

## Priorities for implementation – outcomes of the NRSCH Data Review

This paper represents a summary of the outcomes of the NRSCH Data Review and sets the path forward for the implementation of key priorities for NRSCH Registrars.

The priorities in this paper were informed by feedback received following consultation on the [Data needs of the National Regulatory System for Community Housing Recommendations paper](#). Some priorities, such as benchmarking, property data collection and segmentation, are part of the tools needed by Registrars to undertake their functions under the National Law. These tools can be used in measuring performance, making decisions and determining the level of engagement with community housing providers (CHPs). Other priorities, such as data integrity, the environmental scan, regulatory reporting and sharing data and insights, form the building blocks necessary for the NRSCH to implement a more tailored regulatory approach that can provide benefits for providers, Registrars and the broader sector.

Some priorities will require further consultation with the sector to inform the planned changes. Registrars are committed to a collaborative approach and the involvement of the industry in the quality improvement process.

<b>Objective 1: Support the growth and development of the community housing sector through improved confidence in regulatory assurance</b>	
<b>Recommendation</b>	<p>That Registrars develop improved and streamlined approaches to engaging with registered providers through tailoring data and intelligence to provider circumstances.</p> <p>Specifically, that Registrars examine options for segmenting providers based on their business risk profiles, ownership structures and geographic location, and tailoring evidence requirements to these segments.</p>
<b>Scope</b>	<ul style="list-style-type: none"> <li>➤ Changes to the National Regulatory System for Community Housing (NRSCH) business processes have a cost implication. These include:                             <ul style="list-style-type: none"> <li>○ tailoring of evidence requirements to segments or provider profiles</li> <li>○ ongoing access to the provider portal</li> <li>○ partial or full decommissioning of the Community Housing Asset Performance Report (CHAPR)</li> </ul> </li> </ul> <p>It is proposed that this work is explored over the medium term and in consideration of data needs arising from the NRSCH review. Other Community Housing Regulatory Information System (CHRIS) changes identified will be managed through existing resources.</p> <ul style="list-style-type: none"> <li>➤ Tiers currently act as a strategic sorting mechanism and assist basic ordering functions such as scheduled engagement, evidence levels and regulatory resource allocation. Tiers have been omitted for the segmentation deliberations as Tiers will be considered as part of the NRSCH review.</li> <li>➤ Section 15(2)(i) of the National Law states that a provider <i>‘ must keep a list of all of the provider’s community housing assets in a form approved by the Registrar and must make the list available to the primary Registrar on request.’</i></li> </ul>

<p><b>Priorities for implementation</b></p>	<p><b>Segmentation</b></p> <ul style="list-style-type: none"> <li>➤ Development of a framework to compare like providers by segmentation based on a single or combination of indicators to form a provider profile. <i>Appendix A</i> identifies the proposed framework for segmentation and provider profiles.</li> <li>➤ Testing and refinement of segmentation data over a 3-6 month period commencing in early 2020. <i>See also Section 3 of this table: Benchmarking.</i></li> <li>➤ Monitoring of the NSW Tier 3 evidence requirement pilot and development of learnings for future consideration.</li> <li>➤ Sharing de-identified insights with individual providers during the test phase.</li> <li>➤ Progress reported to the Regulatory Advisory Group in May 2020.</li> </ul> <p><b>Property data collection</b></p> <p><u>Phase 1 – data collection and storage</u></p> <ul style="list-style-type: none"> <li>➤ Collection of property data in the required format for new registered providers from early 2020.</li> <li>➤ Collection of property data from existing registered providers to commence in early-mid 2020.<sup>1</sup></li> <li>➤ Analysis of CHAPR to identify obsolete data collection items.</li> <li>➤ System changes for collection of property data</li> </ul> <p><u>Phase 2 – Maintenance of property data</u></p> <ul style="list-style-type: none"> <li>➤ Scoping of existing system functionality to enable the update of property data through the provider portal on an ongoing basis.</li> <li>➤ Business rules for the management of property data</li> <li>➤ Changes to be delivered by late 2020 to align with Tier 1 and Tier 2 compliance round</li> </ul> <p><b>Financial Performance Reporting (Phase 1)</b></p> <ul style="list-style-type: none"> <li>➤ Communication to providers identifying specific changes and the distribution of the new template for provider testing by early 2020</li> <li>➤ Removal of the requirement for third year historical data in the Financial Performance Report (FPR) to reduce the burden for Tier 1 and Tier 2 providers</li> <li>➤ Implementation of revised FPR in CHRIS by mid-2020.</li> </ul>
---	---

<sup>1</sup> To reduce the burden on providers they will be provided with an option to validate funder data or submit the required information. For the initial data collection there will be flexibility in the format for providers. However future data collection will be required to submit in format agreed by Registrars.

<p><b>How we will engage with the sector</b></p>	<p>Registrars have reviewed the feedback received from stakeholders in relation to segmentation, property data collection and financial performance reporting.</p> <ul style="list-style-type: none"> <li>➤ In line with sector feedback, advice in relation to changes to the FPR and the collection of property data will be communicated as early as practicable to allow providers time to prepare their systems for the changes.</li> <li>➤ In recognition of the potential burden on providers, registrars have agreed to flexibility in the format in which the data is submitted for the initial property data collection.</li> <li>➤ Further consultation will be undertaken with the sector in relation to the maintenance of property data following the initial data collection and the development of the segmentation framework.</li> <li>➤ Reporting and consultation will also continue through existing governance arrangements with the Regulatory Advisory Group.</li> </ul>
<p><b>Vision for the future</b></p>	<ul style="list-style-type: none"> <li>➤ Comparative performance analysis based on segments and benchmarks</li> <li>➤ Tailored evidentiary requirements based on segments and the provider profile</li> <li>➤ The development of a system for the update of property data aligned with the Victorian approach including the capacity to update property information through the provider portal at any time.</li> <li>➤ The ultimate goal is to develop a modular FPR which requires financial performance data from providers that is proportionate. Any further changes to the FPR will be considered in the context of the findings of the broader NRSCH review.</li> <li>➤ Expansion of property data collection to include performance data</li> </ul>

<b>Objective 2: Strengthen Registrars’ ability to serve the objects of the National Law through greater industry insights</b>	
<b>Recommendation</b>	<p>That Registrars develop mechanisms to share data with appropriate parties such as funding agencies who also collect data on providers to reduce ongoing burden and improve insights into the sector.</p> <p>Specifically, that Registrars enter into discussion and reach agreement with relevant stakeholders to support the sharing of relevant and appropriate data, and increase the publicly available information on the performance of providers.</p>
<b>Scope</b>	<ul style="list-style-type: none"> <li>➤ The publication of individual provider performance data requires a staged process of improving data integrity and collection and the implementation of a robust and flexible framework for segmenting providers, in consultation with the sector.</li> <li>➤ This work may have dependencies and linkages to the findings of the broader NRSCH review.</li> </ul>
<b>Priorities for implementation</b>	<p><b>Sharing data and insights</b></p> <ul style="list-style-type: none"> <li>➤ Formalise a mutual commitment with the NHFIC to share information at both the provider and sector level</li> <li>➤ Continued participation in the NHHA data improvement working group</li> <li>➤ Collection of data from providers to understand any reporting requirements they may have with other regulatory or reporting bodies</li> </ul> <p><b>Regulatory Data Reporting</b></p> <ul style="list-style-type: none"> <li>➤ Preliminary internal testing of data to identify data integrity issues and to test the application of the segmentation framework. <i>See Objective 3 – Data integrity</i> for further details</li> <li>➤ Progress reported to the Regulatory Advisory Group in May 2020</li> </ul>
<b>How we will engage with the sector</b>	<ul style="list-style-type: none"> <li>➤ Registrars are supportive of reducing any unnecessary reporting compliance costs and will continue to engage with the sector on opportunities to share data and reduce the burden on providers.</li> </ul>

	<ul style="list-style-type: none"> <li>➤ The publication of performance data requires a staged approach of improving data integrity and implementation of a segmentation framework. Registrars will work collaboratively with the sector on improving the quality of reported data and the development of a reporting framework that improves the transparency of provider and sector performance.</li> </ul>
<p><b>Vision for the future</b></p>	<ul style="list-style-type: none"> <li>➤ Interactive online reporting</li> <li>➤ From August 2019 the NRSCH commenced the collection of data in relation to other regulatory or reporting bodies individual providers have a relationship with. The collection of this information is the basis for a project to investigate regulatory and reporting requirements of other agencies. The intent of this project is to reduce the burden on providers through the elimination of duplication and the sharing of data. Proceeding with this project has a cost implication and may be considered as part of the NRSCH Review.</li> <li>➤ Scoping of opportunities to work with the AIHW on the tenant satisfaction survey</li> <li>➤ National data repository that collects a nationally agreed data set which can be accessed by key stakeholders for reporting purposes</li> </ul>

Objective 3: Build capability and capacity within the regulatory system through improved transparency of the performance of individual providers	
<b>Recommendation</b>	<p>That Registrars improve the information available to providers and other stakeholders about the performance of providers and the challenges in the environment in which they operate.</p> <p>Specifically, that Registrars examine options for aligning the reporting period of data to facilitate meaningful comparison between providers, validation mechanisms for providers reported performance data to ensure accuracy, and publication of key information about the business environment.</p>
<b>Scope</b>	<ul style="list-style-type: none"> <li>➤ External reporting of benchmark data is subject to continuing consultation with the sector</li> <li>➤ The production of the Environmental Scan will be supported by jurisdictional resources through the Analytic Information Reporting Community of Practice.</li> </ul>
<b>Priorities for implementation</b>	<p><b>Data Integrity</b></p> <ul style="list-style-type: none"> <li>➤ Rolling annual cycle of review of NRSCH data definitions, and relevant guidance materials in areas that are agreed to have a material impact in regulatory decision making</li> <li>➤ In parallel Registrars will work to ensure that providers have appropriate internal processes/ capabilities to assure the quality of their own data</li> <li>➤ Data quality audits/ evidence requests will be linked to and conducted with the compliance assessment process to ensure burden is minimised</li> <li>➤ Enhanced CHRIS validation, where possible, informed by the review of data definitions and relevant guidance material</li> </ul> <p><b>Benchmarking</b></p> <ul style="list-style-type: none"> <li>➤ Internal benchmark testing for a 3-6 month period aligned with segmentation testing and the collection of property data.</li> <li>➤ Reporting of benchmark data to Tier 1 and Tier 2 providers from the 2020 compliance round, subject to consultation with the sector</li> <li>➤ NRSCH Registrars will continue to work towards the development of standardised individual financial and service delivery benchmark reports in consultation with providers and the broader community housing sector.</li> </ul>

	<p><b>Environmental Scan</b></p> <ul style="list-style-type: none"> <li>➤ Initial Environmental Scan to be published December 2019</li> <li>➤ Future Environmental Scans to be published annually to coincide with the release of the NRSCH Annual Overview.</li> <li>➤ Environmental Scan will be utilised to identify key trends for deep dive analysis by Registrars during 2020</li> </ul>
<p><b>How we will engage with the sector</b></p>	<ul style="list-style-type: none"> <li>➤ Registrars have committed to engaging in a shared dialogue on how registrars can work with peaks on the evolution of benchmarking</li> <li>➤ Reporting and consultation will also continue through existing governance arrangements with the Regulatory Advisory Group.</li> <li>➤ Draft definitions and guidance notes about data quality and integrity priorities will be circulated outside of the compliance cycle for provider feedback</li> </ul>
<p><b>Vision for the future</b></p>	<ul style="list-style-type: none"> <li>➤ An enhanced regulatory approach that considers the timing of the collection of data and the currency of reporting data</li> <li>➤ Public reporting of performance measures against benchmarks</li> </ul>



<b>Recommendations for the broader NRSCH Review</b>	
<b>Recommendations</b>	<p>Based on the analysis of data and feedback from stakeholders during the Data Review the following recommendations have been identified for further consideration by the broader NRSCH Review in any redesign of the regulatory system:</p> <p><b>Recommendation 1:</b> Investigation of a single system and process for reporting for providers allowing access to data for all relevant reporting agencies that have reporting requirements in place for the provider.</p> <p><b>Recommendation 2:</b> Increased powers for registrars to exchange information with other trusted parties to reduce the burden on providers and facilitate better insights into the sector.</p> <p><b>Recommendation 3:</b> Investigate options for data connectivity to identify tenant outcomes through tracking the movement through the housing continuum over time.</p>

# Phase 1 – Profile, Flexible Segments & Benchmarking

