

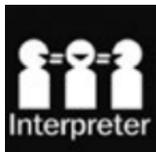
Regulator Performance Report 2021-2022

Regulatory Services



Queensland
Government

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Regulator Performance Report – Regulatory Services, Department of Communities, Housing and Digital Economy 2021-22

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Registrar's Foreword

I am pleased to present the 2021-2022 Performance Report for Regulatory Services, Department of Communities, Housing and Digital Economy. This report summarises the progress made throughout the past 12 months in implementing the Queensland Government's Regulator Performance Framework model practices.

2021-2022 has been another eventful year. As our economy is recovering from the impacts of the pandemic, Queensland's housing market is seeing record low rental vacancy rates and rising housing costs. Combined with a range of other cost of living pressures, these conditions are causing significant housing stress for many Queenslanders.

During the year we have also experienced a continuing global pandemic and the impacts of the Southern Queensland floods which saw extensive damage and displacement of residents from their homes across many towns and cities in southern and western Queensland.

For Regulatory Services these events have reinforced the importance of engaging with our stakeholders to create stronger working relationships and positive housing outcomes for Queenslanders.

We remain committed to supporting the industries we regulate to understand and comply with legislation and to assisting consumers to understand their rights enabling them to make informed decisions. These are the hallmarks of a transparent, efficient and effective regulator.

In the coming year Regulatory Services will continue to progress initiatives in the *Queensland Housing and Homelessness Action Plan 2021-2025* aimed at enhancing our regulatory system to deliver reforms, build protections and generate better housing outcomes for Queenslanders.

More than ever, it is crucial to ensure that our system operates effectively to ensure fairness, safety and viability of the accommodation services we regulate.

Thank you to all the registered providers, industry bodies and residents who have worked with us throughout the past year. I look forward to continuing our important work together in 2022-23.

Terence Green
Acting Executive Director and Registrar

Introduction

Regulatory Services within the Department of Communities, Housing and Digital Economy oversees four critical industry regulatory systems in Queensland for:

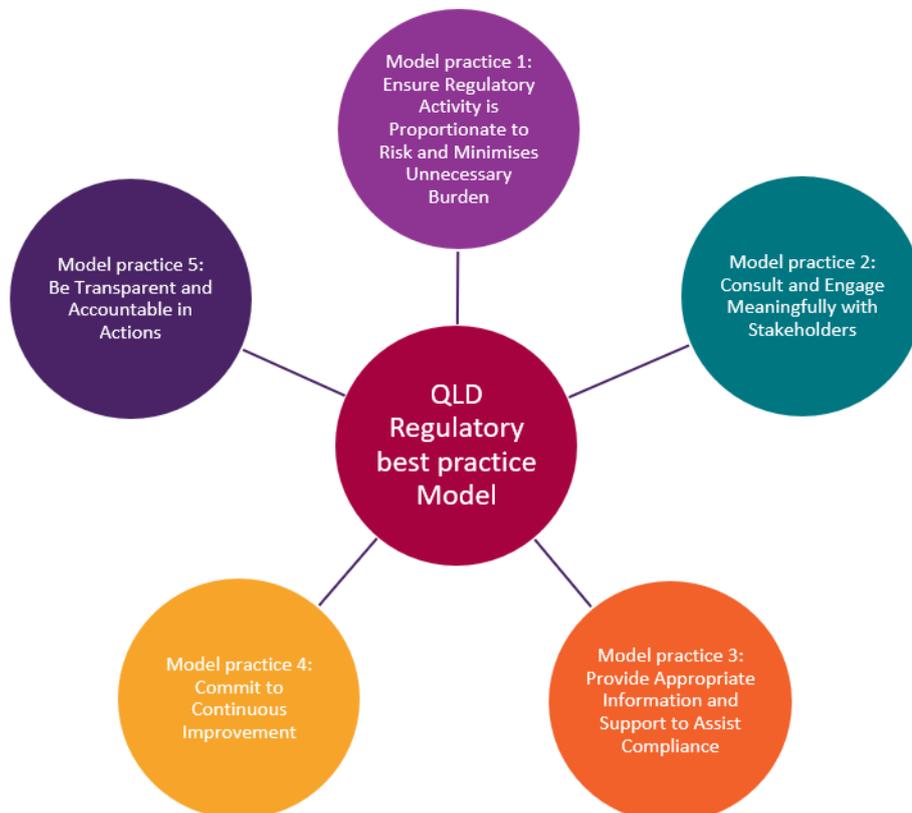
- Community Housing provision– administered under the *Housing Act 2003*
- Residential Services – administered under the *Residential Services (Accreditation) Act 2002*
- Manufactured Home (Residential) Parks – administered under the *Manufactured Homes (Residential Parks) Act 2003*
- Retirement Villages – administered under the *Retirement Villages Act 1999*.

Refer to **Appendix 1** for further information about our regulated sectors.

We aim to achieve a balance between our obligation to protect the public interest, avoid unnecessary costs to industry (and the broader community) and to ensure good outcomes for Queenslanders. In performing our role, we adhere to the model practices within the Queensland Government's *Regulator Performance Framework (Appendix 2)* to:

- ensure regulatory activity is proportionate to risk and minimises unnecessary burden
- consult and engage meaningfully with stakeholders
- provide appropriate information and support to assist compliance
- commit to continuous improvement
- be transparent and accountable in our actions.

This report outlines progress made on the integration of these model practices across Regulatory Services' operations throughout 2021-2022.



Our Regulated Sectors and Services



At 30 June 2022, Regulatory Services has regulatory oversight of 888 entities delivering residential services, retirement living accommodation, manufactured homes and community managed housing across Queensland. These entities deliver 76,728 units of accommodation to 107,419 Queenslanders (approximately) throughout the State¹.

Collectively these accommodation types account for 3.65% of available accommodation in Queensland. As a comparison, there are approximately 74,249 units of government managed social housing which provide accommodation to approximately 103,948² Queenslanders. Social housing accounts for 3.54% of available accommodation in Queensland.



Community Housing

- 83 NRSCH (National Regulatory System) and 13 QRSCH (Queensland Regulatory System) providers
- 10,355 units of accommodation



Residential Services

- 262 residential services
- 7,830 residents



Manufactured Home (Residential) Parks

- 202 residential parks
- 23,462 individual sites
- 32,826 residents



Retirement Villages

- 329 registered retirement villages
- 32,571 units of accommodation
- 45,598 residents

¹ The number of Queenslanders in CH, RS, MH and RV and social housing is approximate as some accommodation types do not capture 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.

² Refer to footnote 1

If you would like further information about Regulatory Services and each regulated sector, you can visit the department's website at [Regulatory Services | Department of Communities, Housing and Digital Economy \(chde.qld.gov.au\)](https://www.regulatoryservices.qld.gov.au)

2021-2022 Compliance Snapshot

All data is based on the period 1 July 2021 – 30 June 2022

Community Housing Providers

- 42 compliance assessments scheduled
- 37 assessment returns submitted
 - 30 compliance assessments completed
 - 7 compliance assessments in progress
- 5 assessment returns not submitted
 - 2 rescheduled to next year
 - 1 return on hold
- 2 not submitted seeking further extensions

Residential Services

- 7 services gained initial accreditation
- 126 services with accreditation renewed
- 27 services pending registration
- 26 services with registration cancelled
- 106 compliance matters actioned

Manufactured Home (Residential) Parks

- 23,447 individual sites – an increase of 262 sites
- 3 new parks recorded; 14 parks exited
- 24 residential parks visited to investigate or educate following the receipt of a complaint
- 133 compliance matters actioned

Retirement Villages

- 843 Village Comparison Documents reviewed
- 3 new villages comprising 605 accommodation units
- 2 villages closed
- 3 villages visited through a targeted compliance program to educate rural and remote villages. Due to COVID-19 all retirement villages had visitation restrictions
- 98 compliance matters actioned

Housing Appeals and Review Team

- 620 enquiries
- 138 reviewable decisions concerning eligibility, type and place decisions were reviewed
- 178 contacts/referrals to Queensland Ombudsman Office

Progress in 2021-2022

Model Practice 1: Ensure regulatory activity is proportionate to risk and minimises unnecessary burden

Throughout the year Regulatory Services has continued to identify measures to develop more risk-based approaches to regulatory decision-making and identify business improvements which reduce regulatory burden. Highlights include:

Retirement Villages

This year we have worked with retirement village operators to develop a self-service portal enabling the submission of evidentiary documents (required under the *Retirement Villages Act 1999*) electronically via a secured gateway.

The initiative responds to pain points identified by industry stakeholders and Regulatory Services staff, including:

- documents can go missing when posted or emailed
- the need for a central repository for current and past communication from Regulatory Services as well as for guidelines and forms
- the amount of time spent on processing, storage and retrieval of documents by Regulatory Services staff.

The portal is a secure gateway between Regulatory Services and registered retirement village operators enabling operators to:

- securely submit Village Comparison Documents (VCDs) in PDF format to Regulatory Services
- receive real-time confirmation that their uploaded document was received as well as reminders for due dates for submission of documents, data and forms
- access the history of their submissions via the portal
- manage access for users within or outside their organisation (eg solicitors or accountants); and
- access all Regulatory Services industry communications in one place.

The portal was piloted with a group of 10 small, medium and large retirement village operators from December 2021 to June 2022. Results of the pilot indicated strong support for the portal with no significant concerns raised.

Security was given the highest priority throughout design and construction of the portal with security validated through penetration testing conducted by an external vendor.

Quantitative analysis conducted by Regulatory Services comparing the process of receiving VCD's via the portal to the current manual process indicates time savings for Regulatory Services staff of approximately 29 minutes per VCD for those received via the portal and 38 minutes per hard copy VCD received.

With approximately 700 VCDs submitted annually, this figure equates to approximately 47 days saved every year. Industry wide access to the portal is expected to commence later in 2022 following final due diligence.

Residential Services

In May 2022, a new online form went live allowing residential service providers to review and update their contact information online. This replaces the need for providers to submit updates via phone or email to Regulatory Services for manual updating of corporate systems. All service providers have been invited to review and update their details using the online form with a goal of 100% completion by December 2022.

Model Practice 2: Consult and engage meaningfully with stakeholders

A key objective of Regulatory Services is to improve our visibility within the sectors we regulate and the broader community to help build trust and confidence across our sectors. Throughout the year we have invested significant effort in our engagement with industry stakeholders to:

- obtain a deeper understanding of sector or market developments
- consider, and respond to systemic risks or harms in the sectors we regulate; and
- identify potentially harmful behaviours by service providers.

Residential Parks

As part of a department-wide response to the 2022 Southern Queensland floods, Regulatory Services contacted over 100 residential parks in the Moreton Bay, Fraser Coast, Gympie, Brisbane, Logan, Gold Coast and Ipswich Local Government Areas (LGAs) to identify impacts on parks and homeowners in flood affected areas.

Park owners in the Gympie and Brisbane LGAs were assisted with information on accessing evacuation centres, emergency housing grants and disaster relief payments.

In March 2022, in response to concerns regarding resident safety during the floods, Regulatory Services commenced a targeted compliance operation focussing on emergency plan implementation, maintenance and park evacuation procedures.

Thirty parks in the Moreton Bay, Bayside, Sunshine Coast, Toowoomba and Bundaberg regions were inspected. Five parks were identified as non-compliant with their obligations under the *Manufactured Homes (Residential Parks) Act 2003* to implement and maintain an emergency plan. Official Warning Notices were issued as a result with ongoing monitoring to ensure remediation actions are undertaken.

Throughout the year Regulatory Services has continued to chair the Manufactured Homes (Residential Parks) Working Group. The Working Group is an effective forum for the department and industry to collaborate on improving dispute resolution arrangements in the residential parks sector.

Membership of the Working Group represents all areas of the residential parks sector, including homeowners, operators of residential parks and industry peak organisations. Members include the Alliance of Manufactured Home Owners, Associated Residential Parks Queensland, Caravanning Queensland, Manufactured Home Owners Association and the Urban Development Institute of Australia.

Residential Services

Regulatory Services convenes an Inter-Agency Group bringing together Government agencies to discuss emerging or current issues within the residential services sector.

Members include the NDIS Quality and Safeguards Commission, Residential Tenancies Authority, Queensland Fire and Emergency Services, the Public Trustee of Queensland, Office of the Public Guardian, Queensland Health and Queensland Corrective Services.

In 2021-2022, the group met twice to discuss the potential registration of disability accommodation providers previously exempted from the *Residential Services Accreditation Act 2002*

Prior to the implementation of the National Disability Insurance Scheme, disability service providers received funding under the *Disability Services Act 2006* and were exempted from residential service registration and accreditation requirements under s4(5)(k) of the *Residential Services Accreditation Act 2002* (RSA Act).

In 1 July 2019, following introduction of the National Disability Insurance Scheme, the Queensland Government discontinued funding of residential accommodation for people with a disability at which time s4(5)(k) of the RSA Act was no longer applicable to those service providers.

Discussions with disability accommodation providers to raise awareness of registration requirements under the RSA Act had commenced in late 2019, however this engagement was subsequently paused due to disruptions to service delivery caused by the COVID-19 pandemic.

With a return to normal operations, engagement with NDIS accommodation providers will recommence in early 2023. Regulatory Services will also reconvene the Inter-Agency Group in early 2023 to discuss registration requirements for these accommodation providers.

Retirement Villages

New Retirement Village Comparison Website

In accordance with the commitment outlined in the *Queensland Housing and Homelessness Action Plan 2021-2025*, a new website has been developed to help Queensland retirees and their families easily find information when looking for a retirement village.

The Compare Retirement Villages website is a starting point for those looking for information about retirement villages and provides a comprehensive and impartial view of the retirement village industry.

Drawing information from the Village Comparison Document every village produces, the Compare Retirement Villages website does not favour any village or offer ratings or recommendations. Rather, it provides a central place for users to compare information to help them make informed decisions.

Retirees and their families can use the Compare Retirement Villages website to:

- Compare retirement villages based on location, services and facilities
- Map public amenities such as health facilities, shops and public transport near retirement villages
- Find information about buying a unit in a retirement village and see example fee scenarios
- Access in one place Village Comparison Documents for each retirement village.

The website was launched in November 2022 following final due diligence.

Engaging with stakeholders

Regulatory Services regularly participates in industry-based forums including the quarterly meeting of retirement village resident committee representatives.

The department funds the Building Consumer Confidence initiative, also known as 'Right Where You Live', to provide free assistance to and advocacy for seniors living in retirement villages and manufactured home parks.

In addition, the department funds the Queensland Retirement Village and Park Advice Service, operated through the Caxton Legal Centre, to provide free legal information and advice and community education to residents of retirement villages and manufactured homeowners. This initiative helps ensure residents and homeowners understand their rights and responsibilities under the legislation and supports the groups to advocate on behalf of their members to government.

Regulatory Services participates in meetings with the three funded groups every two months to discuss emerging issues, policy and legislation changes, complaints and disputes, compliance activities and upcoming stakeholder engagement opportunities.

Regular discussion also occurs with the Aged and Community Care Providers Association (ACCPA) to provide information on compliance with regulatory requirements as well as policy and legislation changes and their impacts on residents and industry operators.

Community Housing

In October 2021, Regulatory Services conducted a Financial Performance webinar aimed at Tier 3 community housing providers. The webinar "How to complete a Financial

Performance Report” was arranged in response incomplete financial reporting submitted by a number of smaller community housing organisations.

Twenty-six organisations were invited to participate in the event with financial analysts demonstrating how to accurately complete each component of the Financial Performance Report in preparation for the FY2021 scheduled return. Community housing providers were also able to submit questions and receive detailed responses. Feedback and learnings from this webinar will be incorporated into future virtual forums.

Model Practice 3: Provide appropriate information and support to help compliance

As an industry regulator, we work to prevent harm through a compliance approach that strongly emphasises prevention and seeks voluntary compliance with requirements. Key to achieving our compliance objectives is proactively engaging with businesses to inform them of their responsibilities and help them understand how to comply.

Throughout the year, Regulatory Services has continued to prioritise regular communication with stakeholders, including specific information and compliance reminders to key operator staff and resident representatives.

Our communications aim to educate industry members about their rights and obligations and promote greater industry compliance. This has included ongoing development and updating of a range of communication resources and forms which can be accessed via the Business Queensland Franchise and departmental web pages.

Retirement Villages

The *Queensland Housing and Homelessness Action Plan 2021-2025* contains a number of actions to improve outcomes in retirement villages including enhancing consumer’s experience and industry engagement through targeted communication, compliance and best practice guidance.

In response, Regulatory Services has commenced development of three new guidelines for retirement village operators:

- Exit Entitlement Statements and Costs of Selling
- Insurance Excess Payments
- Calculation of Proportionate Costs

These guidelines respond to research gathered from complaints, enquiries and industry data highlighting inconsistencies and uncertainty around the interpretation and application of legislative requirements.

When completed the guidelines will be issued to village operators and residents’ committees and published on the department’s website, providing best practice information and guidance to achieve legislative compliance. Publication is planned for late 2022/early 2023.

Residential Parks

In 2022, Regulatory Services in conjunction with the Residential Parks Working Group initiated development of new products designed to enhance homeowner’s knowledge of the *Manufactured Homes (Residential Parks) Act 2003* and improve dispute resolution arrangements in the residential parks sector.

A video to educate homeowners about site rent increases and market rent reviews has been produced and is expected to be published online in December 2022. The video explains how site rent can be increased in residential parks and homeowners’ rights to contest an increase that they consider excessive.

Development of a *Homeowner’s Committee Handbook* is also underway to provide clear and easy to access information on forming and operating an effective homeowner’s committee.

The handbook and site rent increase video resulted from feedback received from the Manufactured Homes (Residential Parks) Working Group highlighting a need for consumers and operators to be better informed about their choices, rights and responsibilities under the *Manufactured Homes (Residential Parks) Act 2003*.

Residential Services

Following the easing of COVID-19 restrictions in 2021-22, accreditation site visits resumed with a focus on the greater Brisbane area and regional residential services in Cairns, Townsville, Mackay, Rockhampton, Gladstone, Bundaberg, Maryborough and Toowoomba from September 2021 to 30 June 2022.

This engagement also provided the opportunity for Regulatory Services staff to meet with service providers in these locations to identify impacts of COVID-19 on their operations and residents and connect them with available resources and support wherever possible.

Model Practice 4: Commit to continuous improvement

Throughout the year we have continued to review our approach to regulatory activities to ensure they are appropriately risk based, leverage new technology and remain the best approach to achieving regulatory outcomes.

Retirement Villages

Enhancements to Regulatory Services' corporate information technology system have delivered improved efficiencies with Regulatory Analysts now able to electronically access Village Comparison Documents (VCD) and annual financial statements, instead of applying intensive manual retrieval processes.

Additional data fields have also been incorporated into our systems to enable increased data capture for better industry and operator profiling. This allows us to develop a greater understanding of the industries we regulate, through faster identification of industry trends and areas of systemic non-compliance. It will also help to inform future targeted education and compliance programs.

Manufactured Home (Residential) Parks

The *Housing and Homelessness Action Plan 2021-2025* commits the Queensland Government to deliver improvements for residential (manufactured home) parks to address concerns about site rent increases and unsold manufactured homes, along with access to pre-contractual advice about residential parks (and retirement villages) and to timely and consistent decision-making to help resolve housing issues and disputes.

Between June and August 2022, the department released an issues paper describing the concerns regarding site rent increases and unsold manufactured homes and a survey to gather data and other information from consumers about their experience of living in a residential park. Regulatory Services worked closely with the department's Strategic Policy and Legislation team in development of the survey and issues paper.

Dispute Resolution

Under the *Housing and Homelessness Action Plan 2021-2025*, the government committed to explore options to improve Queenslanders' access to pre-contractual advice about residential (manufactured home) parks and retirement villages, and to timely and consistent decision making to help them resolve housing issues and disputes. Regulatory Services undertook a review of its files for 2019-2021 to provide valuable data about complaints made about compliance with the legislation, including the number and subject matter about which issues were raised.

Residential Services

Find Accommodation Website

In 2021-2022 development of the 'Find a Registered Accommodation' website commenced to assist accommodation seekers, their family members, and advocates to easily find a registered residential service in their chosen area that meets their needs, provides the level

of service/s they require and is registered in accordance with the legislation. More specifically, the website is intended to:

- improve the visibility of all registered residential services
- provide a trusted and easily accessible platform for users to search for appropriate accommodation services within a specified postcode or region
- make it easier for the public to access information about these services and compare their offerings
- increase public awareness about the benefits of dealing with registered residential services, and the dangers of dealing with unregistered services.

The website will also deliver new content (via www.qld.gov.au/housing) to help educate the community on the benefits of dealing with a registered provider, and potential risks of using an unregistered service.

Building Compliance Notice

To be registered as a residential service, an accommodation provider must successfully apply to the local authority for a Building Compliance Notice (BCN) to confirm the building meets mandatory building requirements. For a residential service, these building requirements are listed in MP 5.7 of the Queensland Development Code.

Regulatory Services has participated in a review of the Residential Services Building Code (MP 5.7 of the Queensland Development Code) which is being led by the Department of Energy and Public Works (EPW). Further targeted consultation is expected to occur in early 2023.

Community Housing

A number of internal practice improvements have occurred with respect to registration and compliance processes for the National Regulatory System for Community Housing (NRSCH). These include:

- the creation of registration and compliance checklists as a tool for Regulatory Analysts to achieve a structured and consistent approach to assessments
- development of a non-compliance operational framework which applies a staged and escalating approach involving early engagement with service providers to achieve compliance with regulatory requirements; and
- a centrally maintained database which records recommendations previously issued to community housing providers against the 7 NRSCH performance outcomes.

Each of these improvements will be utilised as part of 2022-2023 compliance assessments for community housing commencing in October 2022.

Professional Development – supporting our staff

As part of our ongoing professional development Regulatory Services staff have participated in a range of formal learning and development initiatives throughout the year.

This has included externally sourced Good Decisions training delivered by the Queensland Ombudsman's office (26 staff) and Statutory Interpretation training conducted by Crown Law (10 staff). In addition, staff have participated in internal training focusing on leadership development (4 staff), Complaints Management (35 staff) and Human Rights Awareness Training (33 staff).

Our staff have also participated in state and national industry led events throughout the year including the Property Council's National Retirement Living Summit held in June 2022. These events provide the opportunity for members of our team to meet with industry representatives to discuss and learn more about the key issues impacting their operations.

Model Practice 5: Be transparent and accountable with actions

Regulatory Services continues to commit that all decisions and actions are taken in a timely manner and clearly articulate expectations and the underlying reasons for the decision.

This is demonstrated by:

- the publication of NRSCH and QRSCH evidence and compliance guidelines which describe the performance indicators and evidence sources for assessing community housing providers against the National Regulatory Code
- publication of an executive summary of the Registrar's assessment of each community housing provider's compliance with the National Regulatory System for Community Housing (NRSCH). This information is publicly available via the NRSCH website at <https://my-nrsch.secure.force.com/providersearch/>. The register records outcomes of compliance activities, issuance of formal notices and enforcement actions
- a new and improved NRSCH website was released in August 2022 providing easier access to all guidance documents.
- draft compliance assessments are provided to regulated entities for review before completion. This allows providers the opportunity to include additional information for consideration and respond to any recommendations.
- NRSCH evaluation of service survey, where community housing providers are invited to provide feedback on the quality of service provided by Regulatory Services. In 2021-2022 survey responses receive indicate that service delivery continues to be well regarded by the community housing sector.

Across all regulated sectors, we offer a range of guidance material aimed at ensuring our regulated industries and residents have access to clear and timely information on what is required to achieve compliance with regulatory requirements and what actions may be undertaken by Regulatory Services to enforce legislative requirements.

2022-2023: The Year Ahead

Residential Services

Improving Residential Services Accreditation Assessments

In 2022-2023 Regulatory Services will commence testing of a new online digital platform, to improve the efficiency of onsite accreditation assessments for residential services.

The inspection program iAuditor is an Inspector software application used to assist employees undertaking site visits. This initiative is expected to achieve considerable time savings as staff will complete assessments and attach relevant evidence using hand-held electronic devices while in the field.

The trial will evaluate and quantify time savings generated during the on-site audit and potential time savings of the office-based activities required post site audit. User training in iAuditor will occur in late 2022.

Focus on Disability Accommodation Providers

In 2022-23 Regulatory Services will work closely with National Disability Insurance Scheme (NDIS) disability accommodation providers to raise their awareness of registration requirements under the *Residential Services (Accreditation) Act 2002* and determine their need to register as a residential service.

Engagement with this accommodation sector will aim to raise service provider awareness of registration requirements under the *Residential Services Accreditation Act 2002*; request service providers complete a self-assessment questionnaire returning the results to the department; and where appropriate, encourage service providers to apply to Regulatory Services for registration of their service as a residential service.

Retirement Villages

Retirement villages financial reporting

The *Queensland Housing and Homelessness Action Plan 2021-2025* commits the Government to finalise implementation of retirement village reforms to village financial statements. In October 2022, the Housing Legislation Amendment Bill 2022 was introduced

into Parliament. It amends the *Retirement Villages Act 1999* to strengthen financial transparency and accountability and improve consistency in the financial reporting of Queensland retirement villages. Following passage of the Bill, it is intended that an Amendment Regulation will progress providing more details about the new financial reporting requirements.

Regulatory Services has been working closely with the department's Strategic Policy and Legislation team to ensure that the proposals will improve regulatory oversight to enable better risk management and improved compliance.

Regulatory Services will manage implementation, which is expected to commence in early 2023, including provision of guidance material and non-mandatory templates. This will help to ensure smaller operators receive the support they need to improve compliance and move towards best practice.

Release of Regulatory Guidelines

Regulatory Guidelines relating to Exit Entitlement Statements and Costs of Selling, Insurance Excess Payments and Calculation of Proportionate Costs, will be released in late 2022/early 2023. In the coming year further guidelines relating to Management of Capital Replacement Funds and Treatment of Staff Salaries and Wages will be developed. Compliance activities planned for 2022/23 will follow the release of regulatory guidelines focusing on the issues addressed in the guidelines.

Stakeholder Engagement

In 2022-2023 we look forward to continuing our participation in industry information forums and events such as the regular meetings held by the Aged and Community Care Providers Association, the Association of Residents of Queensland Retirement Villages online forum and the Right Where You Live meetings. We also look forward to increasing our presence out in the retirement village community and recommencing our face to face engagement at resident and committee meetings to support and assist operators with their compliance enquiries.

Community Housing

In 2022-2023, Regulatory Services will continue to work with stakeholders to identify opportunities for further streamlining and simplification of registration and compliance assessment processes to reduce regulatory burden.

We will strengthen our engagement with community housing providers by re-commencing site visits and through regular communiques which will highlight compliance related issues and trends across the sector.

During the next 12 months we will work closely with other participating jurisdictions to investigate options (including upgrade or replacement) for the Community Housing Regulatory Information System (CHRIS) which is used to record and manage all NRSCH regulatory activities. The system provides the mechanism for providers to lodge registration and compliance data and is the key information system for regulators to record and monitor compliance activities.

An upgrade or replacement system provides an opportunity to investigate options for:

- data connectivity to identify tenant outcomes
- provider reporting in line with the National Data Improvement Plan (Community Housing Data Collection Strategy)
- information sharing to reduce the burden on community housing providers
- improving business processes and inefficiencies within the system; and
- developing a flexible system that is responsive to changes in the sector and local jurisdictional business needs whilst maintaining the integrity of the NRSCH.

Residential Parks

In the coming year, Regulatory Services will expand its Residential Parks emergency plan compliance operation with all remaining residential parks to be visited by the end of 2023.

Plans are also in place to update and expand available information for homeowners via the department's website.

This additional information will highlight the ongoing costs of living in a residential park, give access to an online breach notification form and provide details on the matters that can be actioned by Regulatory Services.

Review of site rent increases and unsold manufactured homes

In 2022-2023 we will continue to input into the reform process being led by the department's Strategic Policy and Legislation team to identify improvements for residential (manufactured home) parks in response to concerns about site rent increases and unsold manufactured homes in residential parks.

Residential Parks Working Group

In 2022-2023 the *Homeowner's Committee Handbook* will be completed and promoted via the internet, electronic direct messaging, social media and through industry and stakeholder newsletters/communiques.

The Residential Parks Working Group will continue to meet in the coming year and will identify further initiatives aimed at strengthening support and information to homeowners in residential parks.

Dispute Resolution

The department is continuing its review of dispute resolution and precontractual advice in retirement villages and residential parks. We will continue to provide information and support to the Strategic Policy and Legislation team as the review progresses.

Professional Development

Regulatory Services participates in the National Regulator's Community of Practice which offers a range of professional development opportunities for our team as well as access to a range of resources. We look forward to harnessing the opportunities that membership of the Community of Practice offers in the coming year.

We are committed to ensuring ongoing learning and development opportunities can be accessed by our staff and in 2022-2023 members of our team will be encouraged to participate in formal and informal learning including:

- Certificate IV in Government Investigations – aimed at staff who are new to the Regulatory Analyst role
- Diploma of Government Investigations – offered to experienced staff responsible for managing more complex investigations
- Lead Auditor training – for staff required to undertake quality audits as part of their role
- Power BI and Excel training – this will be made available to all staff across the branch.
- Participation in industry and sector led events such as the annual Retirement Living Summit held in June 2022.

Feedback

Regulatory Services invites feedback, questions and suggestions on content contained in this report. Contact us:

Email: RegulatoryServices@chde.qld.gov.au
Phone: 07 3013 2666
 13 QGOV (13 74 68)
Postal address: Regulatory Services, Department of Communities, Housing and Digital Economy, PO Box 690, Brisbane, Queensland 4001

Appendix 1

Community Housing

The National Regulatory System for Community Housing (NRSCH) and Queensland State Regulatory System for Community Housing (QSRSCCH) were established in Queensland through the *Housing Act 2003*.

The NRSCH regulates providers of community housing. 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 National Regulatory System for Community Housing (NRSCH) aims to ensure a well governed, well managed and viable community housing sector that:

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

The NRSCH represents the national system for the regulation of community housing providers across New South Wales, Queensland, South Australia, Tasmania, Australian Capital Territory and the Northern Territory.

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 a Queensland State Regulatory System for Community Housing (QSRSCCH) 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 QSRSCCH 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 QSRSCCH regulates local governments, while the National Regulatory System for Community Housing (NRSCH) regulates non-government organisations.

The tier of a 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 are involved 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.

At 30 June 2022, there are 95 registered community housing providers in Queensland, 13 of which are registered under the Queensland State Regulatory System for Community Housing.

In Queensland there are:

- 5 Tier 1 providers
- 6 Tier 2 providers
- 71 Tier 3 providers

Residential Parks

The residential (manufactured home) parks industry has experienced steady growth in Queensland over the last ten years. Targeted to the over 50s market, the popularity of '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.

At the time of the last major survey of manufactured homeowners in 2013, there were 168 residential parks in Queensland containing 14,000 manufactured home sites. As of 30 June 2022, there were 202 residential parks in Queensland listed on the public register. These parks contained a total of 23,447 manufactured home sites with 99 listed as 'mixed-use', containing both manufactured homes and caravans or other forms of accommodation. The remaining 103 residential parks are listed as 'purpose-built' parks containing only manufactured homes.

Despite a relatively even split of mixed-use and purpose-built parks, purpose-built parks account for approximately 87 per cent of all manufactured home sites. The median number of sites for a mixed-use park is 8 sites with the largest park containing 220 sites. The median number of sites for a purpose-built park is 192 sites with the largest park containing 530 sites.

Purpose-built residential parks are typically marketed as seniors-focused accommodation providing a retirement living and a lifestyle community. At the time of the 2013 survey, 88 per cent of homeowner respondents were aged 65 or over, 90 per cent had an income of under \$40,000 and nine out of ten were receiving a pension or part pension.

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 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

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

Residents living in residential services are amongst some of 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 they share facilities with other residents. Shared facilities can include kitchens, bathrooms or living/common areas. 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.

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 mainly 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.

Residential service providers are required to apply for Level 1 accreditation. Service providers that provide food as part of the service offering must obtain Level 2 accreditation, while the provision of personal care services require Level 3 accreditation.

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

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 not the same as 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 particular rights and obligations of residents and scheme operators; and
 - 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; and
- 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 for processes for resolving disputes between residents and scheme operators.

Pre-contractual disclosure in retirement villages has been strengthened through the Village Comparison and Prospective Costs Documents. The Village Comparison Document gives general information about retirement village accommodation, facilities, services, including the general costs of moving into, living in and leaving the retirement village. This document makes it easier to compare retirement villages.

The Prospective Costs Document (PCD) provides information about a specific unit within a retirement village. The PCD contains details about the costs of entering the retirement village and the current ongoing costs. It provides information about the financial commitment involved in entering, living in and the costs residents pay when they leave the village.

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

Over a number of years, 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 which are integrated with residential aged care or built with serviced apartments and assisted living units that can accommodate aged care support delivery. As a result, the outcomes and future responses to issues arising through the Royal Commission into Aged Care Quality and Safety are expected to impact, directly or indirectly, a number of Queensland retirement villages.

Appendix 2

The Queensland regulatory best practice model

Model practice 1: Ensure regulatory activity is proportionate to risk and minimises unnecessary burden

Supporting principles:

- a proportionate approach is applied to compliance activities, engagement and regulatory enforcement actions
- regulators do not unnecessarily impose on regulated entities
- regulatory approaches are updated and informed by intelligence gathering so that effort is focused towards risk.

Model practice 2: Consult and engage meaningfully with stakeholders

Supporting principles:

- formal and informal consultation and engagement mechanisms are in place to allow for the full range of stakeholder input and Government decision making circumstances
- engagement is undertaken in ways that helps regulators develop a genuine understanding of the operating environment of regulated entities
- cooperative and collaborative relationships are established with stakeholders, including other regulators, to promote trust and improve the efficiency and effectiveness of the regulatory framework.

Model practice 3: Provide appropriate information and support to assist compliance

Supporting principles:

- clear and timely guidance and support is accessible to stakeholders and tailored to meet the needs of the target audience
- advice is consistent and, where appropriate, decisions are communicated in a manner that clearly articulates what is required to achieve compliance
- where appropriate, regulatory approaches are tailored to ensure compliance activities do not disproportionately burden particular stakeholders (e.g. small business) or require specialist advice.

Model practice 4: Commit to continuous improvement

Supporting principles:

- regular review of the approach to regulatory activities, collaboration with stakeholders and other regulators to ensure it is appropriately risk based, leverages technological innovation and remains the best approach to achieving policy outcomes
- to the extent possible, reform of regulatory activities is prioritised on the basis of impact on stakeholders and the community
- staff have the necessary training and support to effectively, efficiently and consistently perform their duties.

Model practice 5: Be transparent and accountable in actions

Supporting principles:

- where appropriate, regulatory frameworks and timeframes for making regulatory decisions are published to provide certainty to stakeholders
- decisions are provided in a timely manner, clearly articulating expectations and the underlying reasons for decisions
- indicators of regulator performance are publicly available. Regulator Performance Report 2018-19.