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## **NRSCH Q & A**

### *Other NRSCH related questions*

#### **Do providers need to meet all of the metrics or do they just need to demonstrate that they have a process towards meeting the metrics?**

The metrics are there to provide the Registrar with a basis for being satisfied that the provider will comply with the conditions of registration if it is registered.

Data from providers is used to calculate key performance metrics. In order to ensure regulatory activity is targeted at performance outcomes and requirements where more assurance about capacity to comply or compliance is required thresholds have been established for the majority of these metrics. These are used by analysts as an indicative guide to a provider's capacity to comply or compliance with the NRC. For the majority of these thresholds 'tolerance ranges' have also been set.

The thresholds do not solely determine capacity or compliance. Rather, they provide a transparent level of performance as a starting point against which performance results can be assessed. Performance results that are below a threshold will raise a flag that there may be a performance concern to be addressed in the assessment of the provider's capacity or ongoing compliance. Providers who do not meet a threshold will have an opportunity to explain or make comments either on their return and / or in subsequent engagement with the analyst. An action plan to meet the performance threshold may be an appropriate piece of evidence to demonstrate capacity. It will depend on the circumstances as in some instances (for example) there may be satisfactory explanations for performance being below a threshold.

*Source: CHFA website*

#### **What constitutes 'major refurbishment' in Community Housing Summary and Performance Reports document?**

Generally developers of scale will be involved in projects that involve them directly contributing to the funding, procurement and project management of new construction and/or major refurbishment of existing properties. Scale is defined in terms of a national market.

Typically refurbishment would involve the planned remodelling, refashioning and/or extensive exterior and interior renovation of a housing estate or development. It may be part of a wider regeneration scheme. It is unlikely this could be accomplished with tenants in



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occupation. It would not be considered 'at scale' if it involved a small number of individual units.

*Source: CHFA website*

### **What is a 'notifiable event? When and how do we notify Registrar? Is it the board's responsibility to report any changes for compliance?**

Yes, providers must notify the Primary Registrar of the following occurrences as soon as is practicable after the provider learns of the occurrence and/or within the following specified timeframes:

- a decision to appoint a voluntary administrator or to wind up the provider
- the appointment of a receiver to the provider
- a decision to apply for the cancellation of the provider's registration (at least 28 days prior to the application)
- a change in the provider's affairs that could adversely impact its compliance with the relevant community housing legislation (no more than 72 hours after the change)
- a decision to conduct a vote at a meeting on a matter that could affect the provider's category of or eligibility for registration (at least 28 days prior to the meeting)
- any other occurrence of which the provider is notified by the Primary Registrar.

The Office of the Registrar plans to issue further guidance notes on 'notifiable events' soon.

*Source: QLD Registrar's office 22 April 2014*

### **Affiliated entity – What is the definition of an 'affiliated entity', what are the affiliated entity reporting requirements, and why are they relevant to registration?**

Affiliated entities can be entities related to the registered provider as a result of a corporate relationship (e.g. a related body corporate), as a result of a contractual relationship (e.g. a service provider), or otherwise. The key element is the potential for the relationship or arrangement to have a material effect on the provider's ability to comply with its obligations under the National Law. Detailed guidance notes on affiliated entities - 'Affiliated Entity Arrangements' - can be downloaded from the 'Publications' section of the NRSCH website.

*Source: QLD Registrar's office 22 April 2014*

### **What if our organisation is not happy with the registration outcome, can we appeal it?**

Yes, housing providers can lodge an appeal through the appeal tribunal in their [primary jurisdiction](#) if they do not agree with the outcome of - their registration application. Please



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contact the Office of the Registrar for further details regarding the appeals process in Queensland.

*Source: QLD Registrar's office 22 April 2014*

### **What are the ongoing compliance obligations?**

Tier 1 and Tier 2 providers are required to complete and submit a Compliance Return to their Primary Registrar via the CHRIS portal every 12 months. Tier 3 providers are required to complete and submit a Compliance Return every 2 years.

All providers will also have regular reporting requirements. Providers are expected to continuously monitor their own compliance and disclose to their Primary Registrar anything that may adversely affect their compliance.

An example of this would be any event or circumstance that may adversely affect the reputation of the Community Housing Sector including any media situations that may arise.

Another example may include the organisation going into voluntary administration or receiving a large amount of housing stock.

*Source: QLD Registrar's office 22 April 2014*

### **Are Indigenous Community Housing Organisations required to register under the NRSCH?**

Any community housing provider who aims to continue delivering a funded social housing service must apply for registration under the NRSCH within the application period (before 31 December 2014). The Act defines a 'social housing service' as the provision of accommodation to individuals for residential use – other than crisis accommodation. This definition applies to Indigenous Community Housing Organisations which have received funding assistance from the Queensland Government for this purpose.

*Source: Department of Housing and Public Works (March 2014)*

### **What are our options if we choose not to register?**

Organisations that choose to opt out of the social housing system will need to come to an agreement with the department about disposing of their funded assets. Funded assets include cash and capital. Community housing providers that choose not to register - or who do not meet registration requirements - must dispose of their funded assets in a way prescribed in the Housing Regulation 2003, by the end of the NRSCH transition period (30 June 2015).



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The department will require the provider to return any surplus and any unspent funds, and dispose of any funded capital assets by either:

- Transferring the assets to another organisation that has the capability and intent to achieve registration under the NRSCH (the department will need to approve any transfer)
- Paying the department a sum of money equal to the value of the department's interest in the asset (paying out the contingent liability)
- Selling the asset.

Fact sheets have been developed to provide information about ending funding arrangements and options for the disposal of community housing assets. To request fact sheets or discuss options, providers should contact Community Housing Provider Management and Development on (07) 3224 5597 or email:

[CHPMD.Transition@communities.qld.gov.au](mailto:CHPMD.Transition@communities.qld.gov.au)

*Source: Department of Housing and Public Works (March 2014)*

### **Are there protocols being developed between the Registrar and the funding body (Department of Housing and Public Works) to avoid duplication in reporting?**

Community housing providers will have new reporting requirements on both the regulatory and funding sides once the new arrangements are embedded. The transition period for the legislation allows all parties to shift their business towards a new way of working. The Queensland Government has committed to significant red tape reduction for providers and to developing a streamlined funding-side reporting framework.

There may be some instances in which both the Registrar and Housing Agency would require the same information from a provider. The Registrar and Housing Agency would be using that information for different purposes. Consistent with the information sharing protocols, the permission of the provider would be sought before any information received as part of the NRSCH is shared with the funder. The intention is to minimise the burden on providers by not having two different formats in which to supply the same information.

*Source: CHFA website*

### **What is the framework that a Registrar will use to determine that an organisation is viable if their outcomes do not meet the threshold or fall outside a range? What is an acceptable 'margin of deviation' - 5%/10%? How is that determined or what framework is used in case by case decisions?**

There is no set margin of deviation. The Registrar will use a range of factors to consider whether the organisation is viable. The most critical is whether there are sufficient liquid assets to meet liabilities as they fall due. There is a clear legal requirement that



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organisations are not in a position where they can't pay their bills (or are 'trading while insolvent'). Apart from that, Registrar will discuss the reasons for figures outside the range and establish what the organisation is doing to manage the situation. The decision on what should happen next would depend on the evidence that an organisation can provide that the situation is understood and under control and that it is working to improve things

*Source: CHFA website*