



Family &  
Community Services

# NSW Community Housing Resource Allocation Policy



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# 1 Introduction

FACS Housing NSW provides assistance to community housing providers to supply subsidised rental accommodation to people on very low to moderate incomes and people with additional needs, including people who are homeless, in NSW. Specifically, assistance is provided for the following types of accommodation: social housing, affordable housing, co-operative housing, transitional housing and crisis accommodation. Community housing providers receive assistance from the NSW Government for the provision of subsidised rental accommodation.

## 2 Purpose of the policy

The NSW Community Housing Resource Allocation Policy sets out the principles by which housing assistance resources will be allocated, the eligibility requirements to receive resources and the various methods by which resources for the provision of community housing can be allocated in NSW.

## 3 Coverage

This policy applies to housing assistance resources to be allocated by FACS Housing NSW for the provision of community housing. In this context, 'resources' includes, but is not limited to, properties, land and funding assistance, and includes transfer by the NSW Government of assistance from one provider to another.

The policy does not apply to the allocation of recurrent funding programs, or to resources previously allocated to providers, including transfer of ownership of assets.

The policy applies to all community housing providers that are registered under the current NSW Regulatory System prescribed under the *NSW Housing Act 2001* and the *Housing Regulation 2009*, as well as all providers in Australia registered under the National Regulatory System for Community Housing as prescribed in the *Community Housing National Law* once it commences.<sup>1</sup>

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<sup>1</sup> The NSW Regulatory System is being replaced in NSW from 1 January 2014 by the National Regulatory System for Community Housing over an 18 months transition period. The *Community Housing Providers National Law (National Law)* is an Appendix to the *Community Housing Providers (Adoption of National Law) Act 2012 (NSW)* and is the legislative basis of the National Regulatory System for Community Housing.

## 4 Resource allocation principles

The following principles will guide resource allocation under this policy. Resources will be allocated in NSW:

1. In a transparent and accountable manner, consistent with any relevant legislation or government policies or guidelines.
2. To meet the strategic directions of the Minister for Family and Community Services or other government directions/partnerships established by the NSW or Commonwealth Government.
3. To best meet the outcomes for clients and communities as prescribed in relevant policy or program objectives.
4. To assist the viability and growth of the community housing sector in NSW including supporting diversity and efficiency.
5. To organisations that can demonstrate capacity to provide services to the area(s) within which the resources are to be delivered including capacity to deliver or partner to deliver support services if required.
6. To ensure, wherever possible, a contestable housing market in the area(s) within which the resources are to be delivered to meet housing need across NSW and enable/promote tenant choice.

## 5 Eligibility

To be eligible to access resources covered by this policy, organisations must be registered under the NSW Regulatory System as prescribed in the *Housing Act 2001* and the *Housing Regulation 2009* or any provider in Australia registered under the National Regulatory System for Community Housing prescribed by the *Community Housing Provider National Law* once it commences.

## 6 Allocation methods

In allocating resources, FACS Housing NSW will aim to ensure administrative efficiency for government and providers as well as value for money and quality outcomes. To achieve this FACS Housing NSW will use the following allocation methods:

- methods prescribed by government direction or specific programs/partnerships
- direct allocation
- tender – either open or select
- unsolicited proposals.

Direct allocation will not be used for the transfer of ownership which will be determined through a separate process.

As resource allocation involves the use of government resources by community housing providers, allocations will be conducted in accordance with the Public Sector Employment and Management Amendment (Procurement of Goods and Services) Act 2012 and be consistent with the NSW Government Goods and Services Procurement Policy Framework in particular the objectives of:

- driving value for money
- delivering quality government goods and services
- aligning procurement with business needs.

## 6.1 National and State Government directions

In the first instance resources will be allocated in accordance with any allocation method(s):

- prescribed by the Minister and FACS Housing NSW and/or the strategic directions for community housing set by the NSW Government
- prescribed under any specific program, partnership agreements or national reform directions established by the Commonwealth or NSW Government.

## 6.2 Direct allocation

Depending on particular circumstances and in line the allocation thresholds which are outlined in Section 7, FACS Housing NSW will allocate resources through direct allocation. Direct allocation involves exclusive negotiations between an agency and proponent without first undergoing a competitive process. In this Policy, direct allocation of resources will be undertaken in accordance with the *ICAC Guidelines for Managing Risks in Direct Negotiations*.

Where there are two or more providers that potentially have equal claim to receiving the resources, direct allocation, wherever possible, will occur in a manner which results in an equitable distribution of resources, if consistent with government directions.

## 6.3 Tender

FACS Housing NSW will utilise open or select tender processes depending on particular circumstances and in line the allocation thresholds, which are outlined in Section 7.

## 6.4 Unsolicited proposals

Resources may be allocated as a result of unsolicited proposals. Proposals must be broadly consistent with objectives of, and be in the best interest of, the NSW Government. Any unsolicited proposal to FACS Housing NSW must go through the NSW Government process for Unsolicited Proposals which is detailed in the Department of Premier and Cabinet's *Unsolicited Guidelines – August 2012*.

Consistent with the eligibility arrangements outlined in this policy, resources will be allocated to registered community housing providers.

## 7 Property allocation thresholds

The following property allocation thresholds will apply in determining whether allocation will occur through direct allocation or other allocation methods.

### 7.1 One to five properties

In circumstances where the number of properties to be allocated in a specific allocation process/package is less than six, resources will always be allocated through direct allocation.<sup>2</sup>

### 7.2 Six properties or above

For properties numbers six or above in a specific allocation process/package , FACS Housing NSW will select one or more allocation method (s) listed in Section 6 of this policy. Direct allocation may be included as one of the allocation methods.

## 8 Thresholds for resources other than property

For all resources other than property to be allocated for the provision of community housing there is to be no threshold. All resources will be allocated through one or more of the allocation method(s) listed in Section 6 of this policy.

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<sup>2</sup> For resource allocation a property is defined as a unit of accommodation.

## 9 Supporting sector development and diversity

FACS Housing NSW may retain housing assistance resources within any one financial year to support the development of a diverse and viable community housing sector to meet housing need in NSW.