

# Fact Sheet

**New South Wales Local Scheme  
February 2020**

**This fact sheet provides information for housing providers, tenants, investors and other interested parties on the New South Wales Local Scheme (NSW Local Scheme) and the regulatory frameworks underpinned by the principles of the *Community Housing Providers (Adoption of National Law) Act 2012 (NSW)*.**

## Policy Intent

The vision of the NSW Local Scheme is for a well governed, well managed and viable local community housing sector that meets the housing needs of tenants and provides assurance for government and investors.

The NSW Local Scheme aims to achieve this vision by:

- providing a consistent regulatory environment to support the growth and development of the community housing sector
- paving the way for future housing product development
- creating a playing field for providers seeking to enter into Community Housing, but are unable to under the National system.

The NSW Local Scheme seeks a clear separation between regulatory activities and state and territory policy and funding activities. Policy and funding decisions will continue to be a matter for state, territory and federal governments, which enables localised responses to meet housing need.

## Eligibility

The NSW Local Scheme is designed to regulate providers of community housing, which includes social and affordable housing. Indigenous community housing providers (ICHOs) and other specialist housing providers are also welcome to apply for local registration.

There will be no obligation for housing providers to be registered under the local system. However, individual government policy and funding agencies may make registration a precondition for receiving funding or investment and for delivering funded housing services.

Registration is open to any housing provider that meets the requirements of the Regulatory Framework including:

- An appropriate corporate structure for the proposed tier of registration. (e.g. Tier 1 housing providers must be incorporated as either a company limited by shares or by guarantee under the Corporations Act 2001; or a corporation incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006)
- incorporation as a Local Aboriginal Land Councils (LALCS)
- Have in place having in place processes that give the Registrar assurance that in the event of wind-up and/or de-registration, assets or assistance provided by the NSW Government are appropriately protected
- Have a demonstrated capacity to meet and achieve ongoing compliance with the NSW Local Scheme Regulatory Framework.

## What it means for new entrants

The NSW Local Scheme is designed to provide a level playing field for providers and to avoid unnecessary restrictions on new entrants. While registration does not offer any entitlement to funding, it provides new entrants with a status that is immediately recognised by government and increasingly recognised by private investors and partners.

## Core Elements

### **'The National Law (NSW)'**

The NSW Local Scheme is being introduced through amendments made to the Community Housing Providers (adoption of National Law) Act 2012 (NSW), under section 25A the Enactment allowed NSW to adopt the National Law, with some exceptions.

### **NSW Local Scheme Charter**

The vision, objectives, regulatory principles and philosophy behind the new system have being implemented and adopted from the principles set out in the NSW Local Scheme Charter.

### **Regulatory Framework**

The regulatory framework sets out the performance requirements that registered housing providers must comply with in providing community housing under the NSW Local Scheme. It does not prescribe how providers should run their businesses but rather focuses on the achievement of outcomes in the following areas:

- Tenant and housing services
- Housing assets
- Community engagement
- Governance
- Probity
- Management
- Financial viability

NSW Registrar of Community Housing  
Locked Bag 4001, Ashfield BC 1800  
P: 1800 330 940 F: (02) 8741 2522  
E: [registrar@facs.nsw.gov.au](mailto:registrar@facs.nsw.gov.au)  
W: [www.rch.nsw.gov.au](http://www.rch.nsw.gov.au)