



TERRITORY 2030 HOUSING CONFERENCE WORKSHOP

“Building Partnerships Across Sectors”

10th November 2011

This workshop was generously supported by the
NT Department of Housing Local Government and Regional Services
as part of the
Territory 2030 Housing Conference- 'A Balanced Housing Market'

It was hosted and convened jointly by
NT Shelter and the Urban Development Institute Australia- NT Branch (UDIA NT)
and facilitated by Dr Tony Gilmour

The workshop '*Building Partnerships Across Sectors*' aimed to explore ways and future opportunities to increase housing supply through partnerships between the finance sector, the development and building sector, Government and the not for profit sector (NFP) and was attended by 39 delegates.

Introduction

The increasing interest in social and affordable housing delivery – including the National Rental Affordability Scheme (NRAS) the Housing Affordability Fund (HAF), the Nation Building Economic Stimulus Plan (particularly as it related to the economic stimulus offered to the construction industry and the subsequent boom in the construction of social and affordable housing) mirrors other public policy discussion which is generally focused on economic development.

Why?

- § Ideology of smaller 'hollowed out' governments looking more to steerage than delivery due to capacity being lessened; this together with ongoing budgetary restraint
- § Policy realisation of the inter-connectedness of social and economic issues
- § Value transfer- a push to make the public and NFP sectors more commercial and professional

Partnerships are recognised as being an inherently good vehicle for the delivery of social and affordable housing and this is common across all developed countries.

The NFP housing sector in Australia has developed rapidly over the past two decades and especially so since the introduction of the NRAS and NBESP.

Dr Gilmour proposed 2 conceptual partnership models - (i) triangular; (ii) linear:

(i) shows the range of convergence of different players in the housing sector with the apexes delineating: 1. state; 2. civil society/ not for profit; 3. market (commercial)

(ii) demonstrates a transactional vs integrative continuum with complex public-private partnerships ('PPP's), such as those instigated through large state renewal programs being seen to be on the heavy end of the spectrum and the issuing of relatively simple contracts being at the transactional end.

PPPs are higher risk and more administratively draining and with more layers of legal & organisational costs.

Dr Gilmour also pointed to the rhetoric and reality of partnership models but in reality there is a vast terrain of idiosyncratic arrangements;

- Multiple sectors with intra-sector differences
- There are differing organisational values, motives and agendas
- Different groups use different language
- Power issues around funds/ size/ capacity
- Even PPPs vary with competing institutional logics within and without

The drivers of various schemes ie NRAS are operating as a deliberate social policy agenda to facilitate partnerships ie less direct delivery by government / get others to do the borrowing and take risks / steering not delivering.

PRESENTATIONS WITH A FOCUS ON KEY INGREDIENTS TO SUCCESSFUL PARTNERSHIPS

Jan Berriman, CEO Central Australian Affordable Housing

See; <http://ntshelter.org.au/uploads/Jan%20Berriman%20Central%20Austn%20Affordable%20Housing.pdf>

Jan discussed a number of projects she was involved with as CEO of Melbourne Affordable Housing noting each partnership arrangement was quite detailed and each project was its own beast.

Key ingredients to success;

- § Innovation
- § Leadership from government- committed to funding/ land /opportunities
- § Working through partnership issues
- § Commitment to agreed vision

Ross Holt WA LandCorp

See; <http://ntshelter.org.au/uploads/Ross%20Holt%20WA%20LandCorp.pdf>

Ross presented the development of a service worker (non-mining employees) accommodation in Karatha undertaken in partnership with National Lifestyle Villages where the State leased the site to NLV for 5 years at no cost and the State funded the civil and building works.

Key ingredients to success;

- § Government role was leadership and strategic
- § Alignment by partners to a creative demonstration project which was challenging, high risk and painful

Geoff Smith CIC Australia

See; <http://ntshelter.org.au/uploads/Geoff%20Smith%20CIC%20Australia.pdf>

CIC is involved in Joint Ventures including those in the NT at Lyons with Defense Housing Australia, and with CDU at Palmerston.

Their objectives include profit plus delivering an affordable product and ensuring community diversity. CIC's approach is to own their own designs which they can license to various builders and to sell housing off the plan as house and land packages. In a range of locations CIC are producing marketable social and affordable housing units, salt and peppered throughout developments. They have 16 different lot types in their Lightview project in Adelaide and 3 different partners.

Key ingredients to success;

- § Need for formality in partnership agreements- lock partners in legally
- § Flexibility required to adjust to market response
- § Design innovation
- § Government role in steering vital

DISCUSSION OF NT ISSUES

- § Outsiders adapting to Territory conditions are not well accepted ie a 'that's not how we do things here' attitude
- § Inertia in the Planning system a frustration
- § Political leadership/ gumption seen as key; there needs to be some risk taking by government including (i) the championing of smaller lot sizes to increase affordable housing delivery and (ii) pursuing a generational change in ideas
- § Need a dedicated Senior Planner for pro-active championing within government
- § Urban drift and need for a range of housing types/ tenures
- § Government needs to commit \$ to Alice Springs, Katherine, Tennant Creek and Darwin, take leadership and steer and establish partnership opportunities
- § Land
 - Other land ownership models should be considered
 - § Currently slow release and expensive
 - § Government can dictate objectives ie- how much housing and land is needed – let the market determine take-up and then lot size doesn't matter
 - § Government needs to direct how much land will be needed through forward planning
 - § Infill has to drop lot size

From there, and as soon as possible deliver a land release and infill strategy (ie; now not in 2030); and commit to dates and deliverables
- § Consideration must be given to holding costs for developers: (i) \$5k per month for undeveloped land; (ii) \$20k per month for a developed lot
- § Government attitude- 'we do not take risks'
- § Some NFPs and church groups have land but need support to build capacity to grow development 'know how'
- § More than the one affordable housing company is needed & to take up and contest opportunities
- § NT housing market distorted by housing buy up/ leases/ subsidies for government and other workers especially in remote areas
- § Local organisations with more support can step up
- § Conditions preventing commercial sustainability in the affordable housing sector include:
 - (i) restrictive planning requirements;
 - (ii) land supply;
 - (iii) lot sizes
- § Government needs to review the costs associated with homelessness vs the provision of housing.

KEY ISSUES TO TAKE FORWARD

The NT Government is to be congratulated for initiating this great Territory 2030 event which has generated lot of good will and enthusiasm for opportunities ahead for possible collaborations across sectors.

If we are to meet expected growth targets and grow the Territory economy for a boom time over the next 20 years, we all see the need to start building now to house our workforce as well as other lower income households.

This must be a whole of government approach- the economic future of the Territory depends on it and there are costs to be borne by not doing it.

As outlined by the 3 presenters at the Territory 2030 Housing Workshop, Government's role in leadership and setting the strategic direction was an imperative with every successful joint venture. Also, the government must be committed to developing opportunities for joint ventures to proceed.

Key issues identified were;

- § Supply! Supply! Supply! The NT requires an expanded supply of affordable housing in all regional centers
- § Accurate data including understanding the household characteristics of the population is required to plan for current and projected housing needs now and until 2030
- § Data will inform risk levels and enhance security for financial institutions investing in the NT
- § Tax issues which inhibit investment in the lower end of the housing market must be challenged by the NT Government with the Federal Government
- § Developing new and additional incentives are imperative if the NT Government is to encourage investment in affordable housing in the NT
- § All sectors – Government, the development and building sectors, financial institutions and NFPs all have a role to play in improving housing supply outcomes however NFP's may need some resourcing in order to develop their capacity to participate in partnerships and joint ventures
- § Government must improve efficiencies with land release and planning systems to reduce delays, allow the market to determine lot size applicability and to overcome NIMBYism.

ATTENDEES- Workshop- 'Building Partnerships across Sectors

Facilitated by Dr Tony Gilmour

Held 8.30-12 noon Thursday 10th November 2011

	<i>Name</i>	<i>Organisation</i>
1.	Ashley Fenn	Ethan Affordable Housing
2.	Mary Marshall	Julalikari
3.	Michael Jones	Julalikari
4.	Peter Wood (Major)	Salvation Army
5.	Natasha Hammond	TIO
6.	Bo Ylagan	CBA
7.	Brad McIver	Mission Australia
8.	Teresa Hart	DCM
9.	Jason Schoolmeester	DCM
10.	Janet Buhagiar	DCM
11.	Julie King	DCM
12.	The Hon Dr Chris Burns	Housing Minister
13.	Nicole Manison	Advisor to the Minister
14.	Christa Hilton	YWCA
15.	Adrian Pisarski	National Shelter
16.	Geoff Smith	CIC
17.	Graeme Suckling	UDIA NT
18.	Kerry Osborne	UDIA NT/ Osborne Family Holdings
19.	John Denton	Whittles
20.	Deborah Moyle	Whittles
21.	Ian Fisher	Anglicare NT
22.	Ken Davies	DHLGRS
23.	Catherine Weber	DHLGRS
24.	Jessica Watkinson	DHLGRS
25.	Ilse Kaiplinger	DHLGRS
26.	Mychelle Curran	DHLGRS
27.	Aly Connochie	DHLGRS
28.	Matthew Woodward	Unity Housing
29.	Julie Blake	Unity Housing
30.	Colin Tidswell	Yilli Rreung Housing Aboriginal Corp
31.	Regina Bennett	Chair Yilli Rreung Housing Aboriginal Corporation
32.	Betti Knott	St Vincent de Paul Society NT
33.	Owen Donald	NHSC
34.	Brett Mowbray	SMEC Urban
35.	Jan Berriman	CAAH
36.	Robyn Zakharov	Dept of Communities, Qld
37.	Ross Holt	LandCorp WA
38.	Justin Gill	HIA/ Abode Homes
39.	Sharyn Innes	Sharyn Innes Consultancies
40.	Alice Lawson	Director Housing SA
41.	Dave Ives	Individual (Property Investor)
42.	David Havercroft	NT Shelter
43.	Toni Vine-Bromley	NT Shelter