



# Regulator Performance Report 2020-2021

Regulatory Services



## Registrar's Foreword

The 2020-21 year has continued to be a challenging time and the Queensland community has been learning to live in a way and in an environment that was never expected. I would like to take this opportunity to thank registered providers, industry bodies and residents for your efforts in working with Queensland Government agencies, including Regulatory Services, throughout 2020-21, in what has been a difficult time for everyone.

Regulatory Services continued supporting our industries by deferring some regulatory compliance activities to ensure providers were able to focus on the safety and wellbeing of their staff and residents. We also ensured that both providers and residents were aware of the Chief Health Officer's directions and understood how they should be applied in their settings by providing clarification, interpretation and further guidance.

As a result of the COVID-19 pandemic, Regulatory Services has developed and maintained much more active relationships with stakeholders across all four of our regulated industries. These relationships have assisted Regulatory Services to understand and improve its response to the pandemic, as well as the issues being experienced by providers and residents during the vaccination rollout.

The 2021-22 year will see a continuation of the COVID-19 pandemic response before a transition back to regular regulatory activities. In June 2021, the department launched the *Queensland Housing and Homelessness Action Plan 2021–2025* and reaffirmed its commitment to the vision that every Queenslanders has access to a safe, secure and affordable home that meets their needs and enables participation in the social and economic life of our prosperous state. A copy of the *Queensland Housing and Homelessness Action Plan 2021-2025* can be found at [www.chde.qld.gov.au/about/strategy/housing/housing-and-homelessness-action-plan-2021-2025](http://www.chde.qld.gov.au/about/strategy/housing/housing-and-homelessness-action-plan-2021-2025).

Regulatory Services remains committed to supporting the industries we regulate to understand, implement, and comply with legislation; ensuring that consumers are aware of their rights, including effective pathways to dispute resolution, and can access the information they need to make informed decisions, and being a transparent, efficient and effective regulator.

Regulatory Services will continue to build on the improvements delivered under the *Queensland Housing Strategy 2017-2020 Action Plan* and the actions underway in the *Queensland Housing and Homelessness Action Plan 2021-2025* to continue to enhance the regulatory system to deliver reforms, build protections and generate better housing outcomes for Queenslanders.

I look forward to working with you all in 2021-22. In closing, I hope you find this third report on our performance useful. If you have any feedback or comments please make contact with Regulatory Services on:

**Email:** [RegulatoryServices@chde.qld.gov.au](mailto:RegulatoryServices@chde.qld.gov.au)

**Phone:** 07 3008 3450  
13 QGOV (13 74 68)

**Postal address:** Regulatory Services  
GPO Box 690,  
Brisbane, Queensland 4001

Terence Green  
**Acting Executive Director and Registrar**

## Contents

Registrar's Foreword .....	2
Summary of Regulatory Purposes .....	5
Our regulatory reporting approach .....	5
Queensland Regulatory best practice model .....	6
Our Regulated Sectors and Services as at 30 June 2021 .....	6
Community Housing .....	6
Residential Services .....	6
Manufactured Homes and Residential Parks .....	6
Retirement Villages .....	7
Housing and Homelessness Services .....	7
An overview of our compliance footprint in 2020-2021 .....	12
Community Housing Providers .....	12
Residential Services .....	12
Manufactured Homes (Residential Parks).....	12
Retirement Villages .....	13
Housing and Homelessness Services .....	13
Regulatory Services' ongoing response to COVID-19.....	13
Queensland Housing and Homelessness Action Plan 2021 - 2025 .....	14
Housing Act Review Team.....	14
Model Practice 1: Regulatory activity is proportionate to risk and minimises unnecessary burden .....	15
People.....	15
Processes .....	16
Technology .....	16
Community Housing Risk and Data Pilot .....	16
Model Practice 2: Consult and engage meaningfully with stakeholders.....	17
Communication and Engagement .....	17
Future improvement – Residential Services Reference Group .....	17
Review of Building Standard MP5.7 for registration and accreditation of a residential service .....	18
Implementation of a website 'Find Registered Accommodation' .....	18
Development for a portal for Residential Service providers (the portal) .....	19
Residential Parks Working Group .....	19
Information sharing with other regulators and government agencies .....	19
Model practices in action – Engagement with stakeholders. ....	20

---

Financial compliance standards .....	20
Model Practice 3: Provide appropriate information and support to help compliance.....	21
COVID 19 impacts across all industries .....	21
Residential Parks Working Group .....	21
Model Practice 4: Commit to continuous improvement .....	22
Developing a professional regulatory team .....	22
Model Practice 5: Be transparent and accountable with actions .....	22
Improving NRSCH transparency .....	22
Evaluation of service to community housing providers .....	22
Feedback.....	24
The Queensland regulatory best practice model .....	25
Model practice 1: Ensure regulatory activity is proportionate to risk and minimises unnecessary burden.....	25
Model practice 2: Consult and engage meaningfully with stakeholders .....	25
Model practice 3: Provide appropriate information and support to assist compliance .....	25
Model practice 4: Commit to continuous improvement .....	26
Model practice 5: Be transparent and accountable in actions.....	26

## Summary of Regulatory Purposes

Regulatory Services is committed to governing a fair and sustainable residential sector for those who reside in residential services (such as boarding houses), retirement villages and residential (manufactured home) parks, and those who operate them, through a regulatory framework that delivers the best possible outcomes for consumers.

Our purpose of protecting vulnerable Queenslanders, retirees and seniors, by improving access to appropriate accommodation options and ensuring fairness, safety and viability of the accommodation services we regulate is underpinned by the legislative objectives to:

- improve the access of Queenslanders to safe, secure, appropriate and affordable housing,
- help build sustainable communities,
- protect the health, safety and basic freedoms of consumers,
- promote consumer protection and fair trading practices,
- encourage the continued growth and viability of the governed industries in the State.

To maintain the 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.

Regulatory Services strives for best practices in:

- reducing regulatory burden where appropriate,
- using a risk-based methodology to target compliance activities,
- being accountable for, and transparent in, good decision-making,
- monitoring our own regulatory performance and achievement of regulatory outcomes.

Furthermore, as legislative obligations on our regulated entities continue to evolve, our approach to regulation will also need to follow suit, to ensure our services remain fit for purpose. To ensure continued development, Regulatory Services will continue to consult with residents, providers, peak bodies, interested parties and Queenslanders, to review and improve regulatory activities, fairness, safety and viability of the accommodation services we regulate.

The Registrar and Acting Executive Director, Mr Terence Green, oversees four critical industry regulatory systems for:

- Community housing – Housing Act 2003
- Residential services – Residential Services (Accreditation) Act 2002
- Manufactured homes (Residential Parks) – Manufactured Homes (Residential Parks) Act 2003
- Retirement villages – Retirement Villages Act 1999

As at 30 June 2021, these 915 regulated entities collectively deliver close to 69,000 accommodation units to Queenslanders.

## Our regulatory reporting approach

Queensland remains committed to red tape reduction and promoting small business opportunities. Reporting from Regulatory Services includes initiatives supporting the government's approach to adopting an enhanced regulatory reporting framework.

This Regulator Performance Report for the Department of Communities, Housing and Digital Economy, presents information that 'tells the story' about Regulatory Services, the marketplace issues we see as critical for our work, and the outcomes of our actions.

This annual report provides transparency regarding the performance of the department and compliments publicly available information through the department's Service Delivery Statements, Strategic and Operational Plans and Annual Reports.

Regulatory Services is committed to improving our regulatory approach to meet the requirements of Queensland's Regulatory best practice model and being transparent and accountable about our progress.

Our 2020-21 ambition to develop a range of key performance indicators for each of the Model practices, in consultation with our departmental colleagues, industry and consumer partners has unfortunately not been achieved due to the continued impact of the COVID-19 pandemic. This work will be advanced in 2021-22, with progress in these areas to be outlined in a future report.

## Queensland Regulatory best practice model

**Model practice 1:** Ensure Regulatory Activity is proportionate to risk and minimises unnecessary burden.

**Model practice 2:** Consult and engage meaningfully with Stakeholders.

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

**Model practice 4:** Commit to continuous improvement.

**Model practice 5:** Be transparent and accountable in actions.

## Our Regulated Sectors and Services as at 30 June 2021

### Community Housing

- 83 NRSCH and 13 QRSCH providers.
- 12,508 properties owned or managed.

### Residential Services

- 277 Residential services with a total of 7951 residents.
- 13 services received initial accreditation.
- 1 residential service cancelled.

### Manufactured Homes and Residential Parks

- 213 parks.
- 23,127 individual sites.
- 14 new parks (3,114 sites) recorded, and 2 parks exited.
- In response to concerns received from homeowners, on 25 September 2020, the *Manufactured Homes (Residential Parks) (COVID-19 Emergency Response) Regulation 2020* commenced. The Regulation balanced the needs and interests of park operators and home owners by suspending any market rent reviews until 31 December 2020.
- Market reviews between the commencement of the Regulation in September 2020 and 31 December 2020 were prohibited. However, park owners who were due to conduct a market review during this period were able to impose a CPI increase by providing a notice to

home owners. Where a market review had been suspended or prohibited in 2020, it was able to be undertaken in 2021. The market review was to be undertaken at least one year from the date the suspended market review would have taken place. To mitigate longer-term impacts on market review schedules, consultation for market reviews that were scheduled to occur in early 2021 were able to begin in late 2020 as normal.

## Retirement Villages

- 329 registered retirement villages.
- 31,258 units.
- 4 new registered retirement villages.
- No cancelled/deregistered retirement villages.

## Housing and Homelessness Services

- Reviewable Decisions under Part 6 of the *Housing Act 2003*.
- Administration and Investigations under Part 7 of the *Housing Act 2003*.
- Compliance of Customer Obligations under the *Housing Act 2003*.

## Community Housing providers

Community Housing is a form of social housing service, delivered by community organisations and local governments and funded by the Queensland Government under the *Housing Act 2003* (Housing Act). Where an entity provides a social housing service using government funding, the entity must be registered with Regulatory Services.

The Housing Act established a system for the registration, monitoring and regulation of entities providing community housing services to ensure the development, viability, and quality of community housing services; confidence in the good governance of registered providers to encourage investment in this sector, and to make it easier for providers to operate in more than one participating jurisdiction.

The National Regulatory System for Community Housing (NRSCH) and Queensland State Regulatory System for Community Housing (QSRSCH) were established in Queensland through the Housing Act and amended on 1 January 2014. The Housing Act mirrors the National Law for NRSCH enacted in NSW.

The Housing Act requires providers funded for community housing to become registered and continue to comply with conditions of registration including the National Regulatory Code.

The National Regulatory Code (NRC) sets out the seven performance outcomes that registered providers must demonstrate compliance with.

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

The registration tier is the first level of risk stratification to support a risk-based approach to regulation. Assessing performance data is the second level of risk stratification, which deals with the nature and intensity of regulatory engagement and, where necessary, action.

The Registrar is responsible for both promoting a culture of compliance and monitoring, and enforcing compliance by registered providers, in order to protect the integrity of the community housing sector.

As outlined in Model Practice 1 (above), Community Housing compliance in Queensland has commenced its annual compliance engagement in October 2021 utilising a risk-based approach that focuses on a minimum data set of evidence and the identification of key risk factors.

### **Tier 1 providers**

Face the highest level of performance requirements and regulatory engagement as they operate at a large scale meaning that they have the potential to impact large numbers of tenants and assets; and have ongoing housing developments at scale which may affect their viability.

### **Tier 2 providers**

Face an intermediate level of performance requirements and regulatory engagement as they operate at a moderate scale and have small scale developments.

### **Tier 3 providers**

Face the lowest level of performance requirements and regulatory engagement, as they have small numbers of community housing stock and any development they undertake (if at all) is of a very small/one-off nature.

## **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.

Residential services provide affordable accommodation solutions for residents with a range of social and support requirements.

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. 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* (RSA Act). The object of the RSA Act is 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. If the Level 2 or Level 3 component of an accreditation application is refused, then a provider can no longer provide that type of service.

We are responsible for registration, accreditation, and the cancellation of residential services in Queensland. In addition to inspections linked to service accreditation, we carry out regular unannounced inspections of services to ensure they are complying with the RSA Act.



### **Accommodation service - Level 1**

Level 1 relates to:

- privacy and confidentiality
- agreement for residency
- prevention of abuse and neglect
- grievance mechanism
- residents with complex or difficult behaviour managed effectively and respectfully
- access to external service providers
- resident's entitlement to independence and freedom of choice
- living environment
- appropriate security and emergency measures
- appropriate business management
- human resource management.

### **Food service - Level 2**

Level 2 relates to:

- food and nutrition
- safe and hygienic delivery of food, storage, preparation and service
- kitchens that meet minimum requirements.

Level 2 accreditation also requires the local council to confirm that obligations under food hygiene legislation are being met.

### **Personal care service - Level 3**

Level 3 relates to:

- human resource management including staff qualifications for personal care provision
- access to externally provided support services
- accountable financial and clerical support
- assistance with medication and health care
- help with clothing and hygiene management
- preservation of social networks
- choice and decision making.

### **Manufactured homes (residential parks)**

Residential or lifestyle parks are also known as manufactured home parks and are often marketed as 'Over 50's lifestyle resorts' or mixed-use caravan and tourist parks. Previously, manufactured home parks were called mobile home parks.

Residential parks are often targeted towards seniors and retirees. Homeowners own their 'manufactured home', that is the building itself, but not the land on which it sits. Therefore, they must pay a regular site rent to the park owner.

Manufactured homes are regulated under the *Manufactured Homes (Residential Parks) Act 2003* (MHRP Act). The objects of the MHRP Act are to regulate and promote fair trading practices in residential parks, encourage the continued growth and viability of the industry in the state and provide a clear regulatory framework and certainty for future industry expansion. Residential parks do not receive state government funding.

Regulatory Services administers the MHRP Act, including investigating alleged breaches not otherwise subject to the residential park dispute resolution mechanisms.

The MHRP Act sets obligations and behavioural standards for both homeowners and park owners. These obligations are primarily enforceable through defined dispute resolution procedures set out in the MHRP Act, involving a progression from negotiation, to mediation, through to resolution by the Queensland Civil and Administrative Tribunal.

We cannot intervene in disputes between homeowners and park owners, but can provide general information/advice about the framework for resolution of disputes.

## Retirement villages

Retirement villages are residential lifestyle communities offering seniors a choice of home or apartment style living with independent or serviced options and a wide range of facilities and activities. They cater for retirees and older members of the community who can live independently. Retirement village residents can access government subsidised home support services within a village or some village operators provide personal care and support services which can be purchased for a fee. Retirement villages do not receive state 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 use the facilities the village offers.

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 by:
  - declaring particular rights and obligations of residents and scheme operators; and
  - facilitating the disclosure of information to prospective residents to ensure the rights and obligations of the residents and scheme operators may easily be understood; and
- to encourage the continued growth and viability of the retirement village industry in the State.

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) gives information about a specific unit within a retirement village. The PCD contains details about the costs of entering the retirement village and provides an understanding about the financial commitment involved in entering, living in and explain the costs residents pay when they leave the village.

Regulatory Services responsible for the registration of new retirement village schemes, educating the sector to promote transparency and consistency in regulation, monitoring ongoing compliance and termination or cancellation of registration of retirement villages in Queensland. Regulator Services carries out inspections and audits of retirement village procedures and practices, to ensure compliance with the RV Act and we engage with retirement village residents, responding to enquiries and investigating concerns.

The general structure and financial requirements for retirement village schemes can be complex and vary greatly across the industry, which has contributed to a greater focus on increasing industry transparency and communication and the development of key departmental engagement strategies including a retirement villages comparison website, a scheme operator self service centre and the publication of industry specific regulatory guidelines to provide regulatory clarity and consistency across industry.

## Reviewable decisions

Part 6 of the *Housing Act 2003* allows for the review of reviewable decisions by the Chief Executive or the Registrar. Customers or registered providers affected by a reviewable decision by the department, have a right to lodge an application for a review of those decisions.

The following decisions made by the Chief Executive are reviewable decisions:

- a decision about a person's eligibility for a social housing service
- a decision about the type of social housing service to be provided to a person
- a decision about the place where a social housing service is to be provided to a person
- a decision to appoint an interim manager for the business of a funded ancillary provider

The following decisions by the Registrar are reviewable decisions:

- a decision to vary the category of registration of a national provider
- a decision to refuse:
  - an application for registration, or
  - an application by a national provider to vary the provider's registration
- a decision to impose an additional standard condition
- a decision to:
  - cancel the registration of a registered provider, or
  - refuse an application by a registered provider for cancellation of the provider's registration
- a decision to issue binding instructions to a registered provider
- a decision to appoint a statutory manager for a registered provider.

Under section 67 of the *Housing Act 2003*, it states that unless the Chief Executive made the original decision personally, the Chief Executive must ensure the application is not dealt with by the person who made the original decision; or a person in a less senior office than the person who made the original decision.

Thereafter, within 28 days after receiving the application, the Chief Executive (and/or appointed delegate) must review the original decision and make a decision (the review decision) confirming, amending or substituting the original decision.

That decision is to be made on the material that led to the original decision and any other material the Chief Executive (and/or delegate) considers relevant, and then that decision and the reasons for it, must be conveyed.

The process to apply for a review of a reviewable decision about:

- a Registrar decision, can be found at: [www.business.qld.gov.au/industries/service-industries-professionals/housing-accommodation/community/review](http://www.business.qld.gov.au/industries/service-industries-professionals/housing-accommodation/community/review)
- eligibility, type and place decisions, please see: [www.qld.gov.au/housing/public-community-housing/public-housing-tenants/your-legal-rights/request-a-review-of-a-decision](http://www.qld.gov.au/housing/public-community-housing/public-housing-tenants/your-legal-rights/request-a-review-of-a-decision).

Alternatively, the Housing Act Reviews Team can be contacted on 1300 364 560 or via email [RegulatoryServices.HART@chde.qld.gov.au](mailto:RegulatoryServices.HART@chde.qld.gov.au).

## An overview of our compliance activity in 2020-2021

### Community Housing Providers

- 65 NRSCH Community Housing Providers assessed as compliant, 1 non-compliant
- 5 QRSCH Community Housing Providers assessed as compliant
- 2 registrations for NRSCH and 0 for QRSCH
- 0 registration cancellations
- 0 enforcement actions undertaken.

### Residential Services

- 49 visits to potential unregistered residential services
- 5 new registrations for residential services
- 6 residential services received their initial first accreditation
- 102 residential services renewal of accreditation – backlog of site audits still in progress
- 66 site visits conducted in response to complaints
- 3 residential services cancellations were initiated by the department
- 1 residential service cancellation was initiated by the service provider.

### Manufactured Homes (Residential Parks)

- 20 residential parks visited to investigate or educate following the receipt of a complaint
- 105 complaints received
- 103 compliance tasks created.

## Retirement Villages

- 457 Village Comparison Documents reviewed.
- 22 villages visited through a targeted compliance program to educate rural and remote villages
- 9 investigations commenced into non-compliance with new exit entitlements.

## Housing and Homelessness Services

- 85 Reviewable decisions concerning; Eligibility, Type and Place Decisions were reviewed.

## Regulatory Services' ongoing response to COVID-19

Restrictions placed on citizen movement and activities as a result of the COVID-19 pandemic heavily impacted upon Regulatory Services' business requirements and triggered the need to rapidly adapt and align our business needs to ensure effective and efficient service delivery could be realised for our workforce and our industry partners. As a result of ongoing COVID-19 limitations and impacts, Regulatory Services undertook the following activities:

- daily reporting requirements, to capture:
  - positive COVID-19 cases
  - employees not ill but required to self-quarantine — working from home
  - employees not ill but required to self-quarantine — not working from home
  - employees unable to work due to COVID-19 relating caring responsibilities
  - employee wellbeing.
- the continued deployment of a decentralised workforce, utilising:
  - alternative and flexible work arrangements (e.g. staggered start/finish times to reduce the volume of Queensland citizens during peak hour travel on public transport, split shifts to reduce the number of staff in the workplace, and staff working from an alternative location including alternative office locations and their place of residence)
  - staff deployment (e.g. staff in non-critical roles who could be deployed to critical roles if the delivery of essential services becomes compromised due to absenteeism).
- the prolonged activation of Regulatory Services' business continuity plans:
  - focusing on the business area's critical functions, roles and tasks
  - innovative use of technology (i.e. devices, connectivity, business applications) and office equipment to support customers and employee's needs.
- communications:
  - analysts making outbound welfare calls to providers across all sectors
  - web updates and/or communiques directly to providers, and
  - continuation of the Rapid Response Plan (in partnership with Queensland Health and industry stakeholders) in case of serious COVID-19 outbreaks in residential services across Queensland.

- social distancing measures at both the workplace and community level (e.g. increasing the distance between people and ensuring face-to-face contact complied with Queensland Health directives).

As the COVID-19 pandemic response continues into the 2021-22 financial year, Regulatory Services will remain vigilant and committed to monitoring, adapting and augmenting our business and service needs, ensuring regulation of our industry regulatory systems remains fit for purpose.

## Queensland Housing and Homelessness Action Plan 2021 - 2025

Throughout the 2020-21 financial year, the *Queensland Housing and Homelessness Action Plan 2021-2025* was developed in the context of current and anticipated housing market conditions and need.

The vision of the *Queensland Housing Strategy 2017-2027* — that every Queenslanders has access to a safe, secure and affordable home that meets their needs and enables participation in the social and economic life of our prosperous state, was pivotal in the development of the Residential Sector Reform initiatives.

As outlined in the *Queensland Housing and Homelessness Action Plan 2021-2025*, Regulatory Services is committed to a fair and sustainable residential sector, giving people who reside in residential services, retirement villages and residential (manufactured home) parks, and those who operate them, a regulatory framework that delivers the best possible outcomes for consumers.

The focus on ensuring consumers and operators are better informed about their choices, rights and responsibilities, and how to action them along with increased transparency in contracts and financial statements, we will build on the improvements delivered under the *Queensland Housing Strategy 2017-2020 Action Plan*, and continue to enhance the regulatory system to deliver reforms, to build protections and generate better housing outcomes for Queenslanders.

Initiative 19 is as follows:

*Enhance the consumer experience and industry engagement across residential (manufactured home) parks, residential services and retirement villages, including through:*

- *targeted communication, compliance and best practice guidance approaches, including introduction of a retirement village comparison website*
- *exploring greater support for consumer-operated retirement villages and residential parks (such as the potential for home owner co-operatives) to give consumers greater choice and control over their retirement living arrangements.*

Regulatory Services' contribution to the delivery of this action is progressing with multiple industry guidelines approaching completion and publication by the end of the 2021-22 financial year.

## Housing Act Review Team

The Housing Act Review Team (HART) previously known as the Housing Appeals and Review Unit, Corporate Services of the former Department of Housing and Public Works made a successful transition to Regulatory Services, throughout the 2020-21 financial year.

This transition of workload and staffing preceded migration of government activities to transition the former Department of Housing and Public Works workforce to the Department of Communities, Housing and Digital Economy and Department of Energy and Public Works.

The HART team consists of six staff, that have carriage of governing and enforcing the following:

- Reviewable Decisions under Part 6 of the *Housing Act 2003*
- Administration and Investigations under Part 7 of the *Housing Act 2003*
- Compliance of Customer Obligations under the *Housing Act 2003*.

The HART team also have highly developed regulatory and enforcement capabilities and detailed knowledge of the workings of the Office of the Queensland Ombudsman, having managed the departmental liaison relationship between the former Department of Housing and Public Works and the Office of the Queensland Ombudsman for numerous years. This adds considerable experience, capabilities and learnings for Regulatory Services as a whole.

A large percentage of the HART team hold a Certificate IV in Government Investigations qualification and these highly desirable and transferrable regulatory and enforcement capabilities are proving to be an exceptional combination for work/task completion by both HART and Regulatory Services' deliverables to date.

Furthermore, the HART team's professionalism and willingness to interact, engage, build new working relationships (with both Regulatory Services staff and the services we regulate), while continuing to manage their inexorable workload within legislated requirements has been exceptional.

HART and Regulatory Services will continue to evolve into the 2021-22 financial year, with works continuing to transition information technology infrastructure, augmenting of naming conventions across their managed portfolio to reflect migration of government activities, along with further development work to align and distribute the HART team's outputs into Regulatory Services' business-as-usual activities.

## Model Practice 1: Regulatory activity is proportionate to risk and minimises unnecessary burden

Regulatory Services' adopted approach to focus on three key elements; people, processes and technology – has further aided the unit's progression toward embracing a risk-based framework, as follows.

### People

Given the continuation of COVID-19 impacts (i.e. snap lockdowns, home schooling for families, carers and general travel and social interaction restrictions), Regulatory Services continued/extended our activities of 2019-20 to place our Regulatory and Financial Analysts at the core of our design activities to enhance our risk-based approaches across the industries we regulate.

Our approach to utilise the skills, abilities and firsthand experience of our workers, continues to provide a deeper level of insight into development and testing of processes for risk assessments and decision making, which in turn enhanced our capabilities in the use of business intelligence tools to support risk assessment process.

## Processes

Our continued development of a risk-based framework advanced the review and development of new and existing processes, spanning from the collection, input and quality assurance of data through to regulatory engagement and enforcement. Regulatory Services continued the development and documentation of processes and procedures relating to conducting risk assessments, inbound communications (intake) and quality assurance of data. The program of work for 2021-22 continues on the same path as 2020-21 and includes:

- revision of compliance processes and procedures targeted at minimising regulatory burden for the lowest risk providers, as part of a continuous improvement cycle,
- further enhancement of the processes utilised to test, review and refine the risk factors and the data we use to assess the various industries,
- ongoing evaluation of the processes and procedures to appraise each industry to determine the risks and opportunities in each sector are incorporated into the risk assessment frameworks as part of a continuous improvement cycle,
- attention to resource allocation processes to ensure they are targeted at the areas of greatest need.

## Technology

During 2020-21 Regulatory Services continued to embed enhancements in data collection and reporting functionality of the REGGIE system for Retirement Village, Residential Park and Residential Service data, and the CHRIS system used with community housing providers to our customised analytical tools for each individual industry.

Some of the notable enhancements to the REGGIE system in 2020-21 include:

- additional information fields have been incorporated into the system to capture key data and identify critical risks for use in industry profiling, which has proven to be an essential element to enable a more efficient risk-based regulatory response to compliance and workflow programming
- a number of system functions have been automated in preparation for the release of operator self service centres (SSC) for the three industry groups. These SSCs are planned to be available for use by operators in 2021-22
- system reporting functions have been enhanced to increase regulatory oversight of industry requirements and trends.

As outlined above, 2020-21 ushered in the HART team and the team's respective workload which is captured and managed through a case management system known as RESOLVE. A key focus for Regulatory Services in 2021-22, will be completing a deep dive into the RESOLVE systems aptitudes to explore the systems untapped capabilities, to establish if this system remains fit for purpose for the effective management of Reviewable Decisions within the Regulatory Services division, and to establish if the RESOLVE system capabilities could potentially be expanded for use across the division to improve service delivery outcomes.

## Community Housing Risk and Data Pilot

The Community Housing Risk and Data Pilot for Queensland Community Housing Providers (CHP) focused on three key areas: Risk Assessment, Data Collection and Data Sharing, and commenced in



September 2020 utilising an opt-in approach for providers as stated in the 2019-20 performance report.

The data pilot progressed as anticipated with Regulatory Services completing risk assessments for all participating CHPs by June 2021.

Regulatory Services presented a report outlining the findings to all NRSCH Registrars in May 2021 for consideration and review.

Although other NRSCH Registrars decided not to adopt this approach nationally, their feedback and our learnings contributed to enhancements to Regulatory Services' regulatory processes, that continue to foster and support a risk-based approach to our ongoing annual compliance, with the next scheduled compliance commencing October 2021.

## Model Practice 2: Consult and engage meaningfully with stakeholders

### Communication and Engagement

During 2020-21 Regulatory Services published its first Regulatory guideline to the Business Queensland website. The intent of a regulatory guideline is to focus in on topics where consumers or industry have approached Regulatory Services requesting advice, clarification or interpretation of legislation, with a view to understanding the department's compliance expectations. Regulatory guidelines seek to replace previously provided informal advice.

The first regulatory guideline related to the cost of sale provisions within the RV Act and was generated due to the number of enquiries received about this subject. The guideline is based on our statutory interpretation, experience and knowledge of the RV Act, with the goal to achieve transparency and consistency within the Retirement Villages industry.

Moving forward, Regulatory Services will consider, in part, basing some of its targeted communications and compliance activities on such guidelines, having engaged broadly with consumer and industry stakeholder groups.

During 2020-21, Regulatory Services undertook a comprehensive review of its outward facing web content, forms and documents on the Business Queensland Franchise and departmental web pages. This encompassed some 160 web pages and 35 documents and forms which were reviewed. In addition, 54 communiques were distributed to our regulated industry partners on regulatory matters or COVID-19 specific updates, which were prepared in conjunction with Queensland Health.

### Future improvement – Residential Services Reference Group

The Residential Services Reference Group was established to enable ongoing communication with residential service providers, the Supported Accommodation Providers Association and resident advocacy groups. There is some representation from each level of accredited providers along-side resident representatives.

In 2022, the department will seek to expand the membership of the group to ensure increased representation from level 1 and level 2 accredited providers, and revisit the terms of reference for the group. This group was established to enable engagement on key actions and deliverables from the *Queensland Housing Strategy 2017-2027* related to the residential services industry.

## Review of Building Standard MP5.7 for registration and accreditation of a residential service

In 2020-21 a review was commenced of the Queensland Development Code – MP5.7 Building Standards requirements for a Building Compliance Notice (BCN) for a registration and accreditation of a residential service. The MP5.7 document was established in 2002 and requires a review of the building standard requirements.

An example of the need to review and modernise the MP5.7, is that since the advent of the NBN network and the requirement in the MP5.7 to have an emergency telephone, service providers have had issues trying to obtain a compliant BCN through the local authority (council).

Regulatory Services has assisted service providers with advice that they can lodge an alternative solution for the emergency landline telephone to the council for approval. Due to the inconsistencies with councils' approvals, a matter may end up at the Building Tribunal for a decision, to be determined by the judge.

Regulatory Services is engaged with councils and the Department of Energy and Public Works (EPW), regarding the review which is ongoing with completion expected in the 2021-22 financial year.

## Implementation of a website 'Find Registered Accommodation'

Regulatory Services is developing a website for enabling access and search functionality to find accommodation services registered as Residential Services with the Department of Communities, Housing and Digital Economy.

The Find Registered Accommodation website will:

- 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 Find Registered Accommodation website (the website) will enable 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
- is registered, in accordance with the legislation.

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

---

## Development for a portal for Residential Service providers (the portal)

The portal will enable residential service providers to securely login to review and update contact information, which will be displayed on the website. To date consultation and workshops have commenced with stakeholders to ensure consumer and industry needs are being met.

## Residential Parks Working Group

The Residential Parks Working Group (Working Group) has been formed to enable open communication between the Department of Communities, Housing and Digital Economy (CHDE), and stakeholders on actions and deliverables outlined in the *Queensland Housing Strategy 2017-2027* relating to the residential parks industry.

The purpose of the Working Group is to enable the department and industry to work towards achieving a specific set of deliverables that have been developed to improve dispute resolution arrangements in the residential parks sector.

Residential parks are an important source of accommodation that play an integral role in providing affordable housing for vulnerable Queenslanders.

The Working Group is a project team only and is not a decision-making body. The Working Group will take a strategic view and participate in the development of content and strategies to meet the outlined deliverables of this project, that aims to improve dispute resolution processes for residents and park owners. Material to be developed may include shared guides of desirable practices for rent increases, sales of homes, dispute resolution, homeowner infirmity or other matters.

Membership of the Working Group will seek to enable representation across all areas of the residential parks sector, including homeowners, operators of residential parks and industry peak organisations.

## Information sharing with other regulators and government agencies

The Regulatory Services Inter-Agency Information Sharing Group is an informal group formed as an opportunity for external agencies and other State Government bodies to discuss any emerging or current issues they are experiencing within the residential services sector.

The group was established to enable discussion about operational matters and systemic issues that have been identified in the residential services sector, to promote collaborative work to resolve these matters, and ensure the appropriate agencies are engaged and involved with the department.

The Information Sharing Group is not a decision-making body. Members will take a strategic view and provide advice to the department and each other on the challenges and opportunities in regulating the residential services sector, and in helping the vulnerable residents accommodated in residential services.

Membership of the Information Sharing Group will seek to enable representation across multiple agencies that deal with the residential services sector, including state government bodies, local councils, and other legislative bodies.

Members include the NDIS Commission, Residential Tenancies Authority, Queensland Fire and Emergency Services, The Public Trustee of Queensland, Office of the Public Guardian and other relevant State Government departments.

The group formally met for the first time in December 2020 with meetings occurring throughout 2021 and the intent is in 2022 to revisit the terms of reference for the group. The objective being to enable engagement of key deliverables from the *Queensland Housing Strategy 2017-2027* related to the residential services industry.

## Model practices in action – Engagement with stakeholders.

Due to the nature of the community housing team's work and their reliance on information and relationships with other areas of the department, Regulatory Services is attempting to improve our engagement practices with these areas.

We are attempting to formalise these relationships, so that the team is able to seek information or advice from these groups. In conjunction to building relationships, the team is also investigating what information can be outwardly shared with these groups.

The following questions will be asked of each stakeholder:

- What is their role?
- What skills or capacity do they have that we may be able to use?
- Is there any overlap in the work that they do and we do?
- Are they able to help build capacity of providers? If so, how?
- When in the process would they be engaged or included? At point of non-compliance? After recommendations? During compliance to offer assistance?
- Would multiple areas work together? In what format – case conference style?
- Are there areas who want to assist but need capacity building from us?
- How will processes and assistance from these teams improve engagement and negate potential enforcement outcomes with providers?

## Financial compliance standards

A key outcome of the NRSCH Data Review paper was the need to amend the national Financial Performance Report (FPR) template to incorporate significant changes in both the sector and mandatory accounting standards, namely AASB 15, AASB 16 and AASB 1058, that were to be adopted by all entities in 2020.

These changes to the FPR were led by Regulatory Services on behalf of all NRSCH jurisdictions and provided the opportunity to review and amend other financial data collected, in recognition of emerging or established sector trends.

As part of its stakeholder engagement, Regulatory Services released early drafts of the proposed FPR for testing by CHPs. This provided CHPs the opportunity to see the proposed changes as soon as possible, while offering valuable feedback and testing on the draft template to ensure it was fit for purpose, and reflected the changes to the mandatory national accounting standards implemented in 2020. The updated FPR template was used for the Community Housing Risk and Data Pilot for 2020.

---

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

### COVID 19 impacts across all industries

Throughout 2020-21, Regulatory Services was a key stakeholder in meetings with Queensland Health, as part of a broader engagement process to understand the potential impacts of Public Health Directives on retirement villages, residential park and residential service.

In addition to these meetings, Regulatory Services regularly distributed communiques and links to Public Health Directives, to assist providers to implement restrictions and also provide notifications when restrictions eased.

One such regular engagement has been the 'COVID-19 Working Group - Disability Support in the Qld Community' which has a particular focus on residential services as they operate with shared facilities and communal living, which make it difficult for residents to achieve effective social distancing.

The department has communicated with all residential service providers and ongoing contact is occurring to discuss business continuity and pandemic response preparations.

Communication materials continue to be distributed to residential service providers and the peak body for residential service providers, the Supported Accommodation Providers Association (SAPA), continues to be engaged to support service providers.

The department has continued to respond if providers are not ensuring continuity of support services for residents where they have sought to restrict access. In this regard, liaison with key partners such as the National Disability Insurance Agency (NDIA) and advocacy groups to explore opportunities to protect vulnerable residents in residential services from violence, abuse, neglect and exploitation, while taking health measures to prevent risks of the COVID-19 pandemic have been ongoing.

### Residential Parks Working Group

The Residential Parks Working Group has developed some key deliverables, designed to enhance home owners' knowledge of the *Manufactured Homes (Residential Parks) Act 2003*, and improve dispute resolution arrangements in the residential parks sector.

The goal of these deliverables is to reduce the number and range of complaints from home owners submitted to Regulatory Services that relate to inappropriate action by residential park owners and managers.

Developed in conjunction with industry, this Working Group will develop a range of materials that provide best practice guidance in areas that are critical to meeting legislative and regulatory obligations.

We've been busy working on videos about site rent increases and market rent reviews, as well as preparing a guide for Home Owners Committees (including the setting up of a committee and their role within a park). These materials will be available from 2022.

## Model Practice 4: Commit to continuous improvement

### Developing a professional regulatory team

Due to impacts relating to COVID-19, including the limited availability of training opportunities, the Regulatory Services team was severely restricted in their capacity to attend and complete formal training.

## Model Practice 5: Be transparent and accountable with actions

Regulatory Services continues to commit that all decisions and subsequent actions are taken in a timely manner, clearly articulating expectations, and the underlying reasons for decisions. This is demonstrated by:

- the publication of NRSCH and QRSCH evidence and compliance guidelines
- the Registrar providing community housing providers with a draft compliance assessment for review before completion, allowing an opportunity for providers to include additional information for consideration and respond to any recommendations.

### Improving NRSCH transparency

The public NRSCH Register continues to be used to support transparency through publishing an overview commentary on each community housing providers performance to provide further context and transparency of areas of positive practice and improvement opportunities. The register records outcomes of compliance activities, issuance of formal Notices and enforcement action.

The NRSCH Registrars have publicly recognised the need to better support “accessible and transparent data and intelligence to promote confidence in registered providers and the NRSCH” to allow stakeholders to make better informed decisions through the 2018–2023 Strategic Plan.

NRSCH Registrars have been progressively improving the publication of Registrar and CHP performance data through sector snapshots published for 2019-2020, and most recently through the 2021 NRSCH Annual Report available at [www.nrsch.gov.au](http://www.nrsch.gov.au).

Part 2 of the NRSCH Annual Report highlights steps taken by the NRSCH Registrars in order to “build capability and capacity within the regulatory system through improved transparency of the performance of individual providers and the sector” including data sharing, communication protocols and improving modelling tools.

### Evaluation of service to community housing providers

The Registrar evaluates the quality of regulatory services by surveying all community housing providers after assessment activity.

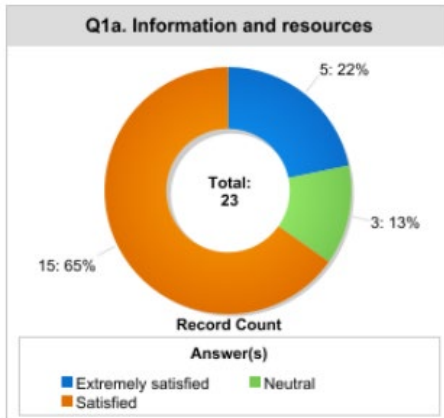
On the whole, the quality of Regulatory Services activities in undertaking provider compliance assessments continues to be well regarded, as indicated in the graphics below.

### Professionalism



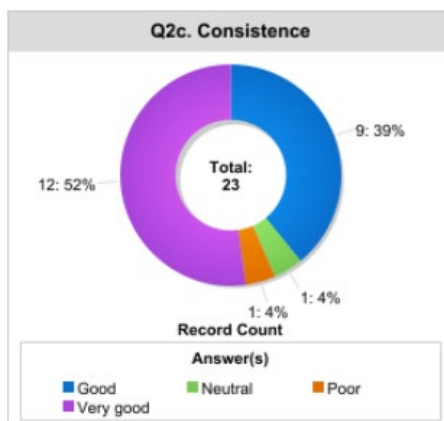
92% of community housing providers agreed that the Registrar’s staff displayed a good or better level of professionalism during their compliance process.

### Information and Resources



87% of community housing providers agreed that the information and resources provided to them at compliance was satisfactory or better.

### Consistency



91% of community housing providers agreed that the Registrar’s staff adopted a consistent approach to their compliance activities.

## Feedback

Regulatory Services invites feedback, questions and suggestions on content contained in this report. Contact can be made by any of the following methods:

**Email:** [RegulatoryServices@chde.qld.gov.au](mailto:RegulatoryServices@chde.qld.gov.au)

**Phone:** 07 3008 3450  
13 QGOV (13 74 68)

**Postal address:** Regulatory Services  
GPO Box 690,  
Brisbane, Queensland 4001



## 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.