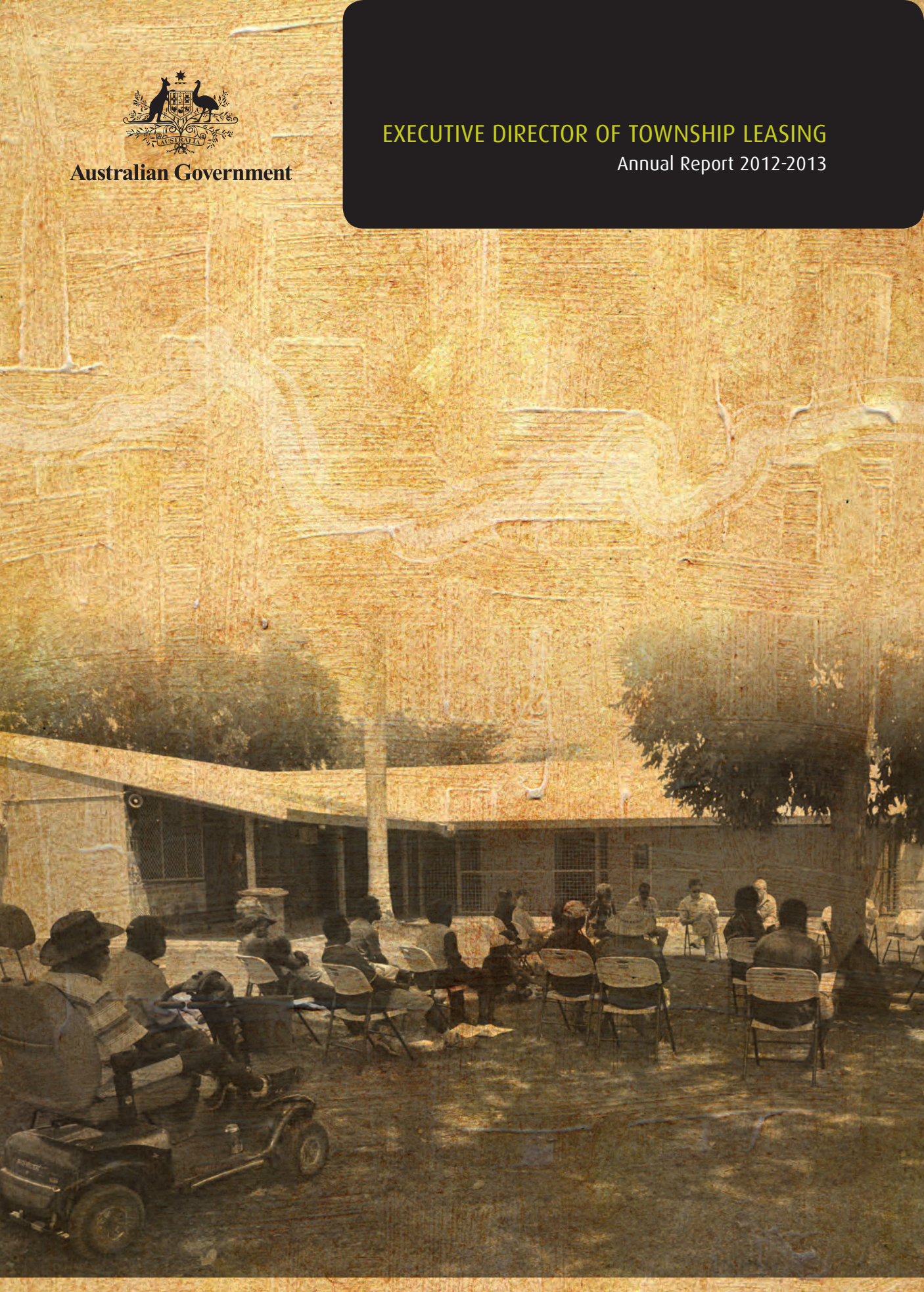




Australian Government

## EXECUTIVE DIRECTOR OF TOWNSHIP LEASING

Annual Report 2012-2013







**Australian Government**  
**Office of Township Leasing**

Senator the Hon Nigel Scullion  
Minister for Indigenous Affairs  
PO Box 6100  
Senate  
Parliament House  
Canberra ACT 2600

Dear Minister,

I am pleased to present to you the Annual Report of the Executive Director of Township Leasing for the financial year 2012–13, for your presentation to Parliament in accordance with sub-section 20R(1) of the *Aboriginal Land Rights (Northern Territory) Act 1976*.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Greg Roche', enclosed in a light grey rectangular box.

Greg Roche  
Executive Director  
Township Leasing



Executive Director of Township Leasing Annual Report 2012-13  
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## EXECUTIVE DIRECTOR TOWNSHIP LEASING REVIEW

In August 2012 compulsory five year leases over communities and towns on Aboriginal land in the Northern Territory, an element of the Northern Territory Emergency Response, came to an end. To ensure ongoing security of tenure over government investment in housing and other infrastructure in those communities the Commonwealth and Northern Territory Government have negotiated voluntary lease arrangements with the Traditional Owners, who have been represented by the Land Councils. Although I did not administer the five year compulsory leases, the new voluntary arrangements have led to a significant expansion of my role as I now hold a number of Housing and infrastructure leases on behalf of the Commonwealth.

In 2012-13 I signed an additional nine Housing Leases, allowing the Commonwealth and Northern Territory Government, through the National Partnership Agreement on Remote Indigenous Housing and the National Partnership Agreement on Stronger Futures in the Northern Territory Housing Asbestos measure, to securely invest in major upgrades to existing public housing and to construct new housing in these areas.

I am now also administering numerous individual leases for the Commonwealth over assets such as crèches, Government Engagement Centres and safe houses. My Office has worked to establish systems and processes which will see Commonwealth assets appropriately managed into the future so that these assets will be used for their intended purpose and well maintained for continued service delivery to the residents of remote communities.

In the year under review my office also continued to progress the implementation of Township Leasing. A major highlight was the opening in Wurrumiyanga of a new supermarket that is wholly owned and operated by the Mantiyupwi Traditional Owners. This success has come from the vision of Mr Kerinaiaua, Senior Elder of the Mantiyupwi family and I congratulate him and the rest of the Mantiyupwi family on this outstanding achievement. The store was funded by the Traditional Owner corporation, Mantiyupwi Pty Ltd, which also drew on a loan from a major bank. The supermarket complex also contains small retail outlets to allow for the opening of a laundromat, a games parlour for the youth of Wurrumiyanga and a Credit Union that will provide financial services to the community. As well as providing healthy food choices and competition to the existing store, the store has trained and employs a majority Tiwi workforce.

I am also pleased to report that the Wurrumiyanga Consultative Forum commenced reviewing the Nguuu (Wurrumiyanga) Township Lease on the fifth anniversary of the commencement of the lease in accordance with its requirements. I thank the group for their attention and patience throughout the process, which at times involved some complex legal discussion. I recommended that a number of administrative changes be made to the Township Lease and although none of these changes were significant in themselves, it is envisaged that these amendments will eliminate some of the unnecessary administrative requirements and duplication of processes with the Northern Territory Planning Scheme. Parties have consented to

the recommendations and I anticipate the review to be finalised in the next reporting period.

I am also very pleased to report that the Groote Eylandt Consultative Forum, the Anindilyakwa Land Council and the Anindilyakwa Land Trust members have demonstrated their ongoing support for the Groote Eylandt Township Lease by endorsing my proposal to exercise the forty year extension of the Township Lease. This has pushed out the expiration of the lease from 4 December 2048 to 3 December 2088. The extension allows me to enter into the 40 year plus subleasing arrangements that are generally required to attract major private investment. It also allows me to grant long term home ownership style subleases similar to those available on the Tiwi Islands.

Another significant milestone in Township Leasing was the signing of subleases with the East Arnhem and Tiwi Island Shire Councils. I have now executed subleases over the majority of existing Northern Territory and local Shire infrastructure in all Township leased communities with the exception of Wurankuwu. Wurankuwu is not yet covered by subleases as it is still considered a homeland and neither the Northern Territory Government nor the Tiwi Island Shire Council has committed to ongoing responsibility for these assets. The Wurankuwu Traditional Owners have planned well and their community contains some significant infrastructure, including housing, power and water infrastructure, an air strip and a barge landing. I am continuing to work with the Northern

Territory Government to secure community infrastructure assets in Wurankuwu and also with the Tiwi Land Council concerning economic development opportunities.

Individual private home ownership on Aboriginal land in the Northern Territory did not progress significantly in 2012-13. Previous success in home ownership on the Tiwi Islands came from regular community visits, workshops and the construction of purpose-built housing.

Home ownership is an individual choice that requires time to consider and lots of one on one consultation to enable people living in the community to understand the concept of home ownership on community land in order to make an informed decision about whether buying a home may be the right thing for their family. During the reporting period I have worked closely with the Department of Families, Housing, Community Services and Indigenous Affairs and Indigenous Business Australia to increase private home ownership in the Northern Territory and in particular providing ongoing information to residents in the community and to provide more aftercare service for existing home owners needing extra assistance. Further consideration could be given to updating the current home ownership incentives packages and to deliver a strategy to make available more serviced land specifically for home ownership would continue to strengthen home ownership.

At the time of this review my office was working with Indigenous Business Australia to facilitate workshops in the Milikapiti



Township to explain and discuss the benefits and the risks of home ownership. I hope to see this workshop program rolled out across all Township Leased communities and other leasehold land.

The other key to making home ownership on Aboriginal land in the Northern Territory a reality is for the Northern Territory Government to finalise its policy position on the sale of existing public housing on Aboriginal land. There are significant social benefits home ownership can bring and the finalisation of this policy will enable the sale of public housing to proceed.

I am very sad to report the tragic loss of one of our first home buyers on the Tiwi Islands as a result of a traffic accident in Darwin. The person was a prominent senior Mantiyupwi Traditional Owner and

Principal of the Wurrumiyanga Primary school. Her passing has been a great loss to the Tiwi community.

My office and I look forward to continuing to work in partnership with all Traditional Owners and community residents, and will continue to provide information about leasing to interested communities.

I also look forward to working with all our key stakeholders to ensure the success of Township Leasing and other land tenure arrangements to ensure that these remote areas continue to receive services and have a sustainable economic future built on the vision of land owners and community residents.

Alice Springs Town Camps Consultative Forum.



Community Meeting - Milikapiti Tiwi Islands

## REPORT OF THE EXECUTIVE DIRECTOR OF TOWNSHIP LEASING FOR THE YEAR ENDED 30 JUNE 2013


Subsection 20R(1) of the *Aboriginal Land Rights (Northern Territory) Act 1976* provides that the Executive Director of Township Leasing must as soon as practicable after the end of each financial year prepare and give to the Minister for presentation to the Parliament a report on the operations of the Executive Director for the year.

### ESTABLISHMENT OF THE OFFICE OF EXECUTIVE DIRECTOR OF TOWNSHIP LEASING

The position of Executive Director of Township Leasing is established under

section 20B of the *Aboriginal Land Rights (Northern Territory) Act 1976* (Land Rights Act). It is an independent statutory office that fell under the portfolio responsibility of the Minister for Families, Community Services and Indigenous Affairs.

The position of Executive Director was established to hold and administer leases on behalf of the Commonwealth in the Northern Territory. The Executive Director cannot hold freehold title land and does not negotiate leases on behalf of the Commonwealth: such negotiations are conducted by the Department of Families, Housing, Community Services and Indigenous Affairs.



In February 2013 Mr Greg Roche was appointed as the Executive Director of Township Leasing for a period of five years.

## OFFICE OF TOWNSHIP LEASING AND RENTAL MANAGEMENT SERVICES

The Office of Township Leasing exists to provide operational support to the Executive Director of Township Leasing. The Office also establishes and works with the local consultative forum groups and wider community, business and government stakeholders.

In 2012-13 the property management services of the Executive Director's sublease portfolio and trust account were outsourced to Colliers International (NT) Pty Ltd. The total revenue collected for the 2012-13 reporting period was \$1,672,055 GST inclusive.

## ADMINISTRATIVE ARRANGEMENTS

In 2012-13 the Executive Director of Township Leasing operated from offices in Canberra and Darwin. The Office of Township Leasing was located in Darwin and consisted of a Director and four other full time positions.

The Office of Township Leasing is staffed by public servants engaged under the *Public Service Act 1999* and employed by the Department of Families, Housing, Community Services and Indigenous Affairs

## RESPECT FOR TRADITIONAL CULTURE

Aboriginal people have a deep spiritual connection to their traditional lands and every aspect of their lives is connected to it. Life and law originates and is governed by the land bringing a sense of identity and belonging. Cultural recognition is fundamental to the Township Lease. The Executive Director of Township Leasing and the Office of Township Leasing respect the spiritual and custodial relationship that

Traditional Land Owners have over their land and waters. Sacred sites in the Northern Territory are protected under the *Northern Territory Aboriginal Sacred Sites Act 1989* (NT) and the Land Rights Act.

As part of its role of administering Township Leases, the Office of Township Leasing engaged the Northern Territory Aboriginal Areas Protection Authority to identify all sites of significance within each Township Lease boundaries. The Executive Director also benefits from advice from local Consultative Forums about cultural sites located within Township Lease boundaries.

The Aboriginal Areas Protection Authority has also issued sacred site protection certificates to the Northern Territory Government in relation to each of the Alice Springs Living Areas and each of the Housing Leases.

Housing Leases that are located in the Central Land Council region require the Executive Director to obtain sacred site clearances from the Central Land Council.

## WHOLE OF TOWNSHIP LEASES HELD BY EXECUTIVE DIRECTOR 2012-13

Section 19A of the Land Rights Act allows Aboriginal Land Trusts to grant a Whole of Township Lease over a community on Aboriginal land to the Executive Director of Township Leasing.

Township Leases were entered into following voluntary negotiation between the Commonwealth, represented by the Department of Families, Housing, Community Services and Indigenous Affairs, and Traditional Owners, represented by the respective Land Council and Land Trust. Township Lease negotiations may take some time for all parties to reach agreement. However, one of the main benefits of a Township Lease, once it has been established, is that the Executive Director may grant long term subleases comparatively quickly compared to other forms of leasehold interests on Aboriginal land.

The aim of a Township Lease is to regularise all current tenure arrangements and to facilitate new economic development in the community by providing governments, investors, businesses and home buyers with secure land tenure. Current Township Lease terms range from 80 to 99 years.

The then Executive Director entered into the first Township Lease with the Mantiyupwi Traditional Owners of Nguui on the Tiwi Islands on 30 August 2007. In 2010, Nguui was formally renamed by its Tiwi name 'Wurrumiyanga' meaning 'place where the cycads grow'.

In the year under review the Executive Director held three Township leases covering six communities. **See table A for details.**

## TOWNSHIP LEASE MODEL

Township Leasing has been designed to create another option for land administered under the Land Rights Act. Township Leasing is a voluntary leasing model that the Traditional Owners, through their Land Council, negotiate with the Commonwealth, represented by the Department of Families, Housing, Community Services and Indigenous Affairs.

There are many facets to the Township Leasing model which can provide a platform for Traditional Owners and communities to create economic opportunities while respecting the underlying Aboriginal land tenure.

Unlike many lease agreements the grant of a Township Lease recognises the importance of the continuing cultural connections and obligations, whilst providing opportunities for community and individual economic development. The model ultimately sustains the Traditional Owners cultural responsibilities whilst empowering them to be part of the decision making process alongside the Executive Director of Township Leasing in efforts to provide for the community's future. The Township Lease system has brought about change unlike any seen before, as for the first time Aboriginal people living on their

traditional lands have been able to access finance and invest in private home ownership and in private enterprise.

Each Township Lease has varied slightly, however there are two fundamental financial components of each of the current Township Leases: an Advance Rental Payment and a Community Benefits Package. The amounts involved of each component have varied depending on circumstances.

All Township Leases that have been negotiated have included an Advance Rental Payment, which is a payment made to the Traditional Owners as an advance rental payment on sublease rental income for the first fifteen years of the lease. The Advance Rental Payment is an advance from the Aboriginals Benefit Account. The Advance Rental Payment to the Traditional Owners is a lump sum upfront payment made upon signing the Township Lease and provides funding for the Traditional Owners, should they wish, to invest in economic projects located both in their Townships and/or elsewhere. To date the Traditional Land Owning groups have invested in a wide variety of projects but they have been principally invested in long-term economic opportunities that are intended to provide for future generations.

During the first fifteen-year period all the rental income collected by the Office of Township Leasing is returned to the Aboriginal Benefits Account to refund the Account for the Advance Rental Payment. Should prior to the fifteenth anniversary of the Township Lease signing the total rental income exceed the amount of the Advance Rental Payment then the rental income received is paid directly to the Traditional Owners. If the advance payment is not recouped by the Aboriginals Benefit Account in full by the fifteen year anniversary of the signing of the Township Lease then there is no requirement to continue to repay the Aboriginals Benefit Account and at the fifteen-year anniversary the annual rental payment to the Traditional Owners commences automatically.

The whole community also benefits from the signing of a Township Lease through a separate payment specifically for community

projects known as the Community Benefits Package. Projects delivered under this package are usually negotiated and managed by the Department of Families, Housing, Community Services and Indigenous Affairs. Traditional Owners have to date carefully considered the needs and priorities of their community and this has been reflected in the varied community projects that have been implemented across each of the Township Leases.

On the signing of the Township Lease all existing land tenure arrangements within the Township that existed to that date become the responsibility of the Executive Director to administer, including the collection of rent. The Executive Director is required to enter into leasing arrangements with all the other occupiers of land within the Township. These arrangements must be established applying sound commercial principles, including the payment of market rent.

Each of the Township Leases has a review mechanism to enable the members of the local Consultative Forum and the Executive Director to review the Township Lease every five years to ensure that all the lease terms and conditions reflect current community values and Northern Territory laws.

### **INTEREST IN TOWNSHIP LEASING FROM OTHER COMMUNITIES**

In 2012-13 The Executive Director of Township Leasing and representatives of the Office of Township Leasing attended meetings in Gunbalanya and Pirlangimpi communities to support lease discussions. These discussions were led by the Department of Families, Housing, Community Services and Indigenous Affairs.

In 2011, Gunbalanya Traditional Owners were invited by the Mantiyupwi Traditional Owners to attend a Wurrumiyanga Consultative

Forum meeting on the Tiwi Islands. Following this the Gunbalanya Traditional Owners have consistently requested further information about Township Leasing. In 2012-13, the Executive Director and a representative of the Office attended meetings led by the Department in Gunbalanya with Traditional Owners, the Northern Land Council and legal representatives to determine the level of interest in commencing Township lease negotiations for Gunbalanya. This work is ongoing for all parties.

In 2012-13 the Department also recommenced negotiations with the Munupi Traditional Owners of Pirlangimpi on the Tiwi Islands for



Milyakburra Community Visit - Eric Wurramara, Paul Pini & Morgan Wurramara

a Township Lease. The Munupi family, have formed a working group to represent them in establishing a commercial entity to develop economic development activities that may arise, including from a Township Lease.

At the end of the reporting year the Department was planning further meetings with both the Gunbalanya and Munupi Traditional Owners.



## Township LEASES OPERATIONS DURING 2012-13

### WURRUMIYANGA HEAD LEASE REVIEW

The Nguiu (Wurrumiyanga) Township Lease provides for the Consultative Forum to review the operation of the lease on the fifth anniversary of the commencement date, namely on 30 August 2012. On that date the Executive Director convened a meeting of the Wurrumiyanga Consultative Forum to begin the review of the lease. The meeting was well attended by the Mantiyupwi Traditional Owners Group and was also attended by representatives of the Tiwi Aboriginal Land Trust, the Tiwi Land Council and representatives of the Department of Families, Housing, Community Services and Indigenous Affairs.

Following consultation with the Department, the Executive Director recommended that a number of administrative changes be made to the Township Lease template to enhance its operation. The Executive Director also proposed several changes to the lease based on clauses in the subsequent Milikapiti and Wurankuwu Township Lease in 2011 and also to remove the duplication of processes that were now obsolete following the inclusion of Wurrumiyanga in the Northern Territory Planning Scheme since the execution of the lease.

During the review process the Mantiyupwi Traditional Owners and the Tiwi Land Council raised concerns about the length of time taken by the Northern Territory Government and Tiwi Islands Shire Council to sign subleases with the Executive Director and to pay rent for land they occupied.

At the time of preparing this report, changes to the Township lease document had been drafted and agreed to by the Executive Director, Tiwi Land Council and Traditional Owners, including an amendment to address the delay in payment of rent by some organisations.

### EXTENSION OF GROOTE EYLANDT HEAD LEASE

The Groote Eylandt Archipelago Township Lease was executed for an initial 40 years with an option exercisable by the Executive Director of Township Leasing to extend the Lease by a further 40 years. The effect of the extension would be to increase the expiration of the lease from 4 December 2048 to 3 December 2088.

Major commercial investment generally requires a minimum of 40 years of secure property rights in order to make large capital investment viable and to amortise the cost



Wurrumiyanga Consultative Forum - Head Lease Review

of asset over its full lifespan. Exercising the extension was required to enable the Executive Director to grant 40 year subleases.

In 2012-13 the Executive Director met with Groote Eylandt Consultative Forum members to seek support to extend the lease. The Forum supported the extension subject to endorsement of the Anindilyakwa Land Council and the Anindilyakwa Land Trust. At a full board meeting of the Anindilyakwa Land Council and Land Trust members on 27 September 2012, Land Council and Land Trust members endorsed the proposal by the Executive Director to exercise the 40 year extension.

The extension has now been executed by all the parties and registered with the Land Titles Office of the Northern Territory.

### TOWNSHIP LEASE CONSULTATIVE FORUMS

The Tiwi Islands and Groote Archipelago Township Leases require the Executive Director of Township Leasing to establish local Consultative Forums. The forums consist in the case of the Tiwi Islands, of representatives of Traditional Owners

nominated by the Tiwi Aboriginal Land Trust and in the case of the Groote archipelago of nominees of the Anindilyakwa Land Council.

The Forums are crucial in the governance of the Township Leases: they discuss land use and other issues relating to the performance of the lease and facilitate communications between the Executive Director and Forum members who in turn seek views and share information with the rest of the community. The Executive Director pays close attention to the view of the Forum in relation to the exercise of his powers under each Township Lease.

In 2012-13 the Wurrumiyanga Consultative Forum met to review the Nguui (Wurrumiyanga) Township Lease and to discuss sublease proposals and new economic development proposals, including the new supermarket.

The Milikapiti and Wurankuwu Consultative Forums met to discuss the implementation of surveys and land valuations required to formalise land tenure and to update communities on the implementation of Community Benefit Packages agreed to as part of the Township Lease.

The Groote Eylandt Consultative Forum met to discuss road management, sublease proposals and the 40 year extension of the lease.

Outside of forum meetings, the Executive Director and Office of Township Leasing staff travelled regularly to the communities to keep in touch with Traditional Owners, sublessees and other community members.

### REGISTER OF PERMANENT RESIDENTS

The Tiwi Islands Township Leases prevent the Executive Director of Township Leasing from entering into subleases that will potentially increase the number of non-Tiwi permanent residents above 15 percent.

The Wurrumiyanga Township Lease requires the Executive Director to compile the register every 12 months. The 2012-13 Register indicated that the non-Tiwi population of Wurrumiyanga was less than five percent of the total population. The requirement to compile the Register will be varied from 12 months to every 5 years should the changes agreed to as part of the review of the Township Lease come into effect.

The Milikapiti and Wurankuwu Township Lease require the Executive Director to prepare the Register every 5 years and were not compiled in the year under review.

There is no requirement in the Groote Archipelago Township Lease to maintain a Register of Permanent Residents.

### MILIKAPITI AND WURANKUWU COMMUNITY BENEFIT PACKAGES

Community Benefit Packages are negotiated as part of the Township Lease negotiations between the Commonwealth and Traditional Owners. The package is designed to ensure all residents benefit from a Township Lease of their community. As part of their Township Lease, the Wulirankuwu and Portaminni Traditional Owners of Milikapiti and Wurankuwu respectively negotiated

Community Benefit Packages with the Commonwealth.

Wurankuwu chose to invest its Community Benefit Package into the purchase and installation of a multi-use demountable. In 2012-13 the demountable was delivered and installed by the Department of Families, Housing Community Services and Indigenous Affairs on vacant land in Wurankuwu. Portaminni Pty Ltd, a company established by the Traditional Owners, took responsibility for managing and maintaining the facility. The facility is used as a office for Portaminni Pty Ltd and as a meeting place for the Wurankuwu community.

Milikapiti Traditional Owners decided to invest their Community Benefit Package into the construction of new community housing. The Department will deliver approximately 3 new dwellings for the community, subject to agreement on the appropriate building designs with the Milikapiti Consultative Forum and the local Housing Reference Group. The houses are to be subleased to the Northern Territory Government and managed by Territory Housing.

In 2012-13, following discussions at the Milikapiti Consultative Forum, the Office of Township Leasing identified suitable residential land for the construction of the new dwellings. At the time of writing the housing package was in the final stages of planning by the Northern Territory Department of Infrastructure prior to the letting of tenders.

## ECONOMIC DEVELOPMENT PROJECTS 2012-13

### PILIAMANYIRRA SUPERMARKET WURRUMIYANGA

Since entering into the Township Lease with the Executive Director of Township Leasing in 2007 it has been the aspiration of the Mantiyupwi Traditional Owners to establish their own community store at Wurrumiyanga. In 2012-13 the Executive Director executed a commercial sublease with Mantiyupwi Pty Ltd, which is the



Mantiyupwi Store Opening Ceremony Wurrumiyanga  
Senior Mantiyupwi Traditional Owners  
Mr Orsto and Mr Kerinauia Senior



commercial arm of the Traditional Owners, to allow for this development.

The new supermarket was built using funds drawn in part from the Township Lease upfront payment. The balance of the funds was raised by a loan over 10 years from a mainstream commercial bank. This was also the first project in Wurrumiyanga to obtain a Development Permit from the Northern Territory Department of Lands and Planning since Wurrumiyanga was gazetted as part of the Northern Territory Planning Scheme.

The new supermarket was opened for business on the 15 March 2013. There was a simple ceremony to mark the occasion with Mr Kerinauia, senior elder of the Mantiyupwi family telling the crowd "that this was his dream come true". Mr Kerinauia cut the ribbon and was the very first customer of the store. The store was named in honour of Mr Kerinauia's grandfather.

Mantiyupwi Pty Ltd has entered into a management agreement with Outback Stores to ensure a professional approach is taken to the operation of the supermarket. Not only will there be an affordable supply of fresh produce and other essential supplies but under the agreement there will be training and employment for local Tiwi workers.

The Wulirankuwu Traditional Owners of Milikapiti have also invested part of their Township Lease upfront payment in the supermarket by constructing and leasing back to the store a Manager's house.

Mantiyupwi Pty Ltd also included in its supermarket complex four small retail outlets. They have been under-leased to third parties providing for a takeaway food outlet, a laundromat, games parlour and banking facilities, the last of which is currently occupied by the Traditional Credit Union.

At the time of writing, all reports indicate that the supermarket is a roaring success!

## WURRUMIYANGA MOTEL AND OFFICE COMPLEX

In 2009 the Executive Director of Township Leasing executed a sublease to Mantiyupwi Pty Ltd over five acres of land in Wurrumiyanga for the purpose of establishing a motel. Mantiyupwi subsequently made the site available to Territory Alliance for it to utilise as a temporary workers camp for the Strategic Indigenous Housing and Infrastructure Program. The basis of this agreement was that Mantiyupwi would forego rent during this period and have first opportunity to purchase the facility once it was vacated so that Mantiyupwi could redevelop the facility as a motel.

In the year under review Mantiyupwi Pty Ltd commissioned the Australian Valuation Office to conduct a market valuation of the facility. Based on the outcome of this report Mantiyupwi negotiated the purchase of the facility from the Northern Territory Government. On 6 May 2013, Mantiyupwi Pty Ltd completed the purchase. Planning for the redevelopment of the site to include short-term accommodation, office and conference facilities is well advanced.

## WARNINGAKALINGA ABORIGINAL CORPORATION - ANGURUGU SHOPPING COMPLEX

In the year under review the Executive Director of Township Leasing completed the transition of Groote Eylandt's largest community store to Warningakalinga Aboriginal Corporation. Warningakalinga was established in 2008 by the Traditional Owners of Angurugu.

The Angurugu Store was originally built with the proceeds of the sale of pearl shell artifacts and sea produce. It later became an asset of the local Community Government Council.

In 2010 East Arnhem Shire Council advised the Executive Director that it intended to transfer its interest in the store to Warningakalinga Aboriginal Corporation as part of the Shire's commitment to having the community assets in



Mr Naden & Mr Kerinauia Senior - Tiwi Islands Shire Council Meeting.

the Township managed by the community wherever possible. Warningakalinga Aboriginal Corporation was nominated by the community to take over management of the complex.

To assist in the transfer of the building, the Office of Township Leasing engaged a structural engineer to inspect the property and also completed urgent repairs to the roof structure. Repairs were essential to allow the supermarket to continue trading safely. The cost of the repairs was recovered through the subleasing arrangements.

Warningakalinga Aboriginal Corporation has been operating the store since July 2011 under an access agreement with the Executive Director. In 2012-13 the Executive Director granted Warningakalinga subleases over the store and manager houses, handing over full responsibility for management of the complex.

At the time of this review Warningakalinga was finalising tenancy agreements with Angurugu Chinese takeaway and the Department of Human Services who also occupy part of the facility and was in discussions with other potential tenants.

## OTHER OPERATIONS DURING 2012-13

### NEGOTIATIONS WITH SHIRES AND THE NORTHERN TERRITORY GOVERNMENT

In the year under review, the Executive Director finalised most of the subleases with the Northern Territory Government over its assets in Milikapiti. This included a sublease so as to allow for a new overnight Police accommodation unit to be built so that a permanent Police presence could be established at Milikapiti.

The major outstanding subleasing issue to be resolved with the Northern Territory Government is in relation to leasing arrangements over transport infrastructure, including regional airports and barge landings. At the time of writing the Northern Territory Government had indicated it is close to finalising its policy on leasing and maintenance of regional airports and barge landings which will enable this matter to be finally resolved.

Both the Northern Territory Government and the Tiwi Island Shire Council are yet to commit to securing land tenure for community housing and public infrastructure



at Wurankuwu, including for power and water facilities. This is because Wurankuwu is still considered a homeland and neither has committed to ongoing responsibility for these assets.

Northern Territory Shires through their representative body, the Local Government Association of the Northern Territory, engaged a solicitor to represent them in all lease negotiations concerning Aboriginal land across the Northern Territory.

In 2012-13 the new Northern Territory Government announced a review of the Shire model which has impacted on the Executive Director's negotiations with the Shires for sub-leases of Shire assets.

Notwithstanding this joint negotiating position and the local government review, both East Arnhem Shire Council and Tiwi Island Shire Council have separately indicated a commitment in principle to enter into subleases and pay rent for their assets, based on the same methodology that is consistently applied to all sublessees and which was negotiated and agreed with the Northern Territory Government.

In 2012-13 both the Tiwi Island and East Arnhem Shire Councils agreed to pay rent on short term subleases pending the outcome of the shire reform process and for the parties to move to long term lease arrangements.

## SECTION 19 LEASES HELD BY EXECUTIVE DIRECTOR 2012-13

Under section 19(3) of the Land Rights Act, Aboriginal Land Trusts may grant an estate or interest in land to the Commonwealth for any public purpose (these are commonly known as section 19 leases). For example, The Executive Director of Township Leasing may enter into these leases on behalf of the Commonwealth to secure investment in public housing on Aboriginal Land (Housing Leases).

It is government policy that any major Commonwealth investment in assets located on Aboriginal land has to be secured by long term leases. Where a Township Lease has not been established, secure land tenure for housing on land held under the Land Rights Act can be provided for by Housing Leases under section 19 of the Land Rights Act.

Housing Leases can be held by the Northern Territory Government or the Executive Director on behalf of the Commonwealth. Unlike a Township Lease, a Housing Lease only covers the community housing areas and does not allow the Executive Director to approve any commercial or economic activities.

Where the Executive Director holds Housing Leases, he has subsequently entered into

Housing Management Agreements with the Northern Territory Government. These agreements allow Territory Housing to enter into tenancy agreements with occupants and provides access to and control over land so new houses can be built and existing houses can be maintained. It enables fairer and more transparent property and tenancy management arrangements to be established.

Housing Leases do not require the Executive Director to establish consultative forums, however Housing Management Agreements require the Northern Territory Government to consult with the community through the establishment of local Housing Reference Groups.

On 29 June 2011 the Executive Director entered into the first Housing Leases over community housing areas in the Townships of Lajamanu and Hermannsburg. The term of the leases is for 40 years. Following negotiations between the Department of Families, Housing, Community Services and Indigenous Affairs and the Central Land Council on behalf of the Aboriginal Traditional Owners the Executive Director has entered into a further nine Housing Leases. In 2012-13 Executive Director held eleven Housing Leases in Aboriginal communities under this provision. **See table B for further details.**

### COMMONWEALTH ASSET LEASES

In May 2009 the Executive Coordination Forum for Indigenous Affairs (ECFIA) agreed that Commonwealth agencies would take steps towards regularised land arrangements on Aboriginal land by seeking secure voluntary land tenure arrangements over all Commonwealth investment on that land.

In the year under review the Office of Township Leasing has become a single point of contact for all dealings with Commonwealth assets located on Aboriginal land in Northern Territory upon execution of leases. The proposal will simplify the administration of leasing and help to ensure that these assets are well maintained into the future.

The Executive Director of Township Leasing has currently direct management of Commonwealth assets leases located in the Central Land Council region but is not a party to the any leases in the Northern Land Council region. The Office of Township Leasing however has agreed to manage these leases on behalf of the Department of Families, Housing, Community Services and Indigenous Affairs, the Department of Education, Employment and Workplace Relations and the Department of Human Services.

In 2012-13 the Executive Director administered thirty-one Commonwealth Asset Leases that secured assets such as child care centres, crèches, Government Engagement Coordinator Centres, offices and residential accommodation. **See table C for further details.**



## **ALICE SPRINGS LIVING AREAS HELD BY EXECUTIVE DIRECTOR 2012-13**

The Alice Springs Living Areas (Alice Springs Town Camps) are largely distinct Aboriginal communities in Alice Springs, the title to which is held by individual Housing Associations under perpetual leases. In 2009 the Australian and Northern Territory Government announced a joint initiative, the Alice Springs Transformation Plan, which aims to expand social support services and reduce homelessness through housing and infrastructure upgrades to Alice Springs Town Camps and for homeless Aboriginal people in and visitors to Alice Springs.

Each Town Camp title is held by an individual Housing Association under a perpetual lease, either a Special Purpose Lease or a Crown Lease. In December 2009 the then Executive Director of Township Leasing entered into subleases with fifteen Housing Associations over seventeen Alice Springs Town Camps on behalf of the Commonwealth. The term of each sublease is for 40 years.

Simultaneously, the Executive Director signed Housing Management Agreements with the Northern Territory Government, represented by the Department of Planning and Infrastructure, which then under-leased all identified houses to Territory Housing to provide tenancy management services. The responsibility for all other areas within the town camp boundary sits with the Northern Territory Department of Planning and Infrastructure, including open spaces, roads, parks and community centres. Housing Management Agreements were for an initial three years.

In 2012-13 the Executive Director extended existing Housing Management Agreements for a further 12 months to allow services to continue while long term agreements were finalised between the Department of Families, Housing, Community Services and Indigenous Affairs and the Northern Territory Government.

**See table D for details of the Alice Springs Town Camp subleases held by the Executive Director in 2012-13.**

### **TENANCY MANAGEMENT TENDER**

In 2012-13 in accordance with the review requirement of each Housing Management Agreement, Territory Housing conducted a housing tenancy management tender in relation to the provision of housing services in the Alice Springs Town Camps. The tender was conducted in accordance with the Northern Territory Government Procurement Framework and was overseen by an independent probity advisor. The Northern Territory Government and the Department of Families, Housing, Community Services and Indigenous Affairs were jointly represented as part of the tender assessment panel. Following the outcome of the tender process two successful tenderers were identified.

The Central Australian Affordable Housing Company was awarded a contract for tenancy management services and Ingkerreke Outstation Resources Services was awarded a contract to deliver property management services. Both agreements commenced on the 1 December 2012 for a term of three years. The agreements do not include responsibility for land tenure.

The Northern Territory Government has retained fiscal responsibility for municipal and essential services in the Alice Springs Town Camps. The Executive Director formally acknowledged the new tenancy arrangements and provided access to both successful organisations to enable them to deliver their services.

### **CADASTRAL SURVEYS**

In 2012-13 the Office of Township Leasing finalised full cadastral surveys of all Alice Springs Town Camps. The surveys were

registered with the Surveyor-General Delegate's Office in Alice Springs. Individual administrative lots were created to identify houses lots, road corridors and open spaces in the plans.

The plans will be a useful tool in formalising future tenancy management arrangement, community planning and may potentially allow for individual leasing arrangements in the future should the underlying tenure be reviewed and amended.

The surveys will also enable the Northern Territory Government to designate street names and allocate street numbers. This will have beneficial flow-on effects to residents, such as the ability to receive mail delivered to their home address.

### HOME OWNERSHIP IN THE ALICE SPRINGS TOWN CAMPS

Under the terms of the Alice Springs Town Camps lease, the Commonwealth including the Executive Director of Township Leasing and the Northern Territory Government are required to develop guidelines to enable Aboriginal people to acquire long-term secure tenure in respect of individual houses "to the extent such arrangements are permitted by the Lease and any applicable law."

The main obstacle to individual ownership is that the Alice Springs Town Camps land is either a Special Purpose Lease or Crown Lease, neither of which can be subdivided. The Executive Director of Township Leasing or Housing Association cannot grant a lease to an individual lessee over any part of the land for a period in excess of twelve years.

The Northern Territory Parliament could enact legislation to enable subdivision and widen the purposes for which land can be utilised, such as for home ownership. The Commonwealth could consider utilising its powers under the Northern Territory Stronger Futures legislation to that end.

### ALICE SPRINGS CONSULTATIVE FORUM

The Alice Springs Town Camp subleases require the Executive Director of Township Leasing to establish a Consultative Forum. The Alice Springs Towns Camp Consultative Forum consists of one nominee of the Executive Director and five nominees of the Housing Associations. In 2012-13, the Forum met to discuss the operation of the subleases, including administrative costs, the cadastral surveys, the housing management tender and extension of the Housing Management Agreement.



Alice Springs Town Camps consultative forum members

### SERVICES PROVIDED BY OTHER BODIES

In 2012-13 The Executive Director of Township Leasing engaged:

- registered surveyors to prepare and lodge cadastral survey plans in relation to the Alice Springs Town Camps;
- licensed valuer to calculate the unimproved capital value of land as part of the administration of a Township Lease;
- licensed property managers to maintain and manage collection of lease payments and maintain an audited trust account; and a
- website designer to update and host the Office of Township Leasing website.

During the year under review the Executive Director also engaged the following consultant:

- KPMG Australia to provide accounting advice regarding calculation of the administrative costs associated with Alice Springs Town Camps and Township Leases.

## EXPENDITURE STATEMENT

Under subsection 64 (4A) of the Land Rights Act the activities of The Executive Director of Township Leasing are funded from the Aboriginals Benefit Account (ABA).

Full financial details of the Aboriginals Benefit Account can be found in the financial statements of the Department of Families, Housing, Community Services and Indigenous Affairs, which are submitted to the Minister under subsections 63(2) and 70(2) of the *Public Service Act 1999*, and to the Finance Minister under section 50 of the *Financial Management and Accountability Act 1997*.

The statements are subject to scrutiny through the Senate Estimates Committee process.

Details of expenditure and revenue arising from the activities of the Office for the year ended 30 June 2013 are provided below.

2012-13 Expenditure	\$
Employee expenses	800,600
Travel-related expenses	123,000
Contractor Services	195,200
General administrative expenses	131,200
<b>Total Expenditure</b>	<b>1,250,000</b>

2012-13 Township Lease Revenue	\$ (inclusive of GST)
Wurrumiyanga Township Lease	642,219
Groote Eylandt Township Lease	966,335
Milikapiti Township Lease	60,076
Wurankuwu Township Lease	3,425
<b>Total Revenue</b>	<b>1,672,055</b>

**Table (A)**  
**Township Leases held by Executive Director of Township Leasing in 2012-13.**

Community	Location	Date of Execution	Term
Wurrumiyanga (Nguuiu)	Bathurst Island	30 August 2007	99 years
Angurugu	Groote Eylandt	4 December 2008	40 plus 40 years
Umbakumba	Groote Eylandt	4 December 2008	40 plus 40 years
Milyakburra	Bickerton Island	4 December 2008	40 plus 40 years
Milikapiti (Snake Bay)	Melville Island	22 November 2011	99 years
Wurankuwu (Ranku)	Bathurst Island	22 November 2011	99 years



**Table (B)****Housing Leases held by Executive Director of Township Leasing in 2012-13.**

	<b>Community</b>	<b>Region</b>	<b>Lease Executed</b>	<b>NTG Underlease Executed</b>	<b>Tenure</b>
	Housing Leases (9)				
1	Lajamanu	CLC	29.06.2011	29.06.2011	Aboriginal Land
2	Hermannsburg	CLC	29.06.2011	29.06.2011	Aboriginal Land
3	Yuendumu	CLC	11.04.2013	11.04.2013	Aboriginal Land
4	Areyonga	CLC	23.10.2012	23.10.2012	Aboriginal Land
5	Kaltukatjara (Docker River)	CLC	23.10.2012	23.10.2012	Aboriginal Land
6	Kintore	CLC	30.05.2013	30.05.2013	Aboriginal Land
7	Mt Liebig	CLC	23.10.2012	23.10.2012	Aboriginal Land
8	Nturiya	CLC	23.10.2012	23.10.2012	Aboriginal Land
9	Papunya	CLC	23.10.2012	23.10.2012	Aboriginal Land
10	Pmara Jutunta	CLC	23.10.2012	23.10.2012	Aboriginal Land
11	Willowra	CLC	30.05.2013	30.05.2013	Aboriginal Land
Total 11					

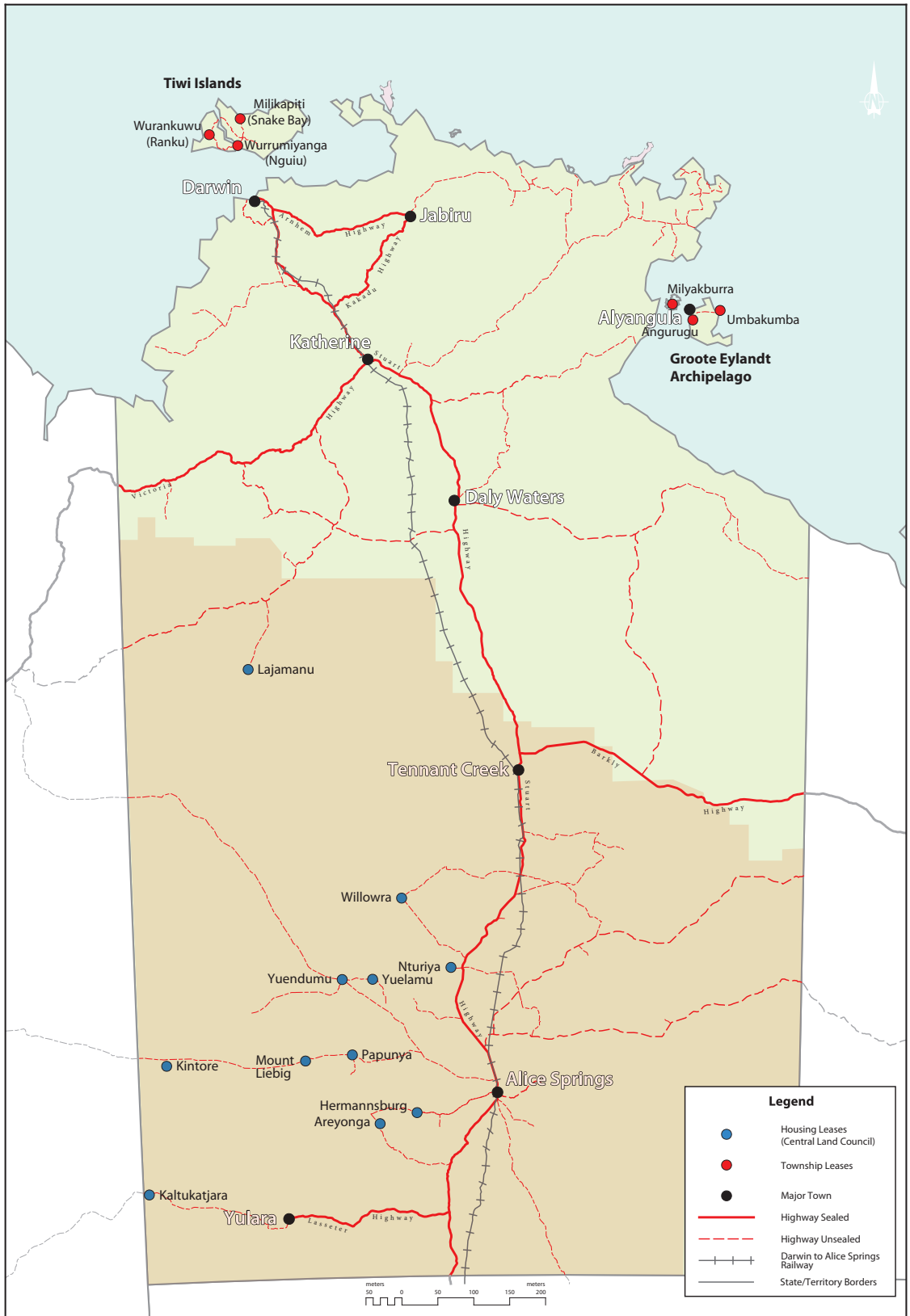


Alice Springs Town Camps - Larapinta Valley

Table (C)

**Commonwealth Asset Lease agreement administered by Executive Director of Township Leasing 2012-13**

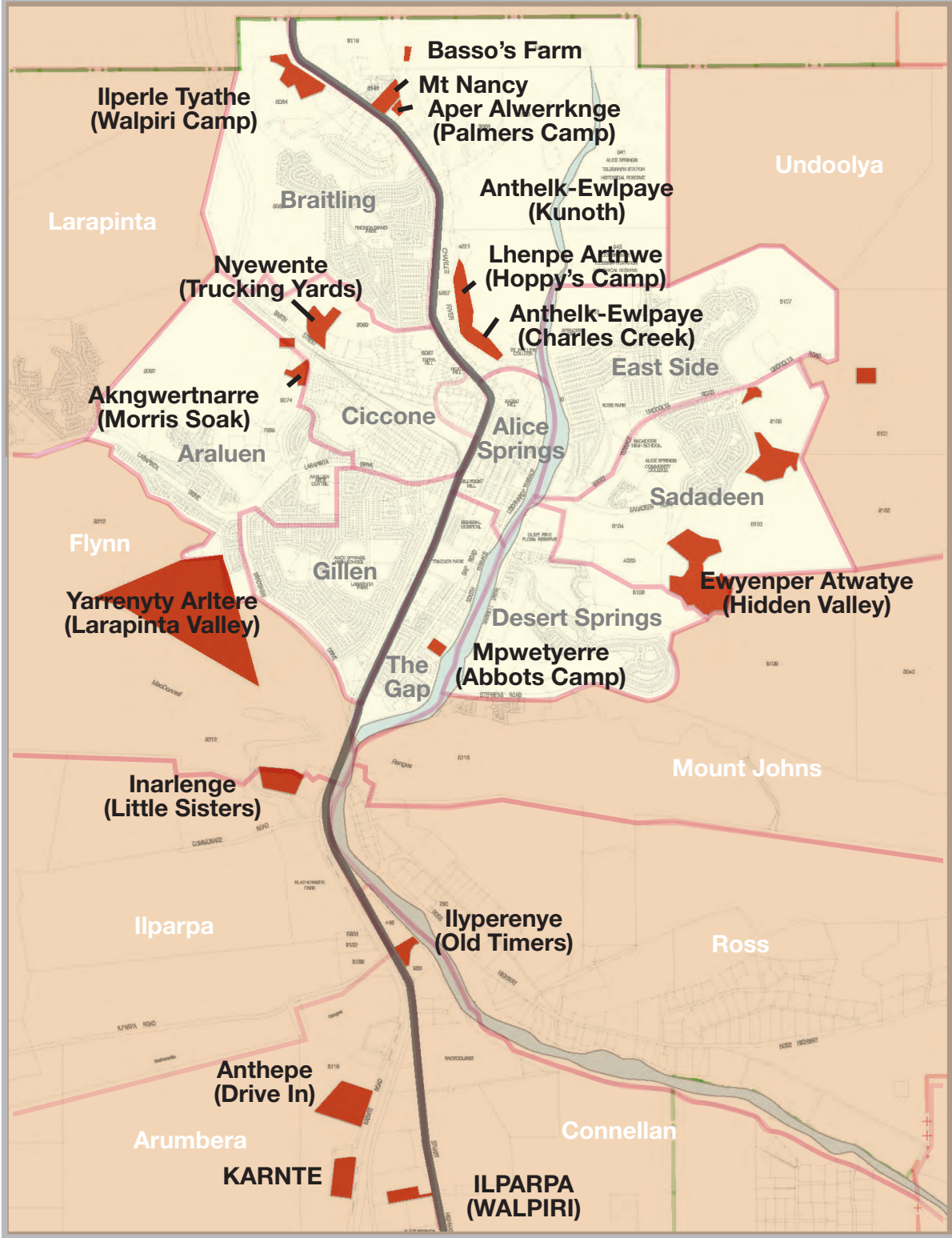
<b>Commonwealth Asset Leases</b>					
	Community	Lot	Tenure/Region	Lease Executed	Tenure
<b>Government Engagement Coordinator Complexes (23)</b>					
1	Ali Curung	248	Central Land Council	25.07.2012	Aboriginal Land
2	Ali Curung	249	Central Land Council	25.07.2012	Aboriginal Land
3	Areyonga	48	Central Land Council	25.07.2012	Aboriginal Land
4	Hermannsburg	55	Central Land Council	25.07.2012	Aboriginal Land
5	Hermannsburg	192	Central Land Council	25.07.2012	Aboriginal Land
6	Kaltukatjara (Docke River)	96	Central Land Council	25.07.2012	Aboriginal Land
7	Papunya	262	Central Land Council	25.07.2012	Aboriginal Land
8	Yuelamu	86	Central Land Council	25.07.2012	Aboriginal Land
9	Lajamanu	420	Central Land Council	01.05.2013	Aboriginal Land
10	Lajamanu	246	Central Land Council	01.05.2013	Aboriginal Land
11	Willowra	136	Central Land Council	03.05.2013	Aboriginal Land
12	Willowra	4	Central Land Council	03.05.2013	Aboriginal Land
13	Bulman	81	Northern Land Council	17.08.2012	Aboriginal Land
14	Galiwinku	321	Northern Land Council	17.08.2012	Aboriginal Land
15	Gapuwiyak	171	Northern Land Council	17.08.2012	Aboriginal Land
16	Maningrida	700	Northern Land Council	17.08.2012	Aboriginal Land
17	Milingimbi	235	Northern Land Council	16.08.2012	Aboriginal Land
18	Minjilang	229	Northern Land Council	16.08.2012	Aboriginal Land
19	Ngukurr	409	Northern Land Council	16.08.2012	Aboriginal Land
20	Peppimenarti	54	Northern Land Council	17.08.2012	Aboriginal Land
21	Ramingining	259	Northern Land Council	17.08.2012	Aboriginal Land
22	Ramingining	260	Northern Land Council	17.08.2012	Aboriginal Land
23	Warrwi	89	Northern Land Council	17.08.2012	Aboriginal Land
<b>Safe Houses (5)</b>					
24	Hermannsburg	228	Central Land Council	15.08.2012	Aboriginal Land
25	Lajamanu	246	Central Land Council	04.02.2013	Aboriginal Land
26	Maningrida	717	Northern Land Council	17.08.2012	Aboriginal Land
27	Ngukurr	424	Northern Land Council	17.08.2012	Aboriginal Land
28	Ramingining	265	Northern Land Council	17.08.2012	Aboriginal Land
<b>Child Care Centres (3)</b>					
29	Yuelamu	98	Central Land Council	03.05.2013	Aboriginal Land
30	Lajamanu	322	Central Land Council	21.07.2012	Aboriginal Land
31	Minjilang	214	Northern Land Council	17.08.2012	Aboriginal Land
Total (31)					



**Table (D)**  
**Alice Springs Living Areas (Town Camps) subleases held by the Executive Director in 2012-13.**

	<b>Housing Association</b>	<b>Town Camp</b>	<b>Tenure Details</b>
1	Mpwetyerre Aboriginal Corporation	Abbotts	Special Purpose Lease
2	Ilparpa Aboriginal Corporation	Warlpiri	Special Purpose Lease
3	Karnte Aboriginal Corporation	Karnte	Crown Lease
4	Lhenpe Artnwe Aboriginal Corporation	Hoppys	Special Purpose Lease
5	Anthelk-Ewlpaye Aboriginal Corporation	Charles Creek	Special Purpose Lease
6	Anthelk-Ewlpaye Aboriginal Corporation	Kunoth	Special Purpose Lease
7	Akngwertnarre Association Incorporated	Morris Soak	Special Purpose Lease
8	Anthepe Housing Association Incorporated	Drive In	Special Purpose Lease
9	Aper-Alwerrkng Association Incorporated	Palmers	Special Purpose Lease
10	Ewyenper-Atwatye Association Incorporated	Hidden Valley	Special Purpose Lease
11	Ilperle Tyathe Association Incorporated	Warlpiri	Special Purpose Lease
12	Ilyperenye Association Incorporated	Old Timers	Special Purpose lease
13	Inarleng Association Incorporated	Little Sisters	Crown Lease
14	Mount Nancy Housing Association Incorporated	Mount Nancy	Special Purpose Lease
15	Mount Nancy Housing Association Incorporated	Basso	Special Purpose Lease
16	Yarrenyty-Arltere Association Incorporated	Larapinta	Special Purpose Lease
17	Nyewnete Association Incorporated	Trucking Yards	Special Purpose Lease
<b>Total 17</b>			

# Alice Springs Town Camps







**EXECUTIVE DIRECTOR OF TOWNSHIP LEASING**  
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