

## REGISTRATION FACT SHEET 4

### Registration and outsourcing housing management activities

#### What is outsourcing and how does it fit in with the *Build and Grow* reforms?

Outsourcing is when a Provider engages an external organisation to take on some or all housing management activities on their behalf. Outsourcing is common across the sector. *Build and Grow* provides a consistent, systematic approach across the sector for the outsourcing of housing management services to external parties. Under *Build and Grow* organisations may outsource all of their housing management activities through a headlease, while Approved Providers would only be able to outsource some areas of their business.

#### How can a Provider outsource all of their housing management activities?

Providers who wish to outsource all of their housing management to another organisation can do this by headleasing their properties to the AHO. The AHO will then arrange for an Approved Provider to take on all of the management of these properties under a sublease.

#### Can an Approved Provider outsource any housing management activities?

Approved Providers can only outsource transactional activities. These are activities that happen on a daily, weekly or monthly basis such as rent collection and the receipt of applications and inquiries. More information is available on the AHO website at [www.aho.nsw.gov.au](http://www.aho.nsw.gov.au)

#### Does this mean that activities that are outsourced are no longer the responsibility of the Approved Provider?

No. Outsourcing to external parties does not allow Approved Providers to transfer the decision making responsibility to another organisation. Approved Providers must still demonstrate that they are making decisions relating to client entitlements or obligations. For example, Approved Providers might engage a real estate to collect rent but the amount of rent charged for the property is decided by the Approved Provider. Approved Providers are still responsible for ensuring that any outsourced transactional activities are delivered to a high standard.

#### Why are Approved Providers still responsible for the decision making?

*Build and Grow* ensures that housing to Aboriginal communities is provided by Aboriginal Community Housing Providers who have demonstrated their ability to deliver quality housing services. This supports the AHO commitment that decisions relating to housing for Aboriginal tenants and communities are being made by Aboriginal organisations where possible.

