



# Code of Practice

## For Housing Associations

January 1995

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### Purpose of the Code

The Code of Practice for Housing Associations has been developed by the NSW Federation of Housing Associations in consultation with its membership as a statement of the standards that the housing association sector has set for itself in the conduct of community housing management.

The purpose of the Code is to set out key principles that can be used by boards of management, employees, tenants, local communities and funding agencies to assess the practices of their community housing association.

It is intended to be a public document outlining the way in which an association will manage its affairs.

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### Complaints under the Code

Complaints under the Code of Practice can be received from:

- ◆ Tenants of the association
- ◆ Applicants of the association
- ◆ Board members of the association
- ◆ Staff members of the association
- ◆ Other bona fide community representatives

If you wish to make a complaint under the Code please contact the  
NSW Federation of Housing Associations  
Suite 301, 64-76 Kippax st, Surry Hills 2010  
Ph (02) 9281 7144 Fax (02) 9281 7603

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### Use of the Code

The Code of Practice is not a legal instrument, but a voluntary agreement on the part of each association to conduct their affairs in accordance with the principles outlined.

Adoption of the Code of Practice by an association can be used to inform a range of interested parties about the standards that guide the operation of the association. These include:

- ◆ Tenants who want to know about the standards and practices they can expect from their landlord;
- ◆ Prospective tenants who want to find out about the principles upheld by an organisation that may house them;
- ◆ Administrators of funding programs or accrediting bodies who want to be informed about the basic principles underpinning the management of the association;
- ◆ Prospective management board members who want to know about the practices of an organisation they may become involved with;
- ◆ Members of the local communities and community organisations who want to know about the operation of a key service within their area or region; and
- ◆ The NSW Federation of Housing Associations as a statement about the principles of its member organisations.

In addition, the Code of Practice can be used by associations and employees as a tool in the development of their own performance measurement, and in strategic and business planning.

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## **Adoption of the Code**

Adoption of the Code of Practice by individual housing associations is voluntary. Members adopting the Code will be recognised by the NSW Federation of Housing Associations following receipt of a signed and sealed 'adoption agreement'. The association will then be placed on a register held by the Federation which will be a publicly available document.

Associations adopting the Code of Practice cannot alter clauses within it, but can adopt or append additional best practice or conduct statements which do not contradict clauses within the Code, and which specifically relate to their own organisation and its aims and objectives.

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## **Meeting the Standards of the Code**

The Federation is committed to resourcing association to fulfil their obligations under the Code of Practice, and provide resource material with this Code in order to assist them prior to adopting. Associations that have adopted the Code but experience difficulty in meeting standards within it, are also entitled to receive assistance.

If problems in meeting the standards within the Code of Practice are brought to the attention of the Federation, they will be treated in the spirit of assisting associations to resolve them. Boards of management, workers, tenants, local community members and organisations, and funding agencies wanting to raise concerns can contact the Federation for information and advice.

If it becomes clear that an organisation is not upholding the Code, and despite offers of assistance or resourcing from the Federation is unwilling to amend its practices, the Federation will remove the association from its register.

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## Review of the Code

No code can ever encompass all of the principles of good conduct within an industry, and circumstances will vary from association to association. In order to ensure that the Code remains as relevant and up to date as possible it will be reviewed on a regular basis following consultation with the Federation's membership. Members are encouraged to inform the Federation at any time of inclusions or amendments that should be considered during review.

# General Principles

As a statement of general principle the housing association will ensure that the following principles are upheld in all areas of its activity.

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## Ethical and Legal Standards

The association will adopt the highest **ethical standards** and abide by all applicable legislation, including ensuring that there is **equality of opportunity and access** to the association's services, employment and management and that there is **confidentiality** in relation to personal records and information.

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## Accountability

The association is responsible for the maintenance and management of publicly funded assets and will ensure that its policies and practices are transparent, in that they are written and communicated in a way that can be understood by tenants and applicants, and are made available for public scrutiny. The association will operate as a non-profit community housing manager that is accountable to its tenants, prospective tenants, the local community and funding agencies, both government and private.

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## Professional Standards of Management

The association will ensure that professional standards are adopted and maintained in all aspects of its activities, including a commitment to take advantage of any opportunities to access appropriate training for directors, employees and tenants, and the pursuit of relevant qualifications/skills for all those involved in the management of the organisation. The associations will act to promote and maintain the professional development of the sector.

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## Service Quality

The association will work with the wider housing sector and other associated organisations to improve the quality of service delivered to tenants and applicants, with the aim of providing appropriate, secure and affordable housing. The association will undertake regular reviews of its performance against stated policies.

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## **Tenant Involvement**

The association is committed to tenant involvement in all aspects of its activity, and will promote the interests of tenants and those in the community who seek and require access to affordable rental housing.

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## **Community Responsibility**

The association recognises its responsibilities in meeting the housing needs of the community it serves and in playing a role in the broader development of a successful housing association sector in NSW.

# **Housing Management**

This section refers to the policies and practices that the housing association will adopt in relation to achieving the highest standards of professional housing management.

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## **Housing Management Policies**

All housing management policies adopted by the association will be public documents and will be readily available to tenants and other interested parties.

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## **Tenancy Agreements**

In accordance with the Residential Tenancies Act, tenancy agreements and premises condition reports will be provided for each tenant prior to occupancy, and will clearly outline the rights and responsibilities of the tenant and of the association as landlord or head tenant.

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## **Security of Tenure**

The association has a commitment to maintaining the security of tenure of its tenants and will ensure that they are fully aware of the conditions of their tenancy and their security of tenure in relation to program or funding guidelines.

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## **Access**

The association will promote equality of access to all of its housing services in meeting funding and eligibility criteria. The association will not discriminate unlawfully in the provision of its services.

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## **Allocations**

The association will adopt equitable application and allocation policies. These will be available to anyone with an interest in the activities of the association.

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## **Tenant Involvement**

The association will ensure that tenants are informed and have the opportunity to participate in decisions concerning the management of the association and their tenancies. The association supports the rights of tenants to form an independent representative organisation, and will as far as possible provide resources and support for tenants wishing to become involved in the decision-making of the organisation. The association will regularly seek the views of consumers of its services with regard to the quality of that service and will have a written, publicly available policy about tenant participation.

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## **Disputes Procedures**

The board of management will establish a written, publicly available disputes procedure which will include the right of appeal for parties involved in the dispute.

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## **Confidentiality**

The association, directors and employees, will maintain strict confidentiality in relation to personal tenant records, applicant records, and any other documents of a personal nature.

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## **Rent Management**

The association will have a written, policy available policy regarding rent management, which will include the determination of rents and other charges, receipting and rent recovery. The association will ensure that rent arrears recovery procedures are undertaken promptly, consistently and sensitively so as to avoid undue hardship to tenants.

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## **Eviction**

In adherence with the Residential Tenancies Act, the association will only evict tenants through the Residential Tenancies Tribunal after having met all requirements such as the serving of notices at the correct time. Whenever possible, the association will endeavour to work with the tenant to resolve the problem with the tenancy, rather than proceeding automatically to eviction.

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## **Repairs**

The association will deliver a prompt, effective maintenance service and will have regard to impact of the repairs service on the quality of life experienced by its tenants. The association will have a written, publicly available repairs policy and will maintain properties to at least minimum legislative requirements.

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## **Monitoring**

The association will monitor its management procedures and performance on a regular basis and will make such information publicly available.

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## **Contractual and Head Tenancy Arrangements**

The association will honour all of its legal contracts and agreements, including head tenancy arrangements, in a professional manner.

# **Association Management**

This section of the Code refers to the practices that the board of management will follow in managing the affairs of the organisation.

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## **Management Policies**

The board of management has responsibility for the management of the organisation and will establish and regularly review the management of the organisation and will establish and regularly review the management policies of the housing association. These policies will be available as public documents.

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## **Legislation**

The board of management will ensure that the association adheres to all relevant legislation with a bearing on its activities.

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## **Financial Management**

The board of management has responsibility for the financial management of the association and will ensure that financial probity and best practice are adhered to at all times.

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## **Reporting Procedures and Delegation**

The board of management will establish reporting procedures and lines of delegated authority within the association which clearly outline the separation of roles of employees of the association and the board of management. The association will maintain a written Schedule of Delegations.

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## **Committee Procedures**

The board of management will establish written procedures for the conduct of its business. These written committee procedures will be publicly available.

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## **Representation**

The board of management will undertake regular reviews of the membership of the association to ensure as far as possible that it is representative of the community served and that the representation of directors on the board reflects the membership, including tenant membership, of the association.

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## **Individual Committee Member's Responsibilities**

Individual directors on the board of management will inform themselves of their general and legal responsibilities in relation to employees of the association, tenants, the local community and the broader housing association sector. They will ensure that as far as possible they access the relevant information needed to carry out their role effectively and make informed decision, whilst maintaining regard to confidentiality.

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## **Employment of Staff**

The board of management will ensure that the association adopts fair and transparent recruitment policies, reflecting the organisation's commitment to equal opportunity. All employees will be appointed in accordance with relevant employment legislation, and salary levels will be commensurate with experience, competency and level of responsibility within the organisation. Employment records will be confidential.

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## **Staff Responsibilities**

Staff will work to job descriptions, developed by the board of management, which clearly define their roles and responsibilities.

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## **Staff Reviews**

The board of management will carry out regular reviews of employees' work and establish reporting procedures for employees to the committee.

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## **Working Conditions**

The board of management will ensure that employees have reasonable, safe working conditions and that there are public procedures in place for staff grievance or discipline, including a process for appeal.

# **Financial Management**

This section refers to the financial management of the housing association.

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## **Financial Information**

The association will ensure that it practises sound and prudent financial management and produces information about its financial management in a way that is readily understandable and which allows the association to be accountable to its members and to other parties with an interest in the management of the organisation.

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## Financial Commitments

The association will exercise control of the financial affairs of the organisation and ensure that the scale of financial commitments matches the scale of its activities and its available resources.

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## Asset Management

The association will maintain the optimum value of its assets and property portfolio through having responsible asset management and maintenance policies which include provision for planned, cyclical maintenance.

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## Audit

The association will appoint an auditor who is a member of the Institute of Chartered Practising Accountants, or another body recognised by the Australian Securities commission, and who, where possible, has a demonstrated knowledge of housing association sector accounts. The association will publish annual audited accounts. Recommendations made by the association's auditor will be publicly addressed by the board of management.

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## Financial Controls

The association will establish, and regularly review, written policies for internal financial controls particularly in relation to authorities for expenditure, cheque requisitions and payments, insurance, investments, banking, the handling of cash, and rent receipting.

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## Budgets

The association will establish and approve budgets prior to the period they relate to and will ensure the regular monitoring of the organisation's performance against that budget, taking appropriate action where necessary to ensure budgetary control.

# Conflict of Interest

This section of the Code relates to matters of conflict of interest for both employees of the housing association and members of the board of management in the course of carrying out the association's work.

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## Directors of the board of management and employees of the association will:

- ◆ Ensure that no special treatment of favour is granted to employees or directors of the board of management, or to relatives or associates of directors or employees, in connection with their relationship with the association;
- ◆ Disclose in a publicly available document, all financial and personal interest relating to their position on the board of management, or to their employment by

the association, including personal or financial relationships to employees, directors, or contractors employed by the association, and relationships to people seeking employment with the association;

- ◆ Disclose their membership of public organisations or businesses which may have an interest in the activities of the association;
- ◆ Ensure they do not receive gratuities, or personal gifts in the course of undertaking association activities, or receive personal favour or advantage in the course of purchasing goods and services for the association from specific contractors or suppliers. Where the employee or board of management member is in doubt, the decision to accept gifts should be declared and clearly minuted by the association;
- ◆ Not be housed by the association after they have been employed by the association or elected to the board of management, unless this is justified according to the association's allocations criteria and policies, or unless they are employed in a residential position;
- ◆ Not participate in any decisions concerning the tenancy or prospective tenancy of people with whom they have personal or financial relationships;
- ◆ Ensure that conflicts of interest relating to the activities of other directors, or to other employees, are brought to the attention of the board of management; and
- ◆ Declare and detail any arrangements made with applicants or tenants of the association which relate to services or work carried out by the applicant or tenant on behalf of the association.

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### **The board of management will:**

- ◆ Maintain a public register of the financial and personal interests of directors and establish a written, public policy for the payment of out of pocket expenses for directors.

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### **Employees of the association will:**

- ◆ Be responsible to the board of management as their employer and will adhere to the stated policies of the association, including in their dealings with contractors or suppliers of goods to the association.