



Frequently Asked Questions For Investors and Financiers

This FAQ sheet presents questions and answers for investors and financiers about Department of Communities' Community Housing Regulatory Framework (Framework) for community housing providers.

Policy Intent

1. Who is covered by the Framework?

The Framework covers providers of community housing, which includes social and affordable housing for people on very low, low or moderate income or for people with additional needs that is delivered by non-government organisations.

2. Is registration mandatory for housing providers?

No. There is no obligation for housing providers to be registered under the Framework. However the Department of Communities and/or funding agencies may make registration a precondition for housing providers to receive funding and to deliver funded housing services.

3. Does registration entitle a provider to government funding?

No. Decisions about funding will continue to be made by the Department of Communities on the basis of competitive and transparent processes that match available resources to government policy objectives and evidence of housing need.

4. Does the Framework affect the ability of a housing provider to obtain finance?

No. The Framework does not place any restrictions on how a housing provider might choose to secure its present or future obligations to its financiers. Any restrictions imposed by the Department of Communities will need to be taken into account by housing providers when obtaining finance.



5. What does registration under the Framework mean for housing providers operating across multiple jurisdictions?

The Framework recognises the registration of housing providers who are registered in a jurisdiction applying the National Regulatory System for Community Housing (NRSCH), subject to conditions.

The NRSCH was established through consistent state and territory legislation in participating jurisdictions, referred to as the National Law. As at October 2021 all jurisdictions except WA and Victoria are participants of the NRSCH.

Housing providers registered under the WA Framework, and wishing to operate in other States and Territories will need to seek registration in those jurisdictions.

6. Will housing providers operating across multiple jurisdictions be able to offer as security the entity's consolidated trading resources?

The Framework does not place any restrictions on how housing providers choose to secure their obligations to financiers, so long as they are consistent with their legal and contractual obligations.

Operation

7. What does regulation under the Framework offer new entrants?

The Framework 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 is expected to be increasingly recognised by investors and financiers.

8. What do the tiers signify about housing providers and how will providers be assigned to them?

The registration tier allocated to a housing provider reflects the provider's scale and scope of community housing activities at the time of application and at subsequent assessments. The registration tiers are not intended to be a measure of housing providers' systems or credit worthiness nor be a qualitative ranking. Investors/financiers must continue to undertake their own due diligence.



Over time, the registration tier of a housing provider may change. Detailed guidance notes on the registration tiers - containing expectations of housing providers' systems, policies and practices to appropriately mitigate risk - are available on the Department of Communities' website.

9. What information will the Community Housing Registration Office be permitted to provide to investors/financiers about individual providers or the overall state of the industry?

The Framework commenced operation in April 2017. Investors/financiers can search the public register of registered providers at www.housing.wa.gov.au. Data about individual housing providers that is not on the public register (and therefore not in the public domain) is not available to investors/financiers.

10. What are the intervention powers of the Community Housing Registration Office?

The intervention powers available to the Community Housing Registration Office are intended to provide for staged, proportionate intervention that reflects the seriousness and potential consequences of a registered housing provider's failure to meet its obligations under the framework.

The powers include:

- Issuing a notice of non-compliance
- Issuing a notice of intent to cancel registration
- Cancelling registration.

All intervention powers are subject to procedural fairness, internal review and external complaints provisions.

11. Does the Framework enable the winding up of a housing provider?

No. The Community Housing Registration Office cannot wind up a housing provider. Winding up continues to be governed by existing applicable law, such as the Corporations Act 2001.



12. Can investors/financiers be prejudiced by the mandatory winding up provision required in a housing provider's constitution?

No. This provision, which is intended to allow the preservation and transfer or merger of social and affordable housing assets either back to government or to another registered housing provider, only applies after the payment and satisfaction of all of the housing provider's liabilities.

Implementation

13. When did the Community Housing Regulatory Framework commence?

The Framework commenced on 1 April 2017.

Please visit [Community Housing Regulation](#) website for more information on the requirements of the Framework.