

## **Conflict of Interest - Campaign follow up**



### **What is this follow up report about?**

The NSW Registrar of Community Housing (Registrar) conducted a campaign in 2019 to understand and evaluate current Conflict of Interest (COI) practice and management in the Community Housing Sector, with a focus on Tier 1 and 2 registered Community Housing Providers (CHPs).

As a result, the Registrar made recommendations to CHPs to assist in improving the quality of their COI policies, and to promote better practice in documenting and managing conflicts of interest.

The aim of this report is to determine whether CHPs have addressed the recommendations made during the previous compliance round, and review any trends towards improvement and behavioural changes in COI management practice.

### **The context of this research**

The Registrar has a responsibility to ensure that the community housing sector is well governed, well managed and viable. It must also meet the housing needs of tenants and provide assurance for government and investors.

The ongoing regulation of registered CHPs is managed by undertaking risk-based compliance assessments to ensure that registered CHPs maintain performance in accordance with the National Regulatory Code. COI management is an important performance indicator of compliance regarding governance and probity under the Code.

### **Methodology used**

The Registrar assesses compliance of Tier 1 and 2 CHPs with the Code annually. This assessment process is the main information source used by the Registrar to test and gain an understanding of sector performance around COI management.

For this follow up report, the Registrar used 2019/20 T1 and T2 compliance assessments to obtain current insights relevant to CHPs COI practice and management.

### **Subsequent findings**

The Registrar found that all COI recommendations and improvement opportunities made during the previous compliance assessment had been addressed in the 2019/20 compliance round.

Notable improvements include the following:

- Clearer COI definitions and guidance;
- CHPs have greater understanding of the different types of COI declarations (i.e. actual, perceived and potential interest) and their consequent impact to the organisation;
- CHPs demonstrate a more transparent decision process in managing COI declarations;
- Improved accessibility and visibility of COI process and procedures.

The Registrar commended a number of CHPs for their positive and proactive efforts to address COI recommendations earlier than the scheduled compliance assessment.

**For more information**

If you would like to speak with the Registrar's Office about this report, please call 1800 330 940 or email us at [registrar@facs.nsw.gov.au](mailto:registrar@facs.nsw.gov.au).

*Note: These findings are an interpretation of a sample of provider performance at a point in time*

**FURTHER INFORMATION**

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The Registrar of Community Housing

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Community Housing**