



Community Housing
INDUSTRY ASSOCIATION

CHIA

Review of the NRSCH Metrics Submission



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Introduction

CHIA is the peak body representing not for profit community housing organisations (CHOs) across Australia. Our 150+ members manage a \$40 billion-plus portfolio of more than 120,000 homes, housing people on low and moderate incomes who find it hard to access affordable and appropriate tenancies in the private market.

The Community Housing Industry Association (CHIA) welcomes the opportunity to make the submission to the first of what we understand to be *'a series of consultation papers that will look at reviewing a range of NRSCH data and performance metrics reported by CHPs.'* We are particularly heartened by the recognition that the current regime - developed in 2013 – needs to be updated to reflect changes that have already taken place in the sector and more of which are likely to result from the Housing Australia Future Fund and other government programs. Similarly positive is the aim to align metrics with the Victorian regulatory regime. This is, we hope, a first step towards one single regulatory regime for CHOs.

This submission is made by CHIA on behalf the state and territory peak bodies (noted on the cover) that represent the community housing sector.

To inform the submission we held a members consultation. Thirty six members attended, representing all NRSCH jurisdictions and Victoria. The majority were T1 registered, but smaller organisations also attended. There was an excellent discussion and while there is considerable support for a review, the discussions reflected frustration that the focus in this paper is so limited and does not correspond to sector priorities. This has impacted on the responses to the individual data items. In addition to in person consultation, individual members and peak organisations provided comments. The submission seeks to represent a broad range of organisation operating in different contexts. Inevitably, there are going to be jurisdictional specific issues that are difficult to capture in one submission. The more comprehensive review we propose would allow these specific issues to be addressed.

There is also concern that this review does not acknowledge the importance of aligning data collection requirements with those of other organisations. The paper mentions the AHIW community data strategy without explaining what this is, what other actions it requires, and when it will be released and implemented. We also need to understand how performance requirements outlined in the Housing Australia's performance framework will interact with the regulatory regimes. At the least we need to be assured that there is dialogue with Housing Australia to ensure data definitions are identical and reduce regulatory burden.

For the avoidance of doubt, the members attending the session are fully supportive of a strong regulatory regime. They understand the value of making annual data returns, recognising that if the data is well defined, relevant and meaningful it can enable Registrars to more precisely target further compliance

checking activities and reduce regulatory burden. The sector also sees value in the Registrars using the data to collectively report on sector performance.

The submission sets out the recommendations, then considers each data item in the review paper and concludes with other matters of concern.

Recommendations

These recommendations are confined to the NRSCH data collection. The first is our preference. The subsequent recommendations are set out in case our proposal for a comprehensive review is rejected.

1. Replace the proposed piecemeal data review with a comprehensive data review and ensure that it considers and is aligned with the Community Housing Data Strategy and other community housing data collections
2. Before adopting the additional requirement for complaints data (1) clarify the complaints definition, (2) counting process for complaints spanning more than one category and (3) that this count will replace the requirement to submit a complaints register
3. Clarify the definition of eviction
4. Amend the short / medium term definition to 'up to two years'
5. Clarify how the evictions thresholds will be applied to smaller CHOs with few homes under management
6. Pause the collection of eviction data until consideration given to improving the data collection requirements
7. Pause the collection of tenancy exit data until consideration given to improving the data collection requirements
8. As a priority consult with the sector on the voids and development thresholds
9. Improve the CHRIS interface to make it easier for data and information to be uploaded.

Proposed Changes to NRSCH Data Collection and Performance Metrics

Recommendation 1 – NEW Collection of complaints data from provider

Members report that they generally categorise complaints in a similar way, and theoretically could supply this data. The questions raised and points made were as follows:

- An assumption that the data will be provided instead of the complaints register, with the register being provided only if further compliance activity is required
- Clarification of how the data will be used. It clearly can't be used to assess a CHO's complaints management system
- Allowing for the fact that some complaints will cover topics in more than one of the stated categories, being clear how CHOs should report this
- Confirming that appeals against decisions are not included – we have assumed they are not but some members were unsure.

Some organisations were also of the opinion, that complaints made to an organisation that were found not be their responsibility should be excluded from the count.

Recommendation 2 – AMEND eviction performance metric

There is support for the move to change the denominator to ‘*Number of tenancies for the year*’. Reporting separately on short/ medium term tenancies and longer term ones is also supported, but with the proviso that the definition for short / medium term tenancies is changed to ‘a dwelling where households are expected to reside for fewer than 104 weeks’. Many transitional schemes allow up to two years residence.

To ensure reliable and consistent reporting, the definition should make clear whether it is restricted to cases where a warrant of possession is issued (i.e. purchase of warrant) and the tenancy is subsequently terminated; whether or not it is executed by the police. This would also ensure alignment with the Victorian Housing Registrars definition. It would of course not align with the definition used for Victoria’s public housing. In the longer term consistent definitions for the whole social housing sector are needed.

Recommendation 3 – AMEND eviction thresholds to support the revised denominator

There is support for the revised metrics with the proviso that the Registrars explain how they will accommodate smaller providers who could breach the threshold if they carry out even one eviction. Perhaps for smaller organisations the threshold is calculated as an average over longer period. Important will be to ensure that these ‘breaches’ are not recorded as such in the Registrar’s annual reporting.

Recommendation 4 – NEW collection of reason for eviction

Our understanding is that this is a new data requirement in Victoria and, a number of issues requiring resolution have already been identified. There was less support for requesting this data without adjustment and explanation. Feedback from our members is:

- Include the explanation of how this data is used for regulatory purposes. Allowing multiple choice as grounds for eviction can span the categories
- Including a category for where tenant is no longer eligible for a program and has refused to leave
- Where a private landlord has terminated a head-lease and the tenant has refused to leave

There was also support for being able to record where alternative accommodation was provided.

Recommendation 5 – NEW collection of tenant/resident accommodation after exit information

CHOs are attempting to collect exit information but it is unlikely that this is sufficiently comprehensive or consistent to be of use. Tenants are often unwilling to divulge their forwarding addresses. There was also little understanding of how it would be used by regulators. The categories used by SHS are clearly not suitable for providers of longer term accommodation. For example, there are no ‘deceased’ or ‘transfer’ categories. We recommend that this data is not collected at this point and should be consider in the wider review we have proposed.

Other priorities

While outside the remit of this review we believe that instead of piecemeal changes there should be *‘a joint Commonwealth-state review to develop and implement a truly national regulatory framework for the community housing sector. The new framework should be designed to support engagement with institutional investors and address the increased complexity of funding arrangements in the sector.’*¹

Given this review is unlikely in the short term we strongly recommend that instead of the proposed piecemeal approach to the metrics review, the Registrars conduct a comprehensive review that is aligned with the AIHW community housing data strategy and considers other sector data collections. Only in that way can there be certainty that we avoid duplication, inconsistent data definitions and regulatory burden.

CHOs raised a host of issues that only a comprehensive review can address. However, there were some short term practical issues that could be addressed without compromising a proper regulatory review. These are:

- To review (with the sector) the void metrics thresholds and reporting given the realities of managing increasingly complex tenancies. The current development project metrics are also considered to be out of date and not consistent with current realities
- To make improvements to the user friendliness of CHRIS. Mentioned were allowing CHOs to upload new procedures etc at any time, increasing the numbers of files up loadable at any one time and increasing the size of documents that can be uploaded. Allowing more than one officer access to the system would be popular.

References

¹ https://nhsac.gov.au/_assets/downloads/barriers-to-institutional-investment-report.pdf