

Performance Standards and Guidelines

2024





Performance Standards and Guidelines

Overview

The Community Housing Regulatory Authority (CHRA) is responsible for the registration and regulation of community housing providers (CHPs).

To become a registered CHP (also known as a Class 1: Social Landlord) applicants must meet the requirements set out in the Public and Community Housing Management (Community Housing Provider) Regulations 2014. This includes meeting the eligibility criteria and demonstrating the capacity to meet the prescribed set of Performance Standards.

Once registered, CHPs are assessed annually to ensure that they are continuing to meet the Performance Standards.

You can find more information on the application process on our website [here](#).

What is a registered Community Housing Provider?

Becoming a registered CHP is one pathway for organisations wanting to help address unmet housing needs in their communities. It is for organisations who intend to provide long-term social and affordable rental housing for independent living.

To be eligible for registration an applicant must have an intention to deliver social and/ or affordable rental housing and ideally have objectives in their empowering document that support this intention.

The Regulations also specify that an applicant must not be a:

- > Local authority
- > Council-controlled organisation
- > Subsidiary of a local authority or council-controlled provider unless the subsidiary is operating at arm's length from the local authority or council-controlled provider.

Eligible applicants will need to arrange a meeting with CHRA to discuss the application process and their suitability for potential registration. Only after CHRA is satisfied that registration is appropriate will an application form be released to potential applicants.

Performance Standards

The Performance Standards cover the governance and operational aspects of a dedicated social landlord. They are the benchmark against which CHRA assesses applications for registration. The five areas covered by the Performance Standards are:

- > Governance
- > Management
- > Financial viability
- > Tenancy management
- > Property and asset management

The Performance Standards help ensure that registered CHPs are sustainable, financially viable, and well-run organisations that can provide tenants with appropriate, long-term housing services.

Supporting documentation

This document sets out the supporting evidence that applicants will need to supply to demonstrate that they meet the Performance Standards.

The Performance Standards outlined in this document each include a description of what CHRA looks for when assessing those standards. Each section also includes a list of supporting documents that must be provided to demonstrate compliance with that standard.

Our approach

CHRA takes a proportional approach to assessing applications and monitoring compliance. The detail of supporting documents should reflect the scale of an organisation's housing activities and its ambitions. This means our expectations for strategic planning will be different for a small, local provider maintaining a few properties than it will be for a large national provider with a significant portfolio.

Our proportional approach also means that once registered, CHPs are required to notify us as their portfolio expands or when there are significant changes to their operations.

We are mindful of the resourcing requirements for small-scale and emerging CHPs when preparing their application or completing their annual reporting. Applicants are welcome to provide supporting documents that have already been supplied to other agencies for different purposes. This could include information for registration or compliance as a charity, company, incorporated society, or trust.

The community housing sector is diverse and inclusive of a variety of different approaches to housing a wide range of tenants. For this reason, there is not a one-size-fits-all approach to demonstrate compliance with the Performance Standards. The intention of these guidelines is to support applicants work through the Performance Standards, and not to set out a prescriptive model.

CHRA is committed to respecting tikanga and maintaining an open and transparent regulatory framework. This means we are open to listening and understanding how different organisational approaches to housing delivery can demonstrate compliance with the Performance Standards and ensure tenants are appropriately housed long-term. We also support face to face engagement where possible and welcome you to visit our offices for an initial conversation about your application.

CHRA is trialling a simplified numbering system for the Performance Standards. This is intended to reduce complexity and make referencing simpler. The text and numbering of the Performance Standards as they are in the Regulations remains unchanged.

If you would like to give feedback on the numbering trial, please get in touch at CHRA@hud.govt.nz.

Governance

Performance Standard

The Governance performance standard ensures registered CHPs are well-governed. This means that providers have effective and ethical governance policies and procedures, and sound business practices and strategies.

For the purpose of ensuring that it is well-governed, the provider:

1.1	Has an identified group of suitably skilled people responsible for its governance	Page 4
1.2	Has documented systems and processes that include strategic, operational, and financial planning documents	Page 4
1.3	Has documented systems and processes that include quality and risk management plans and mitigation strategies	Page 5
1.4	Has documented systems and processes that include effective, transparent, and accountable arrangements and controls for decision making	Page 5

The provider ensures that the governing body:

1.5	Has access to relevant external expertise as required	Page 6
1.6	Complies with legislative, regulatory, and legal requirements	Page 6
1.7	Understands the financial status of the provider at all times	Page 7

The provider:

1.8	Acts with integrity in its business activities and maintains high standards of probity relating to its business activities	Page 7
1.9	Establishes and administers a code of conduct for its employees and members of the governing body	Page 7
1.10	Establishes and administers a system of employment and appointment checks	Page 8
1.11	Establishes and administers a system for preventing, detecting, reporting, and responding to instances of fraud, corruption, and other criminal conduct by employees and members of the governing body	Page 8
1.12	Identifies and abides by relevant accounting and auditing practices	Page 9
1.13	Does not bring the reputation of the community housing sector into disrepute	Page 9

Performance Standard

1.1 For the purpose of ensuring that it is well-governed at all times, the provider has an identified group of suitably skilled people responsible for its governance

Guidance

CHPs should ensure that their governing body members possess a diverse set of skills and experience appropriate for effectively overseeing the organisation. This may include experience in governance, finance, law, tenancy management, and property and asset management.

This can be demonstrated by providing biographies of governing body members. These biographies should include information on the members' qualifications and experience. CHPs should also supply a skills matrix for the members that show they are aware of any skill gaps that can be addressed in future recruitment.

Providers should also submit policies on recruitment and retention of governing body members, professional development, and succession planning.

Supporting documents

- > Biographies of governing body members
- > Governance manual covering policies for recruitment of governing body members, professional development, and succession planning
- > Skills matrix or table of current and required governing body member skills

Performance Standard

1.2 For the purpose of ensuring that it is well-governed at all times, the provider has documented systems and processes that include strategic, operational, and financial planning documents

Guidance

CHPs need to supply key planning documents to demonstrate this standard. This includes:

- > A strategic plan that outlines an intended direction over the next three to five years. This should include a strategy for social and affordable housing provision, achievable objectives within available resources, an overview of future expenditure, and an outline of the risks and opportunities.
- > A business or operational plan that details the actions and activities necessary to achieve the strategy, along with an accountability framework and measurable milestones.
- > A financial plan that demonstrates an understanding of the costs of the strategic objectives. For instance, if a provider intends to undertake a new housing development, the financial plan should account for the associated costs of that development.

CHPs who have operations in addition to housing should make sure its housing operations are accounted for within its broader strategy. This means outlining the costs related to those operations (e.g., the delivery of tenancy services, conducting repairs and maintenance, and undertaking capital upgrades). Small providers may submit a combined strategic and business or operational plan if it is appropriate for the scale of their organisation.

Supporting documents

- > Strategic plan
- > Business or operational plan
- > Financial plan

Performance Standard

1.3 For the purpose of ensuring that it is well-governed at all times, the provider has documented systems and processes that include quality and risk management plans and mitigation strategies

Guidance

CHPs need to demonstrate a commitment to quality management and continuous improvement. This means having policies and procedures in place that enable the organisation to monitor its business activities and address areas requiring quality control and enhancement.

Quality management policies and procedures should include statements detailing what quality management and continuous improvement activities will be conducted. This may involve regular policy reviews, internal audits, and gathering data from tenant surveys and complaints. We recommend that providers establish a calendar outlining specific quality management activities to be undertaken throughout the year.

CHPs also need to demonstrate their approach to risk management. This includes having policies for identifying, recording, and mitigating risks, and for reporting those risks to the governing body. CHPs must also maintain a risk register that captures risks associated with managing a community housing portfolio (e.g., strategic, financial, reputational), as well as broader organisational risks. The risk register should also document designated roles for managing risks, mitigation strategies, and reviewing specific risks.

Supporting documents

- > Quality and risk management policies and procedures
- > Organisational risk register

Performance Standard

1.4 For the purpose of ensuring that it is well-governed at all times, the provider has documented systems and processes that include effective, transparent, and accountable arrangements and controls for decision making

Guidance

A CHP's governing body needs to have a documented decision-making process. This includes a signed and dated empowering document (e.g., a trust deed or constitution) and a governance manual that addresses the appointment of Board members, delegations, voting processes, quorum rules, minute-taking and approval, and board meeting schedules. Larger CHPs also need to provide evidence of their subcommittee structure and minutes documenting its work (e.g., a terms of reference for each sub-committee).

The governing body also needs clear quorum rules to guarantee that their decisions are robust. A quorum must consist of at least a majority of its members (i.e., half plus one of all Board members) and decisions can only be made when a documented quorum is present.

CHPs need to submit unredacted Board minutes in their entirety (except for personally identifiable information about tenants, operational staff and contractors and any legally privileged information). These should not be limited to decisions on housing operations.

For applicants, minutes also need to contain a record of the governing body's decision to apply for registration. Additional guidance on Board minutes can be found on the CHRA website [here](#).

Supporting documents

- > Signed and dated empowering documents
- > All governing body minutes for the past year
- > Governance document or manual containing decision making policies and procedures

Performance Standard**1.5** The provider ensures that the governing body has access to relevant external expertise as required**Guidance**

External expertise may be required periodically to deliver specific projects, or while expertise on the governing body is being appointed or developed. The governing body should have a procedure for accessing external expertise. The approach to accessing external expertise may be incorporated as a clause in an empowering document (i.e., granting governing body members the authority to seek and procure external expertise).

Supporting documents

- > Provision in empowering document or governance manual policies regarding the accessing of external expertise

Performance Standard**1.6** The provider ensures that the governing body complies with legislative, regulatory, and legal requirements**Guidance**

The governing body needs to demonstrate an understanding of the legislative and regulatory requirements associated with managing a community housing portfolio. This includes maintaining a record of all relevant requirements and implementing policies to ensure compliance.

These policies should incorporate a clear statement affirming the CHP's commitment to complying with those requirements. This can be supported by brief summaries of relevant legislation and its applicability to the CHP's operations.

CHPs should also have a process for undertaking reviews to ensure that referenced legislation is up to date and any changes are reflected in compliance policies.

Legislative compliance responsibilities include, but are not limited to:

- > Building Act 2004
- > Building Regulations 1992
- > Companies Act 1993
- > Family Violence Act 2018
- > Health Act 1956
- > Health and Safety at Work Act 2015
- > Housing Improvement Regulations 1947
- > Overseas Investment Act 2005
- > Privacy Act 2020
- > Protected Disclosures (Protection of Whistleblowers) Act 2022
- > Public and Community Housing Management Act 1992
- > Public and Community Housing Management (Community Housing Providers) Regulations 2014
- > Residential Tenancies Act 1986
- > Residential Tenancies (Healthy Homes Standards) Amendment Regulations 2022

Supporting documents

- > Governance document or manual that contains legislative compliance policies and statements

Performance Standard

1.7 The governing body understands the financial status of the provider at all times

Guidance

The governing body must understand the financial status of the provider at all times. This includes managing any risks that could impact the provider's financial standing.

CHPs need to maintain financial management and reporting policies and procedures. These should include a statement outlining the governing body's financial oversight responsibilities, a process for senior management to regularly report financial information to the governing body, and timeframes for reviewing financial information.

Job descriptions for roles with key financial responsibilities, such as the CEO and CFO, should specify financial management duties. This should be supported by clear reporting lines in the organisation chart and staff job descriptions.

Supporting documents

- > Financial management and reporting policies and procedures
- > Internal audit policies and documentation

Performance Standard

1.8 The provider acts with integrity in its business activities and maintains high standards of probity relating to its business activities

Guidance

CHPs need to embed high standards of fairness, consistency, impartiality, and integrity in their business operations. This includes showing accountability for actions and decisions, as well as transparency in undertaking activities.

This involves having probity policies and procedures that ensure procurement is carried out fairly and transparently, adherence to best practice principles, and outcomes are monitored and reviewed.

CHPs should also have policies and procedures for managing actual, potential, and perceived conflicts of interest, including a conflicts of interest register. This should involve including consideration of the conflicts of interest register as a standing agenda item at board meetings, and providing for voting abstentions and other mitigating measures when conflicts are identified.

Supporting documents

- > Probity policies and procedures.
- > Conflicts of interest register

Performance Standard

1.9 The provider establishes and administers a code of conduct for its employees and members of the governing body

Guidance

CHPs must have a Code of Conduct for staff and governing body members. This should include examples of violations and investigation procedures for such breaches. The Code of Conduct should also be routinely promoted to staff through training sessions and inductions.

Supporting documents

- > Code of Conduct

Performance Standard

1.10 The provider establishes and administers a system of employment and appointment checks

Guidance

CHPs must have recruitment policies. These should outline an approach that is fair, reasonable, and in compliance with the Employment Relations Act 2000. They should also include processes for managing applications and conducting reference checks.

Recruitment policies should address the entire employment process lifecycle. This includes the processes for establishing new positions, advertising roles, conducting interviews, providing induction, staff training, performance issues, and exiting.

Supporting documents

- > Recruitment policies and procedures

Performance Standard

1.11 The provider establishes and administers a system for preventing, detecting, reporting, and responding to instances of fraud, corruption, and other criminal conduct by employees and members of the governing body

Guidance

CHPs need to have policies covering the prevention, detection, investigation, reporting, and handling of incidents relating to fraud, corruption, and criminal conduct. These policies must ensure timely, appropriate, and effective identification and responses to illegal activities.

These policies must also include guidance on managing other criminal activities that could impact operations, staff, or tenants. For example, handling tenant or staff assault, threatening behaviour, theft, and illicit drug use.

Supporting documents

- > Governance document or manual containing fraud, corruption, and other criminal conduct policies and procedures

Performance Standard**1.12** The provider identifies and abides by relevant accounting and auditing practices**Guidance**

CHPs must maintain a documented financial management system that adheres to New Zealand accounting and financial reporting standards. These documents must show that an independent auditor audits the annual financial accounts.

Supporting documents

- > Accounting and auditing policies and procedures

Performance Standard**1.13** The provider does not bring the reputation of the registered community housing provider sector into disrepute**Guidance**

CHPs need to consider the potential impact of their actions on the reputation of the registered community housing sector. This should involve implementing policies and procedures to identify risks that could harm, or have the potential to harm, the sector's reputation. These risks should be documented in an organisational risk register.

CHPs must disclose to CHRA when incidents occur that may result in reputational damage to the community housing sector.

You can find more information about Change and Disclosure reporting on the CHRA website [here](#).

Supporting documents

- > Risk management policy that includes the management of reputational risks

Management

Performance Standard

The Management performance standard helps ensure that registered CHPs are managed in a safe, efficient, and effective manner at all times.

The provider is managed in a safe, efficient, and effective manner at all times, and for that purpose has documented systems and processes to ensure that:

2.1	Appropriate accountability measures in respect of decision making, probity, and service delivery are in place and monitored	Page 11
2.2	The outcomes for tenants are appropriate, measurable, and monitored in relation to affordability, access to information, and access to services	Page 11
2.3	The provider can demonstrate that Crown funding for the purchase of tenancy services is used for tenancy services	Page 12
2.4	There is an appropriate management structure, and systems, policies, and procedures are in place to ensure that the operational needs of the business can be met, and intended outcomes of the business can be achieved	Page 12

Performance Standard

- 2.1** The provider is managed in a safe, efficient, and effective manner at all times, and for that purpose the provider has documented systems and processes to ensure that appropriate accountability measures in respect of decision making, probity, and service delivery are in place and monitored

Guidance

CHPs must have policies that ensure effective management and accountability to the governing body. These should encompass written delegation schedules for management decision-making and approval concerning financial matters (e.g., operational and capital expenditure) as well as non-financial matters (e.g., employment and media).

Supporting documents

- > Management document or manual that includes a decision-making structure, policies for regular reporting to the governing body, and a delegations schedule

Performance Standard

- 2.2** The outcomes for tenants are appropriate, measurable, and monitored in relation to affordability, access to information, and access to services (including a complaints process)

Guidance

CHPs need to have policies that guide their management decisions to ensure appropriate outcomes for tenants. These policies should cover:

- > **Affordability** – CHPs should have a rent-setting policy that balances tenant affordability while maintaining financial viability. This should include having provisions for monitoring and reviewing rent levels, as well as processes for setting rents for different tenure types (e.g., IRRS and affordable housing tenancies).
- > **Access to information** – Tenants should be provided with a handbook that helps them understand the operations of their CHP. This may include details such as contact information, tenant rights and responsibilities, confidentiality of information, rent arrears and hardship policies, the complaints process, and repair and maintenance arrangements.
- > **Access to services** – Tenancy management documents should incorporate policies around when and how tenancy managers might refer tenants to support services to help maintain their tenancies (e.g., budgeting and health services).

CHPs should note that while tenancy managers may help tenants seek support, they should not influence the tenant's choice of support service. There needs to be a clear separation between housing services and any support services that are offered by the organisation.

You can find more information on the separation of services on the CHRA website [here](#).

Supporting documents

- > Tenants' handbook
- > Tenancy management manual or document that includes policies on rent-setting, referral to support services, and managing complaints

Performance Standard

2.3 The provider can demonstrate that Crown funding for the purchase of tenancy services is used for tenancy services

Guidance

CHPs who enter an Income Related Rent Subsidy (IRRS) funding contract with the Ministry of Housing and Urban Development – Te Tūāpapa Kura Kāinga are required to report that funding separately in their income statement or accompanying notes to their financial statements.

This standard is only evaluated during annual monitoring as registration is a prerequisite for entering into an IRRS funding contract.

Supporting documents (annual reporting only)

- > Financial accounts that indicate the use of IRRS funds (if applicable)

Performance Standard

2.4 There is an appropriate management structure, and systems, policies, and procedures are in place to ensure that the operational needs of the business can be met, and the intended outcomes of its business can be achieved

Guidance

CHPs must have a documented management structure that outlines key roles and responsibilities. This structure should uphold operational separation between the organisation's social landlord services and any support services offered.

CHPs also need to provide evidence of the information management system they are using to administer tenant and property information.

Supporting documents

- > Organisation chart
- > Role descriptions of staff responsible for housing
- > Evidence of the information management system being used to administer tenant and property information

Financial Viability

Performance Standard

The Financial Viability performance standard ensures that registered CHPs can demonstrate that they will remain financially viable and solvent at all times.

The provider demonstrates financial viability and solvency at all times, and for that purpose the provider has documented systems and processes to ensure that:

3.1	There is a viable capital structure and appropriate financial performance is maintained	Page 14
3.2	Financial risk exposure is managed	Page 16

Performance Standard

- 3.1** The provider demonstrates financial viability and solvency at all times, and for that purpose the provider has documented systems and processes to ensure that there is a viable capital structure and appropriate financial performance is maintained

Guidance

CHPs must demonstrate continuous financial viability and solvency by proving their capability to remain profitable. This involves maintaining a healthy balance sheet with positive equity and a cash flow sufficient to meet any debt obligations.

CHPs need to demonstrate they have a **viable capital structure**. This includes:

- > A suitable balance between debt and equity to finance operations and any planned growth
- > Sufficient capital resources to absorb unexpected losses and manage adverse events
- > Audited financial statements that show the ability to fulfil short and long-term obligations
- > Consideration of relevant factors, such as debt and equity levels, loan structures, interest rates, and/or guarantees from a parent organisation.

CHPs must also maintain **appropriate financial performance**. This includes understanding the organisation's business model, profitability,

and the management of spending, investing, borrowing, and asset utilisation. The organisation must also demonstrate that there have been no significant, ongoing, or repeated instances of inadequate financial performance, such as operating losses, insolvency, or failure to achieve business goals due to poor financial performance.

CHPs should supply evidence of:

- > Financial policies and procedures, including financial reporting to management and the governing body
- > Policies and procedures for monitoring and managing financial performance against business goals, as well as achieving viability in the short term (0-5 years), medium term (6-10 years), and long term (11+ years).

Financial statements

CHPs need to supply different financial statements depending on how long the organisation has been operating:

More than three financial years	One to three financial years	Less than one financial year
<p>> Audited financial statements for last three years.</p> <p>These will include, at a minimum, statements of financial performance, cash flows, financial position, and changes in equity.</p> <p>They must also include information on the security, interest rates and maturity (incl. maturity analysis) of any loans. It must show the amounts due in the next year, 2-5 years, and beyond 5 years.</p>	<p>> Audited financial statements for the years in operation.</p> <p>These will include, at a minimum, statements of financial performance, cash flows, financial position, and changes in equity.</p>	<p>> Management accounts for the time in operation.</p>

Financial budget

CHPs need to provide different financial budgets depending on how long the organisation has been operating:

More than one financial year	Less than one financial year
<p>> Budget forecasts</p> <p>These will include statements of financial performance, cash flows, financial position, changes in equity (or a reconciliation of opening equity to closing equity) and underlying budget assumptions.</p> <p>These forecasts must make allowance for the costs of running the housing operation. This includes factoring rental income, tenancy management costs, and maintenance.</p> <p>> Post-registration forecasts</p> <p>During annual monitoring, providers must supply forecasts prepared in accordance with the relevant financial reporting standards (as published by the External Reporting Board) applicable to the type and size of the organisation.</p>	<p>> Prospective financial statements</p> <p>These will be prepared in accordance with the relevant financial reporting standards (as published by the External Reporting Board) which are applicable to the type and size of the provider.</p> <p>Providers will need to supply a minimum of a three-year budget forecast.</p>

Debt financing arrangements

All CHPs must provide the following:

Supporting documents
<p>> Audited historic financial statements</p> <p>These will include information on the security, interest rates and maturity (incl. maturity analysis) of any loans. It must show the amounts due in the next year, 2-5 years, and beyond 5 years.</p>

Financial policies and procedures

All CHPs must provide the following:

Supporting documents
<p>> Policies and procedures for monitoring and managing financial performance to achieve business goals</p> <p>These will include processes for regular and ongoing reviews of financial performance (e.g., against the budget on a monthly, quarterly, half-yearly, and annual basis). They will also include processes for management reporting of financial performance to the governing body.</p>

Performance Standard

3.2 The provider demonstrates financial viability and solvency at all times, and for that purpose the provider has documented systems and processes to ensure that financial risk exposure is managed

Guidance

CHPs need to include financial risks in their risk management strategies. This involves including financial risks within the risk register, and the reporting of financial risks to the governing body.

Demonstrating solvency also means the CHP maintaining insurance coverage proportionate to their risk exposure. The governing body is responsible for determining what constitutes suitable insurance coverage. At a minimum, this should encompass operational insurance coverage (e.g., directors and employers liability) and material damage insurance for any owned properties.

CHPs do not need to supply material damage insurance schedules held by property owners of leased properties. However, they should evaluate whether the property owner's insurance is sufficient to manage risks to the property and

its tenants in the event the property becomes uninhabitable. If properties are leased by an entity associated with the CHP, those insurance schedules should be provided, and the CHP should be a named party to that insurance cover. If a CHP is unable to secure insurance coverage, they should inform CHRA of this risk and include it in their risk register. Evidence of mitigation strategies addressing this risk should be submitted.

Supporting documents

- > Policies and procedures for managing financial risk (incl. capturing financial risks in the organisational risk register)
- > Insurance schedules (on insurers letterhead)
- > Policies and procedures for ensuring appropriate insurance coverage is always in place

Tenancy Management

Performance Standard

The Tenancy Management performance standard ensures that registered CHPs comply with the legal requirements associated with tenancy management. The standard also helps demonstrate that providers have effective tenancy management processes.

The provider has documented systems and processes to ensure that:

4.1	The provider complies with all relevant legislative requirements (including the Residential Tenancies Act 1986)	Page 18
4.2	The tenancy management process is transparent and responsive	Page 19
4.3	Confidentiality of all tenancy information is maintained	Page 20

Performance Standard

4.1 The provider has documented systems and processes to ensure that the provider complies with all relevant legislative requirements (including the Residential Tenancies Act 1986)

Guidance

CHPs need to keep a record of all legislative requirements relevant to tenancy management. This record can be detailed in a tenancy management document or manual. It should include:

- > A statement affirming the CHP's commitment to legislative compliance for tenancy management
- > A responsibility framework for ensuring legislative compliance
- > Processes for promoting staff awareness and performing regular assessments of compliance
- > For larger CHPs, a summary of relevant legislation and its application to the organisation's operations

Interactions with tenants should be managed in accordance with legislative requirements that include, but are not limited to:

- > Building Act 2004
- > Building Regulations 1992
- > Family Violence Act 2018
- > Health Act 1956
- > Health and Safety at Work Act 2015
- > Housing Improvement Regulations 1947
- > Oranga Tamariki Act 1989
- > Privacy Act 2020
- > Protected Disclosures (Protection of Whistleblowers) Act 2022
- > Public and Community Housing Management Act 1992
- > Public and Community Housing Management (Community Housing Providers) Regulations 2014
- > Residential Tenancies Act 1986
- > Residential Tenancies (Healthy Homes Standards) Regulations 2022

Supporting documents

- > Tenancy management manual or document that includes legislative compliance statements

Performance Standard

4.2 The provider has documented systems and processes to ensure that the tenancy management process is transparent and responsive

Guidance

Tenancy Agreement and handbook

CHPs need to have processes in place to ensure their tenancy management is transparent and responsive. This includes having a tenancy handbook provided to tenants at the start of their tenancies that contains plain language information on their rights and responsibilities, contact details for reporting emergencies, and information on handling rent arrears, complaints, confidentiality of information, requesting repairs, and expected repair timeframes.

CHPs should also have a standard tenancy agreement template that is consistent with the Residential Tenancies Act 1986 and includes information on tenant and landlord rights and responsibilities. Templates for residential tenancy agreements can be found on the Tenancy Services website [here](#).

Allocation and letting

CHPs should outline an allocation and letting policy in a tenancy management document or manual that is fair and transparent. The policy should outline an approach where affordable housing tenancies are allocated based on need. It should cover the application process, eligibility criteria, and waitlist management. The policy should also detail the process for handling tenancy endings, abandonment, the death of a tenant, and transfer requests.

CHPs should be aware of the Privacy Commissioner's guidelines for landlords and property managers when requesting additional information for the Ministry of Social Development. You can find the Privacy Commissioner's guidelines [here](#).

For affordable housing tenancies, CHPs may determine their own approach to assessing housing need and allocation. This may include requesting additional information from tenants, such as income level, while still adhering to privacy guidelines.

Rent arrears and tenant hardship

CHPs should have policies on managing rent arrears and tenant hardship. This includes having processes around repayment plans and referral to budgeting advice services to ensure that ending the tenancy is a last resort.

Record keeping and tenant privacy

CHPs need to maintain appropriate records relating to their tenancies. This includes recording occupancy dates, complaints, arrears, and property damage. CHPs should ensure that unnecessary information is not collected, tenant privacy is respected, and that any information is collected in accordance with the Privacy Act 2020. Written consent must be obtained from tenants before collecting any personal information.

Managing complaints and appeals

CHPs need to have a policy for managing complaints and appeals. This includes having processes for lodging complaints, recording complaints, responding timeframes, escalation processes, and contact information for Tenancy Services. CHPs should also have a process for reporting of aggregate tenant complaint information to the governing body.

Tenant engagement and satisfaction

CHPs should have an established approach to engaging with tenants, measuring tenancy satisfaction (e.g., regular surveys, direct feedback, focus groups), and using this information to manage tenant outcomes.

Supporting documents

- > Tenants' handbook
- > Tenancy Agreement template
- > Tenancy management manual or document that includes policies relating to:
 - > Allocation and letting
 - > Rent arrears and hardship
 - > Ending a tenancy
 - > Maintaining a record of tenancy history
 - > Complaints and appeals
 - > Tenant participation and engagement

Performance Standard

4.3 The provider has documented systems and processes to ensure that confidentiality of all tenancy information is maintained

Guidance

CHPs need to demonstrate that they have suitable systems in place to ensure the confidentiality of personal information. These systems must comply with the Privacy Act 2020 and any other legislation related to the protection of personal information. This includes having processes for:

- > Collecting, accessing, storing, using, disclosing, and correcting any personal information obtained while providing social and affordable housing
- > Preventing any breach of the Privacy Act 2020 information privacy principles

CHPs should also incorporate a statement into their documentation acknowledging that the Family Violence Act 2018 and Oranga Tamariki Act 1989 take precedence over the Privacy Act 2020 in certain circumstances. This should include a definition of when a breach constitutes a notifiable event.

Supporting documents

- > Tenancy management manual or document that includes confidentiality policies and procedures

Property and Asset Management

Performance Standard

The Property and Asset Management performance standard ensures that registered CHPs apply effective and suitable asset management principles and address the changing housing needs of their tenants over time.

The provider manages its community housing assets in a manner that ensures properties are suitable, and for that purpose the provider has documented systems and processes to ensure that:

5.1	Changing housing needs are determined and plans for asset acquisitions, disposals, and re-configurations to respond to those in need are in place	Page 22
5.2	Relevant property condition standards are set, measured and met on an ongoing basis	Page 22
5.3	Cyclical and life-cycle maintenance to maintain property conditions are planned and undertaken in a timely manner	Page 23
5.4	The provider complies with all relevant legislative requirements (including, but not limited to, the Building Act 2004, Building Regulations 1992, and Residential Tenancies Act 1986)	Page 23

Performance Standard

5.1 The provider manages its community housing assets in a manner that ensures properties are suitable, and for that purpose the provider has documented systems and processes to ensure that changing housing needs are determined and plans for asset acquisitions, disposals, and reconfigurations to respond to those in need are in place

Guidance

CHPs need to demonstrate an awareness and understanding of housing demand within their area(s) of operation. This should be reflected in their planning for property acquisitions, disposals, and reconfigurations. CHPs should consider the location, size, and access to amenities of their property portfolio and whether it is appropriate for their target cohort.

Policies and processes related to property acquisition, disposals, and reconfigurations should

be incorporated into a strategic plan or asset management strategy. The level of detail of these policies and processes should correspond to the scale of the provider's housing operations and its growth aspirations.

Supporting documents

- > Policies and procedures for acquisitions, disposals, and reconfigurations
- > Asset management plan (or section in a strategic plan) guiding decisions around acquisitions, disposing, reconfigurations

Performance Standard

5.2 The provider manages its community housing assets in a manner that ensures properties are suitable, and for that purpose the provider has documented systems and processes to ensure that relevant property condition standards are set, measured, and met on an ongoing basis

Guidance

CHPs must have policies in place that ensure proper asset management standards are met. This includes having provisions for:

- > **Managing repairs and maintenance** – This should include identifying repair categories, establishing response timeframes, and monitoring repair processes.
- > **Maintaining an up-to-date property register** – This should include details such as amenity level and modifications made to the property.
- > **Programme for property inspections, maintenance, and upgrades** – This ensures that properties are maintained to a documented standard.

There are several best practice guidelines available for asset management standards. Incorporating elements of these guidelines into an asset

management plan may be beneficial, where they are suitable for your portfolio. Some examples include:

- > Identifying the components of the property (e.g., kitchen, bathroom, bedrooms) and outlining the relevant standards which apply to them. For example, stove must be in working order, plumbing must be sound with no leaking.
- > Reflecting these standards in the property inspection forms, so that the condition can be assessed as part of regular inspections.

Supporting documents

- > Property and asset management manual or document reflecting asset management standards

Performance Standard

5.3 The provider manages its community housing assets in a manner that ensures properties are suitable, and for that purpose the provider has documented systems and processes to ensure that cyclical and life-cycle maintenance to maintain property conditions is planned and undertaken in a timely manner

Guidance

CHPs need to have documented plans for the properties they own and manage. This includes making provisions for routine property inspections (e.g., every six months), responsive and scheduled repairs and maintenance, and capital upgrades.

Property and asset management policies should outline an approach to quality assurance and ensuring that work is performed by suitably qualified tradespeople.

Supporting documents

- > Property and asset management manual or document that includes a management plan and budget provision for property maintenance
- > Evidence of systems or forms for processing inspections and maintenance requests

Performance Standard

5.4 The provider manages its community housing assets in a manner that ensures properties are suitable, and for that purpose the provider has documented systems and processes to ensure that the provider complies with all relevant legislative requirements (including, but not limited to, the Building Act 2004, Building Regulations 1992, and Residential Tenancies Act 1986)

Guidance

CHPs must have an awareness of the legislative and regulatory requirements relating to property asset management. This includes, but is not limited to:

- > Building Act 2004
- > Building Regulations 1992
- > Health Act 1956
- > Health and Safety at Work 2015
- > Housing Improvement Regulations 1947
- > Privacy Act 2020
- > Protected Disclosures (Protection of Whistleblowers) Act 2022
- > Public and Community Housing Management Act 1992
- > Public and Community Housing Management (Community Housing Providers) Regulations 2014
- > Residential Tenancies Act 1986
- > Residential Tenancies (Healthy Homes Standards) Regulations 2022

Supporting documents

- > Property and asset management manual or document that includes relevant legislative compliance statements

Glossary

Affordable rental housing are tenancies allocated to low-moderate income households, usually at a rate set below-market rent, or at no more than 30% of household income.

Annual monitoring is the process of submitting annual reports to CHRA annually as required by section 176 of the PACHMA. This is required as part of the ongoing monitoring requirements for registered CHPs.

Change reporting means notifying CHRA of administrative changes such as a provider's legal name, contact details, constitution, or membership of the provider's governing body.

Community housing provider ('CHP') is defined under PACHMA as being a provider (other than Kāinga Ora – Homes and Communities) that has one of its objects the provision of social rental housing or affordable rental housing.

Council-controlled organisation means an entity in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons:

- > Control, directly or indirectly, of 50% or more of the votes at any meeting of the members or governing body of the entity; or
- > The right, directly or indirectly, to appoint 50% or more of the trustees, directors, or managers (however described) of the entity. [See section 6 of the Local Government Act 2002 for the complete definition].

Disclosure reporting means reporting to CHRA when Performance Standards not being met or are at risk of not being met.

Financial documentation includes documents such as, but is not limited to, financial accounts, cash flow forecasts, debt financing arrangements and covenants, financial policies, procedures and plans, and audited financial reports.

Governing body documentation includes documents such as, but is not limited to, terms of reference, governance manual, code of conduct, schedule of delegations, skills matrix, and meeting minutes.

Income Related Rent Subsidy ('IRRS') housing are tenancies where households pay an income-related rent. The balance between the income-related rent and the market rent is paid by the Ministry of Housing and Urban Development to registered CHPs contracted to manage those tenancies.

Planning documentation includes documents such as, but is not limited to, annual plans, asset management plans, strategic plans, operational plans, business plans, and business continuity plans.

Property and asset management documentation includes documents such as, but is not limited to, property inspection templates, asset management standards, and asset management plans.

Public and Community Housing Management Act 1992 ('PACHMA') is the primary legislation governing registered community housing providers and establishing the Community Housing Regulatory Authority.

Public and Community Housing (Community Housing Provider) Regulations 2014 ('the Regulations') outline the eligibility criteria, performance standards, and process for becoming a registered CHP.

Quality and Risk Management documentation includes documents such as, but not limited to, risk registers, quality and risk management plans, and risk mitigation strategies and policies.

Tenancy management documentation includes documents such as, but not limited to, tenants' handbook, tenancy management manuals, and tenancy agreement templates.