



SHELTER
because housing matters

NRSCH Q & A

Performance Outcome 4 - Governance

Will providers need to be certified as compliant with ISO31000 or just consistent with it? What are the acceptable guidelines for providers to how they are consistent?

Tier 1 and 2 providers will need to be consistent with ISO31000, but not certified as compliant, and utilise ISO31000 as a guidelines for practice with respect to risk management. Adoption of this standard is not a prerequisite. However, it is anticipated that providers will review ISO31000 and where appropriate, ensure their risk management practices are informed by and align with its guidelines.

Source: CHFA website

Can a housing provider who operates under a parent organisation outsource the risk management to the parent organisation?

Each provider is responsible for their risk management and mitigation. As such the provider needs to demonstrate they are in control on their risk strategies. They can outsource tasks associated with risk identification and management, but cannot outsource the responsibility.

Source: CHFA website

Can a housing provider submit redacted Board minutes to protect commercial-in-confidence information?

The agreed Information Sharing Guidelines for the NRSCH say in part " Participating jurisdictions have also agreed the following: Registrars will not share any commercial-in-confidence or Board-in-confidence material without the consent of the provider"

It is up to the provider to submit sufficient evidence that will demonstrate their capacity to comply with performance outcomes. The registrar will assess this evidence and decide if further information is required. In view of the Information Sharing Guidelines above, full minutes of meetings are required. It is acknowledged that the minutes may contain commercial-in-confidence information and it is suggested that these be marked accordingly. All Registrars and their staff are bound by their government's Code of Conduct and have agreed to the information sharing guidelines which provide assurance that commercial-in-confidence information will not be shared unless agreed with the provider

Source: CHFA website



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Are all providers required to change auditors every 5 years? Does this mean changing specific auditor, or the whole firm?

One of the factors the Registrar takes in to account in assessing the financial viability of Tier1 and Tier 2 providers is the length of time the provider's external auditor has been engaged. Good governance practice suggests that, in order to maintain the necessary independence of the auditor, the same individual should not play a significant role in audit for too long a period of time. This approach is reflected, for example, in the Corporations Act 2001 (Cth), which provides that the same individual cannot "play a significant role" in the audit of a listed company for more than five years, unless he or she has taken a break of at least two successive years after the end of the five year period. An individual plays a significant role if they are appointed as an individual auditor, act as such and prepare the audit report. It also includes where an audit firm or Audit Company is appointed, and the person is a registered company auditor acting as a lead auditor or review auditor.

As providers are not listed companies, they are not subject to this statutory auditor rotation requirement. However Registrars consider that the practice of requiring a change in auditor (if an individual auditor is appointed) or in lead auditor or review auditor (if an audit firm or audit company is appointed) every five years is a sound one. The five years would begin from the time the auditor was appointed.

Source: CHFA website

Section 4a. When looking at thresholds in PO4 section" a" what does the 80% quorate threshold means?

80%- governing body meetings held where the membership was at or above the mandated quorum as a percentage of total governing body meetings held.

Source: CHFA website

The threshold for the number of meetings of an organisations audit committee is 4 times per year. What if the audit committee doesn't meet 4 times per year but meets 3 times per year?

The metrics are an indicator and where a provider does not meet a threshold this will be a line of enquiry for an analyst to follow up. Generally if the explanation provided is consistent with the operating context and characteristics of the provider (i.e. it meets sufficiently often to undertake its role effectively) it will be considered acceptable.

Source: CHFA website



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What are the requirements of NRS relating to the winding up of an organisation?

The provider must have provision in its constitution for all its remaining community housing assets to be transferred to another registered community housing provider in the jurisdiction in which their assets are located, in the event of the provider winding up.

This condition must be met before an organisation can be registered under the National Law.

Source: QLD Registrar's office 22 April 2014