

NSW Registrar’s Compliance Assessment Notes - October 2017

Property Utilisation Guidance Note

Aim:

This guidance note is designed to provide clarity to registered community housing providers on how to accurately report property utilisation data

Regulatory Requirements:

Under Performance outcome 6: Management a community housing provider must manage its resources in a cost-effective manner. Performance requirement 6a states a community housing provider must demonstrate it utilises its assets and funding to meet business goals. A key component of utilisation is the effectiveness of how registered providers manage their community housing properties.

Metric Calculations:

The Registrar considers three key metrics in the assessment of registered community housing providers’ property utilisation.

6.1a	Occupancy rate	>=97% = Green <97% = Yellow	Occupied units as a percentage of the total number of tenancy units	"6.1.12 Total number of tenancy units" - "6.1.1 Nbr vacant tenatable tenancy units"/"6.1.12 Total number of tenancy units"
6.1c	Tenancy turnaround (tenantable)	<=14 days green >14 <29 days Amber 29+ days Red	Average calendar days vacant (tenantable) determined with reference to the total number of actual vacant tenantable properties relet	"6.1.7 Calendar days vacant tenantable"/"6.1.11 Nbr vacant tenantable unit relet"
6.1d	Tenancy turnaround (untenantable)	<=28 days = Green 29 - 35 days = Amber >=36 days = Red	Average calendar days vacant (untenantable) determined with reference to the total number of actual vacant untenantable properties relet	"6.1.8 Calendar days vacant untenantable"/"6.1.10 Nbr vacant untenantable relet"

Terminology Clarification

Utilisation metrics are not entered directly by providers but are calculated from data entry fields in CHRIS. The Registration Return Guide contains more detailed

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discussion but it is important for assessment and report purposes that the data supplied by community housing providers is consistent.

When entering data into CHRIS it is important to consider:

- Metric 6.1c Tenancy turnaround (tenantable) refers to average days lost after an accommodation unit is ready for occupation
- Metric 6.1d Tenancy turnaround (untenantable) refers to average days lost when an accommodation unit remains unoccupied because it requires significant maintenance work to bring it up to a tenantable standard

Please ensure the following are *excluded* from the property utilisation metrics:

- Units of accommodation used for crisis and transitional housing that are under residency agreements. All three metrics consider the utilisation of tenancy units which is defined as units of accommodation to which a rental agreement can be made.
- Tenancy units where an agreement exists (e.g. with the state housing authority or an agency with nomination rights) that the tenancy unit remains vacant

Individual Circumstances:

While these metrics have thresholds it is noted they do not determine compliance by themselves. Rather, they provide a starting point to assess performance. Results below threshold may indicate a concern to be addressed. The Registrar seeks to understand contextual and other factors that contribute to the result. In some instances analysis of performance against threshold may indicate systemic issues.

If the property utilisation metrics are being distorted by unique or one off factors there are comment fields within CHRIS to explain individual circumstances. These will be considered as part of the compliance process. Community Housing Providers are also encouraged to contact their analyst if they have any concerns. It is important for assessment and report purposes the data supplied by community housing providers is consistent.