase in funding to the territory

- There is virtually no private rental market in the Territory, which increases reliance on public housing, and restricts Indigenous access to Commonwealth Rent Assistance funding
- Incentives for private sector investment via accelerated depreciation (10% over 10 years, rather than the current rate of 2.5% over 40 years, which would significantly improve negative gearing of investments)
- Incentives for skilled workers (electricians, plumbers etc) to move to remote locations via Regional Tax Zone Offsets
- Labour shortage in the state means that it is very difficult/expensive to attract skilled workers to undertake repairs and maintenance in remote areas, so there should be a focus on training and employing locals within the communities
- Wet season creates need for cyclone-proof housing, and creates security and other issues through the seasonal movement of communities between outstations and urban areas
- Need adequate transitional housing in Darwin and Alice Springs to accommodate seasonal swelling of the population; this migration needs to be considered when deciding which communities and locations to support and fund
- Town camps, which were designed to be temporary lodgement, are not being vacated (now have fifth generation residents) and need to be reconsidered on these facts
- 70 homelands in the NT, which are outside state jurisdiction; important to assess viability and sustainability, including the potential for independent income; access to water, main roads, schools etc when considering funding
- Provision for home living skills training would ease transition into private tenancy
- Model for planning should be centralised and deliver services in a coordinated way, but should be at a regional level to provide understanding of the population and its seasonal transitory movement

## Queensland

### State profile

Total Indigenous population	112,777
Indigenous population residing in remote regions	26,397
Total Indigenous households	31,336
Indigenous dwellings in community housing	4,271
Indigenous dwellings owned outright	3,434
Mortgaged Indigenous dwellings	5,464
Privately rented Indigenous dwellings	9,638
Publicly rented Indigenous dwellings	5,058

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- The programme establishes housing specifically for Indigenous Australians and helps to overcome the discrimination they experience in the private housing sector
- CHIP provides funding for outstations and other remote settlements which the Queensland State government will not fund
- “Fund and forget” mentality leads to poor maintenance and accountability
- No rewards for ICHOs which show initiative and succeed, as funding goes to those “most in need” – should still support independent efforts

## Future needs

- Increased access to urban housing and supply of rural/remote Housing
- Clarification of tenure arrangements with CHIP properties
- Identification and provision of more appropriate technology for remote areas
- Development of longer-term town planning processes
- Recognition that future demand will increase exponentially, as 65% of the Indigenous population is currently under 25 years of age
- Unified reporting approach (at both the State and Federal level), however need to provide training to ICHOs in order to receive quality, detailed, financial reporting
- Use of more appropriate planning and technology in housing design
- Better access to education – traineeships, apprenticeships
- Emphasis on post-construction maintenance of assets
- Housing needs addressed at State, rather than local council level
- Outcomes-based, rather than strategy-based planning to be assessed on actual delivery of housing and infrastructure to those in need
- Establishment of a government authority to oversee private contractor work
- Compulsory rent deductions from Centrelink payments
- Consolidated delivery of municipal services
- Emphasis on education (including financial management), to develop capacity for self management and transition into the greater Australian economy
- ICHOs should be given common policies for rent collection, allocations and waiting lists
- Investigation into the potential effects of recent changes to the CDEP program, which may hamper the delivery of infrastructure in CDEP communities

## State-specific

- Queensland's Department of Housing has managed all forms of housing for the past ten years
- Need to increase understanding and awareness of the 99 year lease system, which Queensland already employs
- Rising administration costs are bringing viability of current form of CDEP into doubt
- Roles and success of ICHOs are case specific
- DOGITs will be granted full local council status as of 1 July 2007, which may make the provision of housing easier
- From January 2006 there has been a single entry point, combined system within the Queensland Government – One Social Housing Policy – including public housing, community housing and ATSI housing; which uses standardised eligibility criteria, common rent calculation and tenancy management systems
- Public housing focus will no longer assume people need long term assistance – more short term assistance and access to private rental
- From 1 July 2007, responsibility for the provision of integrated town planning will transfer from local councils to mainstream local government

## South Australia

### State profile

Total Indigenous population	23,410
Indigenous population residing in remote regions	5,172
Total Indigenous households	6,698
Indigenous dwellings in community housing	738
Indigenous dwellings owned outright	684
Mortgaged Indigenous dwellings	1,261
Privately rented Indigenous dwellings	1,178
Publicly rented Indigenous dwellings	2,156

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- CHIP failing to have the impact it should have
- Funding impact and support levels are inconsistent across Communities
- Funding is allocated on a needs-based methodology taking into account homelessness, overcrowding, amenities and demographic data, with local staff matching available funding to areas in need

### Future needs

- Good data collection to identify needs
- Funding moved away from 'sit down money' to economic advancement
- Holistic view to provide safe, secure communities – considers issues such as housing, policing, substance abuse, medical services
- CHIP to be considered as part of a larger community outcome
- Important to build on strengths as well as fix weaknesses – support innovation and financial independence of communities

### State-specific

- Some remote communities must be maintained due to cultural significance
- Acknowledgement of, and support for, seasonal movements of transient population (e.g. 800-3000 people move to Ceduna for the summer)
- Asset procurement difficult in remote areas
- Maintenance blitz would not solve overcrowding problem; which is a major cause of the maintenance requirements (cyclical problem)

## Tasmania

### State profile

Total Indigenous population	15,780
Indigenous population residing in remote regions	537
Total Indigenous households	5,879
Indigenous dwellings in community housing	43
Indigenous dwellings owned outright	1,365
Mortgaged Indigenous dwellings	1,973
Privately rented Indigenous dwellings	1,209
Publicly rented Indigenous dwellings	921

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- CHIP
  - provides money to purchase and construct houses
  - subsidises wages for Cape Barren Island and Flinders Island
  - provides funding stream for maintenance

### Future needs

- Strategically align CHIP/CDEP
- Skills training associated with ownership of land
- Provision of capacity training for local management
- Community/strategic planning to advance communities
- Maintenance of infrastructure
- CHIP could be catalyst for realistic alternatives for employment generation and trade skill development
- Local planning; match objectives from community whole of service delivery approach
- Short-term as well as long-term affordable housing strategy which deals with various groups: older, younger, singles, families etc
- Pooled funding

### State-specific

- Alternative energy generation mechanisms in remote areas
- Wireless communication

## Victoria

### State profile

Total Indigenous population	25,090
Indigenous population residing in remote regions	57
Total Indigenous households	8,359
Indigenous dwellings in community housing	276
Indigenous dwellings owned outright	1,407
Mortgaged Indigenous dwellings	2,142
Privately rented Indigenous dwellings	2,068
Publicly rented Indigenous dwellings	1,665

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- CHIP delivery has undergone major changes in the past 12-18 months resulting in improved standards of rent collection; asset maintenance; and training for staff
- Strong emphasis on financial self-sufficiency and governance
- Grant breaches reduced by development of Housing Business Plans, which are reviewed/audited

### Future needs

- Balancing of preservation of cultural sites with necessary urban Development
- Encouragement of home ownership and private sector Investment
- Provision of funding to train Indigenous people in construction, repairs and maintenance; and to create incentives to keep those skills 'local'; firstly to provide these services, secondly to create employment opportunities
- Building and repairs of CHIP properties should be seen as an opportunity for employing locals and teaching new skills
- Emerging need for disabled and aged care
- Ideally, development of a single delivery point for funding, a single set of policies for rent collection; asset, tenancy, and data management; and provider training
- Development of strong organisational governance for ICHOs
- Application of a generic policy for rent collection, perhaps using the 25/75 rule (25% of income for tenants on Centrelink payments, 75% of market rent for others)
- Commonwealth Rent Assistance to be made available to Indigenous tenants in community housing
- Essential municipal services to be funded by the local, rather than federal government, and delivered through the employment of local community members to provide sustainable employment
- More varied accommodation: units for single young people; four bedroom properties for families; two bedroom units for the elderly
- Public housing to be provided in remote/regional areas as well as in urban areas

- Need determined using such factors as ABS data, public housing/infrastructure waiting lists, rent assistance data, local anecdotal evidence
- Improved data collection via a universal IT system for all CHIP providers, including asset and tenancy management, and reporting components – this data could then feed into a standard national reporting framework
- An accredited housing worker (i.e. Certificate IV in Social Housing) within each ICHO to help manage CHIP funding
- Bi-annual CHIP conference to provide training and capacity building to providers
- Increase utilisation of non-Indigenous providers such as Community Housing Limited
- Implementation of new Registered Housing Agencies legislation will enhance regulation; ICHOs subject to same rules and responsibilities as other landlords and tenants under the Residential Tenancy Act 1996

### State-specific

- Prepare for pooling arrangements with State government
- Single entry point likely from July 2008
- Victorian Regional Management Forums allowing agencies to work together – involve Indigenous organisations in the forums

## Western Australia

### State profile

Total Indigenous population	58,496
Indigenous population residing in remote regions	26,210
Total Indigenous households	14,471
Indigenous dwellings in community housing	2,069
Indigenous dwellings owned outright	1,091
Mortgaged Indigenous dwellings	2,752
Privately rented Indigenous dwellings	2,445
Publicly rented Indigenous dwellings	4,288

Source: AUSTRALIAN BUREAU OF STATISTICS 2001 Census of Population and Housing – [www.abs.gov.au](http://www.abs.gov.au)

### Current issues

- Dollars provided under CHIP are vital
- Intent of CHIP and State are similar, and bilateral agreements have allowed consistency in funding
- Individual pre-paid electricity cards are being used to avoid debt and conflict
- CDEP encouraging training and education through funding study of landscape and market gardening, as well as general living skills to improve eating habits and environmental health
- Construction process often poorly managed, with building, plumbing and electrics completed at different stages and without appropriate oversight – need for better management, more communication and coordination of projects
- Funding currently goes to the communities most visible in the media – i.e. those with many problems and poor management, which means there is no reward for good leadership and innovation

## Future needs

- Good governance to ensure funding is of long term benefit
- More appropriate housing design; need for better quality control of building processes
- Emphasis on repairs, to protect and maintain investment – otherwise the houses simply won't last
- Need culturally appropriate housing designed to meet local needs
- Investment in training and development of local workers
- Translation of CDEP projects into permanent jobs – including improvements at communities (fencing, painting, building picnic tables, planting market gardens, garbage collection) and other services such as ABS statistical data collection, Centrelink officers, Australia Post and local police officers
- Support for building initiatives which would involve local community members in building and maintenance
- Investigation into alternative energy sources: reliance on diesel power is expensive, but alternative energy sources (e.g. solar) have proved expensive and insufficiently powerful – communities 10km or less from a town should be connected to mains electricity
- Increased communication and cooperation between government departments and other agencies, one contact point for all (as there was with ATSIC) – this communication is particularly important in times of transition
- Need for more integration of Federal and State governments
- Communities should be dealing with local Centrelink officers, rather than teams sent from Canberra, to increase responsiveness, local knowledge, appropriate solutions
- “Success” of programmes should be measured using qualitative as well as quantitative factors (e.g. school attendance, occurrence of failure to thrive, body weight, social-dynamic factors)
- Assessment of cultural appropriateness of schools, health centres, jails, and training centres; and cross-cultural awareness training in both directions
- Self-management of communities, supported by appropriate training
- Introduction of permanent representatives to manage ICHOs and oversee building, repairs and maintenance, communications with departments, fiscal management and environmental health; which would promote accountability and communication
- Consideration of potential economic base of communities when determining funding allocations
- Encouragement of home ownership where appropriate
- Consider directing all funding to State and local government
- ICHOs need critical mass to remain viable – Partnerships?

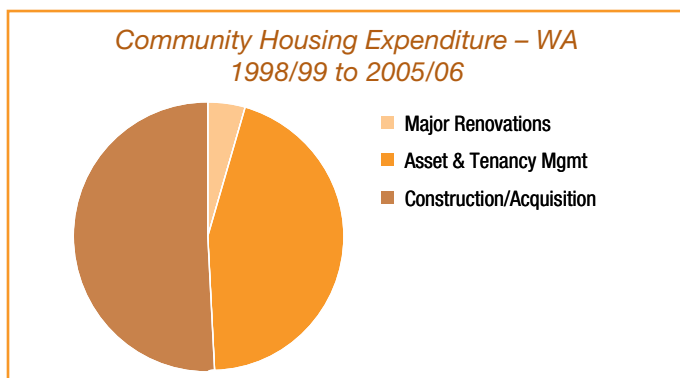
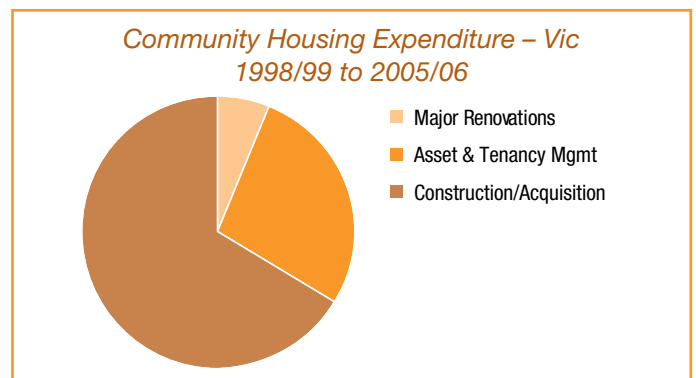
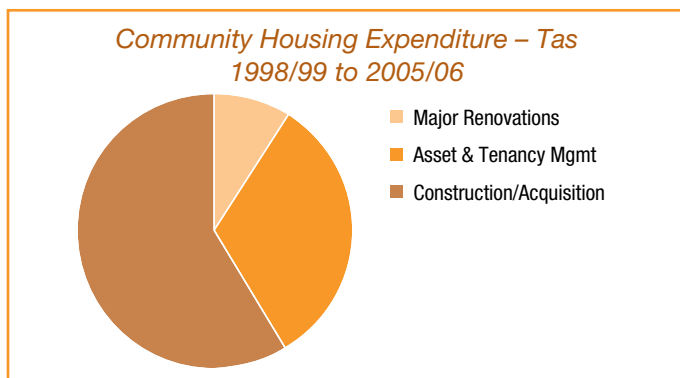
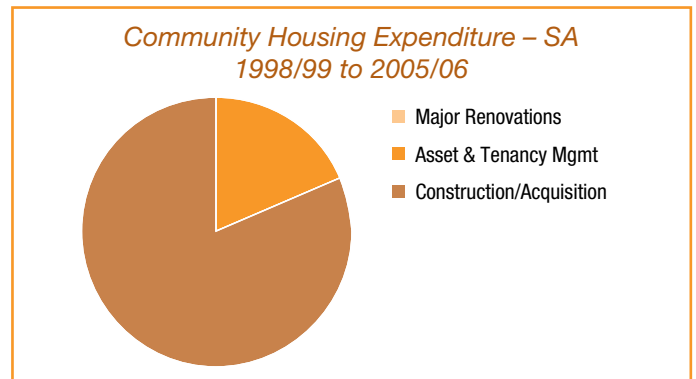
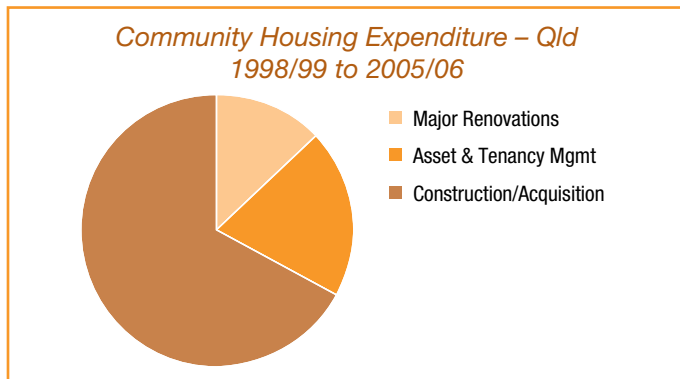
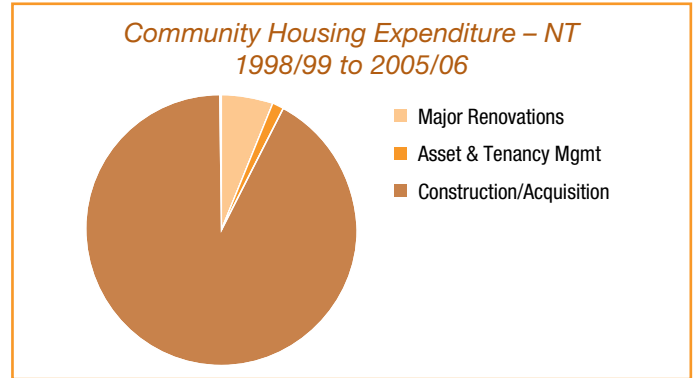
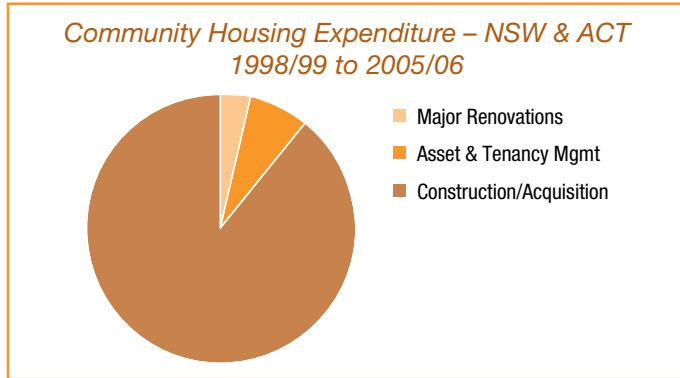
## State-specific

- Encourage tender advantages for firms employing Indigenous workers
- Try to increase home ownership for those who are in a position to purchase a home (shared equity schemes)
- For real change/improvement to occur, need an additional \$68 million per year in funding for the next 5 years

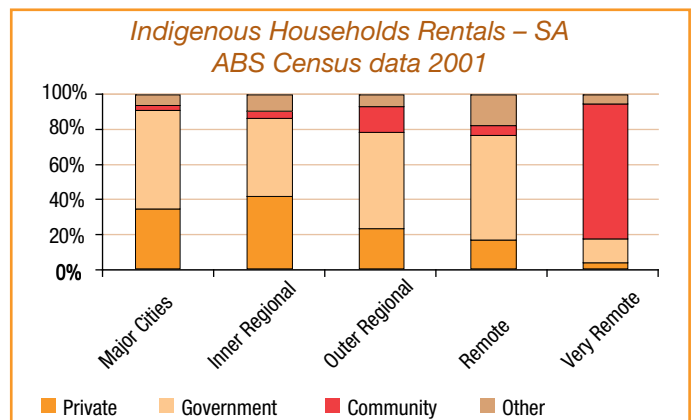
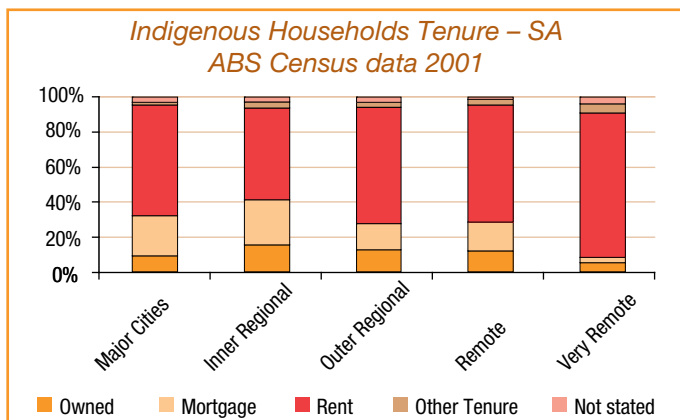
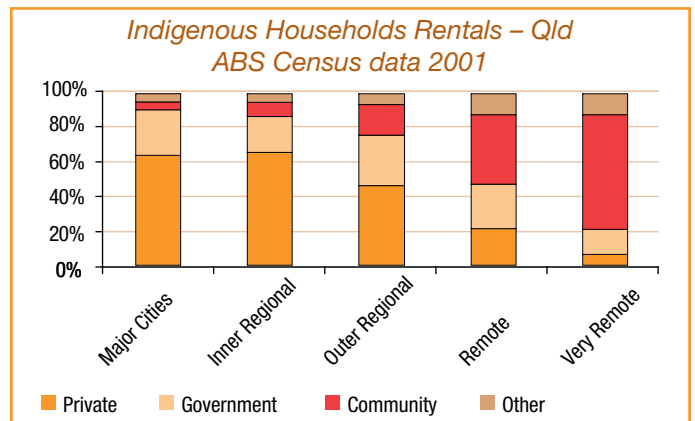
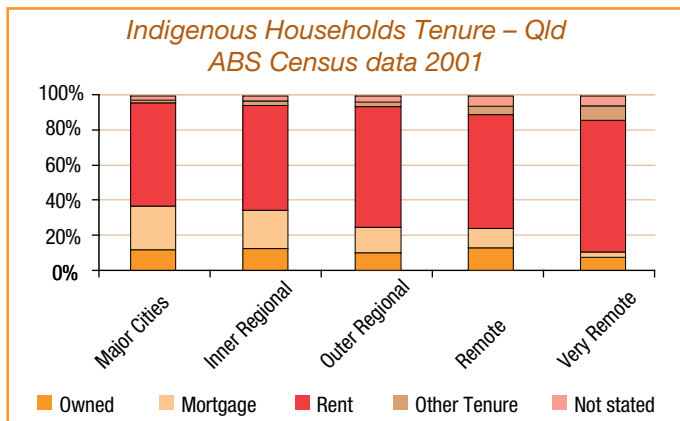
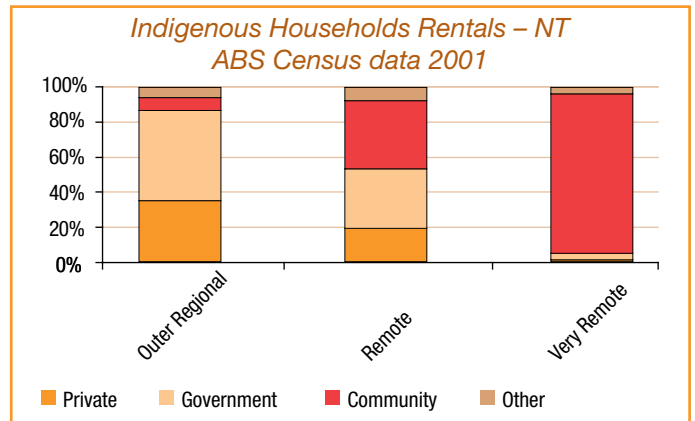
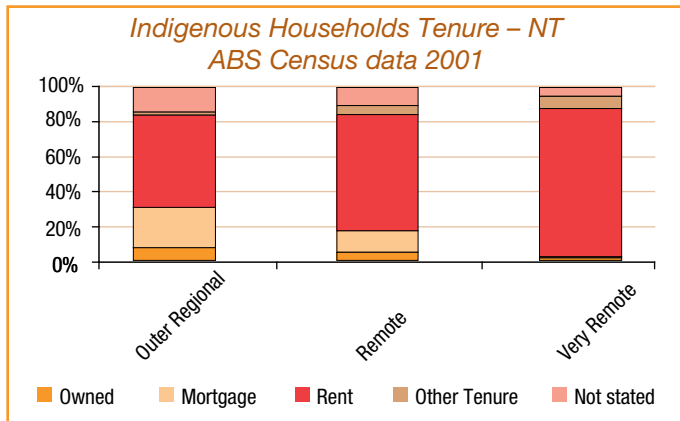
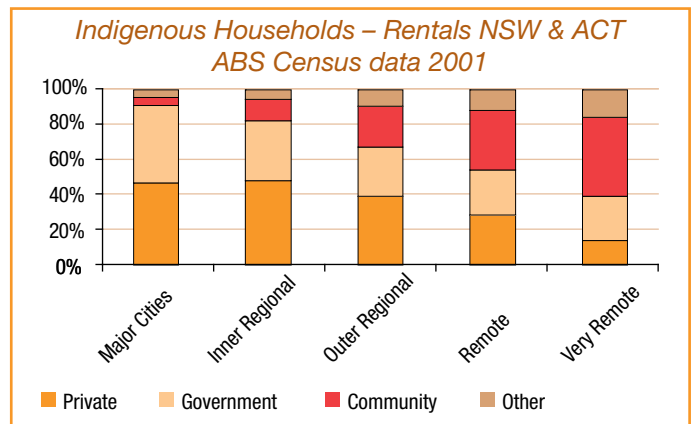
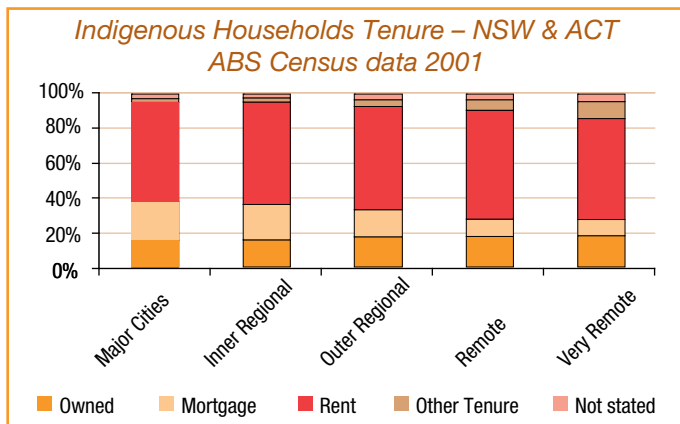
- Strategic planning in construction:
  - consider the timing of construction in light of wet season
  - leave one house out of the building plans if it means
  - others will be completed properly without shortcuts
  - ensure that water and power are connected before
  - commencing building
- Need experienced agent to check that building is completed to a satisfactory standard before project signed off and builders paid
- Need for consistent and strong guidelines/tenancy agreements to define who needs to pay rent, how much, and when, as well as outlining rights and responsibilities (could be standard format sent from Canberra)
- Fuel costs have risen but funding has not, hence money for repairs and maintenance has been diverted to pay for diesel – larger communities closer in should be connected to mains power
- Efforts have been made to create self-sufficient outstations which generate independent income (e.g. Doon Doon’s roadhouse, Molly Springs’ picnic area and swimming hole for tourists); but instead of being supported and rewarded for this innovation, often receive less funding, as not “in need”
- Local business, e.g. Argyle diamond mine, have started to take some responsibility for local Indigenous employment – Argyle set itself a 12% target, it is now at 23% Indigenous employment and heading for 40%; and have also implemented mentor, literacy and numeracy programmes and insist that their suppliers follow this lead
- Mines pay traditional owners for the right to use the land and this is currently distributed within the community in a nepotistic manner
- Outstation idea may be ill-conceived – need to build houses where people will be living and working; need to build jobs and an economy
- Currently FaCSIA alone decides which communities should be sustained – DEWR should also be involved as well as the local police and health agencies – planning should be based on sustainability of the communities themselves

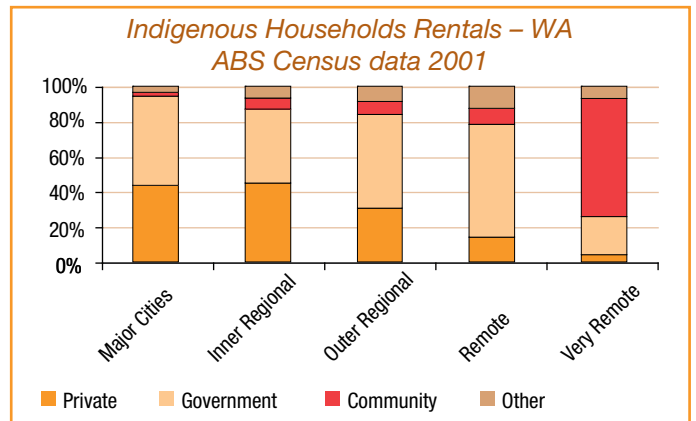
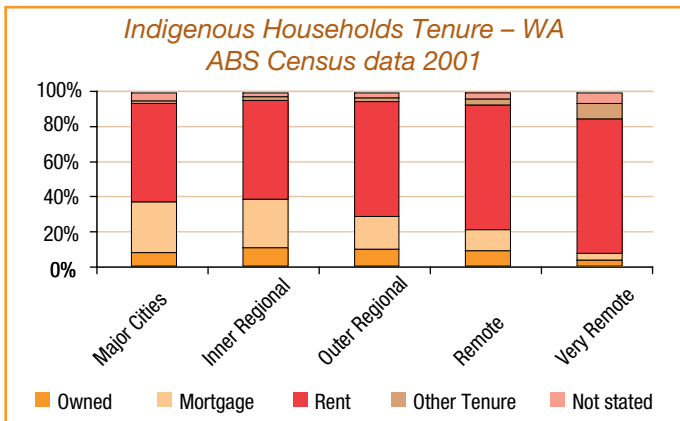
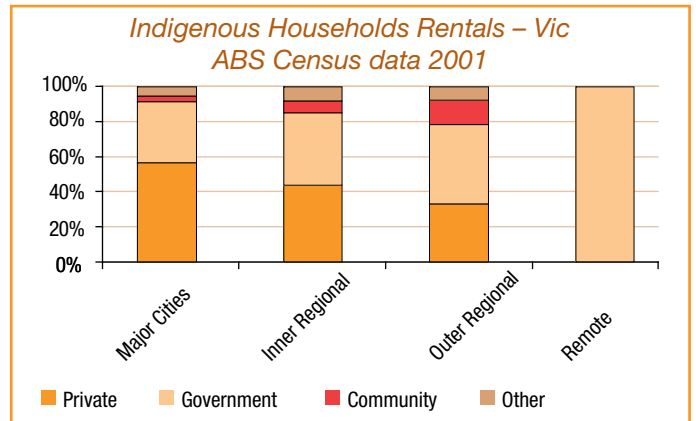
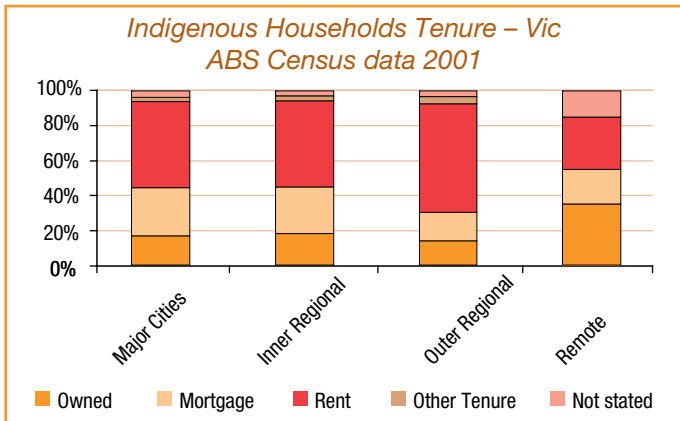
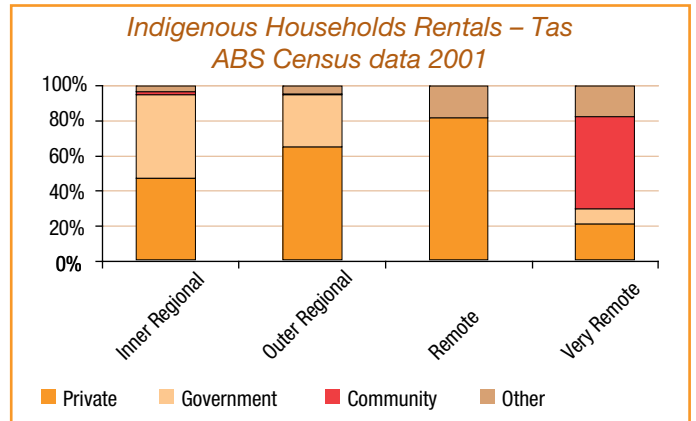
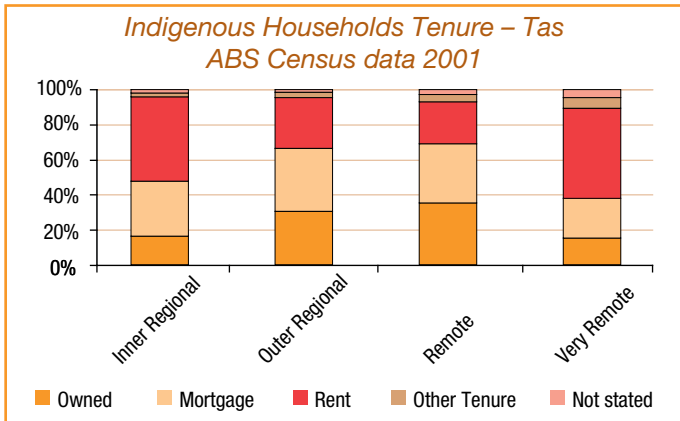
## Appendix 3: Additional Figures And Tables

### Community Housing by State and Territory | Capital and Repairs and Maintenance



## Tenure by Rental by State for Indigenous Households

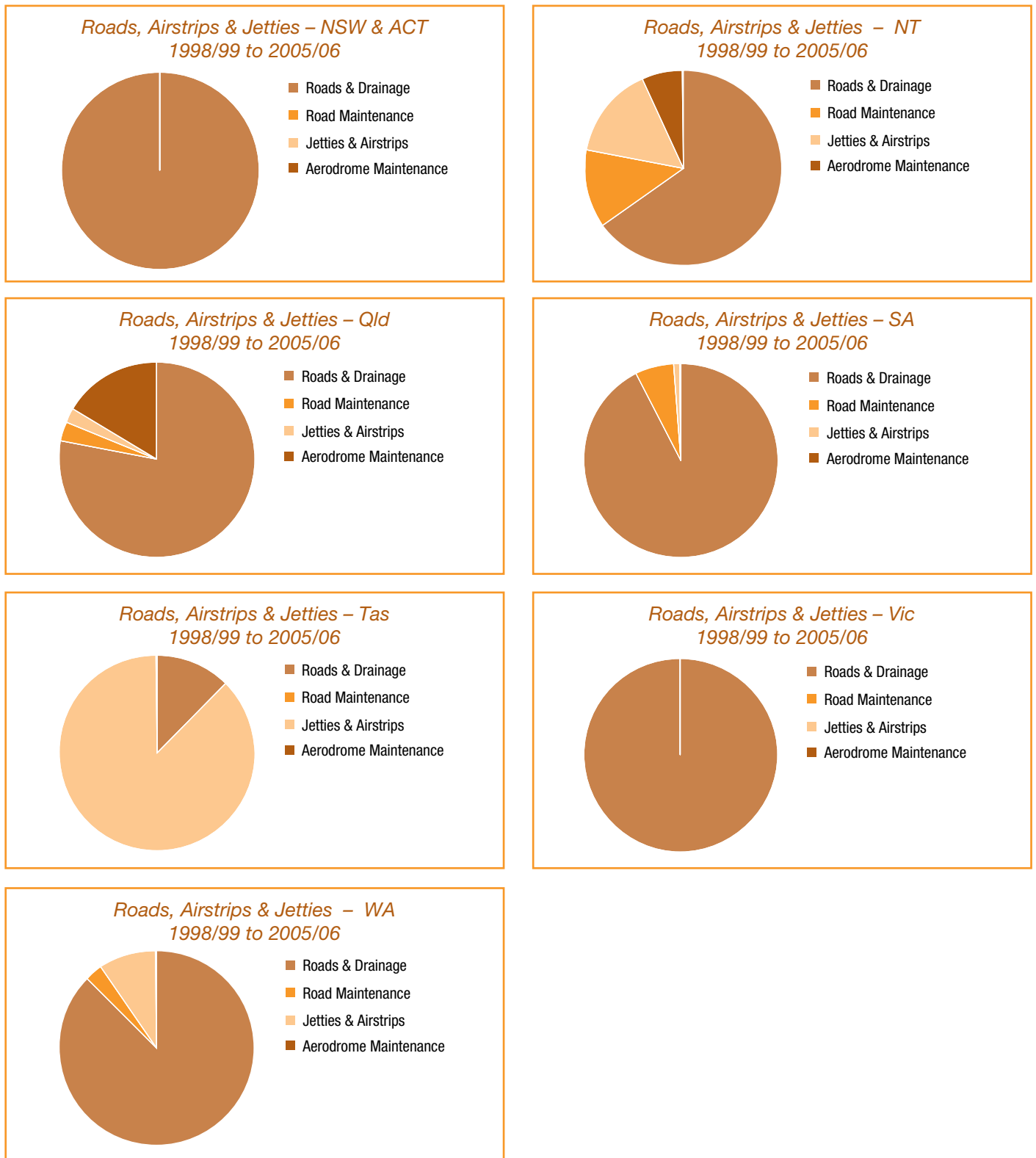




Indigenous Households Tenure – WA  
ABS Census data 2001

Indigenous Households Rentals – WA  
ABS Census data 2001

## Components of roads, airstrips and jetties funding (1998/99-2005/06) remote and very remote



## Appendix 4: International Programmes

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### *Literature Review Overview*

### International Input – Canada – Indigenous Housing

#### Canada comparison:

In 2001 people who self identified as Aboriginal = 1M (3.3%)

#### Housing need defined:

Core housing need is defined by Canada Mortgage and Housing Corporation as affordability – costing less than 30% of total before-tax household income; suitability – enough bedrooms for the size and make-up of the household; and adequacy – no outstanding major repairs are required.

#### First Ministers and National Aboriginal Leaders, Strengthening Relationships and Closing the Gap (24-25 November 2005)

First Ministers and National Aboriginal Leaders launched a 10-year dedicated effort aimed at closing the gap in the quality of life that now exists between Aboriginal peoples and other Canadians.

#### *Principles:*

- Recognising and respecting the diverse and unique history, traditions, cultures and rights of the Aboriginal peoples of Canada which include the Indian, Inuit and Metis peoples of Canada – by adopting a distinctions-based approach;
- Addressing the differing circumstances of Aboriginal peoples in all regions and communities regardless of place of residence (on reserves or settlements in rural or urban areas, or northern and Arctic regions) or legal status under the Indian Act;
- Working collaboratively with First Nations, Inuit and Metis women to address their needs through their participation in the development of culturally-relevant policies and programs that affect Aboriginal peoples;
- Working collaboratively with First Nations, Inuit and Metis in an inclusive manner on policy and program development to ensure that their interests are appropriately reflected in programs and services that affect all Aboriginal peoples, as well as, where appropriate, engaging Aboriginal service delivery organisations;
- Respecting existing bilateral, tripartite and multilateral agreements and processes;
- Respecting regional differences; and,
- Being accountable and reporting regularly to their respective constituencies on achieving progress through agreed-upon culturally relevant indicators and targets, at regional and national levels, as appropriate.

#### *Housing*

Affordable, stable and good quality housing is essential to ensuring positive outcomes for First Nations, Inuit and Metis and their communities. Aboriginal peoples experience some of the worst housing conditions in Canada. Housing influences many aspects of life: individual health and well-being, educational achievement, social interactions, labour market attachment and community identity. From a broader economic perspective, the housing sector provides employment, creates investment opportunities and stimulates and supports economic activity.

First Ministers and National Aboriginal Leaders agree to the goal of closing the gap between Aboriginal peoples and other Canadians in housing conditions and housing opportunities, in a manner that strengthens their self-reliance.

Achieving this goal will require re-thinking current approaches to Aboriginal housing policy, services and supports, increasing housing supply, and maintaining the existing stock in good condition, through investments that address urgent needs as well as long-term sustainable solutions. Aboriginal peoples must be involved in determining their own housing solutions, and flexible approaches need to be applied to address regional, community and individual circumstances. The needs of Aboriginal women will be addressed.

First Ministers and National Aboriginal Leaders agree to measuring progress towards closing the gap in access to affordable, suitable and adequate housing for Aboriginal peoples, as measured by a reduction in levels of core housing need.

### Aboriginal Housing Roundtable (April 2005)

#### *Focus*

There were three themes identified for discussion – building community, strengthening capacity and fostering shared responsibility. Practical solutions related to local service delivery, partnerships, collaboration, and sustaining financial and human resources were also explored.

In this consultative setting participants were asked to discuss two questions:

- Based on experience, what does it take to make a difference in your community?
- What do you see as the most critical barrier that must be overcome to meet the housing needs of Aboriginal persons?

With respect to what makes a difference, it was thought that:

- Adequate, longer-term, stable funding;
- Training and education to build capacity within the Aboriginal community to administer all aspects of housing in a holistic manner; and
- Goodwill and interest from the community as a whole to take action were key.

The most critical barriers identified included:

- The lack of Aboriginal involvement in decision-making related to program design and resources;
- The need for education and training to build the capacity within a community to become self-sufficient; and
- The inflexibility of program design and the administrative burden of accessing and accounting for funds.

#### *Practical Approaches*

It was suggested that the following practical approaches would assist local service delivery organisations:

- Overall integrated and inclusive community-based planning to avoid gaps and overlaps in service delivery;
- Increased availability of multi-year funding;
- Reduced administrative requirements and streamlining of decision-making processes;
- Getting all parties together at the same table; and
- Coordination between agencies providing funding.

There were several factors identified that interfere with the adoption of best practices including:

- Needs in the community are so large relative to the available resources that organisations compete against each other for much needed resources;
- Restrictions within existing programs and/or operating agreements that restrict ability to adopt new practices and provide little incentive to make improvements;
- Lack of communication amongst organisations due in part to limited resources to document, report or share best practices; and
- Differing requirements and priorities from community to community limit applicability of best practices if applied in a “cookie cutter” manner.

### Housing Development Challenges on Aboriginal Lands

One factor that has been limiting the development of housing on First Nation reserves is that the property could not be pledged as a security, as the bank could not take possession of a property on a reserve.

The Government of Canada has recently launched the “On Reserve Homeownership Loan Insurance Pilot Product without Ministerial Loan Guarantee (MLG)”. As described on the Canada Mortgage and Housing Corporation website “This new non-subsidised product for the purchase, construction or renovation of a home on-reserve is offered to qualifying First Nation communities on a pilot basis. It will allow eligible First Nations to facilitate insured mortgage financing for qualifying band members without a Ministerial Loan Guarantee (MLG).”

The program works as follows:

“Since reserve lands cannot be mortgaged, the normal mortgage security is replaced by a trust agreement between CMHC, the First Nation and Trustees.

- This product requires an upfront contribution to the trust by the First Nation.
- A MLG is not required. CMHC provides loan insurance to Approved Lenders (banks, Aboriginal Capital Corporations, credit unions, etc.) permitting them to make loans on lands designated as Indian Reserves.
- Qualified homebuyers from participating First Nations may obtain a CMHC insured loan with a minimum down payment of 5% of the lending value of the home. For renovation loans, a minimum of 10% equity is required. Regular CMHC mortgage underwriting criteria, application fees and insurance premiums apply.”

### Canadian Mortgage and Housing Corporation – Corporate Plan 2006-2010

#### *Strategic Priority 1.2: Improve Living Conditions for Aboriginal Canadians*

Current housing shortage on-reserve is between 20,000 and 35,000 units. The shortfall is growing by an estimated 2,200 units a year. Off-reserve, the core housing need is 76% higher among Aboriginal households as compared to non-Aboriginal households. In the North, housing needs are 130% higher among Aboriginal households compared to non-Aboriginal households.

#### *Short term focus:*

Emphasis on measures to stabilise housing conditions in First Nations communities.

#### *Long term focus:*

Bringing about change both on- and off-reserve through increased Aboriginal control and management, new approaches including market based solutions in First Nation communities, and expanded partnerships with Aboriginal organisations, the private sector, and other levels of government.

## The Budget in Brief 2006: Focusing on Priorities

Budget 2006 provides almost \$3 billion over two years to help make communities better places to live.

### *Affordable Housing:*

Confirming up to \$800 million to provinces and territories to address immediate pressures in affordable housing.

### *Aboriginal Communities:*

\$450 million for improving water supply and housing – on reserve, education outcomes, and socio-economic conditions for Aboriginal women, children and families. Confirming up to \$300 million to provinces to address immediate pressures in off-reserve Aboriginal housing, and up to \$300 million to territories for affordable housing in the North.

## International Input – New Zealand – Public Housing/Maori Services

In 2001, nearly 90% of Maori lived in the North Island and about 25% in the Auckland region. Maori households are likely to be larger than the population average and Maori one-person households are uncommon (only 4.6%) although numbers are slowly increasing. In contrast, sole-parent families are relatively common. In 1996, 41% of Maori children lived in a sole-parent family, compared with 17% of New Zealand European children.

Maori homeownership fell from 52% in 1991 to 44% in 2001 due to a combination of factors including higher levels of unemployment, lower personal incomes, strong urbanisation and concentration in high-cost housing markets like Auckland. Maori are about twice as likely to live in rental accommodation as New Zealand Europeans.

Feedback during the development of the current Housing Strategy consistently emphasised that despite this, homeownership is a strong aspiration for Maori and included frustration that for many, the aspiration is not translated into reality.

For Maori with land held in multiple ownership, there is an added sense of frustration arising from the complexity of land law and title arrangements. For example, land held in multiple ownership is often not accepted as security against which to raise a mortgage.

Housing programmes specifically targeted at iwi, hapu and other Maori structures, as part of wider Maori community development programmes, including employment, health and social services so as to encompass a more holistic approach to the development of Maori land:

### *Primary Initiatives – Maori*

- Increase opportunities for Maori homeownership in rural and urban areas
- Build housing on multiply-owned land in partnership with iwi, hapu and Maori organisations that can contribute land, infrastructure and other support.

### *Supporting Initiatives – Maori*

- Provide opportunities to involve Maori early in all planning impacting on Maori housing and for effective Maori representation on housing strategy, planning and development committees sponsored by government
- Provide assistance and resources to enable Maori to grow capacity and capability in the housing sector
- Provide or support capacity building programmes to improve the capacity of iwi, hapu and Maori organisations to plan and deliver housing services
- Develop housing programmes for iwi, hapu and other Maori structures, as part of wider Maori community development programmes, including employment, health and social services
- Provide opportunities for tenants' input to HNZA modernisation programmes

- Provide opportunities for Maori input to the design of new houses
- Research the prevalence of discrimination against Maori tenants and ways to address this
- Develop a partnership approach based on the relationship created by the Treaty of Waitangi.

### Other Initiatives:

**Te Puni Kokiri and Housing New Zealand Corporation** run a joint housing assistance program that empowers communities to work alongside government to develop and build tailored housing solutions.

**Special Housing Action Zones** is the name of this joint programme. It is principally for Maori communities occupying their papakainga (original home base) or living on Maori land in multiple ownership. The programme operates throughout New Zealand, but high priority is given to communities in Northland, Eastern Bay of Plenty and Tairāwhiti.

A community with housing needs in the Special Housing Action Zones programme can obtain assistance as a collective to build new houses or repair existing ones.

A community is helped to develop a comprehensive housing plan. This identifies exactly what the housing needs are, what resources the community can contribute (i.e. skills, labour) and how housing needs can best be met.

Other programmes, run by Housing New Zealand Corporation, provide assistance with rent or with housing purchase.

### Lending Programmes

**Papakāinga Lending** – access to Housing New Zealand Corporation finance to build homes on Maori land in multiple ownership.

**Low Deposit Rural Lending** – this programme targets low income families living in the Far and Mid North, East coast, Eastern Bay of Plenty and Wairoa.

### Community Based Organisations

The Housing Innovation Fund aims to encourage not-for-profit, non-government community groups and organisations and Iwi/Maori to increase involvement in providing rental housing and home ownership opportunities for:

- low-income households whose specialised housing need are not being fully met, such as people with disabilities or pensioners
- low-income households whose specific housing requirements are not being fully met by HNZC or the private market such as Iwi/Maori groups, Pacific peoples.
- low/moderate income households whose housing needs are not met in the private market but for whom no suitable alternative exists

### Local Authority Guide

The Local Government Housing Fund aims to encourage councils to retain and increase their existing rental housing by helping fund the purchase of new stock and/or modernising existing stock. Councils are encouraged to work with other councils and community-based organisations to develop innovative ways to provide more social housing specifically targeting:

- low-income households whose specialised housing need are not being fully met, such as people with disabilities or pensioners
- low-income households whose specific housing requirements are not being fully met by HNZC or the private market such as Iwi/Maori groups, Pacific peoples.
- low/modest income households whose housing needs are not met in the private market but for whom no suitable alternative exists.

## The Fund

- Interest-free suspensory loans for acquisitions – where a Council wants to buy or build a property for social housing, an interest free suspensory loan can be provided for up to 50% of the cost of the project. Councils will be expected to meet the remaining cost.
- Interest-free suspensory loan for modernisation – where a Council wants to modernise a property, an interest-free suspensory loan to a maximum of \$30,000 per unit is available.
- Interest free suspensory loans for reconfigurations – where a Council wants to reconfigure housing, a maximum \$30,000 contribution per existing unit will be made available or the cost split 50:50, whichever is the lesser.

A condition of all Local Government loans is that the housing is retained for social housing for 20 years.

If the property is sold or used for another purpose within the 20 years, the Council will need to repay the Government's contribution plus interest calculated on the remaining years of the loan.

Government is also keen to explore other promising social housing models with local authorities that may be struggling to manage housing portfolios, including the possible development of joint venture housing organisations and trusts. Assistance for landlords with social objectives, and alternative models of ownership and management such as cooperative housing could also be considered.

The Housing Innovation Fund and the Local Government Fund are an important step towards growing the social housing sector. The funds aim to encourage community-based organisations, iwi and local government to expand their role as providers of sustainable, long-term housing, by offering loans and advisory support.

A third sector organisation, Community Housing Aotearoa Incorporated Nga Wharerau O Aotearoa (CHAI) was established in October 2004 to connect, support and represent community-based organisations throughout New Zealand that provide housing to people on low incomes or with special needs. CHAI will provide leadership to the sector, networking opportunities for those involved in providing housing so that they can learn from each other, and practical help such as model documents, best practice guidelines and help with legal matters.

## International Input – United Kingdom – Community Housing Regulation

### Social Housing – A Ladder to Ownership: Most recent social housing policy initiatives

An independent assessment of social housing led by professor John Hills was announced on 20 June 2006 by Secretary of State for Communities and Local Government, Ruth Kelly.

The independent assessment, which will report in the autumn, will look at the role of social housing in the 21st century, in particular examining if the system is flexible enough to cope with people's changing circumstances. It will explore how social housing can help create mixed communities. In addition it will take a detailed look at the Social Homebuy scheme to question if there are barriers for housing associations, local authorities or tenants, to the take-up of Social Homebuy.

Ruth Kelly said

“We need to ensure we reach our target of having 30,000 additional social houses a year by 2007/8. This is, frankly, long overdue. But we need to look at wider questions too.

“We need to see how social housing can help us create genuinely mixed communities – where people from different backgrounds and at different life stages live together.

“And we want social housing to become more responsive. It must continue to act as a place of assurance and security for those who have no other option. But it must also give tenants greater choice and be a springboard into ownership for those who only need it for a short time.

“Everyone should feel they have the right to own a house, if that is what they choose. Our Social Homebuy programme can be a stepping stone into home ownership for those who can't afford to buy outright but want to get a foot onto the housing ladder”.

## Housing Corporation

- The Housing Corporation is the Government agency responsible for investing in new affordable homes and regulating over 1,500 housing associations across England.
- Its biggest ever investment programme of £3.9 billion for 2006-08 will fund 84,000 homes; 49,000 of these will be for affordable rent, and 35,000 will be for affordable sale through the Government's new HomeBuy initiative, helping people to get a foot on the property ladder.
- As the statutory regulator of the housing association sector, the Housing Corporation monitors the performance of housing associations and the use they make of funding.

## New Regulation arrangements since April 2005

- From April 2005 the Housing Corporation introduced a new style of regulation based on a risk assessment of all lead regulated associations to determine the planning and delivery of regulatory engagement with each association.
- The key to the new approach is a risk tracking model which allows the Corporation to assess the probability and impact of significant risks in each lead regulated association. The model is based on information already held in their database and will be updated whenever there is a significant change in an association's data.
- By weighting and ranking the various indicators of probability and impact, the Corporation has produced a quantified assessment of the impact, business characteristics and control characteristics of each individual association or group.
- The Corporation can differentiate within the overall risk assessment between the high impact arising from sheer size, potential problems from associations taking on risky activities and potential problems due to weaknesses in management or governance. They will indicate to each association which new category of regulation applied.

## Housing Corporation – Regulation

Linking this segmentation to differing levels of regulation (that relate to the probability and impact scores) they will simply and readily deliver more proportionate and consistent regulation and move away from the current, relatively standardised approach.

In broad terms this segmentation will allow the Housing Corporation to:

- Scale back the level of regulatory engagement for well run associations that fall into the low probability, low impact category i.e. low risk. For these associations they will be placing more reliance on the monitoring of basic data and health checks and on the association advising the corporation of any change of circumstances.
- Engage at broadly the same level as they do now for medium risk associations but progressively focusing on their weaker areas and paying less attention to their strong areas.
- Develop a new approach for high impact associations, where the risk is considerable because of their size or the amount of money they receive for development, but where the Corporation judges they are well run and have well managed systems. In such cases they would aim to achieve active regulation focusing on external and internal verification and compliance assessment
- Use relatively intensive regulatory engagement for high risk associations where close monitoring is required but in ways that reflect their particular circumstances.

As the Corporation takes an increasingly tailored and proportionate approach to the regulation of each association, they will use revised and refocused regulatory tools that allow regulatory engagement to be more proportionate to the individual risk at association level as opposed to requiring extensive broad brush functional reviews for the majority of associations. This approach will allow them to drill down from broad areas (e.g. governance) through to narrower areas of concern, subsequently identifying detailed risks.

Specifically:

- Their emphasis will be on seeing the wood and not the trees – moving away from detailed and extensive observation based reviews to effective judgement that increasingly relies on self assessment and self regulation
- Tailored engagement will be properly and transparently justified to the association
- Structures for quality control and assurance will be embedded in the Corporation
- They will ensure that they share their knowledge of associations internally so that all of their regulatory contact has a purpose
- Consistency and applicability of their new approach will be actively managed
- All regulatory activity will be reflected in a published Housing Corporation Assessment (HCA).

## Housing Corporation – Regulation – Low/Medium/High Risk Associations

### *Low Risk Associations*

Definition	Level of engagement with the regulator
Probability of problems occurring is low because they are satisfactorily run and at the same time the potential impact is low.	An annual self assessment compliance statement
Review of the HCA every two years	Annual accounts, including the internal controls assurance statement
Quarterly financial returns not required except where there is a specific need	Auditor’s management letter
	Five year financial forecast (FV5)
	Regulatory Statistical Return (RSR)

## Housing Corporation – Regulation – Low/Medium/High Risk Associations

### *Medium Risk Associations*

Definition	Level of engagement with the regulator
	In addition to the standard requirements for the low risk category:
	An annual viability return (AVR). The need for a 30 year model will be determined on a case by case basis and depend on the significance of the development programme. A 30 year model will be required for all lead partners.
	An appraisal of the business plan
	A review of the HCA on an annual basis assuming there have been no changes required in year) because of other events
	Tailored engagement primarily through contact with the Chief Executive or Executive Management Team to address issues arising from the risk tracking approach. Historically these have often been quarterly but in the future the frequency will reduce and may only be once a year
	Lead investor reviews, assuming that the association is developing
	Engagement with the board to discuss future strategy, risk or other specific issues arising from the review work

## Housing Corporation – Regulation – Low/Medium/High Risk Associations

### High Risk Associations

Definition	Level of engagement with the regulator
Risk is likely to be considerable because of size, complexity or the amount of development funding	<p>In addition to the standard requirements for the low and medium risk category:</p> <p>More frequent meetings with the association's senior management</p> <p>All lead partners will be required to submit a 30 year model</p> <p>All high risk associations will receive an AVR which depending on the circumstances could be short form, standard or extended)</p>

### Sustainable Communities: Homes for All (A Five Year Plan from the Office of the Deputy Prime Minister) – January 2005

#### Aims

- Make sure that there are enough high-quality homes across the whole spectrum of housing – owner-occupied, social rented and private rented
- Help more people to own their home
- Make sure that all social tenants, and seven out of ten vulnerable people in the private sector, have a decent home
- Create sustainable, mixed communities in both rural and urban areas, with the jobs, services and infrastructure they need to thrive
- Provide for those who need more support to meet their housing needs and aspirations, including halving numbers in temporary accommodation
- Provide for those who choose alternative types of accommodation, such as Gypsies and Travellers, but crack down on unauthorised development
- Protect and enhance the environment, our historic towns and cities and the countryside

#### Commitments

A doubling of investment in social housing from 1997 levels, to £2 billion in 2007/08. An extra 10,000 homes a year will be built by 2008 – a 50% increase compared to current rates.

#### Homes where they are needed most

Over one million more people own their own home than in 1997.

But in some parts of the country we are simply not building enough new homes to meet our needs. As a result:

- Young families cannot afford to live where they grew up and want to stay
- First time buyers are priced out of the market
- Public services and businesses struggle to recruit essential staff
- More people are forced to stay longer in temporary accommodation, or in overcrowded homes.

We need to build more homes. But we also need to provide jobs, infrastructure and public services, and to protect the countryside and our historic towns and cities.

- We will do this by delivering the programme set out in the Sustainable Communities Plan:
- Investing in four Growth Areas in the wider South East: new housing, jobs, services and infrastructure
- Enhancing the environment and using land better: increasing densities; maximising the use of brownfield land; protecting countryside; promoting excellent design and sustainable buildings
- Investing in the skills we need to deliver, building on the Egan Review of Skills
- Completing our reform of the planning system and working with partners to deliver the development we need, when and where we need it
- Providing more affordable housing in rural areas to respond to local needs.

### *Sustainable home ownership*

We want to offer as many people as possible the opportunity to own a home, provided they can sustain the commitments that go with it.

A stable economy and building more homes are key to making housing more affordable. And we are taking further action to help people get a foot on the property ladder.

By 2010 we will help over 80 000 people into home ownership who are currently renting privately or living with family:

- A new First Time Buyers Initiative to help 15 000 first time buyers
- Developing Key Worker Living to help 30 000 key workers
- Help for over 35 000 people through existing schemes including shared ownership and Homebuy.

We will help more social tenants to buy a home for the first time through a comprehensive package of schemes, the Choice to Own:

- Right to Buy and Right to Acquire will continue
- Existing schemes will be made simpler and fairer
- Homebuy will be extended to offer social tenants the opportunity to own a share of their home
- Help will be available for tenants to purchase a home on the open market.

We will support households in managing the commitments home ownership brings.

We will work with the industry to build homes more cost efficiently:

- Running a competition to build a quality home for £60 000
- Using public sector land to help deliver affordable homes.

### *Quality and choice for those who rent*

Home ownership, even on a shared basis, is not the right option for everyone at all stages of their lives. For some it is unaffordable. For others the greater flexibility that renting offers makes it a better option.

We want to offer greater quality, flexibility and choice to those who rent, whether from a local authority, housing association or private landlord.

We will deliver this by:

- Tackling shortages of social housing and making better use of the homes we have got
- Continuing our sustained investment in social housing, enabling local authorities and housing associations to have spent around £42 billion on their existing stock by 2010. This will deliver decent homes for all social tenants and ensure at least 70% of vulnerable households in the private sector have decent homes
- Offering social tenants more choice: strengthening arrangements for choice-based letting, and encouraging landlords to offer the best possible service to their tenants
- Promoting a strong, well-managed private rented sector.

## Appendix 5: International References

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### New Zealand Housing – Reference Documents

Building the Future: The New Zealand Housing Strategy (May 2005)

Housing New Zealand Corporation:

- Steps to making contact and applying for housing
- Neighbourhood Unit map
- Help with Home Ownership
- Housing Innovation Line:
- Community Based Organisations
- Local Authority Guide

Social Allocation of Housing New Zealand Corporation Housing

Ministry of Social Development – Review of the Accommodation Supplement

Te Puni Kokiri – Housing Assistance programmes

Te Puni Kokiri Briefing to the Incoming Minister (October 2005)

Department of Building and Housing – Statement of Intent 06/09

The Future of Housing in New Zealand (Scion and BRANZ) (February 2006)

### United Kingdom – Reference Documents

Department of Communities and Local Government ([www.odpm.gov.uk](http://www.odpm.gov.uk))

Housing Corporation ([www.housingcorp.gov.uk](http://www.housingcorp.gov.uk))

FBHO ([www.fbho.org.uk](http://www.fbho.org.uk))

Chartered Institute of Housing ([www.cih.org](http://www.cih.org))

### Canada Housing – Reference Documents

([http://www.homelessness.gc.ca/home/docs/Final\\_Housing\\_Backgrounder\\_e.pdf](http://www.homelessness.gc.ca/home/docs/Final_Housing_Backgrounder_e.pdf)  
Factsheet on Aboriginal Housing (Government of Canada, November 2005))

[www.cmhc-schl.gc.ca](http://www.cmhc-schl.gc.ca)

Canada Mortgage and Housing Corporation

[www.ainc-inac.gc.ca](http://www.ainc-inac.gc.ca)

Indian and Northern Affairs Canada

[www.canada.gc.ca](http://www.canada.gc.ca)

Government of Canada

[www.nunavuthousing.ca](http://www.nunavuthousing.ca)

Nunavut Housing Corporation

[www.nwthc.gov.nt.ca](http://www.nwthc.gov.nt.ca)

Northwest Territories Housing Corporation

[www.bchousing.org](http://www.bchousing.org)

British Columbia Housing

[www.gov.sk.ca](http://www.gov.sk.ca)

Saskatchewan Housing Corporation information

[www.habitation.gouv.qc.ca](http://www.habitation.gouv.qc.ca)

*Societe d'habitation Quebec*

[www.gnb.ca](http://www.gnb.ca)

*New Brunswick Canada*

[www.gov.ns.ca](http://www.gov.ns.ca)

*Nova Scotia Canada*

[www.nlhc.nf.ca](http://www.nlhc.nf.ca)

*Newfoundland and Labrador Housing Corporation*

*PricewaterhouseCoopers Report on the Cost of Not Successfully Implementing Article 23:  
Representative Employment for Inuit within the Government (17 February 2003)*

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*National Aboriginal Housing Association – Introduction and Agenda for Action*

*Assembly of First Nations – Q&As First Ministers Meeting on Aboriginal Issues, 24-25 November 2005*

*A New Beginning: The National Non-Reserve Aboriginal Housing Strategy March 2004 (The National  
Aboriginal Housing Association)*

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## Appendix 7: Abbreviations and Acronyms

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AACAP	Army Aboriginal Community Assistance Program
ABS	Australian Bureau of Statistics
AG	Australian Government
AHL	Aboriginal Hostels Limited
AHURI	Australian Housing and Urban Research Institute
ALGA	Australian Local Government Association
AIHW	Australian Institute of Health and Welfare
ANAO	Australian National Audit Office
ARHP	Aboriginal Rental Housing Program
ARIA	Accessibility and Remoteness Indicator for Australia
ATSIC	Aboriginal and Torres Strait Islander Commission
ATSI	Aboriginal Torres Strait Islander
ATSI	Aboriginal Torres Strait Islander
ATSI	Aboriginal Torres Strait Islander
BBF	Building a Better Future
CAEPR	Centre of Aboriginal Economic and Policy Research
CAT	Centre for Appropriate Technology
CDEP	Community Development Employment Program
CGC	Commonwealth Grants Commission
CHINS	Community Housing and Infrastructure Needs Survey
CHIP	Commonwealth Housing Infrastructure Program
CLC	Central Land Council
COAG	Council of Australian Governments
CPM	Contracted Program Manager
CSHA	Commonwealth State Housing Agreement
CSO	Centrelink Service Officer
DEWR	Department of Employment and Workplace Relations
DOTARS	Department of Transport and Regional Services
ICHO	Indigenous Community Housing Organisation
FaCS	Department of Family, Community Services (replaced by FaCSIA)
FACSIA	Department of Families and Community Services and Indigenous Affairs
FAG	Financial Assistance Grants
FHBH	Fixing Houses for Better Health
HIPP	Health Infrastructure Priority Projects
HMAC	Housing Ministers Advisory Council
HMC	Housing Ministers Conference
HOIL	Home Ownership on Indigenous Land
IBA	Indigenous Business Australia
ICC	Indigenous Coordination Centre
IHIA	Indigenous Housing and Infrastructure Agreements

IHIB	Indigenous Housing and Infrastructure Branch, FaCSIA
LGA	Local Government Authority
MUNS	Municipal Services
NAHS	National Aboriginal Housing Strategy
NIHIIC	National Indigenous Housing Information Implementation Committee
NHDAMG	National Housing Data Agreement Management Group
NHDDC	National Housing Data Development Committee
NLC	Northern Land Council
OATSIH	Office for Aboriginal and Torres Strait Islander Health
OIPC	Office of Indigenous Policy Coordination
ORAC	Office of the Registrar of Aboriginal Corporations
PIA	Project Impact Assessment
PRWG	Policy Research Working Group
PwC	PricewaterhouseCoopers
RAESP	Remote Area Essential Services Program
RIAS	Remote Indigenous Accommodation Service
SAAP	Supported Accommodation Assistance Program
SCIH	Standing Committee on Indigenous Housing
SOMIH	State Owned and Managed Indigenous Housing
SPP	Special Purpose Payments



