

Registrar of Community Housing

3. The Evidence Guidelines



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1. Introduction

This document provides guidance on how community housing providers can demonstrate compliance against the requirements set out in the Regulatory Code of the Housing Regulation 2009, under the amendments to the *Housing Act 2001* (NSW). The Evidence Guidelines detail the type of activities the providers engage in and the documentary evidence, including documents/information providers *must* submit to the Registrar in order to be assessed for registration, and other documents and sources of information that may be requested as part of the registration and subsequent compliance process.

The Evidence Guidelines are directly aligned with the performance areas and specific requirements set out in the Regulatory Code.

The range of evidence required under each performance requirement differs depending on the class of registration and is proportional to risk and to the size and scale of the community housing provider's operations.

The Evidence Guidelines are not designed to be exhaustive, and, as the title infers, are simply 'guidelines'. For the most part, the guidelines refer to the kind of information that the community housing provider's governing body would normally require in order to be satisfied that its housing service is well-governed and well-managed.

A community housing provider may demonstrate it meets a Regulatory Code requirement by providing evidence other than that listed in this document. If the Registrar considers that the alternative evidence presented is relevant to the requirement, then that evidence will be relied upon in the assessment. Similarly, during a registration or compliance assessment, an analyst may identify an alternative evidence source that would assist with the demonstration of compliance in a performance area, other than those listed under the 'May be requested' heading. This alternative evidence may be requested and relied upon during the assessment.

The Evidence Guidelines should therefore be used according to the following general principles:

- A community housing provider can present evidence in the form it already exists and is not expected to re-configure its key documents. For example, if a community housing provider outlines its annual business activities and targets in a series of action plans, rather than in a single 'business/operational plan', this series of action plans will be assessed by the Registrar as the required evidence referred to in the Evidence Guidelines.
- An organisation can present multiple evidence sources in the one document. For example, the community housing provider may include in its annual report the resident feedback findings and action plan (for Performance Area 1), a list of partnership arrangements (for Performance Area 2), the local community profile and strategies for contributing to the local community (for Performance Area 2), and its governance structure and expertise base and profiles of each governing body member (for Performance Area 4). Evidence sources will be relied upon to assess multiple areas of compliance, whether they are expressly submitted for

one or multiple performance areas. During the application process, however, the community housing provider should 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 the Registrar as to whether an evidence source is satisfactory.

1.1 Using the Evidence Guidelines

The Evidence Guidelines will be used by analysts working in the Registrar of Community Housing's office when undertaking registration and compliance assessments and will be relied upon by the Registrar when making registration and subsequent compliance decisions. Community housing providers should use the Evidence Guidelines as a reference to help decide whether they are ready to apply for registration. The Evidence Guidelines may also be used as a reference to assist registered community housing providers to maintain ongoing compliance with the Regulatory Code.

The Evidence Guidelines are part of the package of information and guidelines prepared by the Registrar to guide community housing providers in the process of achieving registration and ongoing compliance. The Evidence Guidelines should therefore be read and used together with the following documents:

- The Registrar's Strategic and Governance Framework
- The Regulatory Framework
- The Registration Process
- Application Guide
- Application Form
- Financial Performance Report
- Compliance (under development)

1.2 Review of the Evidence Guidelines

The Evidence Guidelines will be reviewed periodically and changes may be made at any time. If alterations are made, the Registrar's office will provide sufficient notice of such changes.

Performance Area 1: Fairness and Resident Satisfaction

Outcome 1: Residents and applicants are treated fairly by community housing providers

Performance requirement 1.1: Fair and transparent processes

A registered community housing provider must ensure that it uses fair and transparent processes to determine eligibility for community housing, the allocation of community housing properties, rent and tenure and in terminating leases.

How will the provider demonstrate compliance with this performance?

All Classes

- Applicant and resident management policies and procedures are in place which:
 - include processes to determine eligibility, allocate properties, determine rent and tenure and terminate leases
 - are fair and transparent
 - provide mechanisms for applicant and resident complaints and appeals.
- Where residency/tenancy management is outsourced to another agency:
 - the formal agreement shows the agency undertaking residency/tenancy management is required to provide quality service delivery and protect the legal rights of residents
 - the community housing provider is monitoring compliance with this requirement.
- Information provided to residents is in a range of accessible formats which includes information about the provider's:
 - applicant and resident management policies and procedures
 - internal and external complaints mechanisms
 - internal and external avenues of appeal.
- There are no significant and ongoing or repeated failure to treat applicants and residents fairly, as shown by records of internal and external complaints and appeals.
- Information about resident feedback and improvement strategies show the community housing provider responds to fairness and transparency issues affecting applicants and residents.
- All residents have their rights protected through formal agreements.

Class 1 and 2

- The community housing provider has internal or external monitoring which confirms it complies with its own policies and procedures on applicant and resident management.

What sources of information are used?	REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM
	<ul style="list-style-type: none"> • Sample internal management report/s to governing body on allocations of properties to residents. • De-identified summary of complaints from residents received by the provider over the past 12 months. • Policies and procedures on applicant and resident management, including: <ul style="list-style-type: none"> - the process to determine eligibility - the allocation of properties - rent and tenure - termination of leases.
	MAY BE REQUESTED
	<ul style="list-style-type: none"> • Information about resident feedback and improvement strategies. • Copies of documents, such as brochure, booklet or information kit which are provided to applicants, resident and other stakeholders. • Where residency/tenancy management is outsourced, a copy of the executed formal agreement. • De- identified records of appeals lodged by applicants and residents within the previous 12 months. • Standard letters to applicants and residents used in allocation, rent setting and managing tenure. • Other relevant information.
	Class 1 and 2
	ALTERNATIVE INFORMATION WHICH MAY BE SOURCED BY THE REGISTRAR
	<ul style="list-style-type: none"> • Complaints received by the Registrar of Community Housing or Housing NSW. • Records of appeals lodged by applicants and residents held by other agencies.

Performance Area 1: Fairness and Resident Satisfaction

Outcome 1: Residents and applicants are treated fairly by community housing providers

Performance requirement 1.2: Resident satisfaction with overall quality

A registered community housing provider must ensure that it maintains a level of resident satisfaction with the overall quality of its services that is, in the opinion of the Registrar, satisfactory.

How will the provider demonstrate compliance with this performance requirement?

All Classes

- The provider has policies and procedures for obtaining and using resident feedback, including an outline of the methods used.
- Resident feedback is used to assist the provider to set goals to maintain and improve performance, and this is reflected in action plans or similar records.
- Records of complaints do not indicate ongoing and repeated instances of resident dissatisfaction with services provided.

Class 1 and 2

- A survey of resident satisfaction is conducted annually.
- Provider's annual survey report shows satisfaction with services provided is at least 75 percent.

Class 3 and 4

- Feedback is sought from a representative sample of residents at least every two years.

What sources of information are used?

REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM

- De-identified summary of complaints from residents received by the provider over the past 12 months.

Class 1 and 2

- The provider's annual survey report of resident satisfaction.

Class 3 and 4

- Analysis of resident feedback gathered from a representative sample of residents about their satisfaction with the provider and its services.

MAY BE REQUESTED

- Policies and procedures for resident feedback.
- Sample survey forms.
- Evidence of action taken or planned in response to resident feedback.
- Other relevant information.

Performance Area 2: Sustainable Tenancies and Communities

Outcome 2: Community housing services contribute to sustainable tenancies and communities

Performance requirement 2.1: Support arrangements for residents

A registered community housing provider must develop and maintain arrangements that are adequate, in the opinion of the Registrar, to ensure residents with support needs receive appropriate support and, if relevant, are able to maintain their tenancies.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>All Classes</p> <ul style="list-style-type: none"> • Support arrangements are in place for residents with identified support needs, including formal agreements where appropriate. • The provider has systems for monitoring and maintaining support arrangements, including monitoring and maintaining formal support agreements. <p>Classes 1, 2 and 3</p> <ul style="list-style-type: none"> • Resident feedback mechanisms are in place to monitor resident satisfaction with support arrangements. • Feedback from residents does not indicate ongoing and repeated instances of dissatisfaction with support services.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • De-identified summary of complaints from residents received by the provider over the past 12 months. <p>Class 1, 2 and 3</p> <ul style="list-style-type: none"> • List of all current partnership arrangements through which support is provided to residents in need <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Other relevant information. <p>Class 1, 2 and 3</p> <ul style="list-style-type: none"> • Sample of executed support partnership agreements and minutes of meetings with support partners. • Resident feedback survey (or other similar documentation).

Performance Area 2: Sustainable Tenancies and Communities

Outcome 2: Community housing services contribute to sustainable tenancies and communities

Performance requirement 2.2: Community involvement

A registered community housing provider must contribute to initiatives that promote the benefits of community housing and support the local community in areas where the community housing provider has a significant presence.

How will the provider demonstrate compliance with this performance requirement?

All Classes

- There is a documented business goal relating to promoting community housing, against which progress is monitored and reported.
- There is a documented business goal relating to contributing to the local community, against which progress is monitored and reported.

Class 1 and 2

- The provider has documented community profiles of the areas in which it operates which includes information on:
 - demographics
 - the local housing market
 - the human services environment.
- The provider uses this information to identify opportunities to make a positive difference in those communities.

REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM

- Business/operational plan progress report on the goals of promoting community housing and of contributing to the local community.

Class 1 and 2

- Documented profile of the communities where the provider operates.

MAY BE REQUESTED

- Other relevant information.

Performance Area 3: Asset Management

Outcome 3: Community housing providers engage in strategic asset management to meet residents' housing needs and preferences at present and in the future

Performance requirement 3.1: Planning – Class 1, 2 or 3

A Class 1, 2 or 3 registered community housing provider must undertake asset management planning, that is satisfactory in the opinion of the Registrar, to ensure suitable properties are available at the present time and in the future.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1, 2 and 3</p> <ul style="list-style-type: none"> • The provider undertakes property management planning, including planning for: <ul style="list-style-type: none"> - maintenance - acquisition and disposal (if relevant). • Strategic asset management planning goals are included in the business plan or related documents. <p>Class 1 and 2</p> <ul style="list-style-type: none"> • There is a long term strategic asset management plan which covers strategic and operational issues, including: <ul style="list-style-type: none"> - long term portfolio strategy - managing the full life cycle of properties, that is: <ul style="list-style-type: none"> > procurement > maintenance > disposal - local demographics and housing needs analysis - future demand - efficient use of assets - policies and procedures covering maintenance planning, including regular condition inspections.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Business/operational plan or similar, with goals and strategies relating to asset management. <p>Class 1 and 2</p> <ul style="list-style-type: none"> • Strategic asset management plan. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Policies and procedures for planning property management. • Other relevant information.

Performance Area 3: Asset Management

Outcome 3: Community housing providers engage in strategic asset management to meet residents' housing needs and preferences at present and in the future

Performance requirement 3.2: Maintenance

A registered community housing provider must ensure that its community housing properties are well maintained.

How will the provider demonstrate compliance with this performance requirement?

All Classes

- The provider undertakes maintenance planning which includes:
 - processes to identify responsive and cyclical maintenance requirements, including annual condition inspections
 - ensuring arrangements are in place, whether internal or external, to ensure maintenance is undertaken in a timely manner
 - budgets for responsive and cyclical maintenance.

Class 1, 2 and 3

- A comprehensive rolling 10 year (minimum) asset maintenance plan is in place which:
 - identifies and covers all capital properties
 - is based on condition inspections and lifecycles of major items
 - identifies projected annual maintenance work
 - identifies total costs per year (for at least the first 10 years) for each property and for all properties¹
 - has an annual budget for all costs, which includes inflation, that is based on the actual maintenance requirements of each property
 - links to annual targets, as set by the provider, for average per-property maintenance costs and actual expenditure
 - shows the date it was last updated.

Class 1 and 2

- The condition of each capital property is inspected at least once every three years by a party with appropriate qualifications and experience in the building/construction/maintenance fields.
- The most recent inspection (no more than three years ago) shows that at least 70 percent of all properties managed by the provider meet Housing NSW asset standards, or other standards against which the properties were inspected.

1. It is assumed that this would link with financial budgets/cash flow projections in the Financial Performance Report.

What sources of information are used?	REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM
	Class 1, 2 and 3
	<ul style="list-style-type: none"> • Asset maintenance plan. • Financial performance report, in a form prescribed by the Registrar.
	Class 1 and 2
	<ul style="list-style-type: none"> • Example of an inspection report by a party with appropriate qualifications.
	MAY BE REQUESTED
	<ul style="list-style-type: none"> • Policies and procedures covering the planning and undertaking of maintenance, including regular condition inspections. • Internal report on progress against asset maintenance plan and related expenditure. • Other relevant information
	ALTERNATIVE INFORMATION WHICH MAY BE SOURCED BY THE REGISTRAR
	<ul style="list-style-type: none"> • Information held by Housing NSW.

Performance Area 3: Asset Management

Outcome 3: Community housing providers engage in strategic asset management to meet residents' housing needs and preferences at present and in the future

Performance requirement 3.3: Resident satisfaction with condition and maintenance of property - Class 1 or 2

A Class 1 or 2 registered community housing provider must ensure that it maintains a level of resident satisfaction with the condition and maintenance of the property that is, in the opinion of the Registrar, satisfactory.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1 and 2</p> <ul style="list-style-type: none"> • The annual resident survey seeks resident satisfaction with the condition and maintenance of their property. • The provider's annual survey report shows at least 75 percent of residents are satisfied with the condition and maintenance of their property. • Issues identified from resident feedback are responded to as required and actions can be demonstrated in action plans or similar records. • Records of complaints do not indicate ongoing and repeated instances of resident dissatisfaction.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • The provider's annual survey report of resident satisfaction. • Business/operational plan or similar with strategies for improving resident satisfaction with property condition and maintenance. • De-identified summary of complaints from residents received by the provider over the past 12 months. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Direct feedback from residents. • Policies and procedure for obtaining resident feedback. • Other relevant information.

Performance Area 4: Sound Governance

Outcome 4: Community housing providers have sound governance that supports confidence in the community housing industry

Performance requirement 4.1: Expertise of governing body

A registered community housing provider must have a governing body that, in the opinion of the Registrar, is effective and has a range of expertise that is sufficient for the scale and scope of the community housing provided.

How will the provider demonstrate compliance with this performance requirement?

All classes

- The provider's performance in other regulatory outcomes indicates the governing body is performing effectively.
- The skills of governing body members, or those available to the governing body, include financial management, asset management and risk management.
- The governing body meets regularly; at least six times a year in quorum with the Treasurer and/or other financial expertise.
- The governing body has access to external advice, independent of the provider's management.
- The skills of the governing body and its members are assessed regularly.

Class 1, 2 and 3

- In addition to the skills required for all providers (see above) the governing body also has skills in human resource management and social services, or access to expert advice in these areas.
- There is a clear process for identifying and acquiring the skills needed for effective governance of the provider.
- Annual business/operational plans (or similar) include goals that relate to achieving and maintaining the appropriate governance structure and expertise.
- Business/operational plan reports (or similar) include analysis of the provider's performance against self-identified performance indicators and demonstrate where performance indicators have been met.

Class 1 and 2

- The governing body regularly reviews its skills in the context of current growth and development plans and strategies.
- The governing body has audit and risk management committees (or similar) in place, with the risk management committee meeting at least four times a year.

What sources of information are used?	REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM
	<ul style="list-style-type: none"> • Provider’s constitution, charter or equivalent. • Documented governance structure. • Documented skills and expertise required for governing body membership. • Profiles of current governing body members, identifying their skills and expertise. <p>Class 1, 2 and 3</p> <ul style="list-style-type: none"> • Business/operation plan or similar. • Business/operational plan progress report on goal/s relating to appropriate governance structure and expertise. <p>MAY BE REQUESTED</p>
	<ul style="list-style-type: none"> • Annual report. • Governing body and committee minutes and papers, including financial reports to the governing body. • Report on skills audit of governing body members. • Other relevant information.

Performance Area 4: Sound Governance

Outcome 4: Community housing providers have sound governance that supports confidence in the community housing industry

Performance requirement 4.2: Decision-making – Class 1, 2 or 3

A Class 1, 2 or 3 community housing provider must ensure that its operations are subject to such arrangements, controls and decision-making processes as are satisfactory in the opinion of the Registrar.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1, 2 and 3</p> <ul style="list-style-type: none"> • There is an independent chairperson and clear separation between the role of the governing body and management of the provider which is ensured by the provider’s charter and/or other key policy documents. • There is a current schedule of delegations which is approved by the governing body. • The governing body receives and analyses both internal and external information and advice that is sufficient and appropriate in range and detail to enable informed decision-making and planning. • Decisions are made in accordance with policies, procedures and position descriptions approved by the governing body.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Schedule/s of delegations. • Policy or similar document/s covering separation of governance and management, and the decision-making process. • Minutes of the most recent governing body meeting and associated governing body reports, including the most recent financial report considered by the governing body. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Other governing body and committee minutes and meeting papers. • Other reports considered by the governing body. • Other relevant information.

Performance Area 4: Sound Governance

Outcome 4: Community housing providers have sound governance that supports confidence in the community housing industry

Performance requirement 4.3: Compliance with legal and other requirements

A registered community housing provider must comply with such legal and regulatory requirements, professional standards and guidelines as are, in the opinion of the Registrar, relevant to its operations.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>All Classes</p> <ul style="list-style-type: none"> • There is a system in place for ensuring the provider is aware of and meets the legislative, regulatory and professional standards that it is subject to. • The provider meets its contractual and reporting obligations to Housing NSW. • Any failures to comply with legislative, regulatory and professional standards are addressed and resolved by the provider.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <p>Class 1 and 2</p> <ul style="list-style-type: none"> • Records held by the provider showing that timely compliance with legislative, regulatory and professional standards are achieved. • Reports on the results of any internal and/or external monitoring of compliance with legal or other requirements. • Any formal certification of the provider relating to recognised professional business standards and/or good practice. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Documented policies and procedures that facilitate compliance with legislative, regulatory and professional standards. • Provider’s charter/constitution or similar. • Annual report. • Housing NSW reports/correspondence to the provider concerning compliance with agreements. • If the provider’s major funding source is an agency other than Housing NSW, information about compliance with that agency’s requirements which is relevant to regulation of the NSW community housing sector. • Other relevant information <p>Class 3 and 4</p> <ul style="list-style-type: none"> • Records held by the provider showing that timely compliance with legislative, regulatory and professional standards is achieved. • Reports on the results of any internal and/or external monitoring of compliance with legal or other requirements. <p>ALTERNATIVE INFORMATION WHICH MAY BE SOURCED BY THE REGISTRAR</p> <ul style="list-style-type: none"> • Housing NSW records which demonstrate the provider meets reporting requirements according to the department’s legal and contractual requirements. • Information relevant to regulation of the NSW community housing sector through formal exchange agreements between Housing NSW and other agencies in relation to the provider’s compliance with that agency’s requirements.

Performance Area 4: Sound Governance

Outcome 4: Community housing providers have sound governance that supports confidence in the community housing industry

Performance requirement 4.4: Planning - Class 1, 2 or 3

A Class 1, 2 or 3 community housing provider must undertake planning that, in the opinion of the Registrar, adequately identifies the priorities and resources necessary to sustain long-term delivery of community housing.

How will the provider demonstrate compliance with this performance requirement?

Class 1, 2 and 3

- There is an annual business/operational plan or similar in place that provides a framework for managing operational priorities and is linked to the strategic plan.
- There is a strategic plan which:
 - includes the provider's purpose and vision, values or mission statement
 - shows linkages to the provider's purpose and vision/values/mission statement and the current broader policy and planning contexts for community housing.
 - details the provider's specific goals across the timeframe of the plan, including strategies and timelines for achieving them using measurable performance indicators
 - is linked to an annual business/operational plan or similar, which guides service delivery during the current year
 - for Class 1 and 2 providers; a budget across the timeframe of the plan which is updated annually
 - for Class 3 providers; an annual budget.
- There is documented regular (at least annual) review by the governing body of progress against the strategic and business/operational plans including updated budget.

Class 1 and 2

- There is a documented risk management framework (see also performance requirement 6.3).
- The governing body considers documented and regular (at least annual) reports on the effectiveness of its risk management plan which include any findings from regular internal or external performance monitoring.

<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Strategic plan • Business/operational plan or similar. • Progress reports of performance against the strategic plan • Business/operational plan progress report, including reporting against self-identified performance indicators. • Reports of performance against the strategic and business/operational plan, including reporting against self-identified performance indicators. <p>Class 1 and 2</p> <ul style="list-style-type: none"> • Risk management plan. • Internal report on the effectiveness of the risk management plan. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Policies and procedures for risk management and strategic planning. • Risk management framework. • Governing body and, if applicable, committee records relating to planning and risk management. • Annual report. • Other relevant information.
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Performance Area 5: Standards of Probity

Outcome 5: Community housing providers maintain high standards of probity

Performance requirement 5.1: Fraud and corruption

A registered community housing provider must:

- (a) have systems in place that are designed to prevent, monitor, report on and respond, to instances of fraud, corruption and criminal conduct of a similar kind; and
- (b) ensure that there are no serious or repeated instances of fraud, corruption or criminal conduct of a similar kind in connection with its operations.

How will the provider demonstrate compliance with this performance requirement?

All Classes

- There have been no instances of serious or repeated fraud, corruption or criminal conduct.
- The provider's policies and procedures address potential fraud, corruption or criminal conduct.
- The provider monitors its processes to identify actual and potential fraud, corruption or criminal conduct.
- There are policies and procedures in place that cover reporting, investigating and/or referring allegations of fraud, corruption or criminal conduct, including policies and procedures for 'whistle-blowing' protection.
- Where an allegation of fraud, corruption or criminal conduct has been made, appropriate action has been taken in line with the provider's policies and procedures.

Class 1 and 2

- A fraud and corruption prevention plan is in place, which addresses areas such as:
 - policies and procedures for matters such as ethical standards, gifts and benefits, conflicts of interest, secondary employment, procurement and disposal, and cash handling
 - corporate strategies such as corruption risk management, fraud prevention and e-corruption
 - systems such as internal reporting and investigation, financial management controls, internal audit, recruitment and selection, training, performance management, grievance handling, complaint handling and contracting.
- The effectiveness of the fraud and corruption prevention plan is reviewed (via audits or similar) by the provider at least annually and improvements are made where necessary.

<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p>
	<ul style="list-style-type: none"> • Audited financial statements. • Policies and procedures relating to reporting, investigation and/or referral of fraud, corruption or criminal conduct. <p>Class 1 and 2</p> <ul style="list-style-type: none"> • Fraud and corruption prevention plan. • Risk management plan. • Internal report on the effectiveness of the risk management plan. <p>MAY BE REQUESTED</p>
	<ul style="list-style-type: none"> • Governing body and, if applicable, committee records addressing relevant matters. • De-identified summary of complaints from residents received by the provider over the past 12 months. • Documentation relating to any action taken where there has been an allegation of fraud, corruption or criminal conduct. • Other relevant information.

Performance Area 5: Standards of Probity

Outcome 5: Community housing providers maintain high standards of probity

Performance requirement 5.2: Code of Conduct

A registered community housing provider must have a code of conduct designed to ensure it maintains high standards of probity. The provider must ensure there are no serious or repeated breaches of the code.

How will the provider demonstrate compliance with this performance requirement?	<p>All Classes</p> <ul style="list-style-type: none"> • There is a code of conduct for governing body members, staff and volunteers which is adhered to. • There is a system for obtaining an undertaking from each new director, staff member and volunteer that they understand and will comply with the code of conduct. • There are policies and procedures for identifying, managing and removing or mitigating conflicts of interest (including potential, perceived and actual, whether pecuniary or non-pecuniary). • There are mechanisms in place for investigating breaches of the code of conduct.
What sources of information are used?	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Code of conduct. • Policies and procedures for managing conflicts of interest. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Copy of the register of conflict of interests. • Sample of the code of conduct acknowledgement. • Sample of governing body/committee/other meetings where conflicts of interest were declared. • Gift register. • Other relevant information. <p>Class 1 and 2</p> <ul style="list-style-type: none"> • Copies of relevant tender documents and resulting contracts showing all declared conflicts of interest (including the provision that the provider may withdraw from the contract if the other party fails to comply).

Performance Area 5: Standards of Probity

Outcome 5: Community housing providers maintain high standards of probity

Performance requirement 5.3: Reputation of community housing sector

A registered community housing provider must notify the Registrar, in a timely manner, of any incident relating to its operations that damages, or may damage, the reputation of the community housing sector.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>All Classes</p> <ul style="list-style-type: none"> • Systems/procedures are in place for notifying the Registrar of incidents relating to its operations that damages, or may damage, the reputation of the community housing sector. • The provider notifies the Registrar of any incident of this type as soon as possible.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Outline of systems and/or procedures to ensure the Registrar is notified of incidents. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Other relevant information. <p>ALTERNATIVE INFORMATION WHICH MAY BE SOURCED BY THE REGISTRAR</p> <ul style="list-style-type: none"> • Relevant reports or records held by Housing NSW. • Public media reports.

Performance Area 6: Protection of Government Investment

Outcome 6: To ensure the protection of government investment in community housing

Performance requirement 6.1: Financial performance

A registered community housing provider must be solvent and:

- (a) in the case of a Class 1 or 2 registered community housing provider - must have an appropriate capital structure and be financially viable for the foreseeable future; and
- (b) in the case of a Class 3 or 4 registered community housing provider - must be financially viable for the immediate future.

How will the provider demonstrate compliance with this performance requirement?

All Classes

- The provider is financially viable and documents its strategies in its business plan for maintaining ongoing viability.
- Financial records are certified by the governing body as representing a true and fair view of the provider's financial condition and operational results.
- Financial records are independently audited on an annual basis.
- Where audited financial statements have been qualified, the qualification does not indicate risk to financial viability.
- The provider has policies and procedures addressing issues relating to financial performance.
- The provider has taxation status certification indicating agency Public Benevolent Institution (PBI), Income Tax Exempt Charity (ITEC) and Deductible Gift Recipient (DGR) status.
- The provider has current insurance cover. (Class 1 and 2 see also 6.3 Risk management planning).

Class 1 and 2

- The financial performance report (in a form prescribed by the Registrar) is submitted in timeframes determined by the Registrar. This and other relevant reports demonstrate the ongoing viability of the provider's business operations over at least the next three years.
- The financial performance report (in a form prescribed by the Registrar) includes three years of historical data from audited financial statements with projections for at least three years which address business requirements, maintenance liabilities, additional risks, expectations of growth and any alternative funding mechanisms as identified in the business/operational plan.

Class 3 and 4

- The financial performance report (in a form prescribed by the Registrar) is submitted in timeframes determined by the Registrar. This and other relevant reports demonstrate the ongoing viability of the provider’s business operations over at least the next 12 months.
- The financial performance report (in a form prescribed by the Registrar) includes three years of historical data from audited financial statements with projections for at least the next 12 months which addresses business requirements, maintenance liabilities, additional risks, expectations of growth and any alternative funding mechanisms as identified in the business/operational plan.

What sources of information are used?

REQUIRED TO BE SUBMITTED IN ADDITION TO THE APPLICATION FORM

- Audited financial statements covering the past three financial years (refer to definition in Application Guide for what these should include).
- Financial performance report in a form prescribed by the Registrar.
- Audit management letters.
- Business/operational plan or similar: with annual budget.
- Copies of certificates of currency for all insurance policies. (Class 1 and 2 see also 6.3: Risk management planning).

Class 1

- The provider’s documented financial strategies and plans.
- Financial management policies and procedures.

MAY BE REQUESTED

- Other relevant information.

Class 1

- Certificate or letter from Australian Tax Office confirming the provider’s taxation status.

Class 2, 3 and 4

- Financial management policies and procedures.

Performance Area 6: Protection of Government Investment

Outcome 6: To ensure the protection of government investment in community housing

Performance requirement 6.2: Business planning – Class 1 or 2

A Class 1 or 2 registered community housing provider must undertake coherent and robust business planning that takes into consideration asset management information, loan agreements and any other relevant financial information.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1 and 2</p> <ul style="list-style-type: none"> • The provider’s business/operational plan or similar (the business/operational plan) is sufficient and appropriate considering the level of financial risk to which the provider and public assets are exposed. • The business/operational plan provides for analysis of performance against self-identified performance indicators for loan portfolio management and other key areas of business. • The goals of the business/operational plan relating to loan portfolio management include the regular review of loan structures to ensure the appropriate balance of risk and price. • Loan structures are reviewed before taking on new loans to assess the potential impact on the provider’s ability to achieve its goals. • Progress on the business/operational plan is reported and includes analysis of self-identified performance indicators.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Business/operational plan or similar: including annual budget • Business/operational plan progress report: including reporting against self-identified performance indicators. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Policies and procedures relating to business planning process. • Any other relevant documents relating to loan structures/borrowing.

Performance Area 6: Protection of Government Investment

Outcome 6: To ensure the protection of government investment in community housing

Performance requirement 6.3: Risk management planning – Class 1 or 2

A Class 1 or 2 registered community housing provider must undertake risk management planning that includes implementing controls for minimising the risk of government investment losses.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1 and 2</p> <ul style="list-style-type: none"> • The provider has a documented risk management system (see also performance requirement 4.4) which is consistent with the AS/NZS 4360: 2004 and ISO/DIS 31,000 risk management standards and: <ul style="list-style-type: none"> - describes the risk management system adopted by the provider - addresses financial risk associated with general financial controls and any major new projects - includes a current risk management plan that: <ul style="list-style-type: none"> > outlines both insurable and uninsurable risks to the provider > details strategies for mitigating unacceptably high risks > has risk mitigation targets > has measurable indicators to show the effectiveness of the strategies • The provider has current insurance cover.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED</p> <p>Class 1</p> <ul style="list-style-type: none"> • Documented risk management system. <p>Class 1 and 2:</p> <ul style="list-style-type: none"> • Current risk management plan and action logs (or similar) arising from monitoring/review activities. • Copies of certificates of currency for all insurance policies. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Financial management polices and procedures. • Other relevant information.

Performance Area 7: Efficient and Competitive Delivery of Community Housing

Outcome 7: To ensure the community housing providers deliver community housing services with government assistance in an efficient and competitive manner.

Performance requirement 7.1: Efficiency

A registered community housing provider must efficiently utilise its community housing properties and any funding it receives.

Performance requirement 7.2: Competitive management costs – Class 1, 2 and 3

A Class 1, 2 or 3 registered community housing provider must demonstrate that the costs of the management of its community housing properties are, in the opinion of the Registrar, competitive.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>All Classes</p> <ul style="list-style-type: none"> • Properties are inhabited and each property is fully utilised as a result of that residency/tenancy (taking into account the constraints of the portfolio and need for maintenance). • The provider achieves: <ul style="list-style-type: none"> - A residency/tenancy rate indicating an appropriate level of utilisation of properties given the mix of residents and properties - A turnaround time for vacant properties of 14 days or less - A turnaround time for void properties of 28 days or less • The provider receives the maximum fair rental income from its residents by ensuring: <ul style="list-style-type: none"> - reviews of market rent and resident income are undertaken at least every six months - rent arrears are at tolerable levels - income lost through rental bad debts (as a percentage of income charged for the period) is minimised. • Staff costs as a percentage of overheads is monitored. • Corporate overheads as a percentage of total expenditure are within an acceptable range. <p>Class 1</p> <ul style="list-style-type: none"> • The provider’s business/operational plan (see also Performance Area 4) addresses efficiency measures.
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Financial performance report in a format prescribed by the Registrar • Business/operational plan or similar. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Other relevant information.

Performance Area 8: Development Projects

**Outcome 8: Timely and on-budget completion of community housing developments AND
Community housing projects deliver appropriate and affordable housing.**

Performance requirement 8.1: Planning and costs: Class 1 or 2

A Class 1 or 2 registered community housing provider must undertake community housing development project planning that is appropriate to the scale of projects undertaken and that demonstrates that projects will meet relevant statutory requirements and policy guidelines.

How will the provider demonstrate compliance with this performance requirement?

Class 1 and 2

- Where either re-development projects with government funding or development projects initiated by the provider which utilise leveraging are planned or undertaken:
 - the provider has policies and procedures for planning and conducting affordable housing development projects
 - the governing body monitors projects underway and ensures that any variation to timeframe or budget of projects is minimised
 - the provider has a project management methodology that includes:
 - > business cases for project plans
 - > a program of projects
 - > allocated budget and monitoring of expenditure
 - > a project owner or sponsor
 - > a dedicated project manager (individual or team)
 - > access to experience in property development
 - > expertise capable of ensuring projects meets standards within relevant legal frameworks
 - > risk management
 - > reporting to and monitoring by the governing body.
- Business cases are developed for individual project plans and cover the following:
 - feasibility study
 - human resources
 - detailed cost estimate, including cost per unit
 - project management proposal
 - risk management plan
 - transparent procurement process
 - ensuring competitive tendering
 - design plans for the development
 - stakeholder requirements
 - cost estimate checks by a qualified surveyor
 - advice on end value of the project
 - Housing NSW guidelines/policy on development projects involving government assistance or assets (when available).

- Where the provider has agreements with Housing NSW or other government agencies regarding development projects, the provider is progressing these development projects as per the agreement.

<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p>
	<ul style="list-style-type: none"> • Business/operational plan or similar. • A summary report listing the provider’s development projects (completed and ongoing) including the following per project: budgeted cost, variance from budget as at 30 June, planned timeframes for completion, and comment on progress. • Financial performance report, in a form prescribed by the Registrar. <p>ALTERNATIVE INFORMATION WHICH WILL BE SOURCED BY THE REGISTRAR</p>
	<ul style="list-style-type: none"> • Housing NSW verification of development projects and performance will be sought in relation to projects funded by Housing NSW or other government agencies. <p>MAY BE REQUESTED</p>
	<ul style="list-style-type: none"> • Project management and development planning policies and procedures • Meeting minutes and accompanying reports showing the governing body receives information about development projects, monitors progress against performance indicators and ensures corrective action is taken if necessary. • Samples of development business cases, briefs or similar proposals for development projects.

Performance Area 8: Development Projects

Outcome 8: Timely and on-budget completion of community housing developments AND Community housing projects deliver appropriate and affordable housing.

Performance requirement 8.2: Financial leverage – Class 1

A Class 1 registered community housing provider must leverage its assets at a rate that, in the opinion of the Registrar, delivers sustainable and optimal growth.

<p>How will the provider demonstrate compliance with this performance requirement?</p>	<p>Class 1</p> <ul style="list-style-type: none"> • Review of financial performance across the provider’s activities indicates the provider is utilising its assets to achieve sustainable and optimal growth given the context of its operations and available resources. This includes: <ul style="list-style-type: none"> - there is evidence that the provider considers opportunities to leverage available assets and resources for purposes of growth. - where private finance has been accessed, or is planned, cash flow analysis indicates capacity to continue to service current and planned debt. - there is evidence that loan structures are reviewed to ensure appropriate balance of risk and price (see also performance requirement 6.2).
<p>What sources of information are used?</p>	<p>REQUIRED TO BE SUBMITTED IN ADDITION TO APPLICATION FORM</p> <ul style="list-style-type: none"> • Business/operational plan or similar: with budget, goals, targets and strategies relating to development projects; and internal reports on progress. • Audited financial statements. • Financial performance report, in a form prescribed by the Registrar. <p>MAY BE REQUESTED</p> <ul style="list-style-type: none"> • Documentation from providers demonstrating contact with financial institutions regarding proposed development plans. • Governing body meeting minutes and reports.

For more information, please refer to the other guides in this series:

1. The Regulatory Framework
2. The Registration Process
4. Application Guide
5. Financial Viability





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