Government of South Australia
Office of Housing Regulation

Guidelines for Streamlined Registration of a Special Purpose Vehicle

Definitions and Terms of Reference

CHP:	Community Housing Provider
Guideline:	Guidelines for Streamlined Registration of a Special Purpose Vehicle
HAFFF:	Housing Australia Future Fund Facility
National Law:	means the *Community Housing Providers National Law* as contained in Schedule 1 of the *Community Housing Providers (National Law)(South Australia) 2013*.
NHAF:	National Housing Accord Facility
NRSCH:	National Regulatory System for Community Housing
OHR:	Office of Housing Regulation
SPV:	Special Purpose Vehicle

Summary

These Guidelines have been developed to inform the community housing sector on the requirements to access streamlined registration under the NRSCH for a SPV seeking funding through the HAFFF and/or the NHAF. The Guidelines have been modelled on the NSW Registrar of Community Housing guidance.

Scope

These Guidelines apply to entities intending to register as CHPs under the NRSCH with SA as their primary jurisdiction only. These Guidelines do not apply to any other jurisdiction which participates in the NRSCH outside of SA.

Background

The introduction of the $10 billion HAFFF and NHAF has seen a commitment from the Commonwealth Government to increase housing supply by 20,000 social and 20,000 affordable housing properties.

Registered CHPs are part of the cohort eligible to apply for both the HAFFF and NHAF, provided they are also a registered charity and a constitutional corporation.

Registered CHPs are eligible to apply for all three categories of assistance, including concessional loans, availability payments and upfront capital grants.

The NRSCH is seeing a significant increase in interest from the community housing sector in creating SPVs that are also registered CHPs to be able to access all forms of assistance from the HAFFF and NHAF.

To manage the registration of SPVs and support the community housing sector in accessing the HAFFF and NHAF, the OHR is introducing streamlined registration for SPVs that meet the requirements of these Guidelines.

Streamlined registration is intended to:

- Reduce the regulatory burden on entities intending to access the HAFFF and NHAF as registered CHPs.
- Reduce registration related delays for entities applying for the HAFFF and NHAF.
- Encourage the growth of the community housing sector with diverse and sustainable businesses.
- Encourage continued government investment for the benefit of housing and social outcomes; and
- Improve the effectiveness and efficiency of the OHR's regulatory activities.

Characteristics of an eligible SPV

To be eligible for streamlined registration under these Guidelines, a SPV must have all of the following characteristics:

1. Be an "entity" as defined in section 4 of the National Law.
2. Be a separate legal entity that is **wholly owned or controlled** by an organisation that is a compliant registered CHP from their preceding compliance assessment under the NRSCH.
3. Be a registered charity.
4. Be a constitutional corporation.
5. Has a purpose of undertaking projects which are funded by the HAFFF and/or NHAF

   that:

   a. increase social and/or affordable housing, or

   b. address acute housing needs.

A SPV which does not meet the above characteristics can still apply for standard registration under the NRSCH, however they will not be eligible for streamlined registration.

Eligibility for Streamlined Registration

In addition to meeting the characteristics of an eligible SPV, the organisation must also meet the following requirements:

1. The entity must meet the requirements for registration under the NRSCH and National Law.
2. Have applied or been approved for funding under the HAFFF and/or NHAF for an eligible HAFFF and/or NHAF project.

3. Be established with the aim to deliver one or more HAFFF and/or NHAF projects and hold assets and liabilities related to those projects only.

A SPV which meets the eligibility requirements for streamlined registration will be notified of their eligibility by the OHR during the enquiry phase of their application.

Complex legal structures are not likely to be eligible for streamlined registration.

Evidence Requirements for Streamlined Registration

The OHR uses the NRSCH Evidence Guidelines in assessing a provider's capacity for registration as a CHP. The NRSCH Evidence Guidelines are not intended to be exhaustive or prescriptive.

The minimum documents required for streamlined registration are:

1. The **governing document** of the SPV, as distinct from its parent or any other related entity, such as their Constitution and Committee Terms of Reference.

2. **Project related documents** which detail the planning of the HAFFF and/or NHAF project, feasibility assessments and Board approvals.

3. A **Strategic or Business Plan** for the SPV.

4. A **governance structure which identifies the board members and any potential conflicts between the SPV** and its related registered CHP, as well as a description of how the SPV intends to be governed as separate from its related CHP, such as the Organisational Structure of committees

5. A **Management Services Agreement (if in existence) or a statement of terms** which demonstrates any proposal to subcontract tenancy and property management services.

6. **Risk Management planning documents**, including project specific development risks.

7. A **statement** in which the SPV adopts the policies and processes of its related CHP, or copies of the SPV's own policies and processes if it has its own.

7. A **NRSCH Financial Performance Report** specific to the SPV. The template can be found here.

8. Any **loan agreements** between the SPV and its related CHP.

9. **Description of the funding** (and whether it has been Board approved) being sought from Housing Australia for the SPV's projects.

10. **Disclosure of any guarantees** which are supporting the funding applications of the SPV.

11. Copies of the **Partnership Agreement** or equivalent between the entities involved in the project.

12. Certificates of Currency (or equivalent) evidencing insurance as required by the NRSCH.

In addition, the following documents must be submitted if they are available, to support an SPV's application:

14. **Financial statements** of the SPV.

15. **Financial modelling** including project specific models.

16. **Copies of loan agreements** with Housing Australia and any other financier related to the HAFFF and/or NHAF project.

Registration Tier

All tiers of registered CHPs are eligible for funding under the HAFFF and/or NHAF.

A SPV applying for streamlined registration will be allocated a Tier based on its scale, scope and risk profile in accordance with the NRSCH.

Further information regarding tier categorisation can be found here.

Once registered, the SPV will receive its own individual certificate of registration and appear on the NRSCH National Register.

Registration Timeframe

The OHR will aim to complete an initial registration assessment within 4-6 weeks of receiving a completed application.

SPVs will be afforded the normal timeframes to consider both the draft and final determination reports.

The OHR reserves the right to extend the assessment timeframes at our discretion.

Ongoing Compliance Assessments for SPVs

Streamlined registration will not forego the requirement to have an annual compliance assessment in accordance with the SPV's allocated tier.