From Administration to First Nations People-Centred Community Development

Submission to the Productivity Commission's 2026 Review of the National Agreement on Closing the Gap

Prepared by Shane Hoffman, First Nations researcher and former senior executive in the Australian Public Service with experience of more than 40 years in Indigenous policy, governance and service delivery and significant experience in the First Nations community-controlled sector.

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Executive summary

This submission recommends that all Australian governments adopt First Nations people-centred development (community development) as the overarching approach to implementing the National Agreement on Closing the Gap. First Nations peoples must be the rights-holders, authors, decision-makers and agents of their own development—not merely recipients of services or participants in government consultations. The purpose is to expand individual and collective agency, strengthen community governance and capability, and improve social, economic, cultural and environmental wellbeing through priorities determined by communities themselves.

Community development is a continuing process through which people organise, deliberate, identify strengths and priorities, exercise collective authority, mobilise resources, act and learn together. Effective services and Aboriginal community-controlled organisations (ACCOs) are essential, but funding ACCOs to deliver services is not, by itself, community development. Governments must also resource the wider First Nations community's ability to govern, participate, negotiate and hold both providers and governments accountable. Australia's international development experience offers useful supporting principles; First Nations rights, cultural authority, Country and community aspirations provide the foundation for their domestic application.

The failure of existing policies is now visible in the results. As at July 2026, of the 19 socio-economic targets, only one had been met, three were improving and on track, five were improving but not on track, two showed no change, four were worsening, and four could not be assessed. The four worsening targets concern children's development, adult imprisonment, children in out-of-home care and suicide—outcomes that expose the human cost of delay.

The response must change both sides of the relationship: strengthen communities' authority and capability to lead development; and transform government policy, institutions, funding and accountability so that they enable that leadership. Sector investment remains essential. Community development connects health, housing, education, justice, safety, livelihoods and culture around people's lives, rather than requiring communities to adapt their priorities to separate departmental programs. This is a necessary systemic reform direction, not a claim that one institutional template guarantees success in every community.

The central recommendation is a First Nations People-Centred Community Development Policy, implemented through a Closing the Gap Development Partnership System, comprising:

- a jointly agreed national policy recognising self-determination, community agency and wellbeing as the purpose and method of development and establishing the principles for First Nations people-centred community development;
- community-owned development strategies, supported by five- to ten-year national, sectoral and place-based Development Partnership Plans that align government commitments with those strategies;
- community-chosen governance institutions with funded participation, independent advice and clearly negotiated authority over priorities, resources, implementation and evaluation;
- a dedicated, sustained community governance and capability funding stream alongside predictable multi-year service and development investment;
- a Cabinet and budget "development alignment gateway" requiring all relevant proposals to demonstrate compliance with the Community Development Principles and the Closing the Gap Priority Reforms;
- a jointly governed Development Partnership Secretariat and an accessible, First Nations-led community development support function;
- independent, legislatively protected oversight and public evaluation;
- Indigenous Data Sovereignty and Governance throughout the data lifecycle; and
- an open investment and results portal showing expenditure, delivery partners, local procurement, performance, evaluations, risks and management responses.

This framework must redistribute authority, resources, capability and accountability—not add another consultation layer. Government transformation and community governance development must proceed together. Governments retain obligations to fund services, uphold rights and reform mainstream systems; communities must not inherit unfunded liabilities or be blamed for failures in government-controlled systems. The expected acceleration in improved socio-economic outcomes comes from better local decisions, strong community buy-in, earlier prevention, integrated investment, stronger community institutions, local economic participation and faster correction of ineffective approaches.

Purpose and authorship

This submission responds to the Productivity Commission's (the Commission) call for submissions for its second comprehensive review of the National Agreement. The Commission has been asked to assess progress against the four Priority Reforms and 17 socio-economic outcomes; examine funding, successful partnerships and delivery models; and recommend how to improve, hasten and strengthen implementation.

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The Commission's call identifies precisely the questions addressed here: governance and accountability; genuine, shared decision-making authority; reform of funding and service transition; public-sector capability and transformation; Indigenous data governance; community-led and place-based action; and the system enablers needed to translate reform into socio-economic outcomes.

The current agreement

The National Agreement on Closing the Gap provides the foundation for this proposal. Its four Priority Reforms concern shared decision-making, strengthening the community-controlled sector, transforming government organisations, and shared access to data and information. This submission proposes that First Nations people-centred community development become the explicit policy approach connecting these reforms to improvements in people's lives.

The current framework has four Priority Reforms and 17 socio-economic outcome areas. The 19 socio-economic targets result from Outcomes 9 and 15 each containing two targets: Targets 9A and 9B, and Targets 15A and 15B.

The Agreement is expressly a living document. It can be changed only by written agreement of First Ministers and the President of the Australian Local Government Association with the Coalition of Aboriginal and Torres Strait Islander Peak Organisations although its provisions are not intended to be legally enforceable. In 2025 the Joint Council agreed to develop amendments clarifying self-determination under Priority Reform One and incorporating Indigenous Data Sovereignty under Priority Reform Four, but the published response described that those amendments as still to be developed.

The Parties should amend and operationalise the Agreement to establish the people-centred community development policy and institutional arrangements proposed below. Existing commitments to community-led development, funded partnership participation and government transformation should be implemented immediately rather than deferred pending amendments.

The case for change

Results require a new system

The Commission's Annual Data Compilation Report, released on 29 July 2026, shows that of 19 socio-economic targets, one had been met, three were improving and on track, five were improving but not on track, two showed no change from baseline, four were worsening and four could not be assessed. Preschool enrolment had met its target; employment and land and sea interests were on track. Childhood development, adult imprisonment, out-of-home care and suicide were worsening. These assessments draw on the latest available data, which relate to different reference periods; they are not all measurements of conditions in 2026. The contrasting results in preschool enrolment and child development underline the need to examine quality, continuity and the wider conditions of children's lives, not access alone[1].

These results establish the urgency of reform, but the annual data report does not, by itself, prove the causes of each trend or quantify the effects of the policy proposed here. The institutional case is supported separately by the

[1] Productivity Commission, Closing the Gap Annual Data Compilation Report, 2026

Commission's 2024 review[2]. This submission therefore distinguishes observed national trends, established reform commitments and the causal pathways that future evaluation must test.

The Commission's 2024 review[3] already diagnosed the institutional causes. It found insufficient progress, rare achievement of shared decision-making, limited government transformation, weak support for Aboriginal and Torres Strait Islander-led data, incomplete performance reporting and inadequate accountability. Its four conclusions were that power must be shared, Indigenous Data Sovereignty must be recognised, mainstream systems and culture must be fundamentally rethought, and stronger accountability must drive behaviour change.

The 2025 Independent Aboriginal and Torres Strait Islander-led Review[4] reached closely aligned conclusions. It called for structural reform and power shifts, described funding as fragmented, short term and inflexible, and recommended core, sustainable funding that supports long-term planning, governance and workforce development. The convergence of the Commission's institutional analysis and the Indigenous-led review means the policy problem is no longer a lack of diagnosis. It is a failure to adopt and implement an operating model capable of giving practical effect to that diagnosis.

Policy coherence: useful lessons, not an imported model

Australia's international development policy states that effective development requires genuine partnerships based on respect, listening and learning; support for local leaders and local solutions; partner priorities; local jobs and procurement; transparency; accountability; evaluation; development capability; and whole-of-government governance[5]. DFAT's Development Partnership Plans are prepared with partners, set shared objectives and outcomes, contain performance frameworks and consultation, evaluation and learning plans, and undergo annual reporting and mid-cycle review[6].

DFAT's locally led development guidance defines the approach as respecting and enabling local actors' agency, leadership and decision-making in framing, design, delivery, resourcing and accountability. It calls for local participation in design and evaluation, localisation plans with governance and resourcing milestones, and accountability for delivery. The Pacific regional plan adds substantial multi-year support for regional institutions, use of Pacific-led governance, local and regional expertise, direct financing and national systems, and adaptation as priorities and lessons change.

There is no principled justification for applying a more respectful, locally led and strategically disciplined approach to development partnerships offshore but not to the relationship between Australian governments and the First Peoples of Australia. The contexts are legally and constitutionally different, but the effectiveness principles are transferable. Indeed, the Agreement itself already contains their domestic equivalents: self-determination, shared decision-making, community control, transformed government and Aboriginal and Torres Strait Islander-led data[7].

Development, not dependency

A development approach does not mean creating dependency or lowering public accountability. Properly understood, it does the opposite: it transfers agency, strengthens institutions, develops local capability and markets, and creates mutual accountability for agreed results. Internationally accepted effectiveness principles are ownership, alignment, coordination, results and mutual accountability; later formulations emphasise country ownership, inclusive partnerships, transparency and mutual accountability.[8]

For Closing the Gap, "ownership" should mean that Aboriginal and Torres Strait Islander peoples, through institutions and representatives chosen by them, determine development priorities and exercise meaningful authority over design, resources, delivery and evaluation. This is consistent with the United Nations Declaration on the Rights of Indigenous Peoples: Articles 3, 18 and 23 recognise self-determination, participation through representatives chosen by Indigenous peoples, and the right to determine and develop priorities and strategies for economic and social development.[9]

Local leadership is not a guarantee of success. International evidence warns that participatory programs can be captured by elites, poorly targeted or weakened by under-skilled facilitation; they work best with context-specific design, long time horizons, downward accountability, enabling institutions and strong monitoring and learning. These

[2] Productivity Commission, 2024, Closing the Gap review website.
[3] Productivity Commission, 2024, *Review of the National Agreement on Closing the Gap*
[4] Jumbunna Institute for Indigenous Education and Research, UTS, 2025, *Closing the Gap Independent Aboriginal and Torres Strait Islander -Led Review*
[5] DFAT guidance note: Locally led development
[6] Australia – Pacific Regional Development Partnership Plan 2024-2029
[7] Priority Reform Areas for Joint National Action, Chapter 6 of the CTG National Agreement
[8] OECD, 2026, See *Making Development Co-operation More Effective Progress Report*
[9] United Nations Declaration on the Rights of Indigenous Peoples

are reasons to design development institutions and safeguards properly—not reasons to preserve a government-controlled model that has failed to deliver transformation.[10], [11]

First Nations people-centred community development

Purpose, meaning and relationship to sustainability

In this submission, First Nations people-centred development (community development) means a culturally grounded, rights-based and continuing process through which Aboriginal and Torres Strait Islander peoples build and exercise the individual and collective capabilities to determine their priorities, organise, govern, mobilise resources, act and learn together. The central question is not simply which services government will provide, but who defines a good life and a good future, who decides, and what enables people to pursue that future.

People-centred development and sustainability are complementary, not competing doctrines. Community priorities should integrate present wellbeing, responsibilities to future generations and the health of Country. Sustainable development need not be top-down; a people-centred approach makes explicit whose knowledge, values and decisions guide it. Economic growth, employment, infrastructure and services are means to community-defined wellbeing, not sufficient measures of development by themselves.

From service participation to collective agency

Community development is more than consultation, contracted service delivery or a board-training course. It includes building relationships and trust, supporting people to deliberate and organise, strengthening legitimate collective decision-making, and enabling communities to negotiate with institutions on more equal terms. Service reform and community development reinforce one another, but the wider First Nations community must have a voice beyond its role as service users.

Governments should begin with community strengths: cultural knowledge, kinship, languages, connection to Country, existing governance, leadership, organisations, enterprises and mutual support. Communities should determine how to address barriers and disadvantage without having their identity reduced to a set of deficits. This includes recognising diversity within communities and the distinct authority of Traditional Owners, as well as the rights and voices of all other residents.

Proposed policy commitment

The Parties should adopt the following commitment: "Governments will enable and resource Aboriginal and Torres Strait Islander peoples, through governance arrangements and representatives chosen by them, to lead people-centred community development. Governments will support inclusive participation, collective capability and community control of development priorities and progressively negotiated resources, and will transform their own policy, institutions and practices to give practical effect to that authority. Government responsibilities for adequate services, rights, equity and accountability remain undiminished."[12]

Proposed policy doctrine

Governments should agree that Closing the Gap will be implemented through First Nations people-centred community development, supported by development partnerships and governed by the following principles:

1. **Self-determination and local ownership** — Aboriginal and Torres Strait Islander peoples determine priorities, choose their representatives and exercise authority over decisions affecting their development.
2. **Subsidiarity** — decisions are made at the lowest effective level, as close as practicable to the people and Country affected.
3. **Alignment** — government funding, policy and administration align with First Nations development strategies, institutions and locally agreed results frameworks.
4. **Community agency and community control** —communities' collective ability to determine and pursue their own futures are strengthened, alongside ACCO capability and Indigenous enterprise. Community participation and governance must be funded independently of service contracts; no provider should automatically be treated as speaking for everyone.
5. **Long-term partnership** — investment horizons match the time needed for institutional, social and economic change rather than annual budget or short grant cycles.

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10 Mansuri, G and Rao, V, Community-Based and -Driven Development: A Critical Review, The World Bank Research Observer, volume 19, issue 1. https://academic.oup.com/wbro/article-abstract/19/1/1/1690280.

11 *Holmlund, M and Rao, V,* 2021, Woorld Bank Blogs, Where and When Is Community-Driven Development Effective?

12 Mansuri G and Rao V, 2024, *Community-Based and -Driven Development: A Critical Review*

6. **Whole-of-government coherence** — portfolios, jurisdictions and mainstream systems work to a common development plan and avoid duplication, gaps and contradictory incentives.
7. **Results and adaptive management** — partners manage toward outcomes, test assumptions, use evidence, adapt delivery and publish lessons, including failure.
8. **Indigenous Data Sovereignty** — Aboriginal and Torres Strait Islander peoples govern the collection, access, interpretation, use and stewardship of data about them.
9. **Mutual accountability** — Communities, First Nations organisations and governments are accountable to one another for agreed responsibilities, with independent public oversight.
10. **Cultural authority, safety and non-discrimination** — First Nations worldviews, laws, cultures, languages, Country and relationships shape development design; racism and cultural unsafety are treated as material performance failures.
11. **Do no harm and protect rights** — child safety, gender equality, disability inclusion, environmental protection, financial integrity and prevention of exploitation and abuse are mandatory safeguards.
12. **Additionality and universal responsibility** — stronger First Nations institutions do not release governments from obligations to deliver effective universal services or transfer unfunded liabilities to communities.

These principles closely reflect both the Agreement's intended new way of working, and the effectiveness principles Australia applies internationally.[13]

Structural reforms

Development Partnership Plans

The Agreement should require Development Partnership Plans (DPPs) at three connected levels. These are instruments for aligning government commitments with community-owned development strategies, not substitutes for those strategies:

- **National DPP**: a twenty-year enabling framework setting the rights-based policy, financing architecture, government transformation commitments, shared results framework and responsibilities. National priorities should not prescribe uniform local development choices.
- **Sector DPPs:** seven to ten-year plans for health, early childhood, housing, justice, disability, family safety, employment and enterprise, data and other agreed priorities, building on and replacing fragmented sector-strengthening documents.
- **Place-based DPPs**: negotiated government commitments to support community-owned development strategies in regions and communities that opt in. Communities determine their relevant boundaries and institutions, recognising overlapping cultural, territorial and service relationships and the distinct circumstances of urban, regional and remote communities.

Every DPP should state the development context; community-determined priorities; parties and decision rights; program logic; financing and procurement plan; capability and institutional-strengthening plan; data-governance arrangements; safeguards and risks; indicators and baselines; evaluation and learning agenda; dispute-resolution process; and transition or exit arrangements. DFAT already uses DPPs to translate shared priorities into action, coordinate government effort, state expected outcomes, establish performance frameworks and support mid-cycle adaptation.[14]

DPPs must not be government implementation plans rebadged. They should be negotiated instruments approved by the relevant First Nations partners and governments, with formal control over material changes. Their development should be adequately funded so First Nations parties can obtain independent policy, legal, financial and technical advice, consistent with the Agreement's existing recognition that equal partnership requires resources.[15]

[13] DFAT guidance note: Locally led development
[14] DFAT, July 2026, *International Development Programming Guide*
[15] Clause 33 of the CTG National Agreement

Decision-making architecture

The Joint Council should remain the principal national decision-making body, preserving the Coalition of Peaks' status as a party to the Agreement. Over time, however, the First Nations partner should become the elected representatives from the First Nations community governance sector. Its role should be strengthened from oversight of commitments to stewardship of the national development partnership.

A **Closing the Gap Development Partnership Secretariat** should support the Joint Council. It should be jointly administered by governments and First Nations representatives, separately constituted from any single delivery department, and staffed by policy, economics, finance, commissioning, data, evaluation, regional and community development and First Nations governance specialists. Its functions should include coordinating DPPs, consolidating investment information, assuring design quality, resolving cross-portfolio blockages, supporting sector and regional partnerships and commissioning system evaluations.

At community or regional level, communities should choose whether to strengthen existing institutions or establish a First Nations Community Development Partnership Authority or equivalent arrangement. There should be no imposed corporate form, boundary or government-selected leadership. Community governance bodies, regional assemblies, prescribed bodies corporate, land councils, ACCO alliances, treaty structures and other institutions may become the community governing authority where communities choose and their mandates are respected.

Ministers and senior officials participating in partnership bodies must hold genuine negotiating and decision authority. Shared decision-making cannot exist where community representatives negotiate with officials unable to commit resources or alter policy. The Agreement already requires government representatives in strong partnerships to possess relevant negotiating and decision-making authority and gives First Nations voices equal weight in consensus decisions.[16]

Developing and supporting community governance and capability

Community governance is development infrastructure

Governance must be supported as an ongoing community function, not funded only when government wants to consult or procure. Corporate compliance helps organisations meet legal duties; community governance additionally concerns how people establish legitimacy, include different voices, make collective choices, manage disagreement and hold decision-makers accountable. Strengthening an ACCO board cannot substitute for strengthening the community's wider capacity to determine development priorities.[17]

Each participating community should receive a funded, self-directed governance development phase. It should map existing institutions, mandates, cultural authority and relationships; identify strengths and barriers to participation; and agree how decisions will be made. Where structures already work, governments should recognise and strengthen them. Communities must not be required to establish another corporation to obtain support.

A community governance compact

Communities should determine their governance arrangements and record an accessible compact or equivalent instrument covering:

- **Mandate and legitimacy**: how representatives are chosen, which people and Country they represent, their authority and limitations, and how mandates are renewed or reviewed.
- **Inclusive participation**: culturally appropriate ways for Elders, Traditional Owners, women, young people, people with disability, families and other affected groups to participate safely, including people who do not hold organisational positions.
- **Decision rules and authority**: the matters: reserved to the community, delegated to its institutions; jointly decided with governments: or retained by government under law; clear processes for consensus, disagreement and escalation.
- **Accountability to community members**: accessible budgets, decisions and progress reports; community meetings; conflict-of-interest rules; confidential complaints; independent support where needed; and community-designed review or replacement processes.

[16] Clause 32. a. ii of the CTG National Agreement

[17] The National Agreement already recognises community-selected representation, inclusive shared decision-making and funded independent advice and governance support: Priority Reform One, clauses 32–33. The compact, fund and support network described here are proposed implementation mechanisms.

- **Relationships between institutions**: respect for cultural authority and statutory responsibilities, coordination with ACCOs and other providers, and explicit safeguards where an institution is both a provider and a representative decision-maker.

Recognition should reflect demonstrated community legitimacy, not government convenience or a single nationally imposed model. Where authority or representation is contested, fund culturally legitimate mediation and community deliberation. Governments should not select a preferred faction or use disagreement as a reason to withdraw essential services.

A funded capability pathway, not a readiness barrier

Establish a sustained Community Governance and Development Capability Fund with First Nations-led governance. Communities should be able to access initial support before they have a fully developed plan or sophisticated grant-writing capability. Where needed, a community-chosen auspicing arrangement should provide an accountable pathway without surrendering local decision-making.

The fund should cover the full costs of participation and institution-building: paid community development practitioners; independent facilitation; local language interpretation; accessible meeting processes; travel, childcare and digital access; governance staff and back-office systems; legal and financial advice; community research and data; and reasonable remuneration for community knowledge and time. These costs should be identified separately from frontline service funding and protected from diversion into government administration.

Community-selected capability plans should combine learning by doing with mentoring and peer exchange. Priorities may include participatory planning, negotiation, financial literacy, budgeting, project management, collective decision-making, conflict resolution, procurement, enterprise development, workforce pathways, data analysis and evaluation. Cultural knowledge and existing expertise must be recognised as capabilities—not treated as absences to be corrected by external professionals.

A First Nations-led practitioner and support network should provide on-demand facilitation, technical advice, peer learning and access to specialist expertise. Its role is to help communities articulate and pursue their choices, not to certify government-preferred plans. Practitioner selection and performance should be accountable to the communities they support. Reciprocal secondments should transfer knowledge in both directions, protect ACCO staffing and avoid extracting scarce community expertise without compensation.

Capability-building and transfer of authority must proceed together. A staged agreement should specify resources, supported responsibilities, milestones, safeguards and review dates, with independent advice for communities. Government must demonstrate its own readiness to share power, pool funding and respond to community priorities. Neither open-ended "capacity" tests nor the absence of a particular corporate form should permanently block community authority.

Community development as a recurring cycle

The practical cycle should be: build relationships and agree participation; map strengths and institutions; deliberate on community aspirations; adopt a community-owned strategy; negotiate government commitments and resources; undertake locally chosen action; review evidence and lived experience; and revise decisions. Governance development and learning continue throughout. Small, community-controlled action funds can support early priorities while larger commitments are negotiated, without replacing essential capital or recurrent investment.

Participation is voluntary. Communities may enter at different stages, adapt the process or decline it without losing essential services or existing entitlements. Local strategies should connect where communities wish to regional and sector arrangements; national coordination should support, not displace, local and cultural authority.

Independent accountability

Each jurisdiction should establish, by legislation, a **First Nations-led Independent Closing the Gap Development Commissioner or Commission**. If a jurisdiction or jurisdictions fail to establish a robust body, the Commonwealth should establish a national Commissioner or Commission covering that jurisdiction/s and the Australia Government. A national coordinating council of these bodies should provide consistent standards and reduce duplication.

The independent mechanism should have authority to:

- audit compliance with Priority Reforms and DPP obligations;
- inspect funding and procurement decisions;
- require remedial plans and publish non-compliance findings;

- receive complaints and systemic referrals from communities and ACCOs;
- assess cultural safety and institutional racism;
- validate performance reporting and evaluation quality;
- report directly to parliaments and First Nations representative bodies; and
- recommend proportionate consequences, including reconsideration of funding or executive performance assessments.

The mechanism requires guaranteed multi-year funding, statutory independence, information-gathering powers and joint involvement of First Nations peoples in appointments. This gives effect to the Commission's earlier finding that existing mechanisms lacked independence, consequences, clear individual responsibilities and high-quality evaluation.[18]

Cabinet and budget systems

Every government should establish a mandatory **Closing the Gap Development Alignment Gateway** for Cabinet, budget, regulatory[19] and intergovernmental proposals[20] materially affecting Aboriginal and Torres Strait Islander peoples.

A proposal should not proceed unless it demonstrates:

- early First Nations involvement in problem definition and options analysis;
- compliance with an applicable DPP and the four Priority Reforms;
- agreed decision rights and evidence of how First Nations advice changed the proposal;
- assessment of ACCO and Indigenous business delivery options;
- local employment, procurement and capability benefits;
- data-governance, cultural-safety and rights safeguards;
- outcome indicators, evaluation design and transparent reporting; and
- confirmation that mainstream investment will not displace community-controlled services.

Central agencies should assure compliance, but the relevant First Nations partner should verify the partnership component. This would implement the Commission's recommendation to embed Closing the Gap in Cabinet, budget, funding and contracting rules rather than treating it as an Indigenous affairs overlay.[21]

Changing the operating rules of government

The policy shift must be from government-owned programs with community input to community-owned development priorities supported by accountable government commitments. The transformation strategy of each jurisdiction should identify the rules that prevent this shift, nominate the responsible central agency and portfolio heads, and set funded milestones for change. The transformations strategy should include:

- **Policy and legislative authority**: review statutory discretions, delegations and administrative rules; identify where community or joint authority can operate now and where legislative change is needed. Publish the boundary between consultation, shared decisions and delegated control.
- **Budgets and funding**: recognise community governance and capability as legitimate core expenditure; permit pooled, flexible multi-year investment; align grant conditions and reporting across governments; and identify the cost and authority attached to every transferred function.
- **Commissioning and regulation**: assess cultural safety, community accountability and long-term local capability alongside service quality and financial integrity; use proportionate assurance and publish reasons where community priorities or preferred delivery arrangements are not supported.
- **Community and / or regional authority and workforce**: deploy stable teams with authority to negotiate across portfolios, respond within agreed timeframes and escalate blockages to senior decision-makers. Measure staff on the quality of relationships, the authority shared and outcomes supported—not just grants processed.

[18] Productivity Commission, 2024, *Review of the National Agreement on Closing the Gap*
[19] Including legislations and regulations
[20] For example, bilateral and multilateral agreements between the Commonwealth and states / territories.
[21] PC Final Report: *Review of the National Agreement on Closing the Gap*

- **Government accountability**: require public transformation milestones, community assessment of institutional behaviour, independent investigation of systemic barriers, and consequences for persistent non-compliance. A community should not carry performance risk for a government commitment it cannot control.

First Ministers Departments, treasuries, finance departments, public-service commissions, regulatory agencies and mainstream service portfolios must participate. Indigenous affairs agencies cannot transform whole-of-government rules alone. Joint arrangements should use existing institutions where suitable, avoid duplicative reporting and give communities a clear route to challenge government delay. Cultural safety and elimination of institutional racism are core tests of institutional performance, not optional engagement practices.[22]

Financing and commissioning

Multi-year pooled finance

Governments should consolidate fragmented program funding into **multi-year development financing envelopes** aligned with DPPs. Ten-year planning should be supported by rolling five-year appropriations or agreements, annual cash-flow updates and transparent forward estimates. Funding should be predictable but not unconditional: continuation should depend on jointly assessed performance, learning and safeguards rather than narrow annual activity acquittals.

The preferred hierarchy should be:

1. protected core funding for community governance, inclusive participation, independent advice and community development capability, as well as representative bodies, peaks and essential ACCO institutional capability;
2. direct grants through partnership agreements with ACCOs and local First Nations institutions;
3. pooled development financing subject to community or joint decision-making, with outcomes-informed review rather than payment mechanisms that penalise communities for structural disadvantage;
4. Indigenous-led consortia or intermediary arrangements where scale or specialist capability is needed; and
5. mainstream or non-Indigenous providers only where necessary, with a published rationale and an agreed transition or local capability plan.

OECD analysis notes that predictable, flexible, long-term funding supports local autonomy and sustainability, whereas short project funding can weaken workforce retention, capacity and collective action.[23] The Indigenous-led review likewise called for equitable core and sustainable funding beyond short-term project delivery.[24]

Local procurement and transition

All relevant commissioning should include a **First Nations localisation and transition plan**. It should set baselines and time-bound targets for First Nations governance, expenditure reaching ACCOs, Indigenous employment, Indigenous procurement, local subcontracting, capability transfer and leadership. DFAT already uses localisation plans and local-content arrangements to specify governance, resourcing, indicators, workforce upskilling and supplier participation.[25]

The objective is not an indiscriminate transfer or an exemption from quality. It is to stop using existing capability gaps – often produced by decades of short-term and externally controlled funding – as a permanent reason to exclude First Nations providers. Where an ACCO is not yet ready to assume a function, the contract should require a funded transition pathway, mentoring or institutional twinning, staged responsibility, open-book knowledge transfer and a date for review.

Value for money should be redefined as **long-term public value**, which includes cultural safety, trust, prevention, local economic multipliers, workforce development, institutional capability and reduced service fragmentation – not simply the lowest immediate tender price. Community-driven development evidence indicates that local contracting can generate local economic benefits and that such approaches can improve access and quality in services and infrastructure when embedded in capable systems with strong monitoring.[26]

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22. National Agreement on Closing the Gap, Priority Reform Three, systemic and structural transformation and transformation elements; Productivity Commission, 2024 review.
23 OECD, Development Cooperation Report, 2023, *In Focus: Enablers of locally-led development*
24 Jumbunna Institute for Indigenous Education and Research, UTS, 2025, *Closing the Gap Independent Aboriginal and Torres Strait Islander -Led Review*

25 DFAT guidance note: Locally-led Development
26 For the community-driven development evidence discussed here, see Holmlund, M and Rao, V, 2021, *Where and When Is Community-Driven Development (CDD) Effective?*, World Bank Blogs.

Expenditure transparency

Within 12 months, each jurisdiction should publish a verified baseline of:

- total dedicated and mainstream expenditure relevant to each outcome;
- the amount and proportion reaching ACCOs and Indigenous businesses;
- intermediary and administration costs;
- funding duration and flexibility;
- geographic distribution;
- procurement method and provider type; and
- expenditure linked to agreed outcomes.

This should become the basis for negotiated transition targets. Recent audit findings show why this is necessary: the Australian National Audit Office recommended reporting both the number of Aboriginal and Torres Strait Islander organisations receiving funding and the amount allocated, to comply with the Agreement and improve transparency.[27]

Performance and learning

A three-tier framework

A Closing the Gap Performance and Delivery Framework should connect community-defined wellbeing and governance measures with national socio-economic targets, while distinguishing context, investment contribution and institutional behaviour:

Tier	Purpose	Illustrative content
Tier 1	National and regional development context	The 19 socio-economic targets, supporting indicators, structural determinants and regional disparities
Tier 2	Contribution of agreed investments	Credible contributions of DPP investments to service quality, prevention, community capability, institutional strength and economic participation; distinguish contribution from attribution.
Tier 3	How parties work	Community authority and participation; governance capability; government responsiveness; funding to communities and ACCOs; cultural safety; elimination of racism; data sovereignty; transparency; community assessments.

DFAT's framework distinguishes context, contribution and ways of working, and connects country plans, annual reporting, mid-cycle review and investment-level monitoring. Adopting that logic would prevent governments from claiming direct credit for population-level change while still holding them accountable for the quality, scale and effects of their actions.[28]

Evaluation and adaptation

Every major investment should have an agreed program logic and a proportionate monitoring, evaluation and learning plan before or shortly after implementation. Evaluations should be independently led, include First Nations evaluators and local knowledge holders, use quantitative and qualitative evidence, and publish management responses. Real-time reviews should support adaptation during implementation, with post-completion impact studies for significant investments.

[27] ANAO, 2025-26 Performance Audit, Closing the Gap in Schooling and Early Childhood Development — Partnership and Reporting
[28] DFAT Website: Australia's development program

Evaluation should ask not only "did the service deliver outputs?" but also:

- who defined the problem and success;
- whether decision-making power shifted;
- whether local institutions and capability became stronger;
- whether mainstream systems changed;
- whether benefits were equitably distributed;
- whether cultural, social or environmental harm occurred;
- what should be adapted, scaled, stopped or transferred; and
- whether the intervention increased community autonomy.

DFAT's framework uses annual investment monitoring, independent validation at completion, published evaluations and management responses, multi-year evaluation planning, real-time reviews and impact assessments. International evidence also cautions that locally led development needs deliberate learning loops and systematic evaluation of impacts, costs, trade-offs and unintended consequences.[29],[30]

Funding should not be automatically withdrawn when honest reporting identifies failure. A learning system must distinguish misconduct or persistent non-performance from responsible experimentation. Otherwise, partners will conceal problems, and the system will reward compliance narratives rather than improvement.

Open information

A public **Closing the Gap Development Portal** should disclose, subject to privacy and Indigenous data protocols:

- all DPPs and amendments;
- investment descriptions, budgets, providers and locations;
- local procurement and ACCO funding;
- indicators, results and trend data;
- evaluation plans, reports and management responses;
- independent mechanism findings;
- unresolved risks and remedial action; and
- annual partner-perception surveys.

This would adapt DFAT's public development-reporting model and honour the Agreement's commitment to public accountability. Information must also be returned to communities in accessible, culturally appropriate forms; public release in a central portal is not a substitute for local accountability.[31],[32]

Capability and culture

A development profession

The Australian Public Service and state and territory services should establish a First Nations community development profession and capability framework. Core competencies should include facilitation, community organising, participatory planning, culturally grounded governance, strengths-based practice, partnership negotiation, institutional analysis, place-based development, commissioning and finance, adaptive management, evaluation, data governance and cultural safety. Public servants must learn to support community deliberation without directing their conclusions.

Training alone is insufficient. Capability should be reinforced through recruitment, promotion criteria, executive performance agreements, mobility and secondments into ACCOs and community / regional partnerships, longer postings in place, professional accreditation, communities of practice and retention of experienced staff. DFAT's policy recognises that development effectiveness depends on skilled staff in design, monitoring, evaluation, procurement and transparency, and extends capability-building across participating government agencies.[33]

[29] DFAT, July 2026, Design and Monitoring, Evaluation and Learning Standards
[30] DFAT, July 2026, *International Development Programming Guide*
[31] DFAT Website: Australia's development program
[32] CTG National Agreement, *Chapter 9 – Being Accountable for Our Actions*
[33] DFAT guidance note: Locally led development

Every relevant secretary, director-general and agency head should have measurable Closing the Gap development obligations in their performance agreement. As at the 2024–25 audit cycle, only two of 21 audited Commonwealth entities had performance measures related to Closing the Gap targets, indicating how weakly the Agreement was embedded in mainstream performance systems.[34]

Institutional transformation

Priority Reform Three should become a funded, time-bound institutional transformation program—not a cultural-awareness initiative. Each portfolio should publish a transformation strategy co-approved with First Nations partners, identifying changes to policy authority, legislation where necessary, budget rules, procurement, regulatory practice, workforce, racism, cultural safety, service design, data, complaints, regional delegation and executive accountability. Central agencies and mainstream portfolios must be accountable alongside Indigenous affairs agencies.

The test of transformation is behavioural and distributive: who sets priorities, who controls funding, whose evidence counts, who delivers services, who owns data, who bears risk, and who can require correction? The Agreement already commits governments to systemic and structural transformation, elimination of institutional racism, meaningful cultural safety, service delivery in partnership, transparent funding and full engagement before, during and after policy change.[35]

Indigenous data governance

Priority Reform Four should be amended without further delay to recognise **Indigenous Data Sovereignty and Indigenous Data Governance**. The Joint Council has agreed in principle to such an amendment and to implement those principles in community data projects.[36]

Each Development Partnership Plan (DPP) should contain a binding data-governance agreement covering:

- what data is collected and why;
- Indigenous ownership, control, access and stewardship;
- consent, privacy and culturally restricted information;
- standards for linkage, disaggregation and quality;
- community access to government-held administrative data;
- rights to analyse, interpret and publish;
- local data infrastructure and workforce capability;
- benefit sharing and commercial use; and
- retention, withdrawal and destruction.

Communities require resources and technical capability—not merely permission—to use data. The Agreement's current Priority Reform Four already calls for access to the same information governments use, timely disaggregated data and support to build capability for collection, use and interpretation.[37]

[34] ANAO, 2026, *Performance Statement of Major Australian Government Entities – Outcomes from the 2024-25 Audit Program*, Paragraph 20 of the Executive Summary

[35] Priority Reform Three – Transforming Government Organisations in the CTG National Agreement

[36] Joint Council Response to the Productivity Commission's Recommendations in the Review of the National Agreement on Closing the Gap Final Report 2024

[37] Priority Reform Four – Shared Access to Data and Information at a Regional Level

Mapping to reforms – comparison with the CTG National Agreement

Development mechanism	Priority Reform effect	Expected contribution to outcomes
Co-owned DPPs and delegated decision rights	Gives practical effect to Priority Reform 1	Aligns services and investment with locally determined needs across all 17 outcome areas
Core, multi-year funding and ACCO transition pathways	Implements Priority Reform 2	Builds stable culturally safe delivery capacity in health, early years, housing, justice, disability and family safety
Cabinet/budget gateway, executive KPIs and portfolio transformation strategies	Makes Priority Reform 3 part of mainstream government business	Removes institutional barriers, improves service responsiveness and creates accountability for results
Indigenous data-governance agreements and local data capability	Implements Priority Reform 4	Enables local targeting, early warning, evaluation and community accountability
Pooled whole-of-government financing	Supports all Priority Reforms	Reduces fragmentation and supports integrated responses to interconnected outcomes
Local procurement and employment requirements	Supports community control and economic development	Builds income, skills, enterprises and local institutional capacity while delivering services
Independent oversight and open reporting	Strengthens mutual accountability	Creates consequences for inaction and supports public trust and continuous improvement
Adaptive evaluation and learning	Strengthens implementation across all reforms	Enables ineffective approaches to be corrected and effective approaches to be scaled
Community-owned strategies and legitimate governance compacts	Priority Reform 1 and enabling conditions across all reforms	Strengthens collective agency, representation and alignment with community priorities
Protected governance and capability funding; First Nations-led practitioner support	Priority Reforms 1, 2 and 4	Enables inclusive participation, informed negotiation, learning and community accountability

The causal proposition is straightforward. Better socio-economic outcomes depend on services and institutions that are trusted, accessible, culturally safe, locally informed and coordinated. Those qualities depend on sharing power, strengthening First Nations organisations, transforming mainstream systems and governing data locally. The Commission observed in 2024 that the consistent theme where outcomes improved was governments enacting the Priority Reforms.[38]

[38] Productivity Commission, 2024, *Review of the National Agreement on Closing the Gap*.

How the approach is expected to accelerate socio-economic improvements

A testable theory of change

The proposed causal chain is: secure community rights and legitimate governance, together with sustained capability support → stronger collective agency and better-informed priorities → negotiated authority and aligned government resources → earlier, more coordinated and culturally safe action → stronger intermediate outcomes → faster and more durable improvements in socio-economic wellbeing. Government transformation removes the administrative and institutional barriers that would otherwise interrupt this chain. Community development is therefore both a means of improving decisions and a valuable outcome in its own right.

Acceleration means reducing avoidable delay, fragmentation, disengagement and repeated policy failure, while increasing the effectiveness and durability of investment. This submission does not assign a numerical uplift or promise that all targets will improve immediately. The scale and timing of benefits depend on adequate funding, government compliance, local conditions, quality of implementation and the wider social and economic environment.

Pathways from reform to outcomes[39]

Early childhood and family wellbeing: community-led planning can connect maternal health, nutrition, housing, early learning, disability support and family assistance around children and families. Track attendance and service quality, timely support and family experience alongside developmental outcomes and healthy birthweight. Preschool enrolment success alone cannot ensure that these wider needs are being met.

Children in out-of-home care: stronger community governance and ACCO capability can support coordinated family preservation, early assistance and culturally grounded care. Child safety remains paramount. Statutory agencies must change referral, funding and decision practices where they obstruct prevention; they remain accountable for decisions under their control.

Adult imprisonment and youth justice: communities can help design coordinated prevention, diversion, justice reinvestment, housing, legal support, reintegration and employment pathways. These efforts require corresponding government action on justice institutions, policing, bail and sentencing settings where indicated by evidence and within the relevant jurisdiction's powers. Community development must not be used to shift responsibility for discriminatory systems onto communities.

Suicide and social and emotional wellbeing: locally chosen responses can connect culturally safe clinical care with cultural continuity, belonging, healing, family support and connection to Country. Governments must maintain accessible specialist services and crisis response. Evaluate community-defined wellbeing and continuity of support as well as suicide and self-harm outcomes.

Education, employment and livelihoods: community priorities can link learning, training, transport, childcare, procurement, enterprise and local jobs. Stable funding supports workforce retention and progression; local procurement can retain more value locally where viable suppliers and fair conditions exist. Measure job quality, sustained employment and distribution of benefits—not contracts or training enrolments alone.

Housing, essential services and Country: participatory planning can coordinate housing supply and maintenance, overcrowding responses, utilities, digital access and community infrastructure with cultural and environmental priorities. Legal land and sea interests are valuable cultural and enabling assets, but their increase alone does not demonstrate adequate housing, livelihoods or wellbeing.

These are proposed contribution pathways, not findings that the 2026 data report has established causal effects. Local strategies should specify the barriers they address, the government changes required, the resources involved, the intermediate results expected and the assumptions that may fail. National targets remain essential accountability measures, supplemented—not replaced—by community-defined measures.

Measuring whether acceleration is occurring

In the first 12 months, establish community-approved baselines for decision authority, representation, participation, governance capability, funding predictability, time taken to secure government decisions, and service continuity. Government reports should distinguish commitments completed from meetings held or training delivered. Community governance funding should begin during baseline development, not wait for perfect data.

Over years one to three, assess whether agreed authority has been exercised, funds are reaching communities on time, local workforce and organisational stability have improved, service pathways are more coordinated, and people report greater trust, accessibility, safety and influence. Disaggregate benefits where safe and agreed, including by age, gender, disability and place. Publish unresolved government barriers and required corrective action.

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39 The 2026 target classifications motivating these pathways are reported in Productivity Commission, Closing the Gap Annual Data Compilation Report July 2026. The sector pathways and evaluation proposals are the submission's recommendations, not causal estimates from that report.

Over years three to five and beyond, examine outcome trajectories against agreed baselines and relevant pre-existing trends. Use community-led qualitative inquiry, administrative data and proportionate independent evaluation, including credible comparison approaches where feasible, ethical and agreed. Assess contribution rather than automatically attributing national change to individual plans. Report data lags, small population uncertainty, external influences and unintended harms. Do not withhold urgent assistance merely to create an evaluation comparison.

Acceleration should be judged by stronger, sustained trajectories and more equitable benefits, not only by whether one year's national target classification changes. If governance processes improve without better service experiences or intermediate outcomes, examine the assumed causal links and reform blockages. If outcomes improve without greater community agency, the policy has not yet fulfilled its people-centred purpose.

Why community development and institutional transformation must operate together

No individual service model can close the gap while the system that decides priorities, allocates resources and defines accountability remains substantially unchanged. Additional programs inserted into the existing machinery are likely to reproduce fragmentation and short-termism. Conversely, governance reform without adequate investment in housing, health, education, justice, safety, infrastructure and jobs would be empty processes.

People-centred community development joins investment in services and infrastructure with the collective capability to govern development and institutional reform that makes governments responsive to community decisions. It is not a substitute for sector expertise, adequate public expenditure or enforceable rights. Nor is it a claim that all local institutions are automatically representative or effective: legitimacy, inclusion, safeguards, support and evaluation must be built into the approach.

The case for this systemic reform direction rests on five propositions:

1. **The present trajectory is inadequate**: only four of 19 socio-economic targets are met or on track, four are worsening, and progress against four cannot be assessed. The inability to assess progress must not be confused with having no data at all.[40]
2. **The diagnosed barriers are systemic:** both major reviews identified failures of power sharing, funding, government transformation, data and accountability rather than merely a shortage of isolated programs.[41]
3. **The Agreement already identifies the causal enablers:** the Priority Reforms are intended to accelerate socio-economic outcomes.[42]
4. **Development practice provides an implementable operating model:** ownership, alignment, locally led action, long-term planning, results and mutual accountability are established principles that DFAT has translated into plans, investment systems and evaluation.[43]
5. **Self-determination is both a right and an effectiveness condition:** Indigenous peoples have the right to determine development priorities and participate through their own representative institutions.[44]

Government must therefore enable community agency while correcting the policy settings and mainstream institutional practices within its own control. Different local models should be supported and evaluated against common principles of rights, community legitimacy, adequate resources, service quality and measurable improvements in wellbeing.

Implementation roadmap

First 12 months

- Amend the Agreement to state explicitly that self-determination is the purpose of Priority Reform One and to recognise Indigenous Data Sovereignty and Governance under Priority Reform Four.
- Agree a First Nations People-Centred Community Development Policy through a funded First Nations-led design process, with a joint taskforce reporting to the Joint Council.
- Legislate statutory independent accountability mechanisms or publish time-bound exposure drafts.

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[40] Productivity Commission, Closing the Gap Annual Data Compilation Report, 2026

[41] Jumbunna Institute for Indigenous Education and Research, UTS, 2025, *Closing the Gap Independent Aboriginal and Torres Strait Islander -Led Review*

[42] Chapter 6 – Priority Reform Areas for Joint National Action in the CTG National Agreement

[43] DFAT, July 2026, *International Development Programming Guide*

[44] United Nations Declaration on the Rights of Indigenous Peoples

- Establish the Joint Development Partnership Secretariat.
- Complete an expenditure, contracting, workforce and data baseline across all jurisdictions.
- Invite a diverse first cohort of communities to opt in; fund community deliberation, governance mapping, strengths assessments and independent advice before negotiating development plans or assessing readiness.
- Introduce the Cabinet and budget alignment gateway and interim commissioning rules.
- Protect existing ACCO funding and service continuity; establish a dedicated community governance and capability funding stream additional to service-delivery funding.

Years one to two

- Support participating communities to adopt their own development strategies and governance arrangements; negotiate the national DPP, initial sector DPPs and place-based government commitments that support them.
- Move eligible fragmented grants into pooled multi-year financing arrangements.
- Publish localisation and service-transition targets.
- Launch the development portal and common performance framework.
- Fund First Nations community development practitioners and community-selected mentors; commence reciprocal secondments, public-service capability development and executive-accountability arrangements.
- Establish local data-governance agreements and fund First Nations data capability.
- Commission independent baseline evaluations and community assessments of authority, participation, trust, inclusion and responsiveness; publish agreed government transformation milestones.

Years three to five

- Expand place-based DPPs where communities choose participation.
- Transfer agreed functions and resources on negotiated schedules, supported by funded capability development and independent assessment. Publish and review government as well as community readiness; do not allow unilateral readiness tests to become permanent vetoes.
- Conduct and publish mid-cycle DPP reviews.
- Scale approaches showing credible contribution to outcomes; redesign or stop those that do not.
- Embed development obligations in all relevant national agreements and mainstream funding arrangements.
- Review the adequacy of statutory powers, financing and dispute-resolution arrangements.

Years five to ten

- Consolidate mature partnership institutions and longer-term financing.
- Assess whether community authority, inclusive participation, collective capability, funding control, Indigenous procurement and data governance have materially strengthened, and whether government has met its transformation obligations.
- Undertake independent impact and systems evaluations against socio-economic trajectories and community-defined measures.
- Negotiate successor DPPs and revise targets where required, without reducing ambition or accountability.

Risk management

Risk	Mitigation
Government rebadges existing activity as development	Independent accreditation of DPPs; public baseline; material tests of transferred authority and resources
Consultation replaces power sharing	Written decision rights, consensus rules, delegated budgets and dispute mechanisms
Elite capture or inadequate local accountability	Community-selected representation, transparent conflicts rules, inclusive governance, local reporting and recall/review mechanisms
Smaller organisations carry excessive compliance burdens	Proportionate assurance, pooled back-office support, core funding and harmonised reporting
Capability gaps delay transition	Funded capability plans, institutional twinning, staged transfer and workforce pipelines
Service continuity is disrupted	Phased transition, readiness assessments, continuity safeguards and joint risk registers
Governments devolve responsibility without resources	Additionality rule, costed responsibilities, enforceable financing commitments and independent review
Poor performance is concealed	Open results portal, independent evaluation, protected escalation and publication of management responses
Data sharing causes harm or loss of control	Indigenous Data Governance, consent, privacy, cybersecurity and culturally restricted-data protocols
One model is imposed on diverse communities	Community opt-in, subsidiarity, flexible institutional forms and context-specific DPPs
Community governance is reduced to corporate compliance	Fund community deliberation, organising, cultural authority and accountability to members, not only council or board training
Readiness tests indefinitely delay power sharing	Fund support from entry; negotiate staged authority and review dates; assess government readiness independently
Unpaid participation excludes people or causes burnout	Fund participation costs, accessible engagement, practitioner support and reasonable remuneration
Outcome gains are overstated or attributed without evidence	Publish assumptions, baselines and data limitations; assess contribution, external influences and unintended effects

Recommendations

The Productivity Commission should recommend the Parties:

1. Adopt a First Nations People-Centred Community Development Policy as the overarching approach for implementing Closing the Gap, grounded in self-determination, rights, culture, Country, community agency and holistic wellbeing.
2. Amend and implement the National Agreement to embed community-led development, self-determination, Indigenous Data Sovereignty and funded community governance and participation alongside ownership, alignment, transparency and mutual accountability.
3. Require community-owned development strategies supported by national, sectoral and opt-in place-based Development Partnership Plans, with ten-year horizons, negotiated decision rights, costed government commitments and community approval of material changes.

4. Strengthen the Joint Council as national steward; establish a jointly governed Development Partnership Secretariat and a First Nations-led community development support function accessible to communities, without displacing their authority.
5. Create legislatively protected independent oversight in every jurisdiction, with information gathering powers, guaranteed funding, public reporting and authority to require remedial action. The Commonwealth's independent oversight mechanism to include oversight in states and territories which do not establish such mechanisms.
6. Transform Cabinet, budget, regulatory, procurement and intergovernmental processes through a mandatory community-development alignment gateway, co-approved portfolio transformation strategies and enforceable executive responsibilities, supported by appropriate legislation and delegations.
7. Establish protected, sustained core funding for community governance, paid participation, independent advice, development practitioners and collective capability, separately identified from services funding; replace fragmented short-term grants with predictable multi-year development finance.
8. Mandate First Nations localisation and transition plans in relevant procurements, with transparent targets for ACCO funding, Indigenous procurement, employment, leadership and capability transfer.
9. Publish comprehensive expenditure and investment data, including mainstream expenditure, intermediary costs, provider type, funding duration, location and links to results.
10. Establish a three-tier Performance and Delivery Framework that measures community authority, governance capability and wellbeing alongside the 19 national socio-economic targets; publish baselines, leading indicators and the government actions expected to affect outcome trajectories.
11. Require independent evaluation, real-time learning and published management responses for significant investments, with First Nations evaluators and knowledge holders included throughout.
12. Build community and public-service capability together: resource First Nations-led governance learning, community organising, development practitioners and peer networks, alongside a professional public-service capability framework, reciprocal secondments and executive performance obligations.
13. Implement Indigenous Data Governance across the full data lifecycle and resource regional First Nations data institutions and workforces.
14. Protect universal government obligations, rights and service continuity. Devolution must carry agreed authority, adequate resources, safeguards and support. Communities must retain the right not to opt in, and community readiness tests must never excuse government inaction.
15. Commence immediately through funded community opt-in and staged implementation; require 12-month reporting on government transformation and independent review within three years of whether stronger community governance and capability are contributing to improved outcomes.

Closing proposition

The National Agreement was founded on recognition that better outcomes require a fundamentally new relationship between governments and Aboriginal and Torres Strait Islander peoples. Six years later, the data and two major reviews show that this transformation has not occurred at the required scale.

The required transformation is from administering disadvantage to enabling First Nations peoples to determine and pursue their own futures. Community governance and collective capability are essential development infrastructure. Funding them is an investment in the ability to make better decisions, mobilise local strengths, coordinate prevention, build livelihoods and hold institutions accountable—not an administrative overhead to be minimised.

The Commission should recommend a First Nations people-centred community development policy backed by changes to government power, institutions, budgets and behaviour. Its success should be judged by whether communities gain genuine authority and capability, governments honour their commitments, and people experience sustained improvements in safety, health, learning, livelihoods, housing, culture and connection to Country. The Commission's 2026 results demand this scale of reform, while rigorous community-led learning and independent evaluation must establish what works, for whom and under what conditions.