

# Evidence guidelines

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# Contents

1. About the National Regulatory System for Community Housing	2
2. Purpose of this document	3
3. Principles	3
4. Tiers of registration	4
5. Risk and regulation	4
6. Evidence sources	5
7. Recognising evidence from other assurance systems	6
8. Obtaining evidence from other sources	6
9. Assessing evidence	7

## **National Regulatory Code Evidence Guidelines**

Performance outcome 1: Tenant and housing services	8
Performance outcome 2: Housing assets	22
Performance outcome 3: Community engagement	28
Performance outcome 4: Governance	30
Performance outcome 5: Probity	36
Performance outcome 6: Management	42
Performance outcome 7: Financial viability	46
Glossary	52

# 1. About the National Regulatory System for Community Housing



The National Regulatory System for Community Housing (NRSCH) is a regulatory system designed to contribute to a well governed and managed community housing sector, and provide a platform for the ongoing development and viability of the community housing sector across Australia.

Community housing providers are organisations that deliver social or affordable housing and associated services to people on very low, low or moderate incomes. These services are covered by the social and affordable housing policies of government housing (policy/funding) agencies<sup>1</sup>.

The key objectives of the NRSCH are to:

- provide a consistent regulatory environment to support the growth and development of the community housing sector
- pave the way for future housing product development
- reduce the regulatory burden on housing providers working across jurisdictions
- provide a level playing field for providers seeking to enter new jurisdictions.

A suite of Operational Guidelines guides the overall operation of the NRSCH in accordance with the Community Housing Providers National Law (the 'National Law').

The scope of a Registrar's functions under the NRSCH is limited to regulatory activities. State and territory housing agencies will continue to have responsibility for policy, funding and industry development decisions, which will depend on the arrangements in each jurisdiction.

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<sup>1</sup> Policy and funding agencies are usually, but not always, the housing agency in the particular jurisdiction. For the purposes of this document, the term 'housing agency' will be used, but it is acknowledged that this will include policy and funding agencies for those jurisdictions where relevant.

## 2. Purpose of this document

The National Regulatory Code sets out the performance outcomes and requirements that must be met by registered community housing providers under the NRSCH.

Community housing providers must demonstrate their capacity to comply with the Code on application and once registered, must demonstrate ongoing compliance with the Code.

The Evidence Guidelines describe the performance indicators and evidence sources for assessing providers against the National Regulatory Code performance outcomes and requirements for different types of providers (classified as Tier 1, 2 and 3 providers).

The Evidence Guidelines are proportionate to levels of risk, and aim to minimise the reporting burden. All tiers have minimum evidence sources so that a minimum level of regulatory engagement can be maintained for providers that are consistently well performing and/or have a simple business model. The Evidence Guidelines are not intended to be prescriptive, and allow for a provider to propose alternative evidence sources.

These Guidelines are made jointly by the Registrars of each participating jurisdiction and are published on the NRSCH website.

These guidelines should be read in conjunction with:

- the National Law
- the National Regulatory Code (schedule 1 of the National Law)

## 3. Principles

The principles of good regulation that underpin the National Regulatory Code are the performance requirements which are:

- Proportionate – reflecting the scale and scope of regulated activities
- Accountable – able to justify regulatory assessments and be subject to scrutiny
- Consistent – based on standardised information and methods
- Transparent – clear and open processes and decisions
- Flexible – avoiding unnecessary rules about how housing providers organise their business and demonstrate compliance
- Targeted – focused on the core purposes of improving tenant outcomes and protecting vulnerable tenants, protecting government funding and equity, and ensuring investor and partner confidence.

In assessing a provider's performance under the National Regulatory Code, the Registrar in each jurisdiction is required to apply these principles of good regulation. The Registrar must undertake every assessment in the context of the provider's business and must consistently apply the guidelines.

## 4. Tiers of registration

The Evidence Guidelines set performance indicators and evidence requirements in accordance with three tiers of registration.

The tier of registration is determined by an entity's level of risk arising from the scale and scope of its community housing activities, which in turn determines the intensity of regulatory engagement and oversight.

For example, organisations involved in activities that require management of a higher level risk (e.g. property development and leveraging assets) will be subject to a higher level of regulatory requirements and engagement than organisations managing lower level risks (e.g. small-scale tenancy management). For example, Tier 1 providers might have an annual compliance assessment, whereas Tier 3 providers might have a compliance assessment every two years.

It is important to note that Registrar decisions about tiers are different from their assessment of actual risks associated with a provider's compliance with the National Law. Within any tier, Registrars may vary the amount of regulatory engagement depending on actual risk presented at any given time.

## 5. Risk and regulation

Performance and assessment data is used to inform a risk-based assessment of all registered providers to determine compliance with the National Law and the National Regulatory Code. This determines the nature of regulatory engagement and, where necessary, action.

Risk-based engagement recognises:

- the impact of complex business structures, for instance with multi-jurisdictional providers,
- potential or actual problems from providers taking on risky activities
- potential or actual problems due to weaknesses in management or governance.

For providers with a simple business model, engagement will be minimal.

All providers will be informed of the expected level of engagement. This engagement will be regularly reviewed in light of changing business focus and complexity and performance.

Regulation will be responsive, proportionate and consistently applied.

In broad terms risk-based engagement allows registrars to:

- maintain a minimum level of regulatory engagement for consistently well-performing providers (for these providers more reliance is placed on monitoring basic data and health checks and on the provider advising the regulator of any change of circumstances)
- develop a new approach for multi-jurisdictional providers where there is an increased level of risk arising from size or the amount of money they receive for development
- engage with providers more intensively where higher levels of risk are identified, in ways that reflect their particular circumstances.

## 6. Evidence sources

For the most part, the Evidence Guidelines rely upon the business documentation and data that community housing providers' governing bodies would require in order to be satisfied that their community housing delivery is well governed, well managed and financially viable.

The Evidence Guidelines are not intended to be prescriptive or exhaustive and the provider may look to alternative business documentation or data. A single evidence source may be listed and used for assessing multiple performance requirements.

A community housing provider can present evidence in its existing form and is not expected to reconfigure its key business documents. Providers can also present multiple evidence sources in one document, such as:

- its resident feedback findings and action plan (for performance outcome 1), a list of partnership arrangements (for performance outcome 2)
- the local community profile and strategies for contributing to the local community (for performance outcome 3)
- its governance structure and expertise base and profiles of each governing body member (for performance outcome 4).

However, the community housing provider must indicate where evidence relating to a performance requirement is located, to ensure all relevant evidence is taken into account during the assessment.

It is ultimately the decision of a Registrar as to whether an evidence source is relevant and is used in an assessment. A community housing provider may submit the required evidence, but that evidence may be insufficient to demonstrate performance, or that evidence may be in an alternative form that results in the Registrar requiring additional evidence from the provider. The types of additional evidence that may be requested have been included in the performance outcomes tables later in this document.

Evidence sources are divided into two categories:

1. evidence sources to demonstrate the provider's capacity to meet the National Regulatory Code
2. evidence sources to demonstrate the provider's ongoing compliance with performance indicators.

In practical terms, the provider must demonstrate capacity to comply with the National Law at the point of registration. When an existing provider applies for registration, the Registrar will take into account whether the entity has capacity in its current operations to comply with the National Law requirements. For instance, the Registrar will use the entity's current financial performance data and forecasts to judge its operating capacity at registration, and use this to make an assessment as to whether it can operate in a compliant manner in the future.

To determine whether an entity has the capacity to comply with the National Law, Registrars will review evidence sources that include a performance reporting dataset and a financial performance report, in addition to documentation.

In practical terms, capacity will be demonstrated at the point of registration

## 7. Recognising evidence from other assurance systems

The Evidence Guidelines are not prescriptive and enable evidence from other assurance systems to be submitted for registration and compliance assessment.

This approach aims to minimise the regulatory burden on community housing providers by ensuring the NRSCH effectively co-exists with other assurance systems regarding data collection, reporting and information sharing.

In order to demonstrate performance against the National Regulatory Code, providers may use documentation required by other regulators or funding bodies where the documentation is also a requirement contained in the NRC. This evidence can be submitted in the form that it exists. Community housing providers are not expected to adjust existing key documents or plans to meet the specific description in the guidelines.

## 8. Obtaining evidence from other sources

In order to make a compliance assessment on registration and on an ongoing basis, a Registrar will require, on occasion, information from sources other than the provider.

Those sources may include:

- the National Register
- the Registrar's record of complaints and notifications under the National Law
- the relevant housing agency
- other government agencies (this might include information about the provider's funding terms or compliance with a policy or contract, or housing-related service delivery)
- other regulatory authorities (this might include information about regulatory engagement with the provider)
- the public record (this might include information about the provider's body corporate status, court or tribunal decisions, or media).

The Register will discuss with the provider the need for this information.

A Registrar will obtain information from other sources only in accordance with:

- the exercise of its functions under the National Law;
- the NRSCH Information Access and Sharing policy; and
- any relevant requirements relating to confidentiality or otherwise.

## 9. Assessing evidence

Registrars will use the Evidence Guidelines when undertaking registration and compliance assessments and decision-making.

Registrars use all relevant information to assess the provider's performance outcomes. A provider demonstrates its capacity or ongoing compliance by meeting specified National Regulatory Code performance outcomes and requirements.

When a Registrar assesses a provider's compliance for the purposes of registration or on an ongoing basis, the Registrar will assess:

- whether the provider meets the relevant eligibility requirements in the National Law and in the Tier Guidelines
- whether the provider has the capacity to meet the National Regulatory Code requirements
- whether the provider complies with other requirements of the National Law.

The Registrar undertakes every assessment in the context of the provider's business, with an understanding of the provider's scale and scope, operating environment, business plan and outcomes and history of delivering community housing.

The Evidence Guidelines include thresholds for some requirements as an indicative guide to measuring performance results against the National Regulatory Code outcomes and requirements.

The thresholds in themselves do not determine capacity or compliance. Rather, they provide a transparent level of performance as a starting point against which the Registrar can assess performance results. Performance results that are below, or are trending below, a threshold or a combination of thresholds, will raise a flag that there may be a performance concern that the Registrar needs to address when assessing the provider's capacity or ongoing compliance.

Where a provider does not meet certain thresholds, the Registrar will seek to understand whether the provider is not complying with the performance requirement or whether the level of performance relates to particular circumstances.

In some cases, performance results below the threshold may be acceptable in the context of a given provider's operating environment, business plan and outcomes, or once specific factors affecting the performance results or data have been taken into account. For instance, repairs performance may not meet the relevant threshold because the provider does not have full control over the actual process or funding. Similarly, a provider with a standard type of housing may not survey each individual dwelling but may rely on sample surveys.

In each case where a provider's performance result is below a relevant threshold, the Registrar will determine whether this amounts to a lack of capacity or non-compliance by examining the particular performance outcome and requirement, the seriousness of the performance concern and the underlying cause of the performance result. If no acceptable explanation exists, providers will be required to remedy performance.

The Evidence Guidelines are part of a package of information and Operational Guidelines under the NRSCH that guide community housing providers in the process of achieving registration and ongoing compliance. The Evidence Guidelines should be read and used together with:

- the National Law and National Regulatory Code
- Tier Guidelines
- Enforcement Guidelines
- any other Operational Guidelines and policies
- any guidance notes.

The Evidence Guidelines are subject to the NRSCH evaluation and continuous improvement framework.

Every assessment is undertaken in the context of the provider's business

# National Regulatory Code Evidence Guidelines

## Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
<p>a. Determining and managing eligibility, allocation and termination of housing assistance</p>	<p>The provider makes information about its tenancy management policies and procedures available in a variety of formats</p>	<ul style="list-style-type: none"> <li>• All applicants/tenants/residents receive information to enable the applicant/tenant/resident to make informed decisions and to understand decisions made by the provider</li> <li>• The policies and procedures are applied so there are no significant and ongoing or repeated failure to treat applicants and residents/tenants fairly and transparently</li> </ul>

## Evidence sources to demonstrate capacity

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Tenancy management policies and procedures (including the process to determine eligibility, allocation, rent, charges, complaints, appeals and termination of tenancy)
- Documents, such as brochures, booklets or information kits, that are provided to applicants, tenants/residents and other stakeholders (For example Tenant Handbooks, Fact sheets)

### Tiers 1 and 2

- Website information

### Tier 1

- Information about the range of housing services delivered

### May be requested

- Standard letters and forms to applicants and tenants/ residents used in tenancy management
- Outsourcing agreement (if applicable)

### Tiers 1, 2 and 3

- Tenancy management policies and procedures where there has been a significant change
- Evidence that significant changes in policies and procedures have been communicated to tenants/residents (e.g. letters to tenants/residents, brochures, posters, fact sheets)
- Record of feedback from residents/tenants and response or action

### Tiers 1 and 2

- Tenant/resident survey results and analysis undertaken at least every two years, addressing the information provided to tenants/residents.
- Website information
- Tenancy data
- Appeals data

### May be requested

- Records that confirm the provider complies with its own tenancy management policies and procedures and other legal and policy requirements relevant to its jurisdiction

# Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
	<p>The provider manages housing assistance in accordance with its policies and the legal and policy requirements relevant to its jurisdiction</p>	<ul style="list-style-type: none"> <li>• The policies and procedures are applied so there are no significant and ongoing or repeated failures to manage housing assistance in accordance with policy and legal requirements</li> <li>• Tenancy management policies and procedures reference legal and jurisdictional policy requirements where appropriate</li> </ul>
<p><b>b. Determining and managing rents</b></p>	<p>The provider makes information about its policies and procedures to determine and manage rents available in a variety of formats</p>	<ul style="list-style-type: none"> <li>• All applicants/tenants/residents receive information to enable the applicant/tenant/resident to make informed decisions and to understand options</li> <li>• The policies and procedures are applied so there are no significant and ongoing or repeated failures to treat applicants and residents/tenants fairly and transparently</li> </ul>

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Tenancy management policies and procedures</li> </ul> <p><b>Tier 2</b></p> <ul style="list-style-type: none"> <li>System and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>Integrated system and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Sample tenancy/residency agreement</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Tenancy management policies and procedures where there has been a significant change Tenancy data</li> <li>Complaints and Appeals Register</li> <li>Appeals data</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Records that confirm the provider complies with its own tenancy management policies and procedures and other legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>Other sources</b></p> <ul style="list-style-type: none"> <li>Decisions of appeals/reviews in relevant tribunals or bodies</li> <li>Record of complaints and notifications under the National Law</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Rent policies and procedures</li> <li>Documents, such as brochures, booklets or information kits, that are provided to applicants, tenants/residents and other stakeholders</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Website information</li> </ul> <p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>Information about the range of housing services delivered</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Standard letters and forms to applicants and tenants/ residents used in tenancy management</li> <li>Outsourcing agreement (if applicable)</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Rent policies and procedures where there has been a significant change</li> <li>Evidence that significant changes in policies and procedures have been communicated to tenants/residents</li> <li>Record of feedback from residents/tenants and response or action</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Tenant/resident survey results and analysis addressing the adequacy of information provided to tenants/residents</li> <li>Website information</li> </ul>

## Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
	<p>The provider manages rent in accordance with the specific legal and policy requirements of each jurisdiction</p>	<ul style="list-style-type: none"> <li>• Tenancy management policies and procedures reference legal and jurisdictional policy requirements where appropriate</li> <li>• All tenants/residents are charged rent in accordance with jurisdictional policy requirements</li> </ul>
<p><b>c. Setting and meeting relevant housing service standards</b></p>	<p>The provider communicates and monitors what tenants and residents can expect from the service</p>	<ul style="list-style-type: none"> <li>• Standards address operating hours, response times, privacy, conduct and communication</li> <li>• Standards address access across geographical location (tiers 1 and 2)</li> </ul>

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Rent policies and procedures</li> </ul> <p><b>Tier 2</b></p> <ul style="list-style-type: none"> <li>Systems and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>Integrated system and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Sample tenancy/ residency agreement</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Rent policies and procedures where there has been a significant change</li> <li>Tenancy data</li> <li>Complaints and appeals data</li> <li>Copies of rent review undertaken and letters informing tenants</li> <li>Rent arrears payment plans</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Records that confirm the provider complies with its own rent management policies and procedures and other legal and policy requirements relevant to its jurisdiction</li> </ul> <p><b>Other sources</b></p> <ul style="list-style-type: none"> <li>Decisions of appeals/reviews in relevant tribunals or bodies</li> <li>Record of complaints and notifications under the National Law</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Service charter or relevant policies and procedures</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Service charter or relevant policies and procedures where there has been a significant change</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Records that demonstrate the provider monitors the implementation and effectiveness of the service charter or relevant policies and procedures</li> </ul>

## Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
<p>d. Supporting tenant and resident engagement</p>	<p>The provider involves tenants and residents in the planning and delivery of housing services in a variety of accessible ways</p>	<ul style="list-style-type: none"> <li>• All tenants/residents are provided appropriate opportunities to be involved in planning and delivering housing services</li> <li>• Formal tenant/resident engagement mechanisms such as governing body position(s), representative forum, surveys, tenant advocate position (tiers 1 and 2)</li> <li>• Tenant/resident survey is conducted at least every two years with positive outcomes for tenant and resident involvement (tiers 1 and 2)</li> </ul>
	<p>The provider promotes appropriate opportunities for tenants and residents to be involved in their community</p>	<ul style="list-style-type: none"> <li>• All tenants/residents are made aware of appropriate opportunities to be involved in their community</li> </ul>
	<p>The provider obtains feedback from tenants and residents on its services, and consults with them on proposals that will affect them</p>	<ul style="list-style-type: none"> <li>• All tenants/residents are provided appropriate opportunities to provide feedback and to be consulted</li> <li>• Formal mechanisms such as governing body position(s), representative forum, surveys, tenant advocate position (tiers 1 and 2)</li> <li>• Tenant/resident survey is conducted at least every two years with</li> <li>• positive outcomes for feedback and consultation opportunities (tiers 1 and 2)</li> </ul>

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Tenant/ resident engagement policies and procedures or strategy</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Annual report</li> <li>Tenant/resident engagement policies and procedures or strategy where there has been a significant change</li> <li>Records of tenant/resident engagement (e.g. tenant/ resident meetings, consultations) and actions taken as a result</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Tenant/resident survey results and analysis addresses the involvement of tenants/residents in planning and delivering housing services</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Tenant/resident engagement plans/strategy and/or policies and procedures</li> <li>Website information</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Annual report</li> <li>Tenant/resident engagement plans/strategy and/or policies and procedures where there has been a significant change</li> <li>Newsletter and/or posters advertising upcoming events</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Plans or programs of opportunities for tenants to be involved in their community</li> </ul> <p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>Communications to residents/tenants of opportunities to be involved in community (such as newsletters)</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Tenant/resident engagement plans/strategy and/or policies and procedures</li> <li>Feedback mechanisms (e.g. written surveys, suggestion box, verbal feedback sought during tenant/resident contact)</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Methodology for collecting tenant/resident feedback</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Annual report</li> <li>Tenant/resident engagement policies and procedures or strategy where there has been a significant change</li> <li>Records of tenant/resident engagement (e.g. tenant/ resident meetings, consultations)</li> <li>Complaints and Appeals Register</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Tenant/resident survey results and analysis</li> </ul>

# Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
<p>e. <b>Facilitating access to support for social housing applicants and tenants with complex needs</b></p>	<p>The provider establishes and maintains arrangements that are adequate to ensure tenants and residents with support needs receive appropriate support, if relevant and where available, to maintain their tenancies</p>	
<p>f. <b>Managing and addressing complaints and appeals relating to providing housing services</b></p>	<p>Information is readily available and promoted to tenants on complaints and appeals</p>	<ul style="list-style-type: none"> <li>• All applicants, tenants/residents receive information to enable the applicant, tenant/resident to make informed decisions about managing complaints and appeals</li> </ul>
	<p>The provider manages complaints and appeals promptly and fairly</p>	<ul style="list-style-type: none"> <li>• Complaints and appeals are managed so that there are no significant and ongoing or repeated failures in promptness or fairness</li> <li>• There are no significant and ongoing or repeated failures to complaints and appeals are dealt promptly and fairly.</li> </ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Business plan
- Tenant/resident support facilitation policies and procedures including responding to changing resident/tenant needs
- List of current or proposed partnership arrangements through which support is facilitated for residents and tenants in need

### Tiers 1 and 2

- List of current or proposed formal partnership arrangements through which support is facilitated for residents and tenants in need

### Tiers 1, 2 and 3

- Complaint and appeal policies and procedures
- Documents, such as brochures, booklets or information kits, that are provided to applicants, tenants/residents and other stakeholders

### Tiers 1 and 2

- Website information

### Tiers 1, 2 and 3

- Complaint and appeal policies and procedures
- Service charter or relevant policies and procedures

### Tiers 1 and 2

- Website information

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Tenant/resident support facilitation policies and procedures where there has been a significant change
- Annual report
- Complaints and Appeals Register

### Tiers 1 and 2

- Sample of formal support partnership agreements and minutes of meetings with support partners
- Tenant/resident survey results and analysis undertaken at least every two years, addressing access to support

### May be requested

- Records relating to the systems in place for monitoring and maintaining arrangements (tiers 1 and 2)

### Tiers 1, 2 and 3

- Complaint and appeal policies and procedures where there has been significant change
- Complaints and Appeals Register

### Tiers 1 and 2

- Website information
- Communications to residents/tenants (such as newsletters)

### Tiers 1, 2 and 3

- Complaint and appeal policies and procedures where there has been significant change
- Complaints and Appeals Register

### Tiers 1 and 2

- Website information

### Other sources

- Decisions of appeals/reviews in relevant tribunals or bodies
- Record of complaints and notifications under the National Law

## Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

Performance requirements	Performance indicators	Thresholds
<p><b>f. Managing and addressing complaints and appeals relating to providing housing services</b></p>	<p>The provider regularly monitors the effectiveness of the complaints and appeals system</p>	<p>The type, number and outcome of complaints and appeals are reviewed regularly to inform the fair, transparent and responsive delivery of the complaints and appeals system</p>
<p><b>g. Maintaining satisfaction with the overall quality of housing assistance</b></p>	<p>The provider maintains a satisfactory level of tenant and resident satisfaction</p>	<ul style="list-style-type: none"> <li>• Housing assistance is delivered so there is no significant and ongoing or repeated dissatisfaction with the overall quality of services provided</li> <li>• Satisfaction rate with the overall quality of services <math>\geq 75\%</math></li> <li>• Tenant/resident survey is conducted at least every two years (tiers 1 and 2)</li> </ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Complaint and appeal policies and procedures

### Tiers 1 and 2

- Systems and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Business plan
- Annual report
- Complaint and appeal policies and procedures where there has been significant changes

### Tiers 1 and 2

- Records of the Risk and Audit Committee

### May be requested

- Records that confirm the provider complies with its own complaint and appeals policies and procedures and other legal and policy requirements relevant to its jurisdiction (tiers 1 and 2)

### Other sources

- Decisions of appeals/reviews in relevant tribunals or bodies
- Record of complaints and notifications under the National Law

### Tiers 1, 2 and 3

- Feedback mechanisms

### Tiers 1 and 2

- Methodology for collecting tenant/resident

### Tiers 1, 2 and 3

- Business plan
- Annual report
- Records of tenant/resident feedback (e.g. tenant/resident meetings, consultations) and actions taken as a result
- Complaints and Appeals Register

### Tiers 1 and 2

- Tenant/resident survey results and analysis addresses satisfaction with the overall quality of housing services

# Performance outcome 1: Tenant and housing services

The community housing provider is fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients

## Examples and notes

### **Outsourcing agreement:**

- This evidence is relevant where transactional activities are outsourced to another agency, for example, a real estate agent. The agreement (e.g. contract) may include conditions for service delivery related to quality and the rights of residents/tenants, and will be subject to review to monitor compliance with the requirements of the formal agreement.

### **The provider makes its tenancy management policies and procedures available in a variety of formats:**

- Information about eligibility, allocation and ongoing tenancy/residency management processes should be made available to applicants and residents/tenants to ensure the processes are transparent and readily understood. Similarly, information about internal complaints and appeals processes should be accessible to applicants and residents/tenants. This information can be communicated through a range of media such as (but not limited to) brochures, booklets, information kit, posters, audio and online.

### **Complaint and appeal data:**

- This evidence is reviewed to ensure there is no significant and ongoing or repeated failure to treat applicants and residents fairly.

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## Performance outcome 2: Housing assets

The community housing provider manages its community housing assets in a manner that ensures suitable properties are available now and in the future

Performance requirements	Performance indicators	Thresholds
<p>a. <b>Determining changing housing needs and planning asset acquisitions, disposals and reconfiguration to respond (strategic asset management)</b></p>	<p>The provider plans for how it will manage its housing assets to optimise outcomes on financial investment, service delivery and meeting housing needs</p>	
<p>b. <b>Setting and meeting relevant property condition standards</b></p>	<p>The provider manages community housing assets in accordance with the specific legal and policy property condition requirements relevant to its jurisdiction</p>	<ul style="list-style-type: none"> <li>• <math>\geq 70\%</math> of all community housing assets managed by the provider meet state housing authority's property condition standards, or other property condition standards adopted by the provider that exceed the state housing authority's standards against which the properties were inspected</li> <li>• Improving property condition standards (e.g. star ratings) over time</li> <li>• There are no significant and ongoing or repeated failures to meet property condition standards</li> </ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Business plan
- Asset management policies and procedures

### Tiers 1 and 2

- Strategic asset management plan

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Business plan
- Annual report
- NRSCH financial performance report

### Tiers 1 and 2

- Strategic asset management plan
- Record of current and future housing needs analysis

### Tiers 1, 2 and 3

- Asset management policies and procedures
- Asset maintenance plan
- Property condition standards

### Tiers 1 and 2

- Strategic asset management plan
- System and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction

### Tier 1

- Integrated system and processes for monitoring compliance with its own policies and the legal and policy

### Tiers 1, 2 and 3

- Asset management policies and procedures where there has been a significant change
- Reports against the asset maintenance plan
- Maintenance data
- Complaints and appeals register

### Tiers 1 and 2

- Reports against the strategic asset management plan

### May be requested

- Records that confirm the provider complies with its own asset management policies and procedures and other legal and policy requirements relevant to its jurisdiction (tiers 1 and 2)

### Other sources

- Decisions of appeals/reviews in relevant tribunals or bodies
- Record of complaints and notifications under the National Law

## Performance outcome 2: Housing assets

The community housing provider manages its community housing assets in a manner that ensures suitable properties are available now and in the future

Performance requirements	Performance indicators	Thresholds
<p>c. <b>Planning and undertaking responsive, cyclical and life-cycle maintenance to maintain property conditions (asset maintenance)</b></p>	<p>The provider ensures (commensurate with its responsibilities):</p> <ul style="list-style-type: none"> <li>▪ properties are well maintained</li> <li>▪ maintenance is undertaken in a timely manner</li> <li>▪ maintenance work is undertaken by suitably qualified staff/contractors/consultants</li> </ul>	<ul style="list-style-type: none"> <li>• The condition of each property is surveyed at least every three years by a party with appropriate qualifications and/or experience in the building/ construction/maintenance fields or ability to identify issues and escalate within an appropriate system (tiers 1 and 2) Include Tier 3</li> <li>• Cyclical and life-cycle maintenance is scoped and budget allocated</li> <li>• Maintenance timeframes are set and met in accordance with legal requirements relevant to its jurisdiction</li> <li>• Asset maintenance plan is for a minimum 10-year rolling period with budget forecasts (tiers 1 and 2)</li> </ul>
	<p>Tenants are provided with easy-to-use information on repairs and maintenance</p>	<p>All tenants/residents receive information to enable the tenant/resident to make informed decisions about repairs and maintenance</p>

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Asset management policies and procedures</li> <li>Asset maintenance plan</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Strategic asset management plan</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Asset management policies and procedures where there has been significant change</li> <li>NRSCH financial performance report</li> <li>Maintenance data</li> <li>Complaints and appeal register</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Reports against the strategic asset management plan</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Reports against the asset maintenance plan</li> <li>Certification to the specific legal and policy requirements relevant to its jurisdiction</li> <li>Maintenance procurement processes and contracts</li> <li>Example of an inspection report by a party with appropriate qualifications</li> <li>Qualifications and experience requirements in relevant employment contracts</li> <li>Qualifications and experience requirements in relevant maintenance procurement processes and contracts</li> <li>Records that confirm the provider complies with its own asset maintenance policies and procedures and other legal and policy requirements relevant to its jurisdiction (Tiers 1 and 2)</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Asset management policies and procedures</li> <li>Documents, such as brochures, booklets or information kits that are provided to applicants, tenants/ residents and other stakeholders</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Website information</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Asset management policies and procedures where there has been significant change</li> <li>Complaints data</li> <li>Appeals data</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Website information</li> <li>Communications to residents/tenants (such as newsletters)</li> </ul> <p><b>Other sources</b></p> <ul style="list-style-type: none"> <li>Decisions of appeals/reviews in relevant tribunals or bodies</li> <li>Record of complaints and notifications under the National Law</li> </ul>

## Performance outcome 2: Housing assets

The community housing provider manages its community housing assets in a manner that ensures suitable properties are available now and in the future

Performance requirements	Performance indicators	Thresholds
<p>c. <b>Planning and undertaking responsive, cyclical and life-cycle maintenance to maintain property conditions (asset maintenance)</b></p>	<p>The provider maintains a satisfactory level of tenant and resident satisfaction with maintenance and housing amenity</p>	<ul style="list-style-type: none"> <li>• Tenant/resident survey is conducted at least every two years (tiers 1 and 2) ≥ 75 per cent of tenants/residents are satisfied with the condition of the property</li> <li>• ≥ 75 per cent of tenants/residents are satisfied with the maintenance of the property</li> <li>• Records of complaints and appeals do not indicate ongoing and repeated instances of resident dissatisfaction with maintenance and/or housing amenity</li> </ul>
<p>d. <b>Planning and delivering its housing development program (asset development)</b></p>	<p>The provider plans, monitors and reviews its development program to ensure effective and efficient delivery of new housing.</p>	<ul style="list-style-type: none"> <li>• Development program and projects are managed to minimise variation to timeframe and/or budget</li> <li>• Expertise capable of ensuring development projects are delivered effectively and efficiently</li> <li>• Risks are identified and mitigated</li> </ul>

**Evidence sources to demonstrate capacity**

**Tiers 1, 2 and 3**

- Feedback mechanisms

**Tiers 1 and 2**

- Methodology for collecting tenant/resident feedback

**Evidence sources to demonstrate compliance**

**Tiers 1, 2 and 3**

- Business plan
- Annual report
- Records of tenant/resident feedback (e.g. tenant/resident meetings, consultations) and actions taken as a result
- Complaints data
- Appeals data

**Tiers 1 and 2**

- Tenant/resident survey results and analysis addressing satisfaction with the overall quality of housing services

**May be requested**

- Records of monitoring and review of maintenance procurement and contracting (tiers 1 and 2)

**Other sources**

- Decisions of appeals/reviews in relevant tribunals or bodies
- Record of complaints and notifications under the National Law

**Tiers 1 and 2**

- Business plan
- Strategic asset management plan
- Financial planning and forecasting
- Risk management plan
- Project management methodology
- Industry partnerships
- Corporate structure

**Tier 1**

- Strategic/development/ growth plan
- Debt financing arrangements and covenants

**Tiers 1 and 2**

- Business plan
- Strategic asset management plan
- Financial planning and forecasting
- Risk management plan and register
- Industry partnership engagements, contracts and agreements
- Project progress reports and closure reports
- Development data

**Tier 1**

- Strategic/development/growth plan
- Scenario planning or stress testing
- Debt financing arrangements and covenants
- Capital structure

**Other sources**

- Record of complaints and notifications under the National Law

## Performance outcome 3: Community engagement

The community housing provider works in partnership with relevant organisations to promote community housing and to contribute to socially inclusive communities

Performance requirements	Performance indicators	Thresholds
a. Promoting community housing to local organisations that work with potential residents, tenants or clients	The provider engages with relevant organisations using appropriate communication tools to promote community housing and benefits of partnership	<ul style="list-style-type: none"> <li>Organisations are provided with information about community housing and its benefits</li> </ul>
b. Contributing to place renewal and social inclusion partnerships and planning relevant to the provider's community housing activities	The provider works with others to maximise positive economic and social outcomes for tenants and the community through place renewal (tier 1 only)	
	The provider works with others to maximise positive economic and social outcomes for tenants and the community through social inclusion	

### Performance Outcome 3 - Examples and notes

- **Community engagement** refers to the broad range of activities and strategies registered community housing providers use in order to better connect their tenants, and involve them in, their local communities. The tenants and their interests are at the heart of any community engagement activity or strategy.
- **Social inclusion** is defined as those activities that assist people to fully participate in social and economic life. These activities may include access to education, training and employment services. They may also include connecting tenants into the local community.
- **Place renewal** is more commonly referred to as place or neighbourhood renewal. Place renewal can be defined as strengthening the connections between people and the places they share. Place renewal activities may range from working with tenants and neighbours to improve local amenities, through to consulting with neighbours and prospective tenants on new developments and facilities

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• List of proposed engagements activities or relevant documents</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>• Community engagement policies and procedures or strategy</li> <li>• Website information</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• Annual report</li> <li>• Records that demonstrate the provider engages with relevant organisations</li> <li>• Newsletter</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>• Community engagement policies and procedures where there has been a significant change</li> <li>• Website information</li> </ul>
<p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• Community engagement policies and procedures or strategy</li> <li>• List of current or proposed formal partnership arrangements through which the provider contributes to place renewal</li> <li>• Website information</li> </ul>	<p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• Annual report</li> <li>• Website information</li> <li>• Newsletter</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>• Sample of formal partnership arrangements and minutes of meetings with partners</li> </ul>
<p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• Community engagement policies and procedures or strategy</li> <li>• List of current or proposed formal partnership arrangements through which the provider contributes to social inclusion</li> <li>• Website information</li> </ul>	<p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>• Business plan</li> <li>• Annual report</li> <li>• Website information</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>• Sample of formal partnership arrangements and minutes of meetings with partners</li> </ul>

# Performance outcome 4: Governance

The community housing provider is well governed to support the aims and intended outcomes of its business

Performance requirements	Performance indicators	Thresholds
<p><b>a. Ensuring coherent and robust strategic, operational, financial and risk planning</b></p>	<p>The governing body sets and implements its strategic directions and scrutinises performance using:</p> <ul style="list-style-type: none"> <li>▪ business planning</li> <li>▪ financial planning</li> <li>▪ risk management planning</li> <li>▪ business continuity planning</li> </ul> <p>The governing body provides effective control of related party arrangements or affiliated entity arrangements (e.g. through a group structure agreement, service-level agreement, partnership agreement or contract)</p>	<ul style="list-style-type: none"> <li>• The governing body meets regularly (at least six times a year) in quorum with the treasurer and/or other financial expertise and/or consistent with the constitution</li> <li>• The governing body has an appropriate subcommittee structure in place including an Audit and Risk Management Committee (or similar), with the Risk Management Committee meeting at least four times a year (tier 1 and 2)</li> <li>• The risk management system is consistent with AUS/NZ ISO 31000:2018 (tier 1 and 2)</li> <li>• Affiliated entity arrangements appropriately address:             <ul style="list-style-type: none"> <li>▪ relevant corporations law in relation to directors' duties and exposure to liabilities in relation to non-wholly owned subsidiaries</li> <li>▪ actual or perceived conflicts of interest and conflicts of duty in the board's decision making where there are shared directors or executives</li> <li>▪ protocols for managing directors' duties and the sharing of information in accordance with relevant corporations law</li> <li>▪ the independence of the chairperson (non-employee of the provider or affiliated entities)</li> <li>▪ appropriate balance between independent directors and executive directors</li> <li>▪ clear and transparent policies and/ or agreements on affiliated entity arrangements where contracting or sharing services that are relevant to achieving performance outcomes under the National Regulatory Code</li> <li>▪ corporations law requirements (particularly in relation to shadow directors, insolvent trading scheme, and consolidated financial reporting)</li> <li>▪ risks in relation to reputation, governance, corporate entity and financial</li> </ul> </li> </ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Constitution, charter or equivalent
- Documented governance structure and governance policies and procedures
- Business plan

### Tiers 1 and 2

- Financial plan
- Risk management plan and risk register
- Business continuity plan
- System for monitoring performance against its business plan
- Subcommittee structure and associated terms of reference

### Tier 1

- Integrated system and processes for monitoring performance against its business plan
- Financial plan and scenario testing

### May be requested

- Certification or accreditation of the provider relating to recognised standards, where relevant

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Business plan
- Annual report
- Affiliated entity arrangements where there has been a significant change
- Governance structure and governance policies and procedures where there has been significant change
- Annual general meeting minutes and reports
- Certification or accreditation of the provider relating to recognised standards, where relevant
- NRSCH financial performance report

### Tiers 1 and 2

- Financial plan
- Risk management plan and risk register
- Business continuity plan where there has been significant change

### Tier 1

- Financial planning and scenario testing

### Other sources

- Decisions of appeals/reviews in relevant tribunals or bodies
- Record of complaints and notifications under the National Law

## Performance outcome 4: Governance

The community housing provider is well governed to support the aims and intended outcomes of its business

Performance requirements	Performance indicators	Thresholds
<p><b>b. Ensuring effective, transparent and accountable arrangements and controls are in place for decision making to give effect to strategic, operational, financial and risk plans</b></p>	<p>The provider operates in accordance with a code of governance, consistent with the ASX Corporate Governance Principles, including in relation to:</p> <ul style="list-style-type: none"> <li>▪ the roles and responsibilities of the governing body and subcommittees</li> <li>▪ decision-making processes</li> <li>▪ managing conflicts of interest</li> <li>▪ internal business compliance</li> <li>▪ selection and performance of the CEO</li> </ul>	<ul style="list-style-type: none"> <li>• There are no significant and ongoing or repeated failures to achieve the performance outcomes defined in the National Regulatory Code</li> <li>• Independent chairperson (non-employee of the provider or affiliated entities)</li> </ul>
<p><b>c. Complying with legal requirements and relevant government policies</b></p>	<p>The provider has a system in place to ensure compliance with all applicable legal requirements and relevant government policies</p>	<ul style="list-style-type: none"> <li>• There are no significant and ongoing or repeated failures to meet legal requirements and relevant government policies</li> <li>• Any instance of noncompliance is dealt with in a prompt and effective manner</li> </ul>

### Evidence sources to demonstrate capacity

#### Tiers 1, 2 and 3

- Constitution, charter or equivalent
- Documented governance structure and governance policies and procedures
- Business plan
- Schedule of delegations
- Code of governance
- Conflict of interests policies and procedures
- Standing financial instructions and key financial reporting requirements
- Sample governing body meeting minutes including agendas, reports on progress against the business plan and action items

#### Tiers 1 and 2

- Subcommittee structure and associated terms of reference

### Evidence sources to demonstrate compliance

#### Tiers 1, 2 and 3

- Business plan
- Annual report
- Governance code, structures, policies and procedures where there has been a significant change
- Schedule of delegations where there has been a significant change
- Conflict of interest register or record

#### Tiers 1 and 2

- Risk management plan and register
- Records of compliance reporting to the governing body

#### May be requested

- Sample governing body meeting minutes including agendas, reports on progress against plans (strategic, operational, financial and risk) and action items
- Records that confirm the provider is performing against its code of governance (tiers 1 and 2)

#### Tiers 1, 2 and 3

- Systems or processes for monitoring compliance with legal requirements and relevant government policies
- Policies and procedures or processes for ensuring staff understand and comply with legal requirements and relevant government policies (such as training)

#### Tiers 1 and 2

- Risk management system

#### Tier 1

- Integrated system and processes for monitoring compliance with its own policies and the legal and policy requirements relevant to its jurisdiction

#### Tiers 1, 2 and 3

- Records that confirm the provider is complying with legal requirements and relevant government policies (such as a report of compliance to the governing body)
- Annual report

#### Tiers 1 and 2

- Risk management plan and register
- Audit and risk committee agendas, minutes and reports

#### Tier 1

- Debt financing arrangements and covenants

#### Other sources

- Decisions of appeals/reviews in relevant tribunals or bodies
- Decisions of other regulatory authorities
- Record of complaints and notifications under the National Law

## Performance outcome 4: Governance

The community housing provider is well governed to support the aims and intended outcomes of its business

Performance requirements	Performance indicators	Thresholds
<p>d. Ensuring that the governing body has members with appropriate expertise or that such expertise is available to the governing body</p>	<p>The provider has fair and transparent processes in place to ensure the governing body has members with, or access to, an appropriate range of skills and knowledge to deliver on its business plan and manage the risks in its business, including in relation to, where undertaken:</p> <ul style="list-style-type: none"> <li>▪ recruitment and selection</li> <li>▪ -induction</li> <li>▪ professional development</li> <li>▪ succession</li> <li>▪ engaging external expertise</li> <li>▪ remuneration</li> <li>▪ performance assessment of the governing body</li> </ul>	<ul style="list-style-type: none"> <li>• The business plan includes maintaining an appropriate governance structure, skills and knowledge</li> <li>• There is a clear process for identifying and acquiring the skills and knowledge needed for effective governance in the context of its business plan</li> <li>• The governing body accesses external advice, independent of the provider's management, where appropriate</li> <li>• The governing body undertakes a governance review at least three- yearly, or after a significant change, with external input (tiers 1 and 2)</li> </ul>

### Examples and notes

- **Reports to the governing body:** Reports in the key operational areas assist the governing body to make informed decisions. A review of reports considered by the governing body assists to ascertain whether the provider receives appropriate information for the size and scope of its operation. Reports may be from internal or external sources.
- **Schedule of delegations:** The provider should have policies and procedures that have been approved by the governing body relating to governance, which details the responsibilities of the governing body for decision-making. Delegations should be in place that authorise decision making for the governing body, management and operational staff.
- **Expertise:** The knowledge and skills of governing body members, or those available to the governing body, may include financial management, asset management, risk management, human resource management and housing management.

### Evidence sources to demonstrate capacity

#### Tier 1, 2 and 3

- Constitution, charter or equivalent
- Business plan
- Documented governance structure and governance policies and procedures
- Profiles of current governing body members identifying their skills and expertise
- Governing body induction and training plan

#### May be requested

- Recruitment, induction, professional development, succession, remuneration and/or performance assessment policies and procedures

### Evidence sources to demonstrate compliance

#### Tiers 1, 2 and 3

- Business plan
- Annual report
- Board member profiles/CVs
- Annual general meeting minutes and reports
- NRSCH financial performance report

#### Tiers 1 and 2

- Methodology and outcome of governance reviews where they have been undertaken
- Website information

#### May be requested

- Recruitment, induction, professional development, succession, remuneration and/or performance assessment records

## Performance outcome 5: Probity

The community housing provider maintains high standards of probity relating to the business of the provider

Performance requirements	Performance indicators	Thresholds
<p>a. <b>Establishing and administering a code of conduct</b></p>	<p>The provider has a code of conduct designed (or is supported by additional policies and procedures) to ensure it maintains high standards of probity, including in relation to:</p> <ul style="list-style-type: none"> <li>▪ whistle-blowing</li> <li>▪ conflict of interest</li> <li>▪ gifts and hospitality</li> <li>▪ procurement</li> </ul>	<ul style="list-style-type: none"> <li>• All board members, staff members and volunteers have provided a written undertaking that they understand and will comply with the code of conduct</li> <li>• The provider regularly promotes the code of conduct</li> <li>• There are no significant and ongoing or repeated failures to abide by the code of conduct</li> </ul>
<p>b. <b>Establishing and administering a system of employment and appointment checks</b></p>	<p>The provider conducts checks for governing body members, employees, volunteers and agents commensurate with the requirements of the position, including in relation to relevant:</p> <ul style="list-style-type: none"> <li>▪ referees and previous employment</li> <li>▪ criminal record</li> <li>▪ bankruptcy</li> </ul>	<ul style="list-style-type: none"> <li>• There are no significant and ongoing or repeated failures to conduct appropriate employment and appointment checks</li> </ul>

### Evidence sources to demonstrate capacity

#### Tiers 1, 2 and 3

- Code of governance
- Code of conduct
- Probity policies and procedures (such as whistle blowing, conflict of interest, gifts and hospitality, and procurement)

### Evidence sources to demonstrate compliance

#### Tiers 1, 2 and 3

- Code of governance and code of conduct where there has been a significant change
- Probity policies and procedures where there has been significant change
- Conflict of interests register or records
- Gift register or records
- Records of governing body and staff training (such as a plan or calendar)
- Annual report

#### Tiers 1 and 2

- Website information

#### May be requested

- Sample of de-identified signed agreements to abide by the code of conduct
- Records that demonstrate the provider complies with its code of conduct (tiers 1 and 2)

#### Other sources

- Record of complaints and notifications under the National Law
- Media reports
- Court decisions

#### Tiers 1, 2 and 3

- System or processes to undertake employment and appointment checks

#### May be requested

- Employment checks policies and procedures

#### Tiers 1, 2 and 3

- Annual report
- Audit management letters (where they have been issued)

#### May be requested

- Sample employment and appointment check forms (e.g. police clearance, references, working with children)
- Employment checks policies and procedures

## Performance outcome 5: Probity

The community housing provider maintains high standards of probity relating to the business of the provider

Performance requirements	Performance indicators	Thresholds
<p>c. <b>Establishing and administering a system for preventing, detecting, reporting on and responding to instances of fraud, corruption and criminal conduct</b></p>	<p>The provider's system is consistent with good practice established by relevant anti-fraud, anti-corruption and anti-crime agencies and professional standards bodies in the relevant jurisdiction</p>	<ul style="list-style-type: none"> <li>• There are no significant and ongoing or repeated instances of fraud, corruption or criminal conduct</li> <li>• Any instance of fraud, corruption or criminal conduct is dealt with in a prompt and effective manner</li> </ul>
<p>d. <b>Maintaining the reputation of the community housing sector</b></p>	<p>The provider notifies the primary Registrar of any incident related to its operations (and its response) that damages or has the potential to damage the reputation of the community housing sector</p>	<ul style="list-style-type: none"> <li>• There are no significant and ongoing or repeated instances of incidents that damage or may damage the reputation of the community housing sector</li> <li>• Any incident that damages or may damage the reputation of the community housing sector is dealt with in a prompt and effective manner</li> <li>• Notifications are made consistent with the NRSCH notification guidelines and National Law</li> </ul>

Evidence sources to demonstrate capacity	Evidence sources to demonstrate compliance
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Systems and processes for detecting and responding to fraud, corruption and criminal conduct</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Fraud, corruption and criminal conduct prevention plan, policies and procedures</li> <li>Risk management system and risk register</li> </ul> <p><b>Tier 1</b></p> <ul style="list-style-type: none"> <li>Integrated system and processes for detecting and responding to fraud, corruption and criminal conduct</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Audit management letters (where they have been issued)</li> <li>Annual report</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Risk register</li> </ul> <p><b>May be requested</b></p> <ul style="list-style-type: none"> <li>Records that demonstrate the provider's system for preventing, detecting, reporting on and responding to instances of fraud, corruption and criminal conduct are effective</li> <li>Procurement and contracting controls</li> <li>Financial controls</li> </ul> <p><b>Other sources</b></p> <ul style="list-style-type: none"> <li>Record of complaints and notifications under the National Law</li> <li>Media reports</li> <li>Court decisions</li> </ul>
<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Notification policies and procedures</li> </ul>	<p><b>Tiers 1, 2 and 3</b></p> <ul style="list-style-type: none"> <li>Complaints data</li> <li>Appeals data</li> <li>Notifications policy</li> <li>Notifications report</li> </ul> <p><b>Tiers 1 and 2</b></p> <ul style="list-style-type: none"> <li>Audit and Risk Committee meeting minutes</li> <li>Risk register</li> </ul> <p><b>Other sources</b></p> <ul style="list-style-type: none"> <li>Record of complaints and notifications under the National Law</li> <li>Decisions of appeals/reviews/matters in relevant tribunals, bodies or courts</li> <li>Decisions of other regulatory authorities</li> <li>Media reports</li> <li>Court decisions</li> </ul>

## Performance outcome 5: Probity

The community housing provider maintains high standards of probity relating to the business of the provider

### Examples and notes

- **Probity** refers to integrity and honesty in the agency's operations and in the conduct of its governing body, volunteers and standards. The performance standards require the agency to establish or adopt a code of conduct incorporating measures such as mechanisms to manage conflicts of interest and to make policy and business decisions within an ethical framework.
- **The code of conduct** describes the behaviour and responsibilities an organisation requires of its people. The code of conduct will include requirements for ethical and appropriate conduct. A provider's code of conduct and a signed undertaking that a staff, governing body and volunteer member has read, understood and will abide by the code of conduct demonstrates a provider's commitment to guiding staff in ethical conduct. It is recommended that training and induction of staff, governing body and volunteer members should include training in the code of conduct.

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## Performance outcome 6: Management

The community housing provider manages its resources in a cost-effective manner

Performance requirements	Performance indicators	Thresholds
<p>a. <b>Demonstrating it utilises its assets and funding to meet business goals</b></p>	<p>The business planning process includes an assessment of costs and returns on assets and funding to meet its business goals</p>	<ul style="list-style-type: none"> <li>• Costs are controlled and, where possible, are minimised</li> <li>• Returns (financial and/or social) are sustained and, where possible, maximised</li> <li>• Where cost-effective opportunities for improving financial and/or social returns are identified, they are achieved</li> </ul>
	<p>The provider generates and utilises surplus to achieve its business goals (tiers 1 and 2 only)</p>	<ul style="list-style-type: none"> <li>• Return on assets</li> <li>• Operating expense composition</li> <li>• Equity and reserve composition</li> </ul>

**Evidence sources to demonstrate capacity**

**Evidence sources to demonstrate compliance**

**Tiers 1, 2 and 3**

- Business plan

**Tier 1**

- Strategic/development/growth plan

**Tiers 1, 2 and 3**

- Business plan
- Annual report
- NRSCH financial performance report
- Asset data
- Financial data

**Tiers 1 and 2**

- Property development data (if applicable)

**Tier 1**

- Strategic/development/growth plan
- Scenario planning or stress testing

**Tiers 1 and 2**

- Business plan
- Strategic asset management plan

**Tier 1**

- Strategic/development/growth plan

**Tiers 1 and 2**

- Business plan
- Annual report
- NRSCH financial performance report
- Asset data
- Financial data

**Tier 1**

- Strategic/development/growth plan
- Scenario planning or stress testing

## Performance outcome 6: Management

The community housing provider manages its resources in a cost-effective manner

Performance requirements	Performance indicators	Thresholds
<p>b. <b>Implementing appropriate management structures, systems, policies and procedures to ensure the operational needs of its business can be met (including having people with the right skills and experience and the systems and resources to achieve the intended outcomes of its business)</b></p>	<p>The provider's management structure, systems, policies and procedures are fit-for-purpose</p>	<p>The provider's management structure, systems, policies and procedures are subject to regular review and enhancement, and when there has been significant change to the scale and scope of its business</p>

### Evidence sources to demonstrate capacity

#### Tiers 1, 2 and 3

- Business plan
- Corporate structure and systems

### Evidence sources to demonstrate compliance

#### Tiers 1, 2 and 3

- Business plan
- Annual report
- Audit management letters (where issued)

#### Tiers 1 and 2

- Audit and Risk Committee meeting minutes
- Risk register

#### May be requested

- Methodology and outcome of management structure, systems, policies and procedures review where they have been undertaken
- Quality management systems manual/policy or, if relevant, accreditation (tier 1 only)

#### Other sources

- Record of complaints and notifications under the National Law

### Performance Outcome 6 -Examples and notes

- Newly established provider with no history of tenancy management, should have a plan and clear business model that demonstrates how it intends to operationalise the business in a cost effective manner. Assumptions should be reasonable and realistic.

## Performance outcome 7: Financial viability

The community housing provider is financially viable at all times

Performance requirements	Performance indicators	Thresholds
<p>a. <b>Ensuring a viable capital structure</b></p>	<p>The provider monitors and manages its capital structure to achieve its business goals</p>	<ul style="list-style-type: none"><li>• Capital adequacy – the provider has sufficient capital resources to be able to absorb unexpected losses and to manage adverse shocks so that it can meet its commitments to investors</li></ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Business planning documents
- Recent governing body (and relevant sub-committees if applicable) minutes reflecting discussions about capital structure with relevant operational and financial reports
- Annual Report
- Audited financial statements for the last three financial years
- Audit management letter for the most recent financial year (where they have been issued)
- NRSCH financial performance report
- Financial viability measures data
- Board approved budget and forecast
- Assumptions underpinning forecasts
- Financial planning, sensitivity analysis and scenario testing
- Debt financing arrangements and covenants
- Property development and related financial plans
- Evidence of state's equity in housing assets

### May be requested

- Recent project proposals (development and capital investments) and governing body consideration and approval (sample minutes).

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Business planning documents
- Recent governing body (and relevant sub-committees if applicable) minutes reflecting discussions about capital structure with relevant operational and financial reports
- Annual report
- Annual audited financial statements of the most recent financial year
- NRSCH financial performance report
- Audit management letter for the most recent financial year (where they have been issued)
- Financial viability measures data
- Board approved budget and forecast
- Assumptions underpinning forecasts
- Financial planning, sensitivity analysis and scenario testing
- Debt financing arrangements and covenants
- Property development and related financial plans
- Evidence of state's equity in housing assets
- Report of actions taken to address previous recommendations

### May be requested

- Recent project proposals (development and capital investments) and governing body consideration and approval (sample minutes).

## Performance outcome 7: Financial viability

The community housing provider is financially viable at all times

Performance requirements	Performance indicators	Thresholds
<p>b. <b>Maintaining appropriate financial performance</b></p>	<p>The provider monitors and manages its financial performance to achieve its business goals</p>	<ul style="list-style-type: none"><li>• Financial performance is monitored and managed for short-, medium- and long-term viability</li><li>• There are no significant and ongoing or repeated instances of incidents of inappropriate financial performance and/or failure to achieve business goals due to inappropriate financial performance</li></ul>

## Evidence sources to demonstrate capacity

### Tiers 1, 2 and 3

- Business planning documents
- Recent governing body (and relevant sub-committees if applicable) minutes reflecting discussions about capital structure with relevant operational and financial reports
- Annual report
- NRSCH financial performance report
- Audited financial statements for the last three financial years
- Audit management letter for the most recent financial year (where they have been issued)
- Financial viability measures data
- Board approved budget and forecast
- Assumptions underpinning forecasts
- Financial planning, sensitivity analysis and scenario testing
- Debt financing arrangements and covenants
- Property development and related financial plans
- Evidence of state's equity in housing assets

### May be requested

- Recent project proposals (development and capital investments) and governing body consideration and approval (sample minutes).
- Budget proposal and discussion papers and Governing body minutes reflecting approval

## Evidence sources to demonstrate compliance

### Tiers 1, 2 and 3

- Business planning documents
- Recent governing body (and relevant sub-committees if applicable) minutes reflecting discussions about capital structure with relevant operational and financial reports
- Annual report
- NRSCH financial performance report
- Audited financial statements for the most recent financial year
- Audit management letter for the most recent financial year (where they have been issued)
- Financial viability measures data
- Board approved budget and forecast
- Assumptions underpinning forecasts
- Financial planning, sensitivity analysis and scenario testing
- Debt financing arrangements and covenants
- Property development and related financial plans
- Evidence of state's equity in housing assets

### May be requested

- Recent project proposals (development and capital investments) and governing body consideration and approval (sample minutes).

### Other sources

- Record of complaints and notifications under the National Law

## Performance outcome 7: Financial viability

The community housing provider is financially viable at all times

Performance requirements	Performance indicators	Thresholds
<p>c. <b>Managing financial risk exposure</b></p>	<p>The provider monitors and manages its financial risk exposure to protect its financial interests and the interests of investors</p>	<ul style="list-style-type: none"><li>• Opportunities for financial risks to crystallise are minimised</li><li>• There are no significant and ongoing or repeated instances of risks crystallising</li><li>• Any crystallising risks are dealt with in a prompt and effective manner</li></ul>

### Evidence sources to demonstrate capacity

#### Tiers 1, 2 and 3

- Business planning documents
- Audited financial statements for the last three financial years
- NRSCH financial performance report
- Financial and risk management policies and procedures
- Financial risk management process
- Governing body (and relevant sub-committee if applicable) minutes reflecting discussions about financial events and risk management (sample)
- Financial planning, sensitivity analysis and scenario testing
- Documented risk management system
- Risk management plan
- Risk Register
- Debt financing arrangements and covenants

### Evidence sources to demonstrate compliance

#### Tiers 1, 2 and 3

- Business planning documents
- Audited financial statements for the most recent financial year
- NRSCH financial performance report
- Financial and risk management policies and procedures
- Financial risk management process
- Governing body (and relevant sub-committee if applicable) minutes reflecting discussions about financial events and risk management (sample)
- Financial planning, sensitivity analysis and scenario testing
- Documented risk management system
- Risk management plan
- Risk Register
- Debt financing arrangements and covenants

#### Other sources

- Record of complaints and notifications under the National Law

# Glossary

## **Community housing**

Housing for people on a very low, low or moderate income or for people with additional needs that is delivered by non-government organisations.

## **Community housing asset**

- a) land vested in the provider by or under the community housing legislation of a participating jurisdiction, or
- b) land acquired by the provider wholly or partly with funding provided by a Housing Agency of a participating jurisdiction, or
- c) land vested in the provider on which a housing agency of a participating jurisdiction has constructed housing or made other improvements, or
- d) funds provided to the provider by a housing agency of a participating jurisdiction for the purposes of community housing, or
- e) any other asset of the provider that is of a class of assets declared by the community housing legislation of a participating jurisdiction as community housing assets for the purposes of the National Law.

## **Community housing legislation**

The National Law as applied in or adopted by a jurisdiction, together with any other legislation declared to be community housing legislation by the law of that jurisdiction.

## **Community housing provider**

An organisation that provides community housing.

## **Enforcement Guidelines**

Guidelines setting out the enforcement actions available to Registrars under the National Law if they reasonably believe that a provider is not complying with the community housing legislation of a participating jurisdiction.

## **Housing agency**

A Commonwealth, state or territory government department or agency with responsibility for policy and funding decisions relating to community and other housing

## **Inter-Government Agreement (IGA)**

A joint ministerial agreement, signed by relevant ministers which commits governments to proceeding with the National Regulatory System for Community Housing and outlines the basis for its establishment and operation.

## **National Law**

The state and territory based legislation through which the NRSCH is being introduced. The National Law is enacted in the host jurisdiction, New South Wales, and either applied or adopted by participating jurisdictions.

## **National Register**

A single national database with the details of all registered community housing providers that is made publicly available.

### **National Regulatory Code**

The performance requirements that registered housing providers must meet and comply with in providing community housing.

### **National Regulatory Council (NRC)**

An independent advisory committee to be appointed by housing ministers as an independent advisory committee to oversee the operation of the NRSCH with Secretariat support.

### **National Regulatory System for Community Housing (NRSCH)**

A national system of registration, monitoring and regulation of community housing providers to encourage the development, viability and quality of community housing to promote confidence in the good governance of registered community housing providers so as to:

- facilitate greater investment in the sector
- make it easier for community housing providers to operate in more than one participating jurisdiction, and
- identify appropriate entities to which government funding for community housing might be provided under other legislation or policies of a jurisdiction.

### **Operational Guidelines**

The suite of guidelines that governs the operation of the NRSCH, including the Evidence Guidelines, Tier Guidelines and Enforcement Guidelines.

### **Participating jurisdictions**

Commonwealth, states and territories whose governments have agreed to participate in the NRSCH, e.g. a jurisdiction that applies or adopts the National Law.

### **Primary Registrar**

The Registrar for the primary jurisdiction in which the community housing provider operates: generally the Registrar in the state or territory in which the provider undertakes the majority of its community housing activity.

### **Tier Guidelines**

Guidelines for the application of the three-tiered registration system based on risk, whereby different levels of regulatory oversight apply to providers based on the scale and scope of their community housing activities.

Please note:

Some common terms may have slightly different definitions in different jurisdictions that reflect variations in their legislation and/or existing terminology.



## For more information

For more information on the National  
Regulatory System for Community Housing, please  
visit: [www.nrsch.gov.au](http://www.nrsch.gov.au)

**NATIONAL REGULATORY SYSTEM**  
**COMMUNITYHOUSING**

A joint initiative of Commonwealth, State and Territory Governments

