Regulator Performance Report 2024-25

Regulatory Services

Department of Housing and Public Works



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Regulator Performance Report - Regulatory Services, Department of Housing and Public Works, 2024-25

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Introduction

The Regulator Performance Report for the Department of Housing and Public Works increases the department's overall transparency and complements publicly available information, including the Service Delivery Statements, Strategic and Operational Plans, and Annual Reports.

The report provides valuable insights into regulatory operations throughout 2024-25, including actions undertaken, the outcomes of those actions and the impact this activity will have on Queensland's housing system over time.

The Department of Housing and Public Works, through the Regulatory Services unit, oversees four critical industry regulatory systems in Queensland for:

- Community housing provision administered under the <u>Housing Act 2003</u> (the Act)
- Residential services administered under the Residential Services (Accreditation) Act 2002
- Manufactured homes (residential parks) administered under the <u>Manufactured Homes (Residential Parks)</u>
 Act 2003
- Retirement villages administered under the <u>Retirement Villages Act 1999</u>.

Refer to Appendix 1 for further information about the regulated housing and accommodation sectors

In addition, the department:

- Manages reviewable decisions in accordance with Part 6 of the Act and
- Administers and investigates compliance of customer obligations under Part 7 the Act.

The Department of Housing and Public Works is dedicated to a flexible and responsive regulatory approach that meets the needs of Queensland's rapidly evolving housing industry, aligned with Queensland-Government-Regulator-Performance-Framework (PDF, 1.61 MB), and the regulator model practices which ensures transparency and accountability.

Refer to <u>Queensland-Government-Regulator-Performance-Framework.pdf</u> for details on the model practice framework.

Queensland's regulated sectors and regulatory activity

On 30 June 2025, there were 895 entities delivering community managed housing (CH), retirement villages (RV), manufactured homes (MH) and residential services (RS) across Queensland.

These entities delivered 83,310 units of accommodation to 117,750 Queenslanders (approx.) throughout the state.1

2024-25 regulatory activity snapshot

All data is based on the period 1 July 2024 to 30 June 2025.

Retirement villages

- 3 new villages registered totalling 370 accommodation units
- 5 villages closed
- 561 village comparison documents reviewed
- 20 villages visited through the compliance program
- 111 compliance matters investigated
- 1 prosecution commenced
- 8 redevelopment plans
- 10 closure plans.

¹ The number of Queenslanders in CH, RS, MH and RV is approximate, as some accommodation types do not capture the exact number of occupants in each household. The method used to calculate an approximate number of residents is by using a multiple of 1.4 which is the average number of people per household.

Residential services

- 4 services gained initial accreditation
- 17 services de-registered
- 75 services had accreditation renewed
- 90 compliance matters investigated following inquiries or complaints made by residents
- 1 quality improvement plan where it was determined that improvements were required to the delivery of services
- Conditions were applied to the accreditation of three different residential services where it was determined that the service providers were not meeting minimum standards

Manufactured homes (residential parks)

- 11 residential parks successfully obtained registration
- 33 compliance matters investigated
- 7 parks cancelled their registration as a residential park.

Community housing

- 13 new Community Housing Providers registered
- 38 compliance assessments completed
- 43 assessments in progress for completion in 2025-26.

Housing Act reviews

Regulatory Services responds to requests by social housing recipients on decisions that the department has made about a person's eligibility for a social housing service, the type of social housing offered or the location of that dwelling (under the Act Part 6.)

During the financial year, 100 Applications for Review were received, resulting in:

- 43 original decisions confirmed
- 11 amended
- 14 substituted
- 14 received outside the legislated 28-day time frame and therefore denied
- 7 withdrawn by the applicant during the review period
- 11 still in progress.

Model practice 1

Ensure regulatory activity is proportionate to risk and minimises unnecessary burden

Enforcement and infringement notices

Throughout 2024-25, Regulatory Services reviewed the division's enforcement and infringement notice practices to ensure compliance activities and enforcement actions remain proportionate to risk and minimised unnecessary burden on regulated entities.

Key achievements:

1. Proportional and streamlined enforcement

- Regulatory Services is responsible for regulating multiple accommodation sectors, balancing education, compliance facilitation, complaint resolution, and enforcement.
- The review identified opportunities to include an additional 81 infringeable offences under key legislation:
 - Manufactured Homes (Residential Parks) Act 2003 18 new infringeable offences.
 - Retirement Villages Act 1999 50 new infringeable offences.
 - Residential Services (Accreditation) Act 2002 13 new infringeable offences.
- The introduction of new infringeable offences strengthens and streamlines enforcement processes by enabling on-the-spot fines and/or administrative penalties for minor breaches, reducing the need for resource-intensive court proceedings.

2. Ensuring fairness and proportionality

- The new infringeable offences focus on low-level non-compliance matters that do not cause significant harm, ensuring penalties are proportionate to the severity of the breach.
- This approach provides a fair, consistent, and transparent enforcement framework while reserving court proceedings for more serious or repeat offences.

3. Efficiency and compliance improvements

- Through the administration of infringeable offences, Regulatory Services aims to:
 - reduce the burden on courts, allowing the judicial system to focus on complex or serious cases
 - encourage voluntary compliance by providing clear and predictable penalties
 - improve administrative efficiency for both regulators and regulated entities.
- Enhancements have been designed to ensure enforcement actions are effective and achieve meaningful deterrence while reducing unnecessary regulatory impositions.

4. Intelligence-led regulatory focus

- Regulatory Services adopts a risk-based approach to detect and address non-compliance, ensuring resources are directed towards high-risk issues.
- Proactive monitoring, informed by industry intelligence, supports efforts to prevent non-compliance, improve industry standards, and protect residents in accommodation-based industries.

Outcomes:

The inclusion of 81 additional infringeable offences across three key legislative frameworks represents a significant step towards a more proportionate, transparent, and efficient regulatory system. By reducing reliance on court proceedings for minor breaches, Regulatory Services aims to achieve a balance between effective enforcement and minimising unnecessary burdens on industry stakeholders, while maintaining high standards of compliance and safety.

The Residential Services process and documentation review project

The Residential Services process and documentation review project was initiated to ensure regulatory activity remains proportionate to risk and minimises unnecessary burden. This initiative reflected the commitment to modernising regulatory practices and prioritising risk-focused, efficient, and consistent compliance measures.

Key achievements:

1. Proportionate and risk-based compliance:

- Procedures, checklists, and guidance materials were updated to ensure regulatory enforcement is targeted and proportionate to risk.
- Efforts were focused on minimising regulatory imposition on stakeholders while maintaining compliance with the *Residential Services (Accreditation) Act 2002*.

2. Modernisation of regulatory approaches:

- The project delivered updated tools and resources for the following key processes:
 - registration
 - accreditation
 - renewal of accreditation
 - reviewable decisions.
- This modernisation ensures regulatory responses are consistent with the expectations of a contemporary regulator.

3. Efficiency gains:

- Key performance measures were successfully met, including:
 - documenting, mapping, and updating identified processes
 - storing updated materials in an electronic library for easy access and reference.
- These improvements have enhanced service delivery efficiency for Regulatory Services and stakeholders.

Outcomes:

The review project reinforces a commitment to risk-based, intelligence-informed regulation while minimising unnecessary burdens on regulated entities.

Streamlined procedures support a responsive, modern regulatory framework.

Model practice 2

Consult and engage meaningfully with stakeholders

Manufactured Homes (Residential Parks) Amendment Act 2024

The implementation of the *Manufactured Homes* (*Residential Parks*) *Amendment Act 2024* demonstrates the department's commitment to ensuring meaningful consultation and engagement with stakeholders to develop a regulatory framework that reflects the needs of both industry and homeowners in the rapidly growing residential parks sector.

Key achievements:

1. Comprehensive consultation and stakeholder engagement

- The roll-out of the *Manufactured Homes (Residential Parks) Amendment Act 2024* was conducted over two stages, allowing for formal and informal consultation that gave stakeholders the opportunity to contribute to the reforms and prepare for the changes.
- The department worked closely with residential park operators, homeowners, advocacy groups, and other
 regulators to ensure a genuine understanding of the operating environment and challenges faced by both
 regulated entities and residents.

2. Collaborative and cooperative relationships

- Collaborative relationships with industry stakeholders were critical in shaping reforms that balance
 affordability and transparency for homeowners while ensuring practical compliance measures for park
 operators.
- Cooperation with the Queensland Civil and Administrative Tribunal (QCAT) enhanced the regulatory
 framework by expanding its powers to award compensation and allow for the resale of homes on-site
 when site agreements are terminated.

3. Key reforms delivered

- Stage 1 reforms (commenced 6 June 2024):
 - prohibited market rent reviews and capped site rent increases to the higher of 3.5% or CPI
 - adjusted the CPI definition to the Weighted Average of Eight Capital Cities CPI, aligning rent calculations more closely with aged pension increases
 - established a buyback and site rent reduction scheme to assist homeowners struggling to sell their homes and incentivise park operators to prioritise preowned home sales
- Stage 2 reforms (commenced 20 February 2025):
 - introduced mandatory residential park comparison documents to enhance transparency for prospective residents
 - requires new residential parks to register before commencing operations and provide information to realise compliance requirements.

4. Reform outcomes

- Since 20 February 2025, 9 new residential parks have been registered, adding 1,394 sites to the industry.
- Existing residential parks were provided until 30 May 2025 to comply with the updated requirements, ensuring a smooth transition and minimising disruption.

Outcomes:

The department's consultative approach ensured the reforms were informed by stakeholder input, promoting trust and transparency while improving the efficiency and effectiveness of the regulatory framework. These reforms demonstrate the department's commitment to fostering cooperative relationships, understanding the needs of regulated entities, and delivering meaningful outcomes for one of Queensland's fastest-growing housing sectors.

Residential Services (Accreditation) (Retirement Village Schemes) Amendment Regulation 2025

The introduction of the Residential Services (Accreditation) (Retirement Village Schemes) Amendment Regulation 2025 highlights the department's commitment to ensuring meaningful stakeholder engagement and fostering collaborative relationships to deliver an effective and balanced regulatory framework.

Key achievements:

1. Inclusive consultation and stakeholder engagement

- The department undertook a detailed consideration of potential exemption of retirement village schemes from the *Residential Services (Accreditation) Act 2002* (RSA Act).
- Both formal and informal consultation mechanisms were used to gather input from stakeholders, including retirement village operators, residents, and other key industry representatives. This approach provided a comprehensive understanding of the retirement village sector's operating environment and informed government decision-making.

2. Proportionate and targeted regulatory response

- The Amendment Regulation commenced in June 2025 to deliver a balanced response by:
 - Providing certainty: Establishing an ongoing exemption for retirement village schemes under the RSA Act, ensuring clarity for stakeholders about its application.

- Addressing sector-specific needs: Offering a proportionate approach to managing issues related to food and personal care services in retirement villages without imposing unnecessary regulatory burdens.
- Promoting stability and confidence: Creating a stable regulatory environment that supports investor confidence in Queensland's retirement village sector.

3. Collaborative relationships and ongoing monitoring

- The department worked cooperatively with stakeholders to build trust and ensure the Amendment Regulation aligns with the needs of both operators and residents.
- Ongoing monitoring of retirement villages to identify any emerging issues related to food and personal
 care services will occur. This approach will ensure that any significant concerns can be identified and
 captured for consideration with future legislative amendments.

Outcomes:

The development and implementation of the Amendment Regulation demonstrate the department's dedication to engaging meaningfully with stakeholders while delivering a proportionate regulatory framework that balances industry needs with public interest. By fostering collaboration and maintaining stability, this initiative supports both efficient regulation and strong investor confidence in Queensland's retirement village sector.

Model practice 3

Provide appropriate information and support to help compliance

Retirement Villages (Financial Documents) Amendment Regulation 2024

Throughout 2024-25, Regulatory Services supported retirement village operators and residents through the provision of clear, timely, and practical guidance to promote compliance with the <u>Retirement Villages (Financial Documents)</u> <u>Amendment Regulation 2024</u>.

The amendment regulation introduced mandatory minimum requirements for financial reporting, including budgets, financial statements, audit reports, and quantity surveyor reports. These reforms are designed to strengthen transparency, accountability, and consistency across the sector, ensuring residents have greater confidence in the financial management of their communities while providing operators with a clear framework to meet their reporting obligations.

Key achievements:

1. Collaborative development of guidance materials

- The department consulted with industry and resident stakeholder groups to co-design a suite of guidance materials, ensuring they were relevant, practical, and tailored to meet the needs of the target audience.
- Stakeholder feedback led to the transition from a single lengthy document to a four-stage, gradual release of targeted guidance materials:
 - Stage 1: Quantity Surveyor Reports and Budgets (March 2025).
 - Stage 2: Quarterly Financial Statements (April 2025).
 - Stage 3: Annual Financial Statements (May 2025).
 - Stage 4: Audit Reports (June 2025).

2. Accessible and flexible compliance support

- The guidance materials included suggested templates to assist operators in meeting the new
 requirements. While not mandatory, these templates were designed to align with current best practices
 and work flexibly with existing reporting and accounting systems used by operators.
- Operators and users of the guidance materials were encouraged to provide feedback, ensuring opportunities for continuous improvement and the release of revised versions in the future.

3. Tailored support for stakeholders

- The staggered release of guidance materials provided operators with lead time to prepare for the new requirements, which apply to the 2025-26 financial year.
- Regulatory Services ensured compliance activities were proportionate by aligning the new requirements with existing best practices, minimising disruption and avoiding undue burden on operators, particularly smaller businesses.

4. Clear and consistent communication

- The guidance materials articulated the steps required to achieve compliance in a straightforward and practical manner, offering clarity and consistency for operators.
- By providing timely advice and support, Regulatory Services ensured stakeholders were well-equipped to meet their obligations, fostering trust and collaboration across the sector.

Outcomes:

By providing accessible, tailored, and collaborative guidance, Regulatory Services has supported compliance without disproportionately burdening operators while enhancing transparency and accountability in the financial reporting of retirement village responsibilities.

Manufactured Homes (Residential Parks) Amendment Act 2024

During 2024/25, Regulatory Services provided clear, tailored, and accessible guidance to support compliance with the *Manufactured Homes (Residential Parks) Amendment Act 2024*, ensuring stakeholders were well-informed and equipped to meet new regulatory requirements without unnecessary burden.

Key achievements:

1. Clear and timely guidance provided to stakeholders

- New requirements mandating residential park operators to register their park prior to operation and to publish residential park comparison documents commenced on 20 February 2025.
- To support compliance, operators were provided with comprehensive guidance and resources, clearly outlining the steps required to meet the new obligations.

2. Tailored compliance support

- Recognising the operational and administrative challenges for park operators, particularly smaller operators, compliance deadlines were extended to 30 May 2025, offering a reasonable lead time to prepare for and implement the changes.
- Guidance materials were designed to be practical and user-friendly, ensuring operators could incorporate
 the new requirements into their existing processes without the need for specialist advice or significant
 operational disruption.

3. Consistent and transparent communication

- Regulatory Services communicated the changes clearly and consistently to stakeholders, ensuring
 operators understood the purpose of the new requirements and how to achieve compliance.
- By taking a collaborative approach, park operators were supported through the transition, fostering trust and confidence in the regulatory framework.

4. Minimising burden on stakeholders

- The tailored approach to compliance ensured that the additional requirements did not disproportionately burden operators, particularly small or regional businesses.
- The staggered implementation, coupled with accessible guidance, allowed operators to adapt at a manageable pace while maintaining their focus on service delivery.

Outcomes:

Regulatory Services approach has assisted with the implementation of the *Manufactured Homes (Residential Parks) Amendment Act 2024.* By offering clear, tailored, and consistent advice, Regulatory Services has aided operators to meet their obligations efficiently and effectively, strengthening compliance while minimising disruption.

Model practice 4

Commit to continuous improvement

Community Housing Reform Project

Regulatory Services demonstrated its commitment to continuous improvement by streamlining the registration process for Special Purpose Vehicles (SPVs) under the Community Housing Reform Project. This initiative reduced bureaucratic barriers, unlocked funding opportunities, and supported the growth of Queensland's community housing sector, while ensuring regulatory practices remained efficient, impactful, and forward-looking.

Key achievements:

1. Streamlined registration process

- A new registration process for SPVs was implemented, significantly reducing registration turnaround times from 30 weeks to 16 weeks, and in some cases to 12 weeks where funding was confirmed.
- This streamlined approach eliminated roadblocks, enabling faster access to state and federal housing funds, and unlocking vital opportunities for the building and construction sectors.

2. Impactful outcomes for stakeholders and the community

- As at 30 June 2025, 15 SPVs were successfully registered under the National Regulatory System for Community Housing (NRSCH), contributing to Queensland's pipeline of social and affordable housing assets:
 - 11 tier 1 providers: 911 proposed housing assets.
 - 2 tier 2 providers: 359 proposed housing assets.
 - 2 tier 3 providers: 70 proposed housing assets.
- These registrations supported Queensland's preparation for significant investment through federal programs: Housing Australia Future Fund (HAFF) and National Housing Accord Fund (NHAF).

3. Leveraging collaboration and innovation

- The implementation phase was supported by communication and engagement with stakeholders, including:
 - peak body newsletters, industry briefings, communiqués, and direct mailouts
 - collaboration across jurisdictions within and beyond NRSCH (e.g., Western Australia and Victoria)
 to share best practices and inform the design of a national compliance program for SPVs.

4. Prioritising reform and efficiency

- The reform of SPV registration processes prioritised impact on stakeholders by minimising delays and simplifying pathways to funding, helping to accelerate the delivery of social and affordable housing projects.
- The reduced registration timeline provided certainty and efficiency for investors and housing providers, enabling faster mobilisation of projects.

5. Support and training for staff

 Regulatory staff were provided with the necessary training and resources to implement the streamlined registration process efficiently and consistently, ensuring a high level of service delivery.

Outcomes:

The streamlined registration process under the Community Housing Reform Project demonstrates a clear commitment to continuous improvement by reducing regulatory burdens, leveraging collaboration, and facilitating significant investment in Queensland's community housing sector. This initiative has not only increased efficiency but has also delivered substantial benefits to stakeholders and communities by accelerating the delivery of affordable housing solutions.

Village comparison document online form

Regulatory Services continues to embrace technological innovation to improve regulatory activities and deliver better outcomes for stakeholders and the community. In 2025, a pilot program was launched to streamline the management of Village Comparison Documents (VCDs) for the retirement village industry, representing a significant step towards modernising processes and enhancing efficiency.

Key achievements:

1. Innovative pilot program for online lodgement

- In May 2025, Regulatory Services commenced a pilot program involving 40 retirement villages to test a new online customer service centre and digital forms platform for the electronic lodgement of VCDs.
- This initiative addresses the challenges of managing approximately 600 VCDs annually, which were previously submitted by mail or email and stored as PDF documents.

2. Leveraging technology for better outcomes

- The new online system is designed to provide significant benefits for both stakeholders and the department, including:
 - Enhanced access to information: Regulatory compliance officers will have access to up-to-date industry data, improving their ability to perform risk reporting and profiling.
 - Improved consumer protection: Accurate risk profiling will enable the implementation of more effective compliance programs, benefiting residents and consumers.
 - Better operator support: Village operators will gain streamlined access to current departmental information, forms, and processes through the online platform.
 - Efficient updates: Information on the public-facing Compare Retirement Villages website will be updated more accurately and in a timely manner.
 - Optimised resource use: The new system allows for better allocation of departmental staffing resources, reducing administrative burdens.

3. Prioritising reform based on stakeholder impact

- The pilot program focuses on delivering meaningful change for retirement village operators while improving the department's capacity to manage regulatory requirements efficiently.
- Pending successful testing, the new platform is expected to roll out industry-wide by the end of 2025, providing long-term benefits for operators, regulators, and the public.

4. Staff training and support

 Regulatory Services ensured staff received the necessary training and support to implement and manage the new technology effectively, contributing to consistent and efficient service delivery.

Outcomes:

The pilot program for the VCD online form reflects the department's commitment to continuous improvement by integrating technological innovation into regulatory processes. This initiative not only reduces administrative burdens but also enhances the department's ability to achieve policy outcomes, protect consumers, and support the retirement village industry.

Model practice 5

Be transparent and accountable with actions

Queensland State Regulatory System for Community Housing

Throughout 2024-25, Regulatory Services demonstrated its commitment to transparency and accountability through the review and implementation of compliance processes under the Queensland State Regulatory System for Community Housing (QSRSCH) to ensure regulatory decisions are timely, clear, and provide certainty to stakeholders while publicly measuring performance outcomes.

Key achievements:

1. Review of compliance processes

- A comprehensive review of the compliance assessment process for the QSRSCH was completed to
 ensure it remains robust, transparent, and aligned with best practices.
- The review focused on streamlining procedures and enhancing the clarity of compliance requirements, providing greater certainty to stakeholders.

2. Commencement of local council compliance assessments

- In March 2025, compliance assessments of 11 registered local councils commenced under the updated framework.
- These assessments are designed to evaluate adherence to regulatory requirements and identify
 opportunities for improvement, ensuring consistent and high-quality service delivery across the community
 housing sector.
- Regulatory Services has committed to completing these assessments in a timely manner, with clear communication of outcomes and expectations to the councils involved.

3. Ongoing commitment to transparency and accountability

- The compliance process review and assessment outcomes will form part of ongoing work into 2025-26, with progress updates to be shared with stakeholders to maintain transparency.
- Indicators of regulator performance are publicly available, ensuring stakeholders and the community can monitor the effectiveness of the regulatory framework and its implementation.

4. Clarity and certainty for stakeholders

- The revised compliance framework includes defined timeframes for decision-making, providing greater certainty for local councils and other stakeholders.
- Decisions and compliance outcomes are communicated clearly, with detailed explanations of expectations and the reasoning behind regulatory decisions.

Outcomes:

The review and implementation of compliance processes under the QSRSCH demonstrate the department's commitment to transparency, accountability, and timely decision-making. By ensuring stakeholders have access to clear information and performance indicators, the department is fostering trust and confidence in the regulatory framework while supporting improved compliance and outcomes in the community housing sector.

Supporting our staff

The department remains committed to ensuring staff are equipped with the skills, knowledge, and expertise to perform their duties effectively and consistently. In the past financial year, a range of professional development opportunities were undertaken, strengthening the division's capacity to deliver high-quality regulatory services.

Professional development highlights:

1. Certificate IV in Government Investigations

• Four staff members successfully completed this qualification, enhancing their skills in conducting investigations, managing compliance, and engaging with regulated entities in a professional and ethical

manner. This training ensures the division maintains a strong foundation in regulatory enforcement and investigative capabilities.

2. Lead auditor training

 Three staff members completed this specialised training, equipping them with advanced auditing skills and knowledge of compliance frameworks. This qualification supports the division's ability to conduct thorough and effective audits, ensuring adherence to regulatory standards and best practices.

3. Interacting with parliament - practice and procedure

 One staff member participated in this tailored program, gaining insights into parliamentary processes, legislative procedures, and effective communication with government bodies. This training enhances the division's capacity to provide clear and informed policy advice while maintaining strong engagement with parliamentary stakeholders.

4. Double Diploma of Project Management + Leadership & Management

One staff member achieved this dual qualification, developing advanced skills in strategic project
management, team leadership, and organisational decision-making. This training reinforces the division's
capability to deliver complex projects and lead continuous improvement initiatives.

Outcomes:

The investment in staff professional development underscores the department's commitment to building a skilled and capable workforce. This ensures the division can consistently meet its regulatory responsibilities, adapt to emerging challenges, and uphold its high standards of service delivery. The skills gained through these training programs will continue to benefit the organisation, stakeholders, and the community at large.

Other achievements

Investigations

The investigations team investigates alleged serious non-compliance within the residential service, retirement village and residential park industries. Investigations within these industries often relate to matters which can have a serious effect on residents' health, living environment and financial wellbeing.

In 2024-25 Regulatory Services started seven investigations into retirement village scheme operators for alleged serious non-compliance relating to financial operations and management practices. The *Retirement Village Act 1999* regulates many aspects of retirement village living, but its main focuses is to ensure compliant and transparent management and reporting of the financial aspects of retirement living operations.

Regulatory Services successfully completed the first prosecution action under the Retirement Villages Act 1999. In this matter the defendant (individual) was fined \$5,000 with no conviction recorded, and the corporate defendant was fined \$20,000 with no conviction recorded.

In 2024-25 Regulatory Services also investigated multiple instances of alleged non-compliance committed by residential park owners failing to comply with recent legislative amendments relating to site rent increases. Site rent increases are a key industry element requiring regulatory oversight as non-compliant increases can cause long-lasting financial detriment to homeowners.

Regulatory Services' investigation outcomes seek to ensure that retirement village scheme operators and residential park owners who have been found to be non-compliant:

- 1. compensate parties subject to financial detriment
- 2. rectify areas of non-compliance within a specified timeframe.

Throughout 2024-25, Regulatory Services' investigations team played a pivotal role in identifying and addressing potential cases of unregistered residential services, ensuring compliance with legislative requirements, and safeguarding the well-being of vulnerable residents.

Regulatory Services frequently receives notifications from community members, including former residents, regarding unregistered residential services. Each notification is assessed and prioritised based on factors such as the number and demographics of potential residents involved, and the condition of the property. This risk-based approach ensures that the most critical cases receive prompt attention.

Over the last financial year, Regulatory Services received 50 notifications regarding possible unregistered residential services. Of these notifications:

- 22 notifications were determined not to require registration under the relevant legislation.
- 20 notifications are undergoing compliance activities to confirm that the service is compliant and does not require registration.
- 4 investigations are currently underway to determine whether registration is required.
- 4 services were confirmed as requiring registration, with 2 registered and 2 undergoing compliance activities.

These outcomes highlight the commitment to protecting residents by ensuring compliance with regulation requirements. Through diligent assessments, follow-ups, and investigations, Regulatory Services continues to safeguard living standards and ensure vulnerable Queenslanders receive the protections they are entitled to under the *Residential Services (Accreditation Act) 2002*. The approach undertaken by the investigations team, reinforces Regulatory Services' dedication to maintaining a regulated and transparent residential services sector.

To support changes to legislation and regulations, a suite of system changes were coordinated across the department. This ensured new and or amended business processes could be executed in the system to maintain data integrity and allow appropriate reporting to support the business.

Looking forward

Manufactured Homes (Residential Parks) Amendment Act 2024

In the 2025-26 financial year, Regulatory Services will continue its focus on ensuring compliance with the requirements introduced with the <u>Manufactured Homes (Residential Parks) Amendment Act 2024</u>. This work will be driven by industry engagement, education, and tailored compliance strategies to support both park operators and homeowners in understanding and meeting their obligations under the updated legislation.

Key priorities for the approaching year include:

- Industry engagement: Collaborating with stakeholders across the manufactured homes and residential parks sector to review compliance with the amended requirements and encourage open dialogue on regulatory expectations.
- Compliance reviews: Undertaking targeted reviews to assess adherence to the new provisions of the
 Manufactured Homes (Residential Parks) Amendment Act and identifying areas where improvements are
 required.
- **Education and support:** Delivering tailored education programs and resources to ensure industry participants are well-informed about their responsibilities and equipped to comply with the amended legislation.
- **Responsive compliance actions:** Implementing appropriate, risk-based compliance responses to address instances of non-compliance, ensuring fairness, consistency, and the protection of homeowner rights.

Through these initiatives, Regulatory Services aims to foster a culture of compliance and accountability while promoting transparency and fairness within the manufactured homes and residential parks sector. By working closely with industry and stakeholders, the department is committed to safeguarding the rights of homeowners and enhancing the overall standards of manufactured homes and residential parks across Queensland.

Retirement Villages (Financial Documents) Amendment Regulation 2024

In 2025-26, Regulatory Services will implement a targeted compliance program to assess adherence to the newly introduced financial reporting requirements for retirement villages. These requirements, which came into effect under the Retirement Villages (Financial Documents) Amendment Regulation 2024, cover key aspects such as retirement village budgets and quantity surveyor reports.

Key priorities for the compliance program will include:

- **Targeted compliance:** Conducting targeted reviews of budget documents submitted by retirement villages across Queensland to assess compliance with the updated financial reporting obligations.
- **Education and support:** Emphasising education as a central focus of the program, Regulatory Services will work collaboratively with scheme operators to ensure they clearly understand their responsibilities under the new regulation.
- **Promoting future compliance:** Partnering with operators to provide guidance and support, enabling them to meet the regulatory standards and achieve compliance in future reporting periods.

This approach reflects Regulatory Services' commitment to fostering transparency and accountability within the retirement village sector while supporting scheme operators in transitioning to the new financial reporting framework. By combining education with compliance monitoring, the department aims to protect the interests of residents and enhance confidence in the financial management of retirement villages statewide.

Feedback

Regulatory Services invites feedback, questions and suggestions on content contained in this report. Please feel free to contact us through the following channels:

Email: regulatoryservices@hpw.qld.gov.au

Phone: 07 3013 2666

Postal address: Regulatory Services, Department of Housing and Public Works

PO Box 690, Brisbane, Queensland 4001

Appendix 1

Regulated Industries

Community housing

The <u>National Regulatory System for Community Housing</u> (NRSCH) and <u>Queensland State Regulatory System for Community Housing</u> (QSRSCH) were established in Queensland through the *Housing Act 2003*.

The NRSCH regulates non-government providers of community housing across New South Wales, Queensland, South Australia, Tasmania, Australian Capital Territory and the Northern Territory.

Community housing providers are organisations that deliver social or affordable housing and related services to people on very low, low or moderate incomes. This includes social and affordable housing, Aboriginal and Torres Strait Islander community-controlled organisations, for profit organisations and other specialist housing providers.

The NRSCH aims to ensure a well governed, well managed and viable community housing sector that:

- · meets the housing needs of tenants
- provides assurance for government and investors.

The key objectives of the NRSCH 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 working across jurisdictions
- provide a level playing field for providers seeking to enter new jurisdictions.

This regulatory system ensures there are protections for tenants and assets by establishing the Registrar for Community Housing in Queensland with powers to intervene and protect.

In addition to the NRSCH, the Registrar for Community Housing has oversight of QSRSCH, which is the system for regulating local government and prescribed state providers of community housing, including Indigenous councils.

All local governments funded under the *Housing Act 2003* to provide community housing in Queensland must be registered under the QSRSCH to continue their funding relationship. This ensures that local government providers meet national service standards and are held to the same industry-based performance outcomes as nationally registered providers.

The tier of a NRSCH provider's registration is determined by an entity's level of risk arising from the scale and scope of its community housing activities, which in turn determines the intensity of regulatory engagement and oversight.

- **Tier 1** Providers engage in activities that mean they manage a higher level of risk. They operate on a large scale and conduct on-going development activities at scale. They face the highest level of performance requirements and regulatory engagement.
- Tier 2 Providers have an intermediate level of performance requirements as they are deemed to be
 operating on a moderate scale with small scale development activity that may impact on the viability of the
 provider.
- **Tier 3** Providers face the lowest level of performance requirements, reflecting the fact that they have a small number of community housing dwellings and any development they undertake (if at all) is of a very small/one off nature.

Manufactured Homes (residential parks)

The manufactured homes (residential parks) industry targeted to over 50s, as 'lifestyle villages' is driven by factors including the relative affordability of homes, their low maintenance, location, often with extensive community facilities and services, and as an alternative to retirement villages.

The legal relationship between the owner of a residential park and the owner of a manufactured home positioned on a site in that residential park, is set out in the site agreement and is regulated by *Manufactured Homes (Residential Parks) Act 2003* (the Act).

The main objective of the Act is to regulate, and promote fair trading practices in the operation of manufactured homes (residential parks) to:

- protect homeowners from unfair business practices
- enable homeowners, and prospective homeowners to make informed choices by being fully aware of their rights and responsibilities in their relationship with park owners.

These objectives are advanced by describing homeowners' and park owners' rights and obligations, facilitating disclosure of information and regulating the site agreements, sale of abandoned manufactured homes and variation of site rent.

The Act's objectives also include supporting the growth and viability of the residential park industry and providing a clear regulatory framework to ensure certainty for the residential park industry in planning for future expansion.

Residential services

A residential service provides accommodation for four or more people who live in one or more rooms and individually pay rent. They are an integral part of Queensland's housing sector, with a long history of assisting Queenslanders.

A residential service is also known as a boarding house, aged rental scheme or supported accommodation. Accredited residential service providers are located across Queensland, though primarily in major population centres.

Residents living in residential services are among the most vulnerable people in the community. They include people who are on very low incomes, those with intellectual or physical impairments, disabilities, drug and alcohol problems, and those who are elderly and/or are experiencing social isolation.

Typically, each resident has the right to occupy one or more rooms, but not the whole premises, and share facilities with other residents. Shared facilities can include kitchens, bathrooms or living/common areas.

Residential services are registered and accredited under the *Residential Services (Accreditation) Act 2002* (the RSA Act). The object of the RSA Act is to regulate the conduct of residential services to protect the health, safety and basic freedoms of residents; encourage service providers to continually improve the way they conduct residential services; and support fair trading in the residential service industry.

Exemptions apply to certain accommodation models that would otherwise be captured by the RSA Act's definition of a residential service. These include accommodation provided to students, tourists, travellers, and holidaymakers. Further exemptions apply to certain services conducted by government departments or if funding is provided by a government department under certain Acts.

Regulatory Services is responsible for the registration and accreditation of residential services in Queensland. In addition to inspections linked to service accreditation, we conduct regular inspections of services to ensure they are complying with the requirements of the RSA Act and Regulation.

The level of accreditation required for service providers is aligned to service offering:

- Level 1 accreditation Service providers who provide only residential services.
- Level 2 accreditation Service providers who provide food as part of the service offering.
- Level 3 accreditation Service providers, who offer the provision of personal care services.

Retirement villages

Retirement villages are premises where a community of seniors live in independent living units or serviced apartments and share common facilities and amenities. They cater for retirees and older members of the community who can live independently. In some villages, personal care and support services can be purchased for a fee. Retirement villages do not receive government funding.

Buying into a retirement village is a lifestyle decision and is different from owning your own home or renting. In most cases, residents do not purchase the property title to the unit, instead they purchase a right to live in a retirement village unit and the right to benefit from the facilities the village offers. Generally, the cost of providing the unit and lifestyle exceeds the amount residents pay when they move into a retirement village. The scheme operator recovers the balance through an exit fee payable when residents leave a village.

Retirement villages are registered under the *Retirement Villages Act 1999* (the RV Act). The main objectives of the RV Act are:

- to promote consumer protection and fair-trading practices in operating retirement villages and in supplying services to residents by declaring rights and obligations of residents and scheme operators
- facilitating the disclosure of information to prospective residents of a retirement village to ensure the rights and obligations of the residents and scheme operator may be easily understood.
- to encourage the continued growth and viability of the retirement village industry in the state
- to encourage the adoption of best practice standards by the retirement village industry
- to provide a clear regulatory framework to ensure certainty for the retirement village industry in planning for future expansion.
- to facilitate participation by residents, who want to be involved, in the affairs of retirement villages.
- to provide processes for resolving disputes between residents and scheme operators Retirement villages have been increasingly catering for older people requiring aged care and community support services. This has resulted in a growing number of villages being built with integrated residential aged care or built with serviced apartments and assisted living units.

Regulatory Services is responsible for registration and termination of registration of retirement villages in Queensland. Our analysts conduct regular inspections of retirement villages to ensure they are complying with the RV Act.

Housing Act reviews

Part 6 of the Housing Act 2003 states that customers can seek a review of decisions (reviewable decisions) about:

- their eligibility for a social housing service, including where:
 - the application for social housing is deemed ineligible
 - the transfer application is deemed ineligible
 - they are no longer eligible to remain in public housing (e.g. ongoing eligibility)
 - they are no longer eligible to remain in a 'reviewable property' (e.g. disability accessible property).
- the type of social housing service offered to them, including:
 - unit, townhouse, regular detached house, (e.g. ground floor, high-set and/or number of stairs)
 - number of bedrooms
 - style, amenity or configuration of social housing (e.g. accessibility).
- the location of the social housing service, such as:
 - suburbs they are allocated or would prefer
 - proximity to a support service
 - external environment/needs.

The reviews take many forms based on any of the above factors and subcategories within those areas. The reviews investigated by Regulatory Services pertain to decisions about eligibility, type and place.