

Resetting the Homelessness and Housing Button for the Northern Territory?

NT Shelter Policy Team

There are encouraging signs that the newly elected Northern Territory (NT) Labor Government acknowledges the failure of past governments to deliver the social and remote housing required to address the NT's affordable housing and homelessness crisis.

Homelessness and housing issues in the NT are particularly challenging given the large distances involved, the logistics and costs associated with servicing remote communities and the heavy reliance on the vagaries of Federal funding.

In the NT, the homelessness rates have been estimated at 15 times the national average. Some 7.3 per cent of all people in the NT are experiencing homelessness with one in four being Aboriginal. Over 85 per cent of people defined as homeless in the NT live in over-crowded dwellings.

In addition, we are witnessing growing numbers of socially, culturally and economically vulnerable Indigenous Territorians moving to the fringes of urban centres. Here they are unable to access the private rental market and even when public housing is available, it is not always appropriate.

However, to date, no formal homelessness targets have been set for the NT.

It can be argued that the NT has some of the worst remote public housing conditions in Australia. In Darwin and regional towns, there has been a slow trend of the government selling off housing assets to private developers with no guarantee that any social housing will be replaced, or that the funds realised from sales will be re-invested in social housing.

In the NT in the years between 2003/4 to 2014/15, public housing dwelling numbers have declined from 4,535 to 3,493 in Greater Darwin and 1,350 to 832 in Alice Springs while the household waiting list for social housing has jumped 69 per cent in Darwin (up from 1,293 to 2,183) and in Alice Springs 82 per cent (367 to 704).¹

The realities of aging housing stock and overcrowding for Indigenous tenants in remote communities are well established. Unfortunately, the only policy response in recent times has focused on punitive (red card policy)² housing tenancy and tenancy management policies. This has in turn led to what Territorians have now come to refer to as urban drift — homelessness in the towns as the result of housing shortages in remote communities.

The Policy Context

The Commonwealth and Territory governments made significant changes to remote housing management in 1 July 2008. Further changes resulted from the compulsory acquisition of the five year leases held over many remote communities as part of the 2007 Northern Territory Emergency Response (NTER).

The National Partnership Agreement on Homelessness (NPAH)

The NPAH spanned five years from 2009–14 and this Commonwealth led initiative was seen by the broader community as recognition of the need to address homelessness.

Following the 2013 Federal election, the new Coalition government extended the NPAH until June 2016 and 2017, but with reduced funding. No forward estimates for funding

beyond 2017 have been announced for the NPAH. Of further concern is that the Federal Government is arguing that the NPAH has not resulted in the reduction of homelessness rates.

The National Affordable Housing Agreement (NAHA)

While Australia has seen some significant improvements in social housing stock availability, over the last decade the NT has not kept pace with other states and the ACT. The NT Government currently owns and manages 5,025 houses in remote areas, and 4,947 in regional and urban areas. It leases over 570 houses to community service agencies to provide crisis and transitional accommodation services and provides rental subsidies on a means-tested basis to ensure housing is affordable to tenants.

Unfortunately, the 2016/17 Federal Budget did not contain any new initiatives to address homelessness and improve housing affordability despite recommendations from the Affordable Housing Working Group.³

The National Partnership Agreement on Remote Indigenous Housing (NPRIH)

Aboriginal housing in the Northern Territory has changed significantly over the last eight years. In the 1970s and '80s, many Aboriginal housing organisations were set up to manage housing in communities as part of the push for self-determination. In 2007, as the Australian Government began rolling out its secure tenure policy, self-management was replaced by public housing policies, procedures and contract arrangements.

The NPRIH was aimed at addressing overcrowding, homelessness, poor

housing conditions, dilapidated housing stock and severe housing shortages in remote communities within a ten-year time frame to 2018. Targets included 4,200 new homes and upgrades to 4,800 existing homes.

According to Department of Housing NT as of June 2016,⁴ the funding supported the building of 1,189 new houses, 2,929 rebuilds and refurbishments and 998 upgrades to existing houses. The Department has argued that a further 2,000 new additional houses were required in 73 remote communities and that the biggest challenge would be to meet the gap between rental revenue and the cost of remote housing.⁵

It has been reported that the Turnbull Government will replace the NPRIH with a new remote housing partnership; but again, no forward estimates have been provided.

Affordable Housing in the NT

In the NT, the current supported housing model is limited to transitional, short and medium term and there are few pathways for people on low to very low income to move between the social safety net and the private market. Apart from National Rental Affordability Scheme houses, there are few suitable exits into private rental.

From a structural point of view, there is limited social and community housing with no alternative social housing provision for the Not-For-Profit (NFP) housing sector except through the Central Australian Affordable Housing Corporation (CAAHC). The NT Governments' first venture into social housing was in 2012 through the Real Housing for Growth Plan which has to date delivered 700 houses through head lease agreements.⁶ It supported the development of the Venture Housing Company through the transfer of some government assets including the recent rebuild of 35 units in Parap.⁷ The two other community providers are Yilli Rreung Housing Aboriginal Corporation and Kalano Community Association, but unlike CAAHC, they are not registered community housing providers.

While the new Northern Territory Labor Government is to be commended for committing \$1.1 billion in the next ten years towards housing, particularly remote housing, it is yet to lay out a clear plan on how it can support the development of the still fledgling community housing industry.

Future Directions

There are some clear steps forward laid out by key national community peak bodies⁸ such as the establishment of a Housing Finance Corporation (HFC), to fund an affordable housing growth fund.

The Community Housing Industry Association (CHIA) in response to the Affordable Housing Working Group recommendations, proposed a set of structural reforms that would be needed to leverage the 80,000 properties currently under ownership or managed in the community housing sector nationwide to attract private capital.⁹

As part of its election pledge, the former Giles government proposed the setting up of the Remote Housing Development Authority (RHDA).

The proposed objectives were:

- a place based approach to supporting Aboriginal housing
- including the establishment of community business to deliver remote housing services
- new subdivisions for more new remote housing
- brokering opportunities in remote communities for the delivery of construction projects, repairs and maintenance and tenancy management by Aboriginal people and business
- developing opportunities for private sector investment in remote communities and developing simplified systems to speed up land-leasing arrangements to enable the construction of new houses.

This model recognises that Aboriginal representation is critical to success and that a strong and independent approach to governance and leadership is necessary. Consultations to develop this model are on-going. However, it remains unclear whether the new Labor government will want to engage with the RHDA proposal.

It is, however, paramount that the Commonwealth continue to support remote housing in the next 20 years until there is a significant improvement in housing stock quality. This will be an important policy space going forward and key stakeholders like NT Shelter will be monitoring and contributing to further consultations.

Since its re-election the Federal Government, has not signalled any tax reform, with a focus on budget repair limited to spending cuts. Given the growing affordable housing crisis, it is incumbent on States and Territories to mount the case for tax reform. Suggestions to review negative gearing and capital gains tax arrangements¹⁰ to reduce speculative investment and driving up house prices must remain on the political agenda.

This is the necessary first step to committing to an Affordable Housing Growth Fund both to expand the stock of affordable housing and ultimately attract private investment into the affordable housing sector.

Endnotes

1. NT Shelter 2016, *NT Shelter Housing Factsheets — Ten Year Housing Affordability Report Card*. Available from: <https://ntshelter.org.au/documents/?mdocs-cat=mdocs-cat-6&att=null>
2. <https://nt.gov.au/property/public-housing/safety-and-antisocial-behaviour-in-public-housing>
3. Australia Government's *Affordable Housing Working Group Issues Paper 2016*, Council on Federal Financial Relations.
4. Department of Housing, Northern Territory Government. Presentation. Remote Housing Development Authority Stakeholder Working Group Meeting, Aug 5th, 2016.
5. *ibid.*
6. https://housing.nt.gov.au/_data/assets/pdf_file/0015/280113/Urban-Housing-Strategy_01062016.pdf
7. <http://www.venturehousing.org.au/>
8. An Affordable Housing Reform Agenda led by National Shelter the Australian Council of Social Service, Community Housing Federation of Australia, Homelessness Australia (now defunct), National Association for Tenants' Organisations.
9. <http://www.communityhousing.com.au/wp-content/uploads/2016/03/CHIA-submission-to-AHWG-FINAL-March-2016.pdf>
10. Vote Home 2016, *Five Reforms to deliver more affordable housing to end homelessness*. National Shelter, Homelessness Australia, Community Housing Industry Association, ACOSS.