

Property Utilisation Reporting



What is this report about?

The NSW Registrar of Community Housing (the Registrar) conducted a campaign to determine if property utilisation data being reported by Community Housing Providers (CHPs) is accurate and correctly reflects the sector's performance.

The context of this effort

Under the Community Housing Providers Adoption of National Law Act 2012 (NSW) (National Law), CHPs must demonstrate to Registrars the properties they manage are effectively utilised.

There are three key measurements used under National Regulatory System Community Housing (NRSCH) to assess this requirement: the proportion of properties tenanted (occupancy rate), the speed at which vacant properties are tenanted (turnaround), and the speed at which an untenable property can be repaired and then tenanted.

The development of the NSW Registrar's annual report on performance of the community housing sector released in February 2018¹, indicated inconsistencies in the quality of property utilisation metrics collected under the NRSCH. These inconsistencies detracted from the Registrar's ability to provide insights into the performance of the sector in this crucial area. As a result, the Registrar made property utilisation metrics an area of focus for the 2017/18 compliance assessment program.

The review found the variances in understanding and policy settings continue to obscure performance reporting in this key area. Areas for improvement to current systems are highlighted, noting that specific solutions require additional engagement with data and policy owners. The governance arrangements of NRSCH mean many of the concerns identified cannot be addressed by NSW only and will require consensus from Registrars nationally.

Methodology

Under NRSCH requirements the Registrar assesses the compliance performance of Tier 1 and 2 CHPs annually. The Registrar used this program to test the quality of property utilisation data reported over the period November 2017 to March 2018. Information was also obtained through interviews with NSW regulatory staff.

Approximately half of all Tier 1 and Tier 2 CHPs were engaged and advice was also sought from NSW Family and Community Services (FACS) Community Housing Contracting (Contracting). The Registrar also used data obtained through audits, interviews and documentary evidence to support the findings.

¹ http://www.rch.nsw.gov.au/_data/assets/pdf_file/0010/537094/ASOP2017-NSW-Registrar-Outcome-2.pdf

Findings

The report confirmed while there are systemic issues with turnaround time data quality there is no indication of harm to tenants from this inconsistency in reporting. The Registrar's staff has traditionally tried to resolve property utilisation reporting inconsistencies through their interactions with individual providers during the compliance assessment. However, such engagement has not progressively addressed underlying aggregated data issues across the sector.

The Registrar found there are multiple reasons for the data quality issues. The report found there was general confusion amongst CHPs and the staff of the Registrar's Office over both the current property utilisation definitions underpinning reporting and the NRSCH data collection system. These issues are compounded by the many different contracting, policy and code standards for occupancy, repair and turnaround times.

The following areas of improvement for the current system warrant consideration:

- Clearer definitions and guidance material to support these definitions.
- Training and support arrangements for regulatory staff assessing property utilisation performance.
- Increased intelligence linkages between regulators and contracting to reduce the business burden on CHPs.
- Review of the national regulatory system to improve data quality as part of the improvement cycle.

Consultation process

The Registrar released a draft discussion paper as part of an open engagement process, and sought guidance on best practice from peak and representative bodies by inviting written comments on the discussion paper. The feedback received has been incorporated as appropriate into the final version of the report, assisting with informing key implications and considerations.

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

FURTHER INFORMATION

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