

# Regulation as a catalyst for change in community housing

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# State of play

- General acceptance that community housing providers should be regulated
- Particular emphasis on ‘growth providers’
- Four jurisdictions now have statutory regulation and others are exploring administrative options
- The approaches taken by different jurisdictions vary considerably.

# State of play

- Expected that a number of growth providers will operate nationally, so a nationally consistent approach will be essential
- A national working group of government officials is progressing this
- Regulation seen as key to ensuring public outcomes in a new policy environment that focuses on far greater involvement by private investors and projects

# What change are we after?

- Creation of a new low cost housing market – mainly, but not only, rental
- Far greater involvement by private funders and projects in publicly subsidised affordable housing
- Unlock the entrepreneurial & innovative capacity of non-government providers
- Better social outcomes for tenants and local communities

# What is necessary for this?

- Policy certainty
- Reduce the risks associated with the cost of funds and partnership
- Allow providers to make business decisions about use of assets, products and projects
- Reduced compliance burden
- Transparent focus on tenant & community outcomes

# How does regulation contribute?

- Statutory basis (and policy on public investment)
- Focuses on regulator intervention on areas of organisational risk (esp governance) - as opposed to project risk (via contract)
- Allows govt to shift assets to provider balance sheets – protect govt interest

# How does regulation contribute?

- Provides confidence about broad outcomes not program compliance
- Shift from regulation by contract
- Requires evidence of outcomes for tenants & communities

# Where are we headed?

- Despite currently varied approaches – minimum compliance, QA focus, risk focus, ‘risk-based’ – we expect convergence
- View that large providers will operate across jurisdictions led to work on a national code
- Work undertaken by officers ( with some NG expert consultation)

# Where are we headed?

- We do need national approach because private funders and partners are national – so need agreed national approach.
- But we also need wider involvement in reaching this agreement

# Challenges of the current approach

- Being progressed by only government officials, may emphasise objective of providing assurance to government – particularly on ‘government assets’
- Need focus on governance and organisational sustainability
- Dilemma between proportionality and sufficient information for intervention – proxy government guarantee
- Where to put quality outcomes in the code