



Mr Chris Valacos
NSW Registrar of Community Housing

31 July 2025
Attention
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**Re: SSROC Submission to the Consultation on the proposed amendments to the
NSW Community Housing Providers (Adoption of National Law) Regulations
2023**

1 Introduction

The Southern Sydney Regional Organisation of Councils (SSROC) appreciates the opportunity to make a submission *NSW Community Housing Providers (Adoption of National Law) Amendment Bill 2025* concerning the drafting instructions for the proposed Regulations associated with the Bill currently before Parliament.

SSROC is an association of twelve local councils in the area south of Sydney Harbour, covering central, inner west, eastern and southern Sydney. SSROC acknowledges the traditional custodians of the land on which we work and live, the peoples of the Darug, Dharawal and Eora Nations.

SSROC provides a forum for the exchange of ideas between our member councils, and an interface between governments, other councils and key bodies on issues of common interest. Together, our member councils cover a population of about 1.9 million, one third of the population of Sydney, Australia's most densely populated suburbs. SSROC seeks to advocate for the needs of our member councils and bring a regional perspective to the issues raised.

SSROC acknowledges the Government's commitment to help local councils to contribute to housing supply reforms and targets under the National Housing Accord to increase the number of homes built to address supply and affordability issues across the state.

SSROC and its member councils have a strong interest in the supply and ongoing provision of affordable (non-market) rental housing in their communities.

This submission's consultation feedback is focused on:

- The Register of Affordable Housing
- The Affordable Housing Managers (AHM).

While the proposed Act and Regulations are anticipated to have some applications to Build to Rent (BTR) developments regarding Affordable Housing tenancies, it is noted that Commonwealth BTR legislation and related regulations are also being put in place. The NSW Regulations should aim to avoid duplicating the Commonwealth requirements and

clearly articulate when, where, and how the NSW Regulations will apply to BTR. It is noted that the Commonwealth legislation sets out enforceable financial penalties and requirements for tenant eligibility, rent setting, tenure requirements and critically specifies that registered CHPs only are to manage client intake assessment to ostensibly manage any conflicts of interest and protect the public good¹. Their legislation and regulations appear to effectively address many of the matters discussed in this submission that require further attention and resolution in the NSW Regulations.

2 Context

Temporary time limited Affordable Housing is expected to expand rapidly to thousands of units in a short period of time. The Department of Planning, Housing and Infrastructure (DPHI) Housing Delivery Authority (HDA) pathway for residential State Significant Developments published records show the scale of this outcome <https://www.planning.nsw.gov.au/policy-and-legislation/housing/housing-delivery-authority/published-records>. This growth will quickly place pressure on the regulatory arrangements and intensify the challenge of protecting the public interest in this new asset class.

SSROC considers that it is unnecessary to create AHMs and that registered community housing providers (CHPs) can, and could have, successfully performed this role at a lower risk and cost to Government. Affordable rental housing is a scarce resource that needs protecting and well considered governance.

The acknowledged trigger issue of non-compliance with using CHPs could have been satisfied by tying the release of the development's Occupancy Certificate to the nomination of a community housing provider at a lower regulatory burden and cost for Government. Instead, this trigger has been attached to AHMs being in place to manage the housing.

However, in acknowledgement that the Government has chosen a different registration pathway, we offer the comments and recommendations following in the next sections.

It is important to recognise and reinforce that the Affordable Housing created through the planning system now to be managed by Affordable Housing Managers is a valuable public good that needs to be protected.

Government regulations and controls therefore need to safeguard this public interest and the interests of applicants, tenants and future tenants. For a period, this use will need to have a priority over the Affordable Housing's asset ownership. The NSW Auditor General will need to be assured that the NSW Registrar role is ensuring that effective statutory controls are meeting contemporary good practice.

¹ <https://www.propertycouncil.com.au/media-releases/housing-peak-bodies-welcome-regulations-to-unlock-80000-build-to-rent-homes>

Building An Effective Regulatory System

Any stakeholder comments made concerning the drafting of the Regulations cannot be made without making a series of interconnected assumptions about unconfirmed context and critical content that will strongly shape the Affordable Housing regulatory system.

The draft Regulations are to be situated within the context and content still to be confirmed:

- *NSW Community Housing Providers (Adoption of National Law) Amendment Act 2025* Amended Act
- New Ministerial Guidelines for Affordable Housing
- New Affordable Housing Regulatory Framework
- Inter departmental agreements with agencies such as the Office of Fair Trading around information sharing to support the compliance work of the Registrar.

To build a cohesive outcomes-driven regulatory system, we recommend that there is a guiding overarching statement, that the intended outcomes of Affordable Housing are to ensure it is appropriate for the needs of a range of very low and low to moderate income households, and that rent is income-based and -priced so that all these households are able to meet other essential costs.

This will assist to set the framework for Affordable Housing and what requirements will be needed to ensure that Affordable Housing Managers manage their dwellings to meet these outcomes.

In the absence of clarifying Government advice, it is assumed that the *Affordable Housing Regulatory Framework* will cover how management and housing provider organisations interact on a routine basis with the State Government, especially the Community Housing Registrar. This Framework content will need to fully align with the Regulations but also enable flexibility for the Registrar to change the administration to improve outcomes.

New Ministerial Guidelines for Affordable Housing will cover how registered Community Housing Providers and new Affordable Housing Managers will exercise their responsibilities towards Affordable Housing tenants and applicants and vice versa. It is assumed that the Guidelines will set out the method by which rent is to be set, and the outcomes they intend to achieve. To ensure that participants are clear about the system they are participating in, and to support the Affordable Housing Ministerial Guidelines, the Regulations should explicitly note that this rent-setting detail is to be found in the Guidelines.

This submission proposes the production of additional supporting documents and information to effectively operationalise and safeguard the policy and assistance intent.

If these assumptions change markedly, exposing gaps in service protections for Affordable Housing tenants, further consultation will be required as the Regulations will probably need to be enhanced.

Recommendation 1

To identify and resolve any critical gaps or problems with alignments, the Registrar hold further consultations once the whole package of statutory accountabilities, the draft Regulations, Ministerial Guidelines and frameworks are known.

Recommendation 2

The Regulations work effectively to strongly support and reinforce expectations of good Affordable Housing outcomes and safeguard customer interests that are contained in the *Ministerial Guidelines for Affordable Housing* and the *Affordable Housing Regulatory Framework*.

[It is anticipated that these documents will include controls on eligibility to receive assistance, intake guidelines (tenant selection and fair allocations), rent-setting and management responsibilities to fulfill the requirements of the Residential Tenancies Act and therefore not need to be covered in the Regulations]. We recommend there be mechanisms to ensure intake guidelines are followed and the full range of very low, low and moderate income households are being assisted. Consideration should be given to developing a centralised application platform as an access spot for all Affordable Housing properties and the regulations allow this to be implemented.

The Regulations should include appropriate penalties and powers to deregister AHMs where there are persistent performance breaches.

However, it is impossible to foresee every situation and problem related to how this new asset class providing Affordable Housing assistance and eventually capital gains to owners will perform for Affordable Housing users. Accordingly, this submission argues for an early formal review of the suite of controls including the Regulation to identify how the proposed protections are actually working.

Recommendation 3

The NSW Government review the application of the Act and Regulation within 2 years of the assent of the Amendments to confirm that it is effective.

3 The Register of Affordable Housing

Further to our previous letter to the Registrar, SSROC welcomes the development of the Register of Affordable Housing. Detailed comments concerning the Regulation are as follows:

A Adaptable and Accessible Housing

In relation to other information in the Regulations, SSROC supports the inclusion of information about Affordable Housing dwellings regarding adaptability and accessibility in the Register as set out in the drafting instructions. This information will be useful for local service system planning and delivery as well as potentially useful information for

applicants seeking housing, CHPs and AHMs assisting applicants and tenants with changing tenant needs.

B Category of Affordable Housing

The sources and contexts of Affordable Housing can be various making the task of categorisation difficult. Often Affordable Housing projects will layer funding sources and finance to achieve a feasible development. The *Housing Australia Future Fund* is increasingly providing finance for a component new Affordable Housing projects along with discount land sales and Affordable Housing contributions from local councils.

Information about council contributions is critical for councils' accountability and reporting for the provision of monetary Affordable Housing contribution funds to registered CHPs.

When Affordable Housing is dedicated in perpetuity, housing will inevitably be replaced with the addition of renovation funds or property sales. The value of knowing the original funding sources and mechanisms is less important for Affordable Housing than that is provided in perpetuity.

However, where the Affordable Housing is time-limited, it is critical to know the planning and program mechanism(s) that generated the registered affordable dwelling. This data should not be optional, as it may well be critical for the Registrar in legal and administrative disputes about obligations and responsibilities. See Recommendation 5, following.

Where applicable, the Register should record all the Affordable Housing that was created via the Housing SEPP Affordable Housing Infill Bonus, as this points to the particular obligations that are time limited.

Some projects will have a mix of time-limited and in-perpetuity affordable rental housing and need to be clearly distinguished. See DPHI advice² below illustrating this outcome. The Affordable Housing deemed to be community housing assets requires a different registered housing provider (i.e., a registered community housing provider). There is therefore the risk that Affordable Housing in one development could be managed by different managers (AHM and CHP) with the risk of very different outcomes for Affordable Housing tenants.

Recommendation 4

SSROC recommends that the Affordable Housing Register mandatorily record the name of the funding program or planning controls that established the specific time-limited Affordable Housing dwelling. When the Affordable Housing is provided in perpetuity this status should also be recorded, with the sources administered by local councils noted.

C Timing of Affordable Housing

The information about timing of the Affordable Housing be recorded in the *Affordable Housing Register*. This information needs to capture the date of first tenancy commencement (evidenced by lease commencement with the Affordable Housing tenant).

² www.planning.nsw.gov.au/sites/default/files/2024-05/guidance-to-transport-oriented-development.pdf

This start point will help to disincentivise title holders deliberately leaving the Affordable Housing dwelling vacant.

The commitment under the Housing SEPP Housing Bonus is for 15 years of Affordable Housing provision not simply dwelling availability.

Recommendation 5

SSROC recommends the capture of information on:

- the date of the release of the Occupation Certificate by the consent authority
- the commencement date of the first tenancy
- the expiry of the Affordable Housing restriction on the dwelling (taken from the commencement of the first tenancy).

Obligations of Development Approvers

SSROC notes that the vast bulk of information has (and will) come automatically from the NSW DPHI Planning Portal information, streamlining data capture and administrative work.

As part of modern regulation, it seems appropriate that the role of the DPHI administering the Planning Portal (and its successor) should be noted explicitly along with the information obligations of the development approvers.

4 The Affordable Housing Manager

The Affordable Housing Manager (AHM) role is new and will initially be an untested legislative construct.

If the owner is not the AHM, the Regulations need to clarify whether Affordable Housing management role is to be performed under:

- a headleasing arrangement between the owner and the AHM, or
- the AHM is purely acting as an agent of the owner on a fee for service basis, or
- potentially a combination of these mechanisms depending on the owner's preference.

Each of these management pathways will have different restrictions and constraints and will require their own nuanced regulation.

Under a headlease there is potentially not a need to regulate the actions of the Affordable Housing owner beyond the agreed headlease arrangements with the AHM.

If the AHM is working as an agent on a fee for service basis (without a headlease) however, then the AHM will be acting as a real estate agent and need to be licensed as required by the Property and Stock Agents Act 2002.

Under such a fee for service arrangement, the AHM does not have power to act without the owner's direct authority and or delegation. The Regulations therefore need to regulate

the actions of the owner as well as the AHM for routine tenancy activities, as the AHM is then primarily responsible to the owner for decisions.

The merits of these options are further discussed later in this submission.

At times private owners of temporary Affordable Housing may have conflicts of interest around obtaining personal advantage from this resource. Affordable Housing has a significant monetary worth, both in terms of income from rents and asset value to the owner. This then requires a balancing act of careful stewardship to avoid Affordable Housing's assistance purpose being diminished for eligible Affordable Housing recipients.

Unbounded self-interest could lead to unreasonably maximising rental income for private gain, withholding reasonable expenditure on maintenance expenditure associated with an Affordable Housing tenancy or misdirecting benefits from the housing to persons not eligible for assistance.

There is a natural, ever-present self-interest of the dwelling owner and potential competing ends for the AHM to contend with while charged with delivering on Affordable Housing's agreed purpose and outcomes. Even so these outcomes were granted by the initial owner as part of their development application and development consent and carry on for the duration of the agreed assistance.

It is important to empower the new role of AHM to act clearly for the benefit of the public interest outcomes and not be conflicted by priorities of the owner that were not agreed in the planning arrangements. Regulations have a key role in managing this constant tension and protecting the Affordable Housing tenant and the Affordable Housing's use rights and mitigating personal privacy and confidentiality concerns of the residents.

The AHM will need to:

- publicly advertise vacancies.
- manage tenant selection by applying intake guidelines and tools
- accurately and independently assess current household incomes to confirm eligibility.
- keep secure personal records and protect tenant and applicant confidentiality
- confirm that the applicants do not own accommodation that they can live in as part of checking eligibility.
- collect and bank rents, and organise and pay property expenses within established arrangements.
- Manage tenancies (and any tenancy breaches) in accordance the Residential Tenancies Act.
- operate with minimal supervision.

Real estate agents currently assess household incomes as part of tenant checks and should be well equipped to perform this function.

Likely scenario

Developers and owners will naturally want to maximise the utility of the Affordable Housing for their business and personal needs. One way is likely to be by getting their Affordable Housing Managers to confer benefits of cheaper rent on family and friends who are able to meet the income criteria.

Presumably the Ministerial Guidelines will prohibit this behaviour.

This eventuality, while extremely difficult to regulate, will subvert fair access for eligible households in housing stress for which the Affordable Housing was intended.

The risk of this scenario is highest, and more likely, if owners become registered AHMs. In these instances, Affordable Housing tenants find themselves renting directly from their landlord. It is likely that the owners will have no training in complying with tenancy legislation, nor experience or understanding of the outcomes required from Affordable Housing as a public good, let alone AHMs needing to comply with the Ministerial Guidelines and a new Regulatory Framework.

Clearly the AHM will need to play a key role in respecting the applicants' and tenants' privacy and confidentiality around individual household's income assessments on a regular basis. Their role is to undertake these tasks professionally, consistently and in accordance with the Ministerial Guidelines. This will entail undertaking the rent-setting process fairly, routinely managing the complexities of assessing waged households' income where they are experiencing normal income fluctuations over the review period.

For these reasons, individual owners as individual persons should not be able act as an AHM, except perhaps in extenuating circumstances where an individual owner is also a licensed real estate agent and fully aware of their legal and professional responsibilities under the agreement³.

As no training or accreditation of AHMs is envisaged, the *Regulations* should explicitly prohibit individual owners without a current real estate license becoming an AHM. Affordable Housing tenants must be assured of receiving a good and compliant AHM service. Unlike organisational entities, individual persons will usually lack organisational support. They will also be time constrained and limited in providing timely (out of hours - 365 day/24 hour) service responses to tenants.

Tenants living in the Affordable Housing but not housed according to Ministerial Guidelines should also be protected from wrongful acts of owners who become AHMs. A sound regulatory system should avoid the unnecessary eviction of any hapless tenants incorrectly housed. Again, the Registrar's staff appear to have no adequate or easy remedy for such cases of misuse, at their disposal.

³ An AHM with a current real estate license will need to meet associated regulatory requirements with accountabilities of real estate agents set by Fair Trading.

It is important that there is visibility and clarity of the governance arrangements for Affordable Housing tenants. Ideally Affordable Housing tenants should always be dealing with their AHM.

On the other hand, a real estate agent – also registering as an AHM - could be sanctioned and potentially lose their licence. Creating a nexus could therefore become a powerful disincentive for poor performance.

Recommendation 6

The Regulations explicitly prohibit individual owners of the Affordable Housing becoming an AHM, if they are without a current real estate license.

A Register of Affordable Housing Managers

SSROC welcomes the Register of Affordable Housing Managers (AHMs). A data base of AHMs will enable updates of policy to be issued electronically when there are changes or updates to Ministerial Guidelines, Regulations etc. This will become an important duty of the Registrar.

The AHM Register needs to include data on whether the AHM has a current real estate licence and number. This will help with facilitating coordinated information sharing with the Tenancy Commissioner, where there is serious non- compliance by an AHM.

Conveyancers engaged in the sale of AH will need to request certified information from the Registrar about a nominated dwelling listing and the expiry date of Affordable Housing service commitment.

This restriction will be material to the market price of the Affordable Housing property and required to be provided as part of sales disclosure. The Registrar will need to provide this advice formally and promptly as a matter of routine business.

Establishing Guiding Principles

In designing the Regulations for the Affordable Housing Manager (AHM), it is proposed that a set of principles be adopted so stakeholders can be assured that the Regulations' purposes are being fulfilled. Modern regulation needs to be efficient in achieving its stated outcomes, remove duplication of effort and costs of compliance and government administration.

A key AHM role will be the management of tenancies according to the Ministerial Affordable Housing Guidelines. This involves a specialist set of skills and capacities that every AHM will need. While the regulatory burden will be lighter than that applying to registered CHPs, there remains a focus on housing eligible households fairly and equitably in accordance with adopted rent setting policies and fully meeting residential tenancy obligations.

The AHM will need to understand and apply existing laws that offer protections and assign rights and responsibilities for landlords, agents and tenants.

Accordingly, the following principles are proposed and could potentially form part of the proposed *Affordable Housing Regulatory Framework*.

Proposed Regulatory Principles for AHMs

- A time limited registered Affordable Housing dwelling is a public good. It is exclusively for Affordable Housing assistance for the entire period of its assignment and this purpose is intended to prevail over other interests including the interests of the title holder. The Affordable Housing objectives and outcomes are to be protected by the AHM. The deliberate loss of this public assistance should involve appropriate compensation and or penalty.
- Regulation and reporting requirements of the AHM for the Affordable Housing should provide suitable assurance and protections proportionate to the risks involved to the public interest and for Affordable Housing tenants' right to fair enjoyment of the property.
- Regulations should avoid duplication with existing tenancy and real estate agency laws and remedies to avoid confusion and unnecessary regulatory activity, where applicable.
- Whatever the context, tenants and applicants will be treated fairly and consistently by the law regardless of the housing context and arrangements. Tenants and applicants assisted by the AHM should be treated fairly and have same or similar rights as other Affordable Housing tenants managed by CHPs including enjoying existing protections under the Residential Tenancies Act.
- The duration of time-limited assistance committed to for the Affordable Housing should be delivered and not compromised. Critically applicants and tenants should be made aware of the special status of the Affordable Housing and the limited time it will be available to use as Affordable Housing.
- The Regulations should prohibit and minimise management practices that keep Affordable Housing dwellings vacant, especially if the vacancy is to make it more attractive for sale to another future owner.
- Maximise the use of co-regulation by encouraging the use of licensed real estate agents acting also as AHMs.

The NSW CH Registrar managing risks and streamlining compliance

AHMs will operate in a diverse range of contexts. These new risks require tailored Regulations specific to Affordable Housing that is time limited.

Likely scenario

Most developers are not in the business of managing property long-term and often need cashflow for their next development. Most housing developers will be attracted by

the opportunity to sell the time limited Affordable Housing and avoid strata fees and ongoing costs as soon as possible.

At prices discounted for the Affordable Housing usage, developers should be able to find willing buyers such as 'mum and dad' investors and first home buyers unable to enter the market. Strata Affordable Housing could be readily offered as single dwellings or small packages of dwellings. A multiplicity of such dwellings could become extremely hard for the Registrar to keep track of and adequately regulate. Many such owners will not be skilled in tenancy law and the bespoke requirements associated with delivering the Affordable Housing.

There will soon be a selling and buying market for time limited Affordable Housing. In some instances, there will be frequent changes to ownership of this housing. Changes to AHM is likely to occur frequently too as some new owners may seek to take on this role to save on fees and attempt to arrange their property and tenancy arrangements to minimise their tax obligations.

The turnover of tenancies and the resale of Affordable Housing could provide the owner and/or AHM with an opportunity to rent and house favoured relatives and business associates.

This could be achieved while technically adhering to the Affordable Housing income eligibility criteria. However, this would be subverting the program goals.

This highlights the potential for a fundamental conflict of interest when the Affordable Housing owner is involved and/or the AHM is not adequately supervised. Owners if they become an AHM have a vested interest that will be at odds with the public interest. The new arrangements should not give them the power to turn the housing dedicated as a public good into a private good with very limited transparency.

Vulnerable households and essential workers in unaffordable and often insecure housing suffer through reduced access. The shortage of Affordable Housing makes it a Government priority to strongly protect the little Affordable Housing coming into the system. Regulations need to circumvent this practice to protect the public good.

The NSW Community Housing Registrar will probably have limited resources for identifying and dealing with non-compliance. The design of the Regulations needs to embed incentives for good practice and compliant behaviour in a new sector without a history of good practice or training, infrastructure or legal precedents.

Real estate agents who have to maintain licensing arrangements have knowledge and systems to manage client confidentiality, rent receivables and property maintenance in a timely manner and adherence to their Real Estate Agent's Code of Practice.

Title holders in property and tenancy management without a real estate agent involved are likely to manifest unreasonable risks to the delivery of Affordable Housing in the public interest. Only title holders with a current real estate licence should be eligible to become AHMs.

The Community Housing Registrar should leverage the existing regulation of real estate agents and residential tenancies to the greatest extent possible. Accordingly, AHMs without holding a real estate licence will have higher risks. If a real estate licence is not mandatory for an AHM, then the controls and reporting and Registrar scrutiny should be proportionately higher for those AHMs that engage or have a license.

A standard Affordable Housing headlease can help mitigate and manage some of these unique risks and consistently enshrine the title holder's obligations to provide good quality, time limited, secure stable Affordable Housing. It will help to foster compliant behaviours with and between their designated registered AHM.

Alternative headleases proposed by AHMs would therefore require approval of the Registrar.

Where an organisation, as title holder, is also taking on the role of AHM, the registered AHM should agree a statement of service aligned to the commitments found in the standard AHM headlease, as a headlease in such circumstances will be unnecessary.

A shift that requires most AHMs to have a real estate licence should help to consolidate the management of the sector easing pressures on the Regulator to keep track of the Affordable Housing, its performance and of those accountable for delivering them.

Recommendation 7

Title holders to time-limited Affordable Housing are to engage a separate independent AHM with a current real estate licence, where they elect not to use a registered CHP. Accordingly, the Regulations will establish lighter reporting and accountability requirements as the AHM with a licence should have the capacity to follow guidance from the Ministerial Guidelines and the Regulatory Framework.

A standard headlease for time-limited Affordable Housing dwellings can codify the best management practice that promotes full compliance with the Ministerial Guidelines, the Regulatory Framework and the Regulations.

For example, it could stipulate: the process for selecting tenants based on fair and objective criteria following public advertising of vacancies; subsidised rents are set and reset according to changed household circumstances; tenant appeals and complaints are to be managed; how urgent and routine maintenance is to be carried out; and how the landlord will provide the AHM appropriate resources and discretion to fulfill their management functions and duties.

Recommendation 8

The Regulations require the use of a standard AHM headlease congruent to the Ministerial Guidelines outcomes and the Regulatory Framework to mitigate risks and help ensure good management practice.

Recommendation 9

The Registrar commission the preparation of a standard good practice AHM headlease that is consistent and articulate links between the Ministerial Guidelines and the Regulatory Framework.

Recommendation 10

The Registrar commission the preparation of a statement of service aligned to the commitments found in the standard AHM headlease, for adoption and use by title holding organisations that become registered AHMs.

AHM accountability and regulatory reporting to the Registrar**Proposed Statements of Compliance**

The Regulations should require annual data reporting and publication properties managed by Affordable Housing Managers, as well as 2 years compliance checks. This submission has identified a high and likely risks of non-compliance in a disparate, very loosely managed program and lightly regulated time-limited Affordable Housing.

This submission recommends that the Registrar institute the use of *Statements of Compliance* to be completed by AHMs, as part of their routine reporting and accountability for time limited Affordable Housing. The completion of *Compliance Statements* would assist to educate new AHMs entering the system about their management role in delivering time limited Affordable Housing.

It is envisaged that the *Statement of Compliance* would include: reporting on the details of the Affordable Housing tenancies under management (date when vacancies were advertised; tenancy commencement dates; rents set according to Ministerial Guidelines; and tenancy end dates using a standard form. A signed statement from the AHM would affirm that the details were true and accurate.

Potentially the standard form and format will allow the Registrar to readily identify non-compliance and enable AI to summarise the results for the Registrar at very low cost. Penalties should apply to AHMs for not reporting.

These Affordable Housing *Statements of Compliance* will help perform a number of critical functions at different points in time:

- An initial Statement of Compliance be requested by the Registrar upon the release of the Occupancy Certificates. The first Statement of Compliance will help to positively reinforce the Registrar's expectations around ensuring that the first allocations are made to an eligible Affordable Housing applicant. This should help to set the pattern for future allocations, consistent with the Ministerial Guidelines.
- A Statement of Compliance to be requested by the Registrar at the issuing of Occupancy Certificates of further Affordable Housing dwellings coming under management and of any subsequent AHM appointment notifications.
- Statement of Compliance to be completed annually by the AHM.

- The annual provision and completion of a *Statement of Compliance* signed by the AHM, noting the key performance expectations will help to overcome the problem of turnover in ownership and AHMs.

SSROC recommends that NSW Fair Trading is included in the Regulations as an entity the Registrar can share information within section 27D(1)(c). This will allow regulators such as the Rental and Property and Strata Commissioners to be actively involved in compliance issues where appropriate.

Recommendation 11

The Regulations and Regulatory Framework empower the Registrar to require annual self-reporting from the AHMs, in standard formats (the *Statement of Compliance* noted above) prescribed by the Registrar:

The annual online reporting by AHMs to the Registrar to include information in a standard form about:

- Data on advertised vacancies, applicants, tenant vacancies, evictions and rents charged and property care.
- A signed probity statement
- Statement of Compliance about congruence with the Guidelines, the currency of RTA leases and events in NCAT.

Recommendation 12

The Regulations empower the Registrar to require ad hoc risk-based exceptions reporting by the AHMs of prescribed negative management events. The Regulatory Framework describe the events, triggers for exceptions reporting and thresholds for Registrar to conduct audits, impose fines and instigate deregistration of an AHM.

Recommendation 13

The Registrar adopt and publish online principles governing AHM operations for all stakeholders to understand the role and responsibilities of AHM. The purpose is to inform new entrants and parties considering taking on this role.

Recommendation 14

The Regulations list the NSW Fair Trading, Local Councils, the Department of Planning Housing and Infrastructure and the Minister for Planning as development approvers able to access information on the Affordable Housing Register.

5 Conclusion

Thank you for the opportunity to provide a submission about *NSW Community Housing Providers (Adoption of National Law) Amendment Bill 2025* and in particular the drafting instructions for the proposed Regulations associated with the Bill currently before Parliament.

A new *NSW Community Housing Providers (Adoption of National Law) Amendment Act* and supporting Regulations are set to place the Community Housing Registrar at the frontline of protecting the scarce hard won, public resource of Affordable Housing, now set to grow by thousands of dwellings.

The temporary nature of some of the Affordable Housing heightens the need to ensure what is available is not lost to the system and for the benefit of households who desperately need it in an otherwise unaffordable rental market.

This submission proposes recommendations to improve the drafting of the Regulations in a way that integrates with other parts of the Affordable Housing regulatory system. We recommend that the Regulations provide more details and requirements on how Affordable Housing Managers will manage their Affordable Housing dwellings and how the Registrar, local councils and other stakeholders will be assured of their performance.

We consider their adoption will be critical to protecting the public interest embedded in Affordable Housing. SSROC looks forward to further opportunities to comment on the draft Regulations and other elements of the regulatory framework as they are progressed.

In order to make this submission within the prescribed timeframe, it has not been possible for it to be reviewed by councils or to be endorsed by a formal meeting of SSROC Delegates. I will contact you further if any issues arise as it is reviewed. If you have any queries, please do not hesitate to contact me or Mark Nutting, SSROC Strategic Planning Manager on 8396 3800, or ssroc@ssroc.nsw.gov.au.

Yours sincerely



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