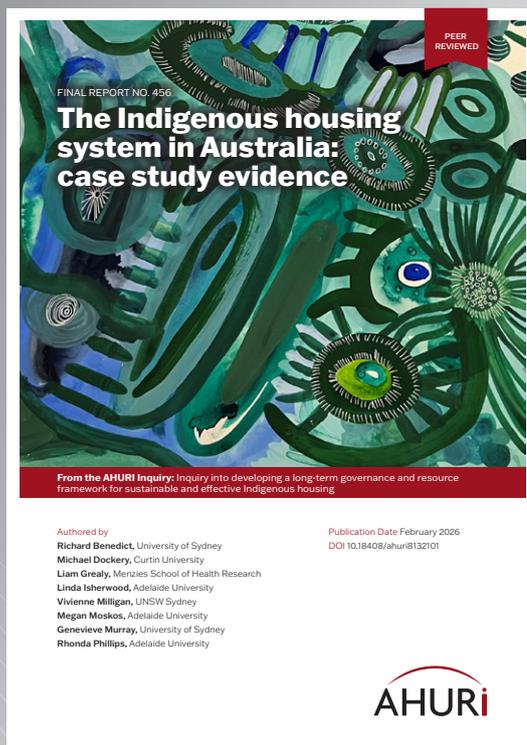# Fixing a fragmented system: building evidence to support a national Indigenous housing strategy

What this research is about

This is the second of three reports arising from a research Inquiry examining Australia's Indigenous housing system. The report examines how the system is structured, operates and is funded, and explores housing tenure choices for Aboriginal and Torres Strait Islander peoples.

Why this research is important

Current governance arrangements in the Indigenous housing system are complex and poorly coordinated. A comprehensive national Aboriginal and Torres Strait Islander housing strategy is required to align mechanisms and policies, promote greater accountability to First Nations people, and bolster self-determination in the sector. This research builds the evidence base to support the creation of a national strategy.

Based on

Final Report No. 456: *The Indigenous housing system in Australia: case study evidence*

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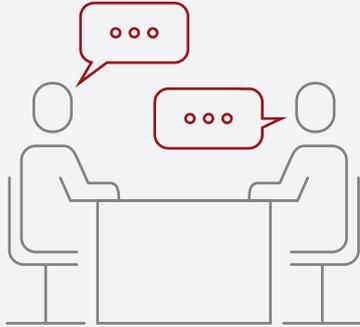
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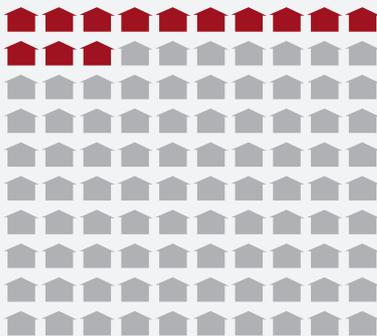
February 2026

View the report

At a glance

Interviews with 60 Indigenous housing stakeholders reveal a complex and poorly coordinated system.
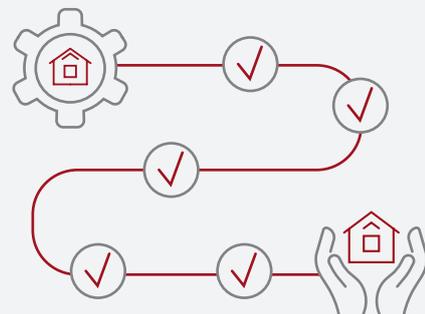
More resourcing is needed to fulfil Closing the Gap and Housing Policy Partnership commitments.

Registered Indigenous community-controlled housing organisations only manage 13% of Indigenous social housing tenancies.

A comprehensive, long-term national strategy to guide Indigenous housing support is required.

Key findings:

Poorly coordinated governance

Multiple agencies are developing and implementing Indigenous housing policy at federal, state and territory levels, but no national agency or minister has designated overall responsibility.

This has led to complex, diverse and poorly coordinated governance arrangements.

Few policies or programs for Indigenous housing endure beyond two political cycles, undermining capacity-building and longer-term transformation.

Desire for self-determination is contributing to change

Strong community aspirations for self-determination have driven recent developments in the Indigenous community housing sector. Nationally and in some jurisdictions, peak bodies have been established as leaders and advocates for the Indigenous community-controlled housing (ICCH) sector.

Existing initiatives failing to realise objectives

Initiatives like Closing the Gap and the Housing Policy Partnership (HPP) are also positive but have not resolved governance and accountability issues. There is little evidence that significant shared decision-making is occurring and government 'business as usual' ways of working persist across the Indigenous housing system.

A national strategy to guide Indigenous housing is needed, with adequate resources to underpin reform.

Registration systems impeding progress

Regulation of ICCH falls under the National Regulatory System for Community Housing and similar state-based schemes. Registration under these schemes is usually necessary to obtain government funding.

Many Indigenous community-controlled housing organisations (ICCHOs) remain unregistered due to regulatory burdens and compliance requirements.

Indigenous housing organisations' potential untapped

Viability is an ongoing challenge for many ICCHOs under current policy settings. Only 13% of Indigenous social housing tenancies were managed by registered ICCHOs in 2024–25.

Significant workforce challenges are also evident in the ICCH sector, including skill shortages, recruitment and retention issues, and a lack of workforce development opportunities.

Funding and finance barriers remain

Most social and affordable housing programs do not include separate funding allocations for Indigenous housing, even though First Nations people are often considered a priority group. There is also little transparency about what is spent on Indigenous housing within most funding schemes.

In addition, funding models do not adequately reflect remote cost differentials and low economies of scale experienced by many ICCHOs.

'Initiatives like Closing the Gap and the Housing Policy Partnership are also positive but have not resolved governance and accountability issues.'

Housing tenure choices lacking

Mainstream housing tenures and financing arrangements are not satisfactorily addressing Indigenous housing needs or aspirations. Current policies supporting home ownership for Indigenous Australians are also likely to have limited impact due to their small scale.

Policy actions:

Establish a national Aboriginal and Torres Strait Islander housing strategy

A comprehensive, long-term national strategy is required to align governance mechanisms and policies across all levels of government and meet established targets. A joined-up national strategy will also help reduce unmet housing need, expand shared decision-making and promote greater accountability.

The national Aboriginal and Torres Strait Islander housing strategy should be based on firm policy and cultural principles, consider the full housing continuum, and its development be Indigenous led.

Guarantee dedicated funding

A national Aboriginal and Torres Strait Islander housing investment plan with adequate funding commitments and a fit-for-purpose funding model is proposed to tackle unmet housing need.

Bolster Indigenous community-controlled housing

Initiatives that could support sector growth and sustainability include:

- subsidies to address gaps between rents and operating costs
- transfers of good quality housing at scale to attract financing for further growth
- simplification of the housing regulation system to reduce administrative burdens and support ICCHOs to achieve and maintain registration
- dedicated resourcing of organisational capacity-building, including investment in leadership development and workforce training.

'The national Aboriginal and Torres Strait Islander housing strategy should be based on firm policy and cultural principles, consider the full housing continuum, and its development be Indigenous led.'

Boost innovative housing options

Hybrid tenure options (such as shared equity, rent-to-buy and community land trusts) and flexible community-controlled housing models have the potential to achieve greater security of tenure and housing choice.

Enhance self-determination

To meet Closing the Gap commitments, the Housing Policy Partnership needs sustained investment, and governments need to respect its processes and recommendations.

Indigenous housing peak bodies should be strengthened and adequately funded to facilitate self-determination in housing policy and provision. Examples of co-design and joint decision-making in housing in some jurisdictions (notably Victoria, Queensland, NSW and the NT) could be emulated.

Research design:

This research examined eight key elements of the Indigenous housing system:

- system architecture
- housing tenure choices
- sector growth
- funding and financing
- organisational models for managing Indigenous housing
- capacity building
- self-determination
- regional and local decision making.

Interviews were undertaken with 60 key Indigenous housing stakeholders, both government and community-based. A desktop analysis of relevant documents, websites and reports provided additional evidence.

'To meet Closing the Gap commitments, the Housing Policy Partnership needs sustained investment, and governments need to respect its processes and recommendations.'

To cite the AHURI research, please refer to:

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