

Report

Potential governance arrangements for a future Australian affordable housing system

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PURPOSE

This paper is intended to stimulate discussion about structuring the governance of a future Australian affordable housing system. The options presented in this discussion paper are designed to support policy makers in their consideration of the types of arrangements most suitable for implementing National Action on Affordable Housing. This paper is not intended to provide policy makers with an exhaustive list of governance options suitable for future arrangements in Affordable Housing.

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1 INTRODUCTION

National Action on Affordable Housing in Australia reflects new and more inclusive ways of thinking about and responding to the housing affordability needs of low and middle income Australians.¹ National Action on Affordable housing extends responsibility for addressing housing affordability beyond the existing current social housing sector to planning and local government, the private and not for profits sectors as well as a number of other government portfolios. This way of conceptualising affordable housing responses is significantly different to existing Commonwealth State Housing Agreement responses to affordability. Consequently, in order to affect change as envisaged by National Action on Affordable Housing, new ways of organising and collaborating – new ways of governing – will be required. This discussion paper explores some governance options that could facilitate National Action on Affordable Housing.

In approaching this topic three key streams of investigation were applied. These were:

- ascertaining critical elements of good governance relevant to the Australian government context through a review of the related literature;
- distilling the framework for National Action on Affordable Housing to determine its critical elements and governance requirements; and
- undertaking case study research to identify different governance mechanisms applied in a range of whole of government and multi party initiatives.

These three streams form the basic structure of this discussion paper and lead to a discussion of the governance options that may be applicable to National Action on Affordable Housing.

The culmination of investigations into the above three areas has enabled a framework to be established whereby the requirements of both good governance and National Action on Affordable Housing can be aligned with potentially useful governance mechanisms for a future Australian affordable housing system. This framework is provided as Attachment One and should be read in conjunction with this paper and all other attachments. This attachment is designed as a tool to support policy discussions focussed on further implementing National Action on Affordable Housing.

¹ Housing Ministers Council, 2005, *Framework for National Action on Affordable Housing*, Approved August 2005 Joint Meeting of Housing Local Government and Planning Ministers [Online accessed September 14 2006: www.nchf.org.au/downloads/naah_framework.pdf]

2 GOOD GOVERNANCE

Governance, for the purposes of this project, is understood to be ‘the process by which stakeholders articulate their interests, their input is absorbed, decisions are taken and implemented and decision makers are held accountable’.² This understanding is specifically related to legal arrangements between parties, formalised processes of communication and accountability, and decision making structures and processes.

The concept of good governance is somewhat more difficult to understand in terms of a specific definition and is best described in terms of its characteristics. Recognising this, this project has applied a framework of good governance principles and requirements based on the findings of a review of good governance literature. From the literature six distinct principles of good governance were evident. Namely, the fundamental principles of good governance relate to: leadership; commitment; coordination; collaboration; accountability and transparency. Within these themes a number of governance requirements – those aspects of the governance structures that are necessary to ensure the achievement of the principles of good governance – were identified. Further investigation revealed some overlap between the requirements of the six principles, and consequently where overlap occurred the themes were amalgamated, leaving three final principles of good governance for application in this project. The three principles of good governance as applied in this project are:

- Leadership and commitment: There is high level direction and accountability and leaders and other key stakeholders are committed to achieving outcomes;
- Coordination and collaboration: Action and decision making is coordinated and participation of stakeholders is facilitated; and
- Accountability and transparency: Parties are accountable for their actions and decision-making is transparent.

Table 2.1 below outlines the framework of good governance principles and their associated governance requirements.

² Bakker, K. n.d. Good Governance in Restructuring Water Supply: A Handbook, Federation of Canadian Municipalities, Ontario [online accessed 14 September 2006:
<http://72.14.253.104/search?q=cache:o82mwC8ptWMJ:www.powi.ca/pdfs/governance/goodgovernance.pdf+good+governance+in+restructuring+water+supply+a+handbook&hl=en&gl=au&ct=clnk&cd=1>]

Table 2.1: Good governance principles and requirements

<i>Good Governance Principle</i>	<i>Governance Requirements</i>
<i>Leadership & Commitment</i>	<p><i>Leadership</i></p> <ul style="list-style-type: none"> → Leadership roles are clear and recognised by all parties. <p><i>Purpose and Objectives</i></p> <ul style="list-style-type: none"> → Clear purpose is established and understood by all participants. → Goals and objectives are: <ul style="list-style-type: none"> → clear; → outcomes focussed; and → agreed and documented. <p><i>Commitment</i></p> <ul style="list-style-type: none"> → Participants share collective responsibility for achieving objectives. → There is genuine goodwill between all participants to achieve objectives.
<i>Coordination & Collaboration</i>	<p><i>Coordination and Collaboration</i></p> <ul style="list-style-type: none"> → Clear delineation and understanding of roles and responsibilities. → Coordinated approach to policy development is in place. → Mechanisms to avoid duplication of effort and inconsistencies are in place. → Partnerships are facilitated and enabled. <p><i>Structurally appropriate</i></p> <ul style="list-style-type: none"> → Structures are in place that facilitate the achievement of agreed objectives. → Structures facilitate continual improvement of all aspects of the governance regime.
<i>Accountability & Transparency</i>	<p><i>Reporting and accountability</i></p> <ul style="list-style-type: none"> → Minimal reporting burden. → Reporting is clearly linked to agreed objectives and outcomes. → Accountability is linked to the roles of participants. <p><i>Information</i></p> <ul style="list-style-type: none"> → Systems and processes support reporting. → Accurate and consistent information is available to all participants and supports decision making. <p><i>Transparency</i></p> <ul style="list-style-type: none"> → Decision processes can be tracked and are linked to objectives. → Clear understanding of which decisions can be made by which levels of the governance structure. <p><i>Incentives to perform</i></p> <ul style="list-style-type: none"> → Penalties and rewards are applied and linked to performance against objectives. → There are incentives for over achievement of objectives.

3 NATIONAL ACTION ON AFFORDABLE HOUSING

National Action on Affordable Housing reflects an attempt to coordinate housing policy direction at a national level and has seen Federal and State/Territory Housing, Local Government and Planning Ministers commit to:

1. 'Create a National Sector Development Plan for not for profit housing providers which will enable them to participate in large scale affordable housing initiatives;
2. Adopt a national approach to defining and analysing affordable housing need at geographic levels, which is reflected in planning policies and regulations and provides comparable standards of affordability. The use of clear definitions and a consistent process to identifying housing need will ensure identification of the range of household needs and inform the range of tenures, products and price points necessary to deliver housing to meet those needs;
3. Review current subsidy streams and investigate the potential to strengthen certainty in light of the commitment to increase the role of the private sector and the development of the not for profit sector; and
4. Identify mechanisms and policy initiatives that will deliver increased affordable home ownership and rental opportunities for low to moderate income households (less than \$56,219 gross annual income in 2005) for consideration by Ministers.³

Since agreement was reached in 2005, work has continued to explore actions and strategies to support these commitments. The framework for National Action on Affordable housing is broad in focus. For the purposes of this project, the desired policy outcomes of National Action on Affordable Housing have been summarised as:

- Enhanced affordable housing opportunities for low and moderate income Australians;
- Enhanced affordability of the private rental sector for low to moderate income earners;
- A not for profit housing sector with the capacity to deliver large scale affordable housing supply; and
- Certainty about the future of the existing social housing system.

The strategies identified by National Action on Affordable Housing to achieve these outcomes are summarised in Attachment One.

3.1 Governance requirements of National Action on Affordable Housing

Strategies to affect change outlined by National Action on Affordable Housing rely on action, direction and commitment from a number of stakeholders outside the social housing sector. Action on affordable housing is not only confined to the supply of affordable housing through conventional social housing structures and new affordable housing ventures (through not for profit providers drawing on private finance). It requires the manipulation of other levers, including changes to:

- The tax system in areas that investment in housing and the associated price pressures that high demand for investment in housing can create;
- Planning controls that create incentives and facilitate the provision of affordable housing opportunities;

³ Housing Ministers Council, 2005 *Framework for National Action on Affordable Housing*, Approved August 2005 Joint Meeting of Housing Local Government and Planning Ministers pp 1 [online accessed September 14 2006: http://www.nchf.org.au/downloads/naah_framework.pdf]

- Land release structures that enable more land to be made available for the provision of affordable housing;
- Infrastructure costs and fee and charging structures that facilitate affordable housing development; and
- The home finance sector to enable new financial instruments to be developed that support home ownership for low to middle income Australians.

To facilitate the above state planning authorities, local government authorities, federal and state treasury departments, the Australian Tax Office, the private finance sector; and the not for profit housing sector, as well as the existing social housing sector will all have roles in developing and delivering responses to housing affordability.

The above illustrates that strategies for and stakeholders to, National Action on Affordable Housing are significantly more complex than those currently defined by the Commonwealth State Housing Agreement, that has a primary purpose of defining federal and state relations and accountabilities for the provision of public (and to a lesser extent community) housing.⁴ Given this, the Governance requirements of National Action on Affordable Housing are radically different to those currently in place.

The governance requirements of National Action on Affordable Housing, outlined in Table 3.1 below, do not reflect the full scope of governance mechanisms necessary to implement the framework. Rather, the identified governance requirements reflect the key elements that differ substantially to those currently in place under the existing Commonwealth State Housing Agreement. A more detailed explanation of each of the requirements follows the table.

⁴ Commonwealth of Australia, 2003 *Commonwealth State Housing Agreement 2003*, Commonwealth of Australia, Canberra, Australia

Table 3.1: Governance requirements of National Action on Affordable Housing

<i>Leadership and Commitment</i>	<i>Coordination and Collaboration</i>	<i>Accountability and Transparency</i>
<p><i>Multi party approach involving leadership from:</i></p> <ul style="list-style-type: none"> → Commonwealth Department for Families and Communities and Indigenous Affairs; → State Housing Departments; → Local Government Authorities; → State Planning Authorities; → Australian Tax Office; → Treasury (Commonwealth); → State Treasury and Finance Departments; → Private Finance Sector; and → Not for Profit sector. <p><i>Documented and Agreed Vision that:</i></p> <ul style="list-style-type: none"> → Is developed by leaders outlined above; → Specifies outcomes; and → Outlines responsibilities. 	<p><i>Stakeholder participation from:</i></p> <ul style="list-style-type: none"> → Social Housing Sector: <ul style="list-style-type: none"> → Commonwealth Department for Families and Communities and Indigenous Affairs; → State Housing Departments; and → Not For Profit Housing sector. → Planning and Development Sector: <ul style="list-style-type: none"> → Local Government Authorities; → State Planning Authorities; → State Land Management Authorities; and → Private Developers. → Finance sector: <ul style="list-style-type: none"> → State Treasury and Finance Departments; → Australian Tax Office; → Treasury (Commonwealth); → State Treasury and Finance Departments; → State Government Lending Bodies; and → Private financial institutions. <p><i>To enable:</i></p> <ul style="list-style-type: none"> → Legislative amendments to <ul style="list-style-type: none"> → Tax, planning, stamp duties, residential tenancies; → Development of national regulation/accountability frameworks for <ul style="list-style-type: none"> → Affordable housing associations, private landlords, new financial mechanisms; and → New financial structures for <ul style="list-style-type: none"> → Home ownership (shared equity etc), affordable housing (private finance etc) → Delivery of new affordable housing products / policies / programs. 	<p><i>Reporting structure monitor progress against strategies and overall objectives (when developed) that encompasses targets for:</i></p> <ul style="list-style-type: none"> → Land supply; → Affordable Housing Association development; → Minimum numbers of state owned social housing; → Affordable home ownership opportunities; and → Affordable private rental opportunities. <p><i>When implemented accountability of:</i></p> <ul style="list-style-type: none"> → Affordable Housing Associations; → Private and public financiers; → State Housing Authorities; → Local Government; and → Developers.

3.1.1 Leadership and commitment

Multiparty approach to leadership

As mentioned, stakeholders to National Action on Affordable Housing extend beyond the existing social housing sector. The additional stakeholders identified above have substantial and interconnected roles in affecting change as envisaged by National Action on Affordable Housing. In order to fulfil these roles all stakeholders need to be in a position to direct National Action on Affordable Housing rather than be directed by it. In short, all stakeholders need to be brought into the process in a leadership capacity so that they have the necessary influence on the direction strategies implemented.

Furthermore, if leadership roles remain confined to the housing sector, as is the case with current CSHA governance arrangements,⁵ it may be difficult to engender the degree of commitment and participation required from traditionally 'non housing' specific stakeholders. Otherwise action on Affordable housing could be perceived as remaining solely the jurisdiction of social housing agencies, which do not have the capacity to implement large scale strategies beyond the provision of public and community housing.

For these reasons a multiparty approach to leadership has been identified as a key governance requirement of National Action on Affordable housing. It should be noted that multiparty leadership in the context of National Action on Affordable Housing may encompass government, private and not for profit participation in leadership structures, or it may be confined solely to the government sector. There are benefits and disadvantages associated with each approach (see Table 5.1). The leadership structures eventually applied to National Action on Affordable Housing will depend on the wider governance framework and the plan of action for change.

Documented and agreed vision

Agreement by Housing and Local Government Ministers on National Action on Affordable housing reflects progress towards an agreed vision for affordable housing in Australia. Still, given the range of stakeholders to National Action on Affordable Housing outlined above, and the types of strategies and their status as proposals only⁶, there is scope to further strengthen and document an agreed vision for affordable housing. This would be essential to clarify a national plan of action, define outcomes and specify responsibilities. Understanding this, a documented and agreed vision for affordable housing will be essential to implementing National Action on Affordable Housing.

3.1.2 Coordination and collaboration

Stakeholder participation

Traditionally, Commonwealth State Housing Agreement centred governance structures have been focussed on the relationships between the Commonwealth and the States/Territories. As a result existing collaborative (and leadership) governance mechanisms are housing centric. They have involved only State/Territory housing Ministers, and the Federal minister responsible for housing assistance, the Minister for Families, Community Services and Indigenous Affairs at the leadership level, and State/Territory Housing Agency CEO's and senior staff at the collaborative level.⁶ In order to facilitate action and draw on expertise in the varying sectors anticipated to be involved in National Action on Affordable Housing the governance structure needs to

⁵ Australian National Audit Office, 2006 *Commonwealth State Housing Agreement Follow-up Audit*, Commonwealth of Australia, Canberra, Australia

⁶ Housing Ministers Council, 2005 *Framework for National Action on Affordable Housing*, Approved August 2005 Joint Meeting of Housing Local Government and Planning Ministers www.nchf.org.au/downloads/naah_framework.pdf

provide mechanisms that facilitate participation from the multiple parties identified above. In this context stakeholder participation will be important because:

- Different action is required from different parties (see section 3.1), participation from all stakeholders will be vital to achieving outcomes; and
- Coordination will be required between stakeholders, as their joint participation will facilitate cross communication and coordination.

3.1.3 Accountability and transparency

Monitoring of progress

As mentioned, National Action on Affordable Housing requires action in multiple areas by multiple parties. In order to determine whether efforts are achieving the desired outcomes the governance structure will require mechanisms that enable progress to be monitored so that strategies can be evaluated and continuously improved enabling resources to be targeted most appropriately. How this is to be done will be highly dependent on the overall vision and strategies for action finally put in place.

Accountability of all stakeholders

Accountability is a critical element of good governance.⁷ Therefore, mechanisms that work to ensure the appropriate accountability of all stakeholders will be essential components to the governance structure of National Action on Affordable Housing. The accountability mechanisms ultimately required will depend largely on the strategies implemented and the wider governance structure applied.

⁷ Audit Commission, 2003 *Corporate Governance Improvement and trust in local public services*, Audit Commission, London

4 GOVERNANCE CASE STUDIES

Case studies were used in this project to explore how different mechanisms of governance have been applied in different policy and program settings and ultimately to identify some mechanisms that meet the governance requirements of National Action on Affordable Housing.

The following four case studies were investigated:

- The National Water Initiative;
- The COAG Indigenous Trials;
- The National Illicit Drugs Strategy; and
- The Canadian Federal-Provincial Affordable Housing Program.

An overview of each of the case studies is outlined in Attachment Two to this discussion paper.

Case studies were selected based on criteria that aligned them with some of the structural similarities of National Action on Affordable Housing or to those of the existing Commonwealth State Housing Agreement. The selection criteria included:

- A focus on policy/strategy development and/or implementation;
- Involvement of three tiers of government (federal, state and local);
- Involvement of the not for profit sector;
- Involvement of the private sector;
- Linked to funding; and
- Related to infrastructure provision.

As the intention was to select a range of case studies across the six criteria case studies were not required to meet all criteria. Five case studies were originally identified, however only four were selected based on assessment against the above criteria. Attachment Three outlines the assessment of the original five case studies.

The case study research used in this project focussed on the mechanisms of governance applied, rather than an evaluation of the outcomes of the governance structures or the programs themselves. This was an intentional focus due to the nature of the project in that it sought to select mechanisms of governance that could be applied to an Australian affordable housing system. The success of mechanisms identified in other contexts were likely to be related to other contextual factors (such as the appropriateness of policies and programs and political factors) that have little impact on whether or not specific mechanisms could be applied in the affordable housing context. Also, the limited availability of evaluation data specific to the governance arrangements of the four case studies meant that a consistent approach to the case study research could not be applied if this data was brought into the analysis.

5 POTENTIAL GOVERNANCE MECHANISMS FOR NATIONAL ACTION ON AFFORDABLE HOUSING

The case studies revealed a range of governance mechanisms that could be applied to an Australian affordable housing system as envisaged by National Action on Affordable Housing. This section considers the identified governance requirements of National Action on Affordable Housing and the mechanisms of governance suitable for a future Australian affordable housing system. Each will be discussed in the context of the principles and requirements of good governance (summarised in Attachment One). When reading the governance options it is important to recognise that no option is a solution in itself and that governance mechanisms must be combined in order to meet the principles and requirements of good governance. Furthermore, it is likely that additional governance mechanisms would be required to create a complete governance framework for a future Australian affordable housing system.

5.1 Leadership and commitment

National Action on Affordable Housing requires a multiparty approach to leadership that enables participation from a range of stakeholders across government and non-government sectors and disciplines. As mentioned, existing housing governance structures are designed to govern a relationship between Federal and State Housing Authorities only, they do not have the capacity to facilitate participation from such diverse stakeholders.

Three multiparty approaches to leadership identified in the case study research are summarised in Table 5.1 below.

Table 5.1: Multiparty leadership governance options for National Action on Affordable Housing

Case Study Example	Strengths for National Action on Affordable Housing	Limitations/Points for Consideration
<i>GOVERNANCE MECHANISM: Cross Portfolio and jurisdiction Ministerial Council</i>		
<p><i>National Illicit Drugs Strategy</i> <u>Ministerial Council on Drugs</u> Key features</p> <ul style="list-style-type: none"> → Representation from Federal and State Ministers responsible for health and law enforcement. 	<ul style="list-style-type: none"> → Multi jurisdiction and multi disciplinary Ministerial Council, as applied in the National Illicit Drugs Strategy, has the potential to distribute responsibility for and understanding of housing affordability across government beyond traditional housing portfolios. → Leadership vested in Federal and State government is consistent with existing mechanisms of governance in the Australian government context. This may assist in gaining support for the establishment of such a leadership body. 	<ul style="list-style-type: none"> → Leadership is limited to government. There is limited scope to enable participation in the leadership body by the private sector (eg development and finance industry and not for profit sectors) as is required for National Action on Affordable Housing. → There is the risk that members of the leadership body will advocate for individual interests as opposed to those of National Action on Affordable Housing. → Additional mechanisms, or alterations to the Ministerial Council model would be required to enable increased participation from the private and not for profit sectors.
<i>GOVERNANCE MECHANISM: Independent Commission</i>		
<p><i>National Water Initiative</i> <u>National Water Commission</u> Key features</p> <ul style="list-style-type: none"> → Established under the National Water Commission Act (2004). → Seven Independent Commissioners appointed for their expertise in a range of relevant fields. → Federal Government nominates four Commissioners including the chair. The States and Territories nominate the remaining three. 	<ul style="list-style-type: none"> → The independence of a commission, such as the National Water Commission, seeks to ensure that the interests of parties are considered equally in decision processes, with the overall objective being to meet the requirements of the strategy or program. Given the diversity of interests ranging across government departments and the private and not for profit sector, his is of particular importance. 	<ul style="list-style-type: none"> → Independence of the commission must be ensured to enable appropriate leadership. → Establishing a commission for affordable housing would be resource intensive and would require significant political will, particularly if a new Commonwealth Act is required to establish the commission or similar body.
<i>GOVERNANCE MECHANISM: Shared/Fragmented Responsibility for Delivery</i>		
<p><i>COAG Indigenous Trials</i> <u>Ministerial Taskforce on Indigenous Affairs</u> Key features</p> <ul style="list-style-type: none"> → Different Federal departments have responsibility for individual trial sites. 	<ul style="list-style-type: none"> → Distributing the responsibility for delivery of particular areas of National Action on Affordable Housing to different Australian government departments could engender wider support from non-traditional players in affordable housing discussions (eg Federal and State treasury departments). → This would also enable expertise in certain areas to be channelled appropriately. 	<ul style="list-style-type: none"> → This could encourage a silo approach to policy development and program delivery if not managed carefully. → There is also the potential for different departments to act on interests that are contradictory or misaligned to the wider objectives of the system, which could result in undesirable or minimal change.

Also required for National Action on Affordable Housing is a documented and agreed vision for the future of affordable housing in Australia. The framework for National Action on Affordable Housing is the vehicle for change at this point in time, however, its primary purpose to date has been to identify and capitalise on opportunities. That is, action has primarily been centred on pilot projects currently being undertaken by different jurisdictions.⁸

Long term and ongoing action on affordable housing requires a sustained vision that is developed and endorsed by all stakeholders. Such a vision is not unknown to the housing sector, for instance, the Building Better Cities Program (1991) was a consolidated national effort to address housing and urban policy issues. Table 5.2 summarises the options for documenting a vision for affordable housing identified through the case study research.

Table 5.2: Vision and commitment governance options for National Action on Affordable Housing

<i>Case Study Example</i>	<i>Strengths for National Action on Affordable Housing</i>	<i>Limitations/Points for consideration</i>
<i>GOVERNANCE MECHANISM: National Housing Strategy</i>		
<p><i>National Illicit Drug Strategy</i> Key features</p> <ul style="list-style-type: none"> → Ten year strategy (1997-2007) → Outlines the actions to be taken to combat and treat illicit drug use and trafficking in Australia. Exists within a wider Drug Strategy Framework that addresses other drug related issues. 	<ul style="list-style-type: none"> → Documentation of a vision for affordable housing in a strategy framework may create an open and ongoing plan for change. → If developed in a collaborative way with all stakeholders it may engender increased commitment to implementation. 	<ul style="list-style-type: none"> → Given the progress already underway on the Framework for National Action on Affordable Housing. The development of a strategy could delay the progress of change, particularly given the time that is likely to be required for development and consultation.
<i>GOVERNANCE MECHANISM: National Affordable Housing Agreement</i>		
<p><i>Canadian Federal-Provincial Affordable Housing Program – Affordable Housing Agreements</i> Key features</p> <ul style="list-style-type: none"> → Signed by Federal Government and the provinces to commit Federal funding to the increased supply of affordable housing. <p><i>National Water Initiative – National Water Initiative Agreement</i> Key features</p> <ul style="list-style-type: none"> → Agreement signed between Federal and State/Territory governments outlining responsibilities and commitment to water reform. 	<ul style="list-style-type: none"> → Specifying objectives and outcomes in a legal agreement holds parties accountable to the achievement of those outcomes. → A legal agreement can clearly document the roles and responsibilities of all parties. The nature of a legal agreement enables remedies against parties who do not meet the agreement. 	<ul style="list-style-type: none"> → Clear understanding of objectives and outcomes is required prior to drafting an agreement. → Participation of all parties in developing an agreement may be necessary to engender support. → Parties may require demonstrated benefits and incentives to sign the agreement (particularly the private and not for profit sectors).

⁸ HMC, 2005 *Framework for National Action on Affordable Housing*, Approved August 2005 Joint Meeting of Housing Local Government and Planning Ministers www.nchf.org.au/downloads/naah_framework.pdf

5.2 Collaboration and coordination

Given the wide range of stakeholders to National Action on Affordable Housing, facilitating participation from all groups will be an important element of future governance arrangements in a new system. Table 5.3 details governance options that could be adopted.

Table 5.3: Participation governance options for National Action on Affordable Housing

<i>Case Study Example</i>	<i>Strengths for National Action on Affordable Housing</i>	<i>Limitations/Points for consideration</i>
<i>GOVERNANCE MECHANISM: Advisory Bodies</i>		
<p><u>National Illicit Drugs Strategy – Australian National Council on Drugs</u> Key features</p> <ul style="list-style-type: none"> → Advisory body developed to provide policy and strategy advice to the leadership group. → Expert representation from the not for profit and academic sectors. 	<ul style="list-style-type: none"> → Developing an advisory body as part of the governance structures (as opposed to drawing on existing bodies) explicitly signifies an effort towards meaningful engagement with non government stakeholders. → National Action on Affordable Housing will require significant involvement from the not-for profit and private sectors advisory bodies to provide a mechanism for inclusion of these parties in the decision process and to capitalise on expert knowledge. 	<ul style="list-style-type: none"> → Requires clear terms of reference that are understood and agreed by all parties. If this is not clear, issues could arise relating to the degree of influence of the advisory group. → If there is no participation in the leadership structures by the private and not for profit sectors the question must be asked whether participation in an advisory capacity is enough given the implied required level of commitment and input of these sectors.
<i>GOVERNANCE MECHANISM: National coordinating body to oversee implementation</i>		
<p><u>National Water Initiative – National Water Commission</u> Key features</p> <ul style="list-style-type: none"> → Independent Authority supported by staff <p><u>COAG Indigenous Trials – Office for Indigenous Policy Coordination</u> Key features</p> <ul style="list-style-type: none"> → Office within the Department for Families and Communities and Indigenous Affairs → Responsible for coordination of indigenous policy, evaluation and review and providing assistance to state and local governments. 	<ul style="list-style-type: none"> → National Action on Affordable Housing is complex, involving numerous and diverse stakeholders. Coordination of activity will be a significant task that cannot be the sole responsibility of individual stakeholders. → National coordination of affordable housing activity would minimise the risk of the implementation of policies and actions that are inconsistent. 	<ul style="list-style-type: none"> → Location and reporting relationships of the centralised body will be important. Locating the body within existing structures may not facilitate necessary levels of coordination, collaboration and change.

5.3 Accountability and Transparency

Accountability and transparency frameworks required for National Action on Affordable Housing will be heavily dependant on the specific action to be taken in future. However, it has been broadly identified that National Action on Affordable Housing requires reporting structures that enable the progress of National Action to be tracked, and accountability mechanisms for all parties in meeting their responsibilities. The Tables 5.4 and 5.5 below summarise governance options for tracking progress of National Action on Affordable Housing and ensuring the accountability of stakeholders respectively.

Table 5.4: Monitoring progress governance options for National Action on Affordable Housing

<i>Case Study Example</i>	<i>Strengths for National Action on Affordable Housing</i>	<i>Limitations/Points for consideration</i>
GOVERNANCE MECHANISM: IMPLEMENTATION PLANNING		
<p><u>National Water Initiative – National Water Initiative Agreement Implementation Plans</u> Key features</p> <ul style="list-style-type: none"> → Required under the agreement to be submitted by the states and Commonwealth and accredited by the National Water Commission. → Outline actions to be taken and other parties involved → Parties to the Agreement are required to report on progress against the implementation plan. 	<ul style="list-style-type: none"> → Provides a clear picture of all action to be taken by all parties. Given the complexity of National Action on Affordable Housing this will be important. 	<ul style="list-style-type: none"> → Must be linked to reporting and legal frameworks. → May be resource intensive to develop for parties involved and for the assessing body (eg National Water Initiative Implementation Plans are in excess of 100 pages each).
GOVERNANCE MECHANISM: DOCUMENTED STRATEGY AND AGREEMENT FOR EVALUATION AND REVIEW		
<p><u>National Illicit Drugs Strategy – National Drug Monitoring and Evaluation Strategy</u> Key features</p> <ul style="list-style-type: none"> → Details process for monitoring performance against the strategy. → Requires agreement from parties as to how data will be reported and collected. 	<ul style="list-style-type: none"> → Provides a holistic perspective of reporting and accountability requirements. Enables a clear understanding of performance measures and can be easily linked to program/strategy objectives. 	<ul style="list-style-type: none"> → There may be a danger of such a strategy becoming overly cumbersome in its reporting requirements. → Collaboration between the parties would be essential in developing the reporting strategy in order to ensure commitment.

Table 5.5: Accountability governance options for National Action on Affordable Housing

<i>Case Study Example</i>	<i>Strengths for National Action on Affordable Housing</i>	<i>Limitations/Points for consideration</i>
GOVERNANCE MECHANISM: NATIONAL AFFORDABLE HOUSING AGREEMENT		
<p><u>Canadian Federal-Provincial Affordable Housing Program – Affordable Housing Agreements</u> Key features</p> <ul style="list-style-type: none"> → Signed between the Federal Government and the provinces to commit funding to the increased supply of affordable housing opportunities. <p><u>National Water Initiative – National Water Initiative Agreement</u> Key features</p> <ul style="list-style-type: none"> → Agreement signed between Federal and State governments outlining responsibilities and commitment to water reform. <p><u>COAG Indigenous Trials – Shared Responsibility and Regional Partnership Agreements</u></p>	<ul style="list-style-type: none"> → A legal agreement has the capacity to clearly outline the accountabilities of all parties. → An agreement can enable the inclusion of incentives for meeting responsibilities and penalties for not meeting requirements. 	<ul style="list-style-type: none"> → Requires significant incentives for parties to sign. → There is a danger that the agreement could be weakened in an attempt to make it attractive to all parties (who may have conflicting interests) which could impact on overall outcomes for housing affordability. → Requires additional mechanisms and resources to monitor accountabilities and performance.

6 IMPLICATIONS FOR A FUTURE AUSTRALIAN AFFORDABLE HOUSING SYSTEM

This Project has sought to provide a foundation for future discussion by housing policy makers and other stakeholders about the governance structures necessary to affect change in affordable housing in Australia. The governance options presented in this paper do not reflect the full scope of governance mechanisms required to make the necessary changes to housing affordability envisioned by National Action on Affordable Housing, however they do provide a useful framework for continued discussions about change.

This project has not provided concrete answers for affordable housing governance into the future. What it has revealed however, is that attempts to advance National Action on Affordable Housing through existing Commonwealth State Housing Agreement structures will be unlikely to facilitate the degree of action necessary to create real change to housing affordability in Australia. Future agreements around housing affordability, must then extend beyond conventional agreements confined to Federal-State based housing entities and must include the wider range of stakeholders identified by National Action on Affordable Housing that have the capacity to act in the interest of change.

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APPENDIX 1

Matrix: Potential Governance Arrangements for a Future Australian Affordable Housing System

Framework For National Action on Affordable Housing: Policy Outcomes and Strategies			
<i>Enhanced Affordable home ownership opportunities for low to moderate income earners</i>	<i>Enhanced affordability in the private rental sector for low to moderate income earners</i>	<i>Not for profit housing sector with the capacity to deliver large scale affordable housing supply</i>	<i>Certainty about the Future of the existing social housing system</i>
Strategies	Strategies	Strategies	Strategies
<ul style="list-style-type: none"> → Affordable housing requirements incorporated into planning policy → Planning policy facilitates affordable housing supply (eg efficient assessment process, flexible development requirements) → Reduce costs of land supply <ul style="list-style-type: none"> → Timely land release → Dwelling / land size → Government Land Banking → Reduce infrastructure costs and related fees and charges → Modification of tax incentives that encourage over investment in housing → Specialised loan products for low income home purchasers → Changes to First Home Owners Grant → Stamp Duty exemptions for first home owners 	<ul style="list-style-type: none"> → Remove barriers to trading down and improve housing utilisation <ul style="list-style-type: none"> → e.g. exemption on transaction charges → Pensioner asset test changes to reduce disincentives to trading down → Changes to tenancy laws → New rental investment structures → Better Targeted private rental support payments → New delivery arrangements for low cost private rental supply 	<ul style="list-style-type: none"> → National sector development plan → Affordable housing requirements incorporated in to planning policy → Provide opportunities for private sector participation in affordable housing provision → Affordable housing requirements incorporated into planning policy → Planning policy facilitates affordable housing supply (eg efficient assessment process, flexible development requirements) 	<ul style="list-style-type: none"> → Review current subsidy streams for affordable housing → Address factors that drive the sell down of public housing

Good Governance Requirements	NAAH Requirements to implement above strategies and achieve outcomes	Governance Options for National Action on Affordable Housing
Good Governance Principle 1: Leadership and Commitment		
<p>Leadership</p> <ul style="list-style-type: none"> → Leadership roles are clear and recognised by all parties 	<ul style="list-style-type: none"> → Multi party approach involving leadership from: <ul style="list-style-type: none"> → Commonwealth Department for Families and Communities and Indigenous Affairs; → State Housing Departments; → Local Government Authorities; → State Planning Authorities; → Australian Tax Office; → Treasury (Commonwealth); → State Treasury and Finance Departments; → Private Finance Sector; and → Not for Profit sector. 	<p>Ministerial Council combining multi jurisdictional representation – Federal and State including all relevant portfolios (housing, planning, local government and treasury). Case Study example: National Illicit Drugs Strategy – Ministerial Council on Drugs.</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><i>Key Strength:</i> Combines relevant Commonwealth and State/Territory portfolios requires responsibility and action from a range of stakeholders. <i>Key Weakness:</i> Limits leadership opportunities for private and not for profit sectors.</p> </div> <p>Independent Commission comprising expert members in defined areas of expertise (eg Government Policy, Private Finance, Not for Profit Housing provision) supported by staff (See National Water Initiative). Case Study example: National Water Initiative – National Water Commission.</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><i>Key Strength:</i> Independence – The Commissioners do not represent the interests of any party involved. <i>Key Weakness:</i> Would require significant resources and political will to establish. Some shift of existing responsibilities away from established Federal Departments.</p> </div> <p>Shared/Fragmented Responsibility for delivery different parties in the leadership body have responsibilities for delivery aligned with their expertise; responsibility is distributed to engender ownership and commitment. Case Study example: COAG Indigenous Trials – Ministerial Taskforce on Indigenous Affairs.</p> <div style="border: 1px solid black; padding: 5px;"> <p><i>Key Strength:</i> Potential to engender commitment from wider (non housing specific) government departments / portfolios. <i>Key Weakness:</i> May encourage a silo approach if not coordinated properly or if parties are reluctant to participate.</p> </div>
<p>Purpose and Objectives</p> <ul style="list-style-type: none"> → Clear purpose is established and understood by all participants → Goals and Objectives are: <ul style="list-style-type: none"> → Clear → Outcomes focussed <p>Agreed and documented</p>	<ul style="list-style-type: none"> → Documented and agreed vision for affordable housing that: <ul style="list-style-type: none"> → Is developed by leaders outlined above; → Specifies outcomes; and → Outlines responsibilities. 	<p>National Housing Strategy – detailing objectives and outcomes for Affordable Housing that is developed and agreed to by all key stakeholders. Case Study example: National Illicit Drugs Strategy – National Drug Strategy Framework.</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p><i>Key Strength:</i> Multi party development and agreement on coordinated and agreed vision is likely to engender greater commitment to implementation. <i>Key Weakness:</i> Timely to develop and significant progress has already been made with NAAH.</p> </div> <p>Bi Lateral / Multi Lateral Agreements detailing key objectives and Outcomes of all parties. Case Study example: National Water Initiative - National Water Initiative Agreement. Canadian Federal Provincial Affordable Housing Program – Federal Provincial Affordable Housing Agreements.</p> <div style="border: 1px solid black; padding: 5px;"> <p><i>Key Strength:</i> Legally documented commitment of parties and their accountabilities. <i>Key Weakness:</i> May require significant incentives for parties to sign (eg funding or specific benefits) that may be difficult to guarantee particularly for private and not for profit sectors.</p> </div>
<p>Commitment</p> <ul style="list-style-type: none"> → Participants share collective responsibility for achieving objectives <p>There is Genuine Goodwill between all participants to achieve objectives</p>		

Good Governance Principle 2. Coordination and Collaboration

<p>Coordination and Collaboration</p> <ul style="list-style-type: none"> → Clear delineation and understanding of roles and responsibilities → Coordinated Approach to policy development is in place → Mechanisms to avoid duplication of effort and inconsistencies are in place → Partnerships are facilitated and enabled 	<p>Stakeholder participation from:</p> <p>Social Housing Sector</p> <ul style="list-style-type: none"> → Commonwealth Department for Families and Communities → State Housing Departments → Not For Profit Housing sector; <p>Planning and Development Sector</p> <ul style="list-style-type: none"> → Local Government Authorities → State Planning Authorities → State Land Management Authorities → Private Developers; and <p>Finance sector</p> <ul style="list-style-type: none"> → State Treasury and Finance Departments → Australian Tax Office → Treasury (Commonwealth) → State Treasury and Finance Departments → State Government Lending Bodies → Private financial institutions. <p>To enable:</p> <ul style="list-style-type: none"> → Legislation change to <ul style="list-style-type: none"> → Tax, planning, stamp duties, residential tenancies; → Development of Regulation for <ul style="list-style-type: none"> → Affordable housing associations; private landlords; new financial mechanisms; → New financial structures for <ul style="list-style-type: none"> → Home ownership (shared equity etc); affordable housing (private finance etc); and → Delivery of new affordable housing products / policies / programs. 	<p>Advisory Bodies appointed by leadership body to provide expert policy advice and comment on strategy to the leadership body comprising private sector, not for profit and academic expertise (see National Illicit Drug Strategy).</p> <p>Case Study example: National Illicit Drugs Strategy – Australian National Council on Drugs.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Key Strength: Enables meaningful expert input from other private and not for profit sectors.</p> <p>Key Weakness: If terms of reference are not clear to the expert and/or the leadership bodies and other relevant parties conflict could arise relating to misunderstandings around degree of influence of the expert body.</p> </div> <p>Centralised coordinating body to oversee implementation</p> <p>Commission that has responsibility for policy development, evaluation and review and negotiation, liaison and assisting stakeholders in meeting their responsibilities</p> <p>Case Study example: National Water Initiative – National Water Commission</p> <p>Government Body coordinates and monitors progress.</p> <p>Case Study Example: Office for Indigenous Policy Coordination</p> <div style="border: 1px solid black; padding: 5px;"> <p>Key Strength: Centralised administrative and policy activity responsibility for coordination rests in one area.</p> <p>Key Weakness: If not located in appropriate area of government body may be inclined to represent particular interests rather than providing a coordinating role.</p> </div>
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Good Governance Principle 3. Accountability and Transparency

<p>Reporting and accountability</p> <ul style="list-style-type: none"> → Minimal reporting burden. → Reporting is clearly linked to agreed objectives and outcomes. → Accountability is linked to the roles of participants. 	<p>Reporting structure for NAAH – progress against strategies and overall objectives (when developed).</p> <p>When implemented accountability of:</p> <ul style="list-style-type: none"> → Affordable Housing Associations; → Finance – private / public; → State Housing Authorities; → Local Government; and → Developers. <p>Targets for:</p> <ul style="list-style-type: none"> → Land supply; → Affordable Housing Association Development; → Minimum numbers of state owned social housing; → Affordable Home ownership opportunities; and → Affordable Private rental opportunities. 	<p>Implementation Planning required under agreement from all parties involved to be approved by leadership or coordinating body</p> <p>Case Study example: National Water Initiative – National Water Initiative Agreement State Implementation Plans.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Key Strength: Creates clear picture of all activity to be undertaken by all parties. Point of accountability for all parties.</p> <p>Key Weakness: Resource intensive to develop for parties involved.</p> </div> <p>Documented Strategy and Agreement on Evaluation and Review that establishes the mechanism and purpose of evaluation and performance measurement and requires agreement from the parties on reporting structures and responsibilities.</p> <p>Case Study Example: National Illicit Drugs Strategy – National Drug Monitoring and Evaluation Strategy.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Key Strength: Holistic perspective of reporting and accountability requirements.</p> <p>Key Weakness: Could limit ability to incorporate / mandate future accountability requirements. There is the risk that the strategy could become overly cumbersome in its requirements.</p> </div> <p>Bi Lateral / Multi Lateral Agreements that document the accountabilities of all parties.</p> <p>Case Study Examples: National Water Initiative – National Water Initiative Agreement. COAG Indigenous Trials – Shared Responsibility Agreements and Regional Partnership Agreements. Canadian Federal Provincial Affordable Housing Program – Federal-Provincial Affordable Housing Agreements.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Key Strength: Documented commitment of parties and accountabilities.</p> <p>Key Weakness: Requires significant incentives for parties to sign.</p> </div>
<p>Information</p> <ul style="list-style-type: none"> → Systems and processes support reporting. → Accurate and consistent information is available to all participants and supports decision making. 		
<p>Transparency</p> <ul style="list-style-type: none"> → Decision processes can be tracked and are linked to objectives. → Clear understanding of which decisions can be made by which jurisdictions. 		
<p>Incentives to perform</p> <ul style="list-style-type: none"> → Penalties and rewards are applied and linked to performance against objectives → There are incentives for over achievement of objectives 		

APPENDIX 2

Overview: Governance Case Studies

COAG Indigenous Trials	National Water Initiative	National Illicit Drugs Strategy	Canadian Federal Provincial Affordable Housing Program
Leadership and Commitment			
<p>COAG Initiative COAG Endorsed Objectives</p> <p>Federal Leadership:</p> <ul style="list-style-type: none"> → Minister for Immigration and Cultural Affairs <p>Ministerial Taskforce on Indigenous Affairs (MTF):</p> <p>Chaired by:</p> <ul style="list-style-type: none"> → Minister for Families and Communities. <p>Membership:</p> <ul style="list-style-type: none"> → Minister for Transport and Regional Services; → Minister for Health and Ageing → Attorney General; → Minister for Communications, Information Technology and the Arts; → Minister for Employment and Workplace Relations; → Minister for Environment and Heritage; → Minister for Education Science and Training; and → Minister for Justice and Customs. <p>Role:</p> <ul style="list-style-type: none"> → Coordinates policy response, → Reports to cabinet, → Provide whole of (Australian) Government leadership, → Oversees Secretaries Group on Indigenous Issues; → Makes Budget Recommendations for Indigenous Expenditure. <p>Meet approximately 4 Times per year.</p> <p>2004 MTF endorsed 20-30 Year Vision for Indigenous Affairs.</p>	<p>COAG lead initiative</p> <p>Federal Leadership:</p> <ul style="list-style-type: none"> → Primary responsibility rests with Prime Minister. <p>National Water Commission (NWC)</p> <ul style="list-style-type: none"> → Drives Commonwealth and State/territory action on National Water Initiative (NWI). → NWC made up of 7 Commissioners (4 including the chair appointed by the Commonwealth and 3 appointed / nominated by the states/territories. → NWC is an independent body that does not represent the interests of any party. → Meets 8 times per year. <p>Natural Resource Management Ministerial Council (NRMMC) Oversees the implementation of the NWI</p> <p>National Water Initiative Agreement</p> <ul style="list-style-type: none"> → Establishes commitment by Commonwealth and the States (WA and TAS later to sign) – WA delayed signing due to lack of incentives / benefit in signing the agreement. → Agreement outlines the objectives of water reform. → 10-year agreement. 	<p>COAG Initiative</p> <ul style="list-style-type: none"> → Sits within the wider National Drugs Strategy Framework (comprises strategies for licit and illicit drugs in Australia). <p>Ministerial Council on Drug Strategy (MCDS)</p> <ul style="list-style-type: none"> → Provides overall leadership to all Strategies within the Wider Drugs Strategy. → Comprises membership from <ul style="list-style-type: none"> → Commonwealth State and Territory Ministers responsible for health and law enforcement. → Peak Policy and Decision Making body for the Drugs Strategy. 	<p>National Program Leadership – Canadian Federal Government.</p> <p>Provincial program delivery / administration leadership – Canadian Provinces.</p> <p>Affordable Housing Agreements Between Federal and Provincial Governments</p> <ul style="list-style-type: none"> → Commit Federal funds to increasing the supply of affordable housing (no more than \$25,000 per unit overall). → Provinces to match funding and to attract alternative finances.
Coordination and Collaboration			
<p>Secretaries group on Indigenous Affairs:</p> <p>Chaired by: Secretary Department Prime Minister and Cabinet</p> <p>Membership:</p> <ul style="list-style-type: none"> → Secretaries of Departments represented by Ministers in the MTF → Each Department has responsibility to provide leadership to an individual site in the Trials – as a Lead Agency. → Secretaries group meets monthly and coordinates policy and program delivery of the Trials. <p>State Government:</p> <ul style="list-style-type: none"> → A State Government Departments in each State acts as a 'Sponsoring Department' for the Trials and work with the relevant lead agencies local government and indigenous communities to deliver the programs. <p>Shared Responsibility Agreements (SRA's) and Regional Partnership Agreements (RPA's):</p> <ul style="list-style-type: none"> → Multi party agreements between Federal, State and Local Governments and Indigenous Communities detailing commitments and responsibilities. → One RPA Signed - 3 Year Agreement <p>National Indigenous Council</p> <ul style="list-style-type: none"> → Non Statutory advisory council provides policy advice to the MTF. <p>Office of Indigenous Policy Coordination (OIPC)</p> <ul style="list-style-type: none"> → Whole of Government coordinating arm / administrative body. → Policy advice to the Minister. → Broker relations between Federal and State and Territory governments. → Evaluation and reporting. <p>Indigenous Coordination Centres</p> <ul style="list-style-type: none"> → Multi agency service delivery centres. 	<p>National Water Initiative Agreement:</p> <ul style="list-style-type: none"> → Set out a timeline for reform → Requires all parties (including the Commonwealth) to the agreement to submit an Implementation Plan for accreditation by the NWC detailing planned actions in implementing the reforms – must align with the timeline set out in the NWI Agreement. <p>National Water Initiative Committee</p> <ul style="list-style-type: none"> → Comprising membership from: <ul style="list-style-type: none"> → Department of Water (WA); → Department Natural Resources; → Environment and the Arts (NT); → Department of Sustainability and Environment (TAS); → Department of Water Land and Biodiversity Conservation (SA); and → Chief Ministers Department (ACT). → Committee liaises on policy and collaborative issues re coordination of action on the NWI → NWC liaises with the States/Territories to assist them in implementing reforms. <p>State Implementation Plans identify:</p> <ul style="list-style-type: none"> → Roles and responsibilities of State/territory government departments. → Issues and actions requiring collaboration between different states (eg Murray Darling Basin). <p>National Water Commission</p> <ul style="list-style-type: none"> → Coordinates activity at national level between States and Territories. 	<p>Intergovernmental Committee on Drugs (IGCD)</p> <ul style="list-style-type: none"> → Commonwealth State and Territory government forum comprising membership by senior officers of health and law enforcement departments. → Provides policy advice to Ministers in the MCDS. → Senior officers represented on the Committee are appointed by their respective Minister on the MCDS. → Coordinates the development, implementation and evaluation of National Drug Action. <p>Australian National Council on Drugs (ANCD)</p> <ul style="list-style-type: none"> → Commonwealth government established body comprising representatives from the Non Government sector (including service providers and academics) to provide policy advice to and review strategies for the MCDS. → Expert voice of the Non Government Sector. <p>National Expert Advisory Committee – Illicit Drugs</p> <ul style="list-style-type: none"> → Provide advice to MCDS on Illicit Drug related issues (complemented by other committees focussed on a range of different issues). → Expert committee – appointed by MCDS based on expertise in areas of health, law enforcement, community service provision, education, research, government and industry. 	<p>Federal and Provincial Housing Ministers meet annually to discuss housing issues and policy.</p> <p>Federal Provincial Affordable Housing Agreements</p> <ul style="list-style-type: none"> → Requires Federal Government and relevant provinces to collaborate on communications activities related to projects delivered using funds from the program. → Joint committee to be established between Federal government and individual provinces to collaborate on communications activities (two members appointed by CMHC Minister and two by relevant provincial Minister).

Accountability and Transparency

- Trials intended to be evaluated within two years of commencement and again after 5 years by and independent expert.
- SRA's: Indigenous Communities to monitor and evaluate performance under their agreement.
- No formal evaluation program released.
- Australian Government establishing Australian Government Indigenous Management Information System (AGIMS).

- The National Competition Policy Framework provides scope for penalties to be imposed on the States for not meeting their obligations under the NWI.
- National Water Fund resources only available to States and territories able to demonstrate that they are meeting their obligations under the agreement.
- NWC has budget leavers that it can use to encourage State and Territories to meet their obligations under the agreement.
- NWC reports to COAG on progression of the NWI actions.
- NWC Act (2004) expires 2012 – the role and existence of the Commission is to be reviewed at this time.
- States to report on progress against their implementation plans to the NWC.
- NWC makes budget statements and estimates statements available to the public and an Indexed list of files.
- State Implementation Plans identify:
 - roles and responsibilities of State/territory government departments; and
 - issues and actions requiring collaboration between different states (eg Murray Darling Basin).

National Drug Monitoring and Evaluation Strategy

- Outlines the framework for evaluation of the Strategy
- Performance measured against the objectives of the Strategy
- Accurate and coordinated state and territory reporting – Commonwealth and State/Territory agreement on reporting framework
- Identification of future challenges
- Communicates challenges and successes to public and stakeholders
- Annual monitoring report provided to MCDS.

Housing Supply must remain affordable for at least 10 years

Program to be evaluated by Canadian Mortgage and Housing Corporation (CMHC) (Federal) in 2006 in consultation with the provinces.

Federal Provincial Affordable Housing Agreement

- Requires provinces to provide CMHC with a summary of commitments and progress no less than 6 months after the end of the financial year.
- CMHC remains in control of funding and may cancel any uncommitted funds at the end of that financial year.

Affordable Housing Accountability Framework requires Provinces to:

- Prepare an Annual Statement of Expenditure which is to be audited by an independent auditor and provide these to CMHC.
- Provinces are required to address any issues identified by the auditor CMHC may withhold funding if issues / deficiencies are not addressed by the relevant province.
- Provinces to submit an annual performance report to CMHC detailing:
 - Number of affordable housing units created
 - Average rent or price
 - Housing units provided to different needs groups

APPENDIX 3

Case Study Selection Criteria – Housing Governance Project

Case Study	Policy / Strategy Development / Implementation Focus (NAAH)	Involves 3 Tiers of Govt (NAAH)	Involves NGO's (NAAH)	Involves Private Sector (NAAH)	Linked to Funding (CSHA)	Infrastructure related (NAAH / CSHA)
<i>National Water Initiative</i>	✓	✓		✓	✓	✓
<i>COAG Indigenous Trials</i>	✓	✓	✓		✓	
<i>National Illicit Drugs Strategy</i>	✓		✓		✓	
<i>Australian Government Natural Resource Management Team</i>					✓	✓
<i>Federal-Provincial Affordable Housing Program</i>	✓		✓	✓	✓	✓

APPENDIX 4

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APPENDIX 5

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