

NRSCH Guidance Note

Aim

The aim of this guidance note is to reduce inconsistencies in core community housing reporting of tenant, tenancies, and residents.

Background - Residents and tenancies

The Regulatory Framework ([link](#)) sets the objectives of the National Regulatory System for Community Housing (**NRSCH**). This guidance note assists a consistent regulatory environment supportive of sector growth and confidence through advice on better practice reporting standards.

Registrars have identified inconsistencies in national reporting regarding the definition of tenancies and tenancy units within Performance Outcome 6 property utilisation due to variations in information supplied by providers. Inconsistencies in reporting of tenancies and tenancy units impacts:

- Understanding capacity or scale of specialist homelessness services, group homes or others
- Understanding occupancy rates
- Metric calculations that use tenancy units and rent, such as rent foregone (financial)
- Assessing scale and scope of operations (Tier assessments)
- National Reporting on the capacity/coverage of NRSCH registered providers
- Understanding future development aspirations
- Numbers of assets

If inconsistent information is received:

- A provider could potentially be placed in the incorrect Tier or Segment. For the provider this could mean greater regulatory scrutiny and unnecessarily increased reporting burden.
- A provider may have their performance *under-reported* or *over-reported* in benchmarks and annual reporting. This could mean when compared with other similar providers they do not seem to be performing as well, which could impact on future investment opportunities.

Registrars' Guidance

The term *resident* is used in particular accommodation agreements under applicable legislation in jurisdictions. *Residents* may have an agreement called a *residency*, *rooming*, *occupancy* or *accommodation* agreement. For the purposes of NRSCH a *resident* is taken to be the equivalent of a *tenant*. **This means when reporting on tenancies (the number of tenancy agreements) providers are expected by the Registrars to include residents on residential agreements.**

When Registrars request information on tenancy agreements or tenancy units, such requests are inclusive of differently named agreements and rental units. For example:

- A *residential unit* is also taken to be the same as a *tenancy unit*.
- A request for numbers of tenancy agreements is expected to be inclusive of rooming agreements or rental agreements.

Definitions

Definitions are aligned to the national community housing terminology used by providers, governments, research, and advocacy bodies. For instance, the term *tenancy unit* has a particular meaning under the Australian Institute of Health and Welfare data dictionary to which the NRSCH aligns.

The different funding programs and policy settings across jurisdictions have led to varied definitions in contracts. However, under the NRSCH the goal is to count the number of accommodation agreements helping people, and units of accommodation consistently to give a true picture of the community housing sector across Australia.

The term *tenant* is key and deliberately covers differing tenancy types. The use under the NRSCH allows for differences under funded program or legislation to be catered for and consistently recorded in the CHRIS system at registration and compliance.

The following definitions apply under NRSCH.

- A **tenant** is the person or household that has the right to occupy a dwelling under a tenancy (or equivalent) agreement. A tenant occupies one or more rooms of a dwelling as that person's main residence. A resident in a residential service or rooming house is the equivalent of a tenant.
- **Tenancies** are defined as person(s) or households under individual tenancy (or equivalent) agreements. A tenancy agreement refers to the legal agreement between the landlord and tenant under relevant legislation for the provision of an accommodation service. A provider would count the rental agreements in place to determine the number of **tenancies**.
- A **tenancy unit** is a dwelling (or part of a dwelling) to which a rental agreement can be made. A **tenant** occupies a **tenancy unit**. In most cases there will only be one tenancy unit within a dwelling structure (e.g. a house). In some cases (for example rooming houses, residential service, group homes) there is usually more than one tenancy unit per dwelling (for example to the room level in a house). The term **residential unit** is the equivalent of **tenancy unit**.
- **Household**: A group of two or more related or unrelated people who usually reside in the same dwelling, and who make common provision for food or other essentials for living. A household can also be a single person living in a dwelling who makes provision for his or her own food and other essentials for living, without combining with any other person.

Examples:

Example 1

A provider has 2 x 3-bedroom houses. Each house in its entirety is rented out to families in need for the entire year. Because the agreement is at the house level there are:

- 2 *tenancy units*
- 2 *tenancy agreements*
- 2 *tenancies*

Example 2

A provider has 4 x 4-bedroom houses that are funded by the state and are used to house *residents*. These residents consider themselves as living in boarding houses. The provider generally houses unrelated persons per house and each person gets their own room and shares the house's facilities. Because each room is let out separately and each person signs a *separate* agreement there are:

- 16 tenancy units (4 x 4)
- 16 tenants
- 16 tenancies (tenancy agreements)

Example 3

A homelessness provider has three buildings across two properties. Building one and two have 10 bedrooms, building three has 20. All three buildings have common areas, shared kitchens, shared laundry facilities. Two buildings (one and three) have live-in managers that utilise one of the rooms.

- Building one has nine tenancy units (live in manager uses a room)
- Building two has 10 tenancy units
- Building three has 19 tenancy units (live in manager uses a room)

At capacity there are **38 (19 +10+9) tenancy units, 38 tenancies, and 38 tenants**

For more information

For more information on the National Regulatory System for Community Housing, please visit: www.nrsch.gov.au or contact the Registrar in your jurisdiction (details available on the website).