

Queensland State Regulatory System for Community Housing (QSRSCH)

Guide to Compliance

Information for **State Providers**



Queensland
Government

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About the Queensland State Regulatory System for Community Housing



The Queensland State Regulatory System for Community Housing (QSRSCH) is a regulatory system designed to contribute to a well governed and managed state community housing sector and provide a platform for the ongoing development and viability of the community housing sector in Queensland.

State providers are councils or other identified organisations that deliver social or affordable housing and associated services to people on very low, low or moderate incomes. These services are covered by the social and affordable housing policies of government housing (policy/funding) agencies.

The key objectives of the QSRSCH are to:

- provide a consistent regulatory environment to support the growth and development of the community housing sector
- pave the way for future housing product development
- reduce the regulatory burden on housing providers

A suite of Operational Guidelines guides the overall operation of the QSRSCH in accordance with the Queensland State Regulatory Code and the *Housing Act 2003*.

The scope of the Registrar's functions under the QSRSCH is limited to regulatory activities. The state housing agency will continue to have responsibility for policy and funding decisions.

Introduction

This document provides guidance to state providers completing a standard compliance return.

This document is one in a series of guides that have been developed to assist community housing providers through the compliance process and assessment. Other guides in this series include:

- **QSRSCH Guide to Completing your Community Housing Asset Performance Report (CHAPR)**
This document provides detailed guidance on the completion of the CHAPR. The CHAPR is completed at registration and at each compliance assessment.
- **QSRSCH Guide to Completing your Return for State Providers**
This document is designed to help you understand what information should be recorded and how the system validates and analyses the data. It contains hints and tips to help you complete and check your return.
- **QSRSCH Financial Viability Guidance Note**
This document provides guidance on meeting performance and evidence requirements under Performance Outcome 7 – Financial Viability.
- **Navigating the Community Housing Regulatory Information System (CHRIS) for State Providers**
This document provides guidance to state housing providers completing a registration or standard compliance return using the online regulatory system known as CHRIS.
- **Metrics Information Sheet for State Providers**
This document outlines the data required to be submitted in each return and how this is calculated into metric thresholds.

The guidance is directly aligned with the Queensland State Regulatory Code performance outcomes and the evidence guidelines. It should be read and used in conjunction with other published documents which contain more detailed information about specific parts of the QSRSCH. Critical supporting documents include:

- **Queensland State *Housing Act 2003* and Queensland State Regulatory Code.**
- **Evidence Guidelines** – this document describes the performance indicators and potential evidence sources for assessing providers against the Queensland State Regulatory Code performance outcomes and requirements for state-based providers.
- **Enforcement Guidelines for Registrars** – provides guidance on the performance and legal requirements that providers must meet under the Queensland State Housing Act 2003 and the Queensland State Regulatory Code and, if necessary, how the Registrar will respond to compliance.

This guide includes some material from these documents where it is appropriate for clarity or consistency. For most part relevant material is referenced rather than repeated.

This guide will be periodically revised to respond to changes in the community housing sector and the regulatory environment.

Overview

This section provides a brief overview of the compliance process and background information.

Primary Jurisdiction

The primary jurisdiction is Queensland.

Role of the Registrar

The Registrar is responsible for promoting both a culture of compliance and detecting and addressing non-compliance at the earliest opportunity in order to protect the integrity of the community housing sector.

The Registrar proactively engages with state providers on an ongoing basis to foster compliance. The engagement is risk-based and common risk profiling methods will be used to assess the risk of non-compliance in the future and for ongoing compliance assessment.

In addition to proactive engagement with the sector to foster compliance, all registered state housing providers must periodically demonstrate that they are achieving relevant performance requirements under the Queensland State Regulatory Code, and otherwise complying with the Queensland State *Housing Act 2003*.

Standard compliance return

Registered state providers must complete a standard compliance return on a regular basis and submit it to the Registrar.

This forms part of a periodic assessment that seeks to ensure ongoing compliance with the Queensland State Regulatory Code and constitutes the minimum level of oversight that will be applied.

The Registrar may also seek input from other relevant parties, such as the housing agency for Queensland or other relevant regulators.

The Registrar uses the information in the compliance return and in the supporting documents to prepare a compliance assessment report. This report sets out the outcome of the assessment, findings on performance and the reasons for the determination.

The compliance determination report will state whether the state provider is compliant or non-compliant overall with the Queensland State Regulatory Code. Where a determination is made that the provider is compliant there may be performance outcomes where compliance is determined 'compliant with recommendations'. In these cases, the report will include recommendations or actions to assist the state provider improve performance and bring them to full compliance.

The provider receives a draft determination report for comment before the final compliance determination report is issued.

Where the provider is determined to be non-compliant, enforcement action will be taken. This guide does not address enforcement. However more information is available in the Enforcement Guidelines published on the Registrar's website.

This guide is a living document and will be enhanced over time. The Registrar is committed to ongoing engagement with state providers to ensure guidance assists them in meeting their obligations under the Queensland State Regulatory Code and welcomes feedback.

Standard compliance assessment

A standard compliance assessment is a scheduled assessment to ensure ongoing compliance with the Queensland State Regulatory Code. A standard compliance assessment constitutes the minimum level of oversight that will be applied.

Table 1 below sets out the steps involved in the compliance process and the standard deadlines. The process from the release of the standard compliance return will depend upon the type of regulatory engagement necessary for the Registrar to have sufficient information on which to make a compliance determination.

The standard compliance return consists of:

- A. Core financial and non-financial data sets.
- B. Standard business documentation that can be used to demonstrate the achievement of the Queensland State Regulatory Code and *Housing Act 2003* outcomes. This is referred to as 'core documents'.
- C. Notification of significant changes to policy and procedures.

Table 1: Steps and timetable for a compliance return

Step	Provider / Registrar	Lead time to complete	Description
Analyst contacts Provider	Registrar	Week before return released to provider	To confirm provider contacts.
Release of Compliance return with FPR and PSAT excel templates	Registrar	Compliance start date	Provider will receive an email to prompt provider that the return is now available.
Completion of compliance return	Provider	6 weeks	Provider has six weeks to complete and provide/attach evidence.
Compliance assessment	Registrar	8 weeks	The analyst will check on completeness of return and if it looks reasonably accurate. If further information or clarification required, they will contact provider and set new deadline. The time taken to carry out the assessment will depend upon whether in addition to the standard return further regulatory engagement is necessary. Composed of two elements: <ul style="list-style-type: none"> • standard review • additional lines of enquiry where necessary to reach a decision on compliance.
Release of draft determination	Registrar	Will vary as noted above.	
Provider feedback	Provider	Within 2 weeks from receipt of	

		draft determination.	
Release of Final determination	Registrar	Within 2 weeks from the receipt of provider's feedback.	

The standard compliance return (the return) will be completed and submitted through the CHRIS portal. Where registered providers have effective data systems and business documentation, the preparation and submission of the return should be a straightforward and streamlined process. Generally, evidence submitted during the previous compliance assessment does not need to be resubmitted if there are no changes to it. However, previously submitted documentation is required if it has undergone changes, it has been some time since it was last submitted, or it is core documentation.

The focus of the return is on the minimum information needed to allow the Registrar to make an informed judgement about compliance with outcomes at a point in time and to assess the risk of non-compliance in the future.

A failure to submit the return by the due date – six weeks from the start date, without the granting of an extension by the Registrar, may constitute a non-compliance with the Queensland State *Housing Act 2003*.

Assessment

Whereas the registration assessment confirmed the capacity of the provider to meet all conditions of registration, the initial compliance assessment is the first time the Registrar assesses actual compliance in achieving the outcomes and requirements of the Queensland State *Housing Act 2003*.

As such, the initial compliance assessment requires greater scrutiny of submitted evidence than subsequent standard compliance assessments. Once compliance is confirmed at the initial compliance assessment and a provider is assessed as low-risk, standard compliance assessments will simply focus on confirming that there has been no change to the risk profile.

The initial compliance assessment involves:

- A. Reviewing information and evidence submitted in the return
- B. Reviewing the results of the registration assessment
- C. Collating evidence from other sources including:
 - notification by the provider of changes that may have an adverse impact on compliance
 - the Registrar's record of any enforcement action
 - the Registrar's record of any additional, targeted monitoring triggered by a change of circumstances, risks or performance
 - the Registrar's record of complaints and notifications under the Queensland State *Housing Act 2003*
 - the relevant state housing authority or authorities (this might include information about the provider's funding terms or leases, or compliance with a housing policy or contract)
 - other government agencies (this might include information about the provider's funding terms or compliance with a policy or contract, or housing-related service delivery)
 - other regulatory authorities (this might include information about regulatory engagement with the provider)

- the public record (this might include information about the provider's legal / business status, court or tribunal decisions, or media).
- D. Identifying where the evidence (or the lack of evidence) indicates that the provider is not achieving the outcomes and requirements in the Queensland State *Housing Act 2003*.
- E. Following up on the lines of enquiry (requesting supplementary evidence) which have been identified, with the provider. This may include:
- requests for additional information to provide more comprehensive or rigorous evidence of the achievement of the outcome
 - requests to attend a meeting to discuss the interpretation of the evidence about the achievement of the outcome
 - requests for an on-site visit to validate the evidence about the achievement of the outcome.
- F. Seeking advice from the relevant state and territory housing authority or other government agencies where appropriate.
- G. Applying the principles of good decision-making and preparing a draft compliance determination report for the provider. The draft compliance determination report will include:
- a brief statement confirming compliance or non-compliance with the Queensland State *Housing Act 2003*
 - any findings outlining areas where the provider could take action prior to the next standard compliance return to improve the comprehensiveness and rigour of evidence submitted to better demonstrate the achievement of the outcomes.

Separate to the compliance assessment process, the Registrar may take enforcement action to bring the provider back to compliance where non-compliance is serious, or the provider has failed to remedy the non-compliance.

Guiding principles

In completing the return providers should note the following principles:

- The return is structured around core data sets and standard business documentation rather than the outcomes in the Queensland State Regulatory Code. This is because the same data item or document may contribute to demonstrating the achievement of multiple outcomes. The Evidence Guidelines document describes how different types of evidence may be used to inform judgement about the achievement of outcomes.
- Apart from the standard data sets, the components of the return describe examples of evidence rather than prescribing required pieces of evidence.
- Evidence can be presented in the form that it exists. Providers are not expected to adjust existing key documents or plans to meet the specific description in the return. For example, if a provider outlines its annual business activities and targets in a series of action plans rather than in one single business plan, these can be submitted as evidence.
- The responsibility is on providers to determine the adequacy of the business documentation they submit with the compliance return. A provider will not be non-compliant for submitting a 'poor' business plan. However, they may be assessed as non-compliant if that business plan does not have the sufficient depth and rigour to demonstrate the achievement of the required outcome. Similarly, they may be assessed at high-risk of non-compliance in the future and be subject to additional, targeted monitoring.
- The responsibility is on providers to validate their financial and performance data before submission. By approving the submission of the compliance return the governing body is providing assurance of data reliability.

Getting started

Around one week before the standard compliance assessment is due to start the provider's nominated main contact will be contacted by the Analyst from the Registrar's office. The nominated main contact is the person who was nominated as the contact either at registration or the previous compliance assessment.

The nominated main contact person is authorised to receive all correspondence from the Registrar's Office, facilitate the compliance process and will have access to the online regulatory system known as CHRIS (the Community Housing Regulatory Information System).

If the nominated main contact changes at any point in time during compliance, please advise your Analyst. Such a change must be confirmed by an officer of the provider. Your Analyst will facilitate the update of details on the *Accounts* page in the portal and the provision of portal access. Once the new nominated main contact has been set up in the system, the new nominated main contact will receive an email confirming they have been granted access to CHRIS.

On the day the compliance process starts your Analyst will send you an email *Invitation to begin the compliance process*. Attached to this email is the Financial Performance Report (FPR) template and the Provider Self-Assessment Tool (PSAT). The online return is also made available to the provider to commence the compliance assessment.

The Guide to completing your Return and Navigating the Community Housing Regulatory Information System (CHRIS steps for providers) provide further information in relation to this process.

Process post submission of compliance return

Supplementary evidence

Once your Analyst has confirmed that the return is complete, and the core documents have been received, they will use the evidence to assess your compliance against each performance requirement. In some cases, they will be able to reach a decision solely on the return and its supporting documentation. In others they will require more information (supplementary evidence) to reach a determination.

They may need this information because, for example;

- they need to understand more about your performance against a particular outcome
- your business has changed significantly, and they wish to follow up in more detail
- written/documentary evidence is insufficient to determine whether compliance outcomes are met.

Supplementary evidence will only be requested for relevant performance outcome. It can take the form of additional documentation, a telephone conversation, a meeting or a site visit. This will be outlined in the email sent to you.

Further information in relation to submitting supplementary evidence is available in the Navigating the Community Housing Regulatory Information System (CHRIS steps for providers) guide.

Release of draft determination outcome

Once the assessment is complete you will receive an email notifying you that the draft determination has been completed and the draft determination report is available. You will need to log into the system to access the draft report.

Providing feedback

You will have two weeks from the date the email was sent to comment on the determination through the portal. For information on providing feedback see Navigating the Community Housing Regulatory Information System (CHRIS steps for providers) guide.

The Analyst will consider any feedback and may contact you to clarify matters before issuing the final determination. If the provider does not comment within the allocated two weeks, the draft determination will be adopted as final.

Release of Final Determination Report

The release of the Final Determination Report signifies that the compliance process is now completed. You will receive an email from your assigned Analyst advising that the Final determination Report is now available on the Provider's report page in the portal.

More information

For further information on the QSRSCH for local governments please visit:
<https://www.business.qld.gov.au/industries/service-industries-professionals/housing-accommodation/community/registration>

The Queensland Registrar, DHPW can be contacted by:

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Post:

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