



**Our Community.
Our Future.
Our Homes.**

Property and Tenancy Management Framework

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DEPARTMENT OF LOCAL GOVERNMENT,
HOUSING AND COMMUNITY DEVELOPMENT



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Acronyms: The following acronyms are used in this document	
CHO	Community Housing Officer
DLGHCD	Department of Local Government, Housing and Community Development
HMO	Housing Maintenance Officer
KPI	Key performance indicator
NPRH NT	National Partnership for Remote Housing Northern Territory
NT	Northern Territory
PTM	Property and tenancy management
RTA	<i>Residential Tenancies Act 1999</i>
SLA	Service level agreement
TMS	Tenancy Management System

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1. Introduction

1.1 Purpose

The purpose of this framework is to outline strategic and operational directions regarding Property and Tenancy Management (PTM) services to be delivered under the **Our Community. Our Future. Our Homes.** Remote Housing Investment Package (the program).

1.2 Overview of Our Community. Our Future. Our Homes.

The program aims to support the development of remote Aboriginal communities through the following objectives:

1. Community engagement and local decision making

- a. Identify and develop accommodation options through community engagement and local decision making bodies with capacity building, where appropriate.
- b. Build positive relationships based on openness and transparency.

2. Reducing overcrowding and improving accommodation outcomes

- a. Reduce overcrowding by increasing the supply of new housing and extending existing homes.
- b. Increase access to a range of appropriate, place-responsive accommodation options to meet community needs.
- c. Upgrade and maintain existing houses to an appropriate standard.

3. Improving social and economic outcomes

- a. Contribute to social and economic development of remote Aboriginal communities by ensuring, to the maximum extent possible, that housing services are delivered by local Aboriginal Territorians and businesses.

4. Value

- a. New housing is appropriate without being excessively expensive.
- b. Reduce whole of life cost of delivering and managing accommodation through innovation and economies of scale at pace with industry and community capacity.

The program consists of the following commitments from the NT Government over ten years from 2017-27:

- HomeBuild NT – \$500 million to construct new homes in remote communities.
- Room to Breathe – \$200 million to build rooms, granny flats, spaces designed to provide more living space, sleeping space and outdoor cooking places.
- Government Employee Housing – \$200 million to build additional Government Employee Housing, providing access to Government Employee Housing accommodation for locally recruited government employees.
- Repairs and maintenance – \$200 million for the repairs and maintenance of remote community housing.
- \$426 million over eight years to provide essential land services and infrastructure for remote community housing.

In 2018, the Australian Government also committed \$550m over five years through the National Partnership for Remote Housing Northern Territory (NPRHNT). This agreement was signed in March 2019 and includes the following:

- \$550 million to deliver additional capital works and PTM services.

As part of the NPRH NT both Governments have agreed that the primary mechanism for the delivery of the \$550 million Australian Government contribution to remote housing will be through the NT Government's **Our Community. Our Future. Our Homes.** program, incorporating Local Decision Making principles and procurement policies.

The investments described above must all be underpinned by quality PTM services to ensure houses are maintained in a good condition and tenancies are sustainable. The funding allocated under NPRH NT will provide PTM services to some 5,046 houses in the Northern Territory's 73 remote communities and the 17 Alice Springs Town Camps. The agreement expires on 30 June 2023.

2. The Property and Tenancy Management (PTM) Framework

Housing service delivery in remote areas of the NT, including capital works and PTM, is primarily funded and largely undertaken by government. The long term goal for both NT and Commonwealth Governments is through local decision making, transition PTM services to local control. This will be a place based approach and is likely to take some time depending on the presence and capability of local providers. Wherever possible services will be disaggregated to provide opportunities for cost-effective and integrated local service delivery promoting sustainable communities.

The Northern Territory Government, as landlord for public housing in NT remote communities, has an obligation under the *Residential Tenancies Act 1999* (RTA) to provide PTM services to its tenants so that they can live in a safe and secure house. While initiatives are being put in place to build the capacity and capability of local providers, where capacity does not exist, DLGHCD must ensure these services are provided to the RTA required standard.

The program consists of a number of initiatives that will support this long term goal, outlined with key program documents for **Our Community. Our Future. Our Homes.**, such as the Aboriginal Employment and Business Enterprise Development Framework and the Procurement Framework. This PTM framework outlines how the delivery of PTM services through the program will contribute to achieving this goal.

2.1 Objectives

The objectives of this framework are to:

- maximise the number of suitable houses available to remote tenants in remote Aboriginal communities and selected town camps covered by the National Partnership for Remote Housing Northern Territory;
- improve and maintain the standard of existing houses in remote Aboriginal communities funded under NPRHNT;
- maintain the amenity of existing houses in remote Aboriginal communities as per the RTA and NT public housing standards;
- provide housing services to tenants in remote Aboriginal communities to a level equivalent to that received by public housing tenants elsewhere in the NT;
- increase the number of households in remote Aboriginal communities able to maintain sustainable tenancies;
- engage and empower locally based Aboriginal Business Enterprises in delivering services in remote Aboriginal communities where available;

- maximise opportunities for local Aboriginal employment and training so that service providers have or acquire the capacity to deliver quality services to housing tenants;
- select service providers consistent with traditional Aboriginal owner and community aspirations, where identified under Local Decision Making agreements and/or Housing Reference Groups;
- meet reporting and performance indicator requirements under the NPRHNT implementation plan; and
- work towards transitioning property and tenancy management services to local community control through establishment of a community housing model.

The Department is aiming to provide culturally appropriate and effective PTM services in remote NT communities.

2.2 Outcomes

The intended outcomes of this framework include:

- improved access for tenants to report faults, request maintenance and make general tenancy enquiries;
- more timely responses to maintenance and tenancy enquiries through capacity development of locally based contractors and/or employees;
- safe and habitable houses for remote community tenants that allow for more healthy living practices;
- improved cost effectiveness of the provision of PTM services;
- increased and sustained local workforce through provision of employment and training opportunities and developing the capacity for ABEs and local Aboriginal people; and
- improved social and health outcomes for remote community residents.

2.3 Legislation

The department is bound to legislative requirements as listed below in order to manage all public housing consistently, regardless of location. PTM services are required to comply with the below legislation:

- *Residential Tenancies Act 1999 (RTA)*
- *Housing Act 1982*
- *Work Health and Safety (National Uniform Legislation) Act 2011* and *Work Health and Safety (National Uniform Legislation) Regulations 2011*
- *Building Act 1993* and *Building Regulations 1993*
- *Aboriginal Land Rights (Northern Territory) Act 1976*
- Contractor Accreditation Limited (CAL) Accreditation.

2.4 Property management services

As landlord, the department is required to maintain all dwellings under its management in a safe, habitable and securable condition, in accordance with the RTA. Maintenance to be managed under NPRHNT will provide responsive maintenance and functional repairs to preserve the functionality of dwellings while cyclical maintenance will increase the serviceability of dwelling components.

Responsive maintenance is the maintenance required to a dwelling on an ad hoc or unplanned basis to maintain functionality of health, safety and security hardware.

This includes:

- maintaining water service to dwelling and tapware within;
- repairing dangerous electrical faults;
- repairing external doors or windows to allow dwellings to be secure;
- replacing faulty smoke alarms and residual current devices;
- repairing serious roof leaks;
- repairing/replacing essential services or appliances for water or cooking;
- repairing a fault or damage that makes the dwelling unsafe or insecure, including natural disaster damages caused by cyclone, flooding, storm water and/or fire event; and
- repairing a fault or damage likely to injure a person or unduly inconvenience a resident.

Cyclical or planned maintenance is the maintenance required to a dwelling that is based on manufacturer's service requirements, predictive life cycle of components and general deterioration that is determined through regular inspection and testing regimes.

The Department is committed to improving environmental health and public health outcomes for tenants using the Healthabitat's 'Housing for Health' methodology. At the heart of the 'Housing for Health' method are the Healthy Living Practices (HLPs). These link the safety, health and wellbeing of people to the functions of key parts of the house and surrounding living environment. The HLPs are prioritised to maximise the health benefit for any resources used for improvement. The "Housing for Health – The Guide" provides further detail.

Works to be targeted under cyclical/planned maintenance program can include:

- testing and cleaning smoke alarms
- testing and replacement of residual current devices
- servicing of hot water systems and air conditioning units
- regular inspection, testing and maintenance of health hardware
- replacing electrical components
- repainting of steel or timber structural components to prevent deterioration
- replacement of deteriorating structural components prior to failure
- waterproofing of structural fabric to prevent structural degradation
- pruning of vegetation away from buildings and electrical service supply line
- regular inspection and testing regime for development of cyclical/planned maintenance works scheduling.

While some property maintenance and inspection tasks require a licensed tradesperson, a large number of tasks can be undertaken by a skilled handyperson. The maintenance service contracts have been designed to provide a two tier maintenance approach.

- Tier 1 - Housing Maintenance Officer (HMO) contracts provide funding for a skilled handyperson who lives in a community or visits on a regular basis to carry out simple repairs that do not require a licensed tradesperson. HMO contracts allow the department to provide a timely response and initial assessment of maintenance issues. HMOs also advise the department about works that need a skilled or licensed trade panel contractor.
- Tier 2 - Trade Panel Contracts are for the procurement of specialised trade works that require a licensed tradesman or are more complex in nature.

2.5 Tenancy management services

As landlord, the department is required to manage tenancies for all dwellings under its management, in accordance with the RTA. Tenancy management activities include;

- Housing applications
 - assisting community members to fill in application forms
 - assisting to collate necessary supporting documentation, income details etc.
 - entry of completed applications into the department's tenancy management system.
- Tenancy occupancy verifications
 - collecting dwelling occupancy data
 - ensuring dwelling rent is correct and in line with the approved Rental Policy
 - Updating the department's tenancy management system to reflect current occupancy.
- Allocations
 - maintaining waitlist data accurately
 - enabling allocation recommendations from Housing Reference Groups
 - liaising with new tenants once allocated a house.
- Tenancy Agreements
 - ensuring tenancy agreements are in place for all dwellings
 - ensuring tenancy agreements are ceased upon tenants vacating dwellings
 - updating the department's tenancy management system to reflect tenancy agreement status.
- Rent collection
 - ensuring rent deductions are in place with tenants.
- Debt management
 - monitoring rental arrears through regular reporting
 - establishing agreements to pay to recuperate outstanding debt.
- Inspections
 - preparing ingoing property condition reports at commencement of all new tenancies
 - preparing outgoing property condition reports at the cessation of all tenancies
 - carrying out routine inspections during the dwellings' occupancy to monitor tenant's and the department's obligations under the tenancy agreement.
- Breaches of tenancy agreements
 - undertaking appropriate action for breaches of tenancy agreement.
- Tenancy support
 - assisting tenants to successfully maintain their tenancy
 - use Aboriginal language interpreters, where available.

The department has established policies and procedures for tenancy management that are applicable to all public housing under its management across all urban and remote centres. All data is stored and key tenancy management tasks are managed through the department's Tenancy Management System (TMS).

Department staff based in regional offices oversee the tenancy management process to ensure the department complies with the RTA. These regional tenancy managers are assisted by contracted tenancy management service providers. The contracts for these service providers are designed to employ locally based staff to manage day to day operations in community, provide timely responses to departmental requests for information and provide culturally appropriate support for tenants in communities.

2.6 Procurement

2.6.1 Policy requirements

Procurement of PTM services aims to support the development of remote Aboriginal communities by maximising local participation, promoting local economic development and building local skills in housing service delivery. In line with the program's objective of maximising business and employment outcomes for remote Aboriginal people and organisations, exceptions to the tender process specified within the Procurement Policy and Rules will be put in place as permitted through Public Procurement Exemption Clause 'O' within the Procurement Rules.

Refer to the **Our Community. Our Future. Our Homes.** Procurement Framework for further detail.

2.6.2 Strategy

There are currently few communities across the NT that have licensed tradesmen located in community. The department is seeking to build community capacity by engaging with ABEs, particularly where ABEs are recognised under Local Decision Making agreements. ABEs who have capacity or potential to deliver PTM services will be identified through the community engagement process for the program.

The Aboriginal Employment and Business Enterprise Development Framework for **Our Community. Our Future. Our Homes.** has been developed with the following objectives:

1. Increase the proportion of staff who are employed through the program who identify as Aboriginal
2. Build ABE capacity to independently deliver housing related works and services
3. Build the long term capability of DLGHCD to contract ABEs to deliver housing related works and services.

Maximising Aboriginal employment and business opportunities through PTM services will be done through a prioritised procurement tender process:

1. Direct engagement of local/community based ABE organisations through a select tender process
2. Direct engagement of regional based ABE organisations through a select tender process
3. Engagement with Territory based organisations through an open tender process.

PTM contracts can also provide pathways for ABEs to increase capacity to employ and train local Aboriginal workers, developing a skilled workforce within communities. The skills developed in housing maintenance are transferrable to construction, further enhancing the capacity of enterprises within communities.

PTM services delivered under the program will be required to meet a target of 40% Aboriginal employment. This means that 40% of the employees of businesses that deliver services through the program must identify as Aboriginal. From 2020-21 this target will increase by 2% annually until the target cap of 46% is reached.

Refer to the **Our Community. Our Future. Our Homes.** Aboriginal Employment and Business Enterprise Development Framework for further detail.

2.6.3 Contracting arrangements

Since the commencement of the first National Partnership Agreement between the NT and Australian Governments, signed late 2008, the department has evolved its delivery methods of PTM services in remote communities across the NT. Past arrangements have included:

- Providing grant funding to shire councils, largely making the shire councils responsible for setting service levels and acquitting funds.
- Service Level Agreements (SLAs) with regional councils. While these SLAs were more commercial in approach than grant funding, they still relied heavily on regional councils to drive maintenance programs within communities. These SLAs were problematic given the lack of contractual enforceability and budgets were difficult for the department's regional staff to manage.

Current contracting arrangements have allowed the department to improve service delivery, strengthen service provider capacity and increase staff capability to manage contracts. Improved contract arrangements through this framework will allow the department to continue building strong relationships with service providers, developing their understanding of commercial contracts and ultimately enhancing outcomes for remote Aboriginal Territorians.

Current PTM contracts have generally been in place since 2013-14. These contracts are based on a clustering arrangement where multiple communities are grouped together based on geographical location and cultural alignments. The contracts are arranged in three service groups;

- Tenancy management (undertaken by departmental community housing officers or CHOs)
- Non-trade related maintenance services (undertaken by departmental housing maintenance officers or HMOs)
- Trade Panel Contracts (undertaken by qualified trade contractors).

These services are carried out by community based and regionally based contractors, who may operate under Aboriginal or non-Aboriginal organisations.

The below table outlines the department's current contracting arrangements with Aboriginal organisations and regional councils.

Clusters/Contracts		Aboriginal Org.		Regional Council	
HMO	CHO	HMO	CHO	HMO	CHO
28*	28*	19	9	2	4

*Including Alice Springs town camps

The Trade Panel Contracts are currently undertaken by 92 separate contractors, across all regions with nine Aboriginal organisations carrying out trade related works under PTM.

Due to delays in finalising the NPRH NT, it was necessary to extend existing contract arrangements to ensure continuity of services. Procurement for future contract arrangements will be undertaken over the next 12 months focussing on longer term contracts and maximising Aboriginal business and employment outcomes wherever possible.

3. Governance

Governance for PTM services delivered through the program will be outlined in the Governance Framework.

4. Monitoring and evaluation

The collection and analysis of performance data will be used to ensure continuous improvement and ultimately to improve the quality of services provided to our tenants. The principle concept supporting continual improvement through monitoring and evaluation is the Plan-Do-Check-Act (PDCA) cycle. As such monitoring and evaluation will occur at a number of stages as part of continual improvement of the framework. This includes reviews of internal audit findings, progress against objectives and targets, risk assessment, complaint analysis and review of policy.

Monitoring and evaluation should be developed to include self-assessment of the processes through the use of key performance indicators (KPIs), improvement targets and management reviews contributing to continual improvement. Integral to this process is a commitment to developing a culture where continual improvement, so it becomes non-intrusive and second nature in the way all staff work. Monitoring and evaluation may occur in relation to the focus areas listed in the table below.

FOCUS AREA	
Tenancy Agreements	<ul style="list-style-type: none"> All dwellings conforming to RTA requirements have tenancy agreements in place.
Appeal and Dispute Rights	<ul style="list-style-type: none"> Complaints, appeal and culturally relevant dispute processes are reviewed for effectiveness. Use of Aboriginal Interpreter Service during these processes. The community is aware of and utilises complaint, appeal and dispute processes. Greater accountability for housing management.
Maintenance and Contractor Quality	<ul style="list-style-type: none"> Performance and contract management via monthly performance reporting <ul style="list-style-type: none"> Appropriate standards Reporting requirements are met KPI targets are delivered Effectiveness of program Quality of contractor work and Contractor conduct. The community identifies that work quality has improved since implementation.
Maintenance Response Times	<ul style="list-style-type: none"> Maintenance response times are monitored and performance of service providers are reviewed. Actual maintenance response times are reported on, and are within tolerable levels of target response time standards. Monitor maintenance response times to ensure continual improvement. Monthly reviews of contractor performance against contracted performance targets. Reduction of time dwellings are unavailable for allocation between tenancies.
Maintenance Amenity Standards	<ul style="list-style-type: none"> Maintenance standards are audited against standards and regulations.
Planned/Cyclical Maintenance	<ul style="list-style-type: none"> Development of planned and cyclical maintenance programs. Actual performance and schedule monitored, and occurs within tolerable performance levels.

Evaluation of emerging outcomes of PTM service delivery will occur at incremental periods during implementation of the Program.

5. Reporting

Reporting to the Joint Steering Committee for 2019-20 will consist of reports against the following performance measures and milestones as shown below:

Performance measures	Targets	Activity periods	Report due	Payment (\$ million)
% gap between total rent collected as a proportion of total rent charged	30%	1 Jul 19 – 31 Oct 2019	1 Nov 19	TBC
% of tenancies with an Agreement to Pay in place as a proportion of total tenants in rental arrears	15%			
All properties under this agreement, and other relevant agreements, have tenancy agreements in place with the tenant within eight weeks of handover of capital works*	100%			
% of properties receiving annual property inspections	70%	1 Nov 19 – 31 May 20	1 June 20	TBC
% of Aboriginal people employed to deliver PTM services	40%			TBC
% of PTM contracts awarded to ABEs	50%			

Performance measures will be approved by the Joint Steering Committee and will be reviewed annually.

Further information regarding program reporting is included within the Reporting Framework.