



**April 2020** 

# National Rental Affordability Scheme Timing and submission of the Statement of Compliance

# What is a statement of compliance?

A statement of compliance (SOC) is a demonstration by an approved participant that they are managing a National Rental Affordability Scheme (NRAS) approved rental dwelling covered by an allocation in accordance with sections 42 and 43 of the National Rental Affordability Scheme Regulations 2020 (the Regulations).

The approved participant must give the Department of Social Services Secretary (the Secretary) a SOC for each approved rental dwelling covered by an allocation for each NRAS year (1 May – 30 April) in order to receive the NRAS yearly incentive.

# When to lodge a SOC

A SOC must be submitted to the Department of Social Services (the department) by the 30 June after the end of the NRAS year. For example, for 2019-20 NRAS year, the SOC must be lodged by 30 June 2020 unless the Secretary has approved a later date, which must not be later than 30 September after the end of the NRAS year.

#### Submit SOC via the NRAS Portal

NRAS allocations and the approved rental dwellings they cover are managed by approved participants and their associated parties via online portals, one of which is a portal belonging to the approved participant and the other being the NRAS portal managed by the department.

The SOC form in the NRAS portal is an approved form under subsection 42(2) of the Regulations. Approved participants can access the SOC form via the NRAS portal from 1 May immediately following the end of the NRAS year. For example 2019-20 NRAS year, the portal will open on 1 May 2020.

## Unable to submit SOC by 30 June of the NRAS year

Under subsection 42(4) of the Regulations, if an approved participant is unable to lodge a SOC by 30 June, they must apply for an extension to the Secretary by completing the approved form. The application must be made before 30 September after the end of the NRAS year. A later date may be approved if the Secretary is satisfied that the approved participant has a reasonable excuse for not being able to lodge the SOC by 30 June. The Secretary must give the approved participant notice in writing of the later date approved by the Secretary.

# Contents of a statement of compliance

Under section 43 of the Regulations, the SOC for a rental dwelling covered by an allocation must include the following for the NRAS year:

- a statement confirming that all times during the year, any tenant or tenants of the rental dwelling were eligible tenants, or details of any way in which this requirement was not met; and
- details of the rent charged during the year; and
- a statement confirming that each charge of rent for the rental dwelling during the year was at least 20 per cent below the market value rent at all times; and
- · details of any period during which the approved rental dwelling was vacant; and
- details of each investor for the approved rental dwelling, or details of any way in which this requirement was not met; and
- details of any period during the year in which the rental dwelling was vacant;
- whether or not there is an investor for the dwelling, and if so, the contact and other relevant details of the investor as required by the SOC approved form;
- a statement that at all times during the year the approved participant complied with the landlord-tenant, building and health and safety laws of the state or territory and local government area in which the rental dwelling is located;
- a statement that at all times during the year the approved participant complied with consumer protection laws in relation to the approved rental dwelling, or details of any way in which such laws were not complied with;
- a statement that at all times during the year the approved participant complied with the approved participants code of conduct, or details of any way in which this requirement was not met;
- a statement that all special conditions of the allocation for the approved rental dwelling have been complied with during the year, or details of any way in which this requirement was not met;
- a statement that none of the circumstances covered for the approved rental dwelling conditions of the allocation happened during the year, or details of any happenings of those circumstances.

### Compliance with special conditions

Subsection 15(1) of the NRAS Regulations provides that no incentive is available for any period during which special conditions of an allocation are not met. If there are any special conditions attached to an allocation, the approved participant will be required to confirm compliance with those special conditions on the SOC form in the NRAS portal.

Subsection 15(2) of the NRAS Regulations provides that the Secretary may determine, in writing, that the rule under subsection 15(1) does <u>not</u> apply if the Secretary is satisfied the approved participant has a reasonable excuse for not meeting the special conditions.

Approved participants are required under subsection 15(3) of the Regulations to apply for a determination under subsection 15(2) using the approved form. As compliance of special conditions is covered in the SOC form in the NRAS portal, this part of the form constitutes an approved form under subsection 15(3) of the Regulations. Accordingly, if approved participants have not complied with any special conditions they will need to provide sufficient reasons why in the special conditions part of the SOC form— in order for the Secretary to be satisfied they had a reasonable excuse for non-compliance and make a determination

that an incentive will be available (i.e. that the rule in subsection 15(1) of the Regulations does not apply).

# Order of assessment of SOC

The department will start assessing SOCs once they receive notification from the approved participant that they have given the SOC to the department and it is ready for assessment.

# Incentive payments

The department will send formal notification to the approved participant detailing the outcome of the assessment and the amount of incentive based on the assessment for each dwelling. The NRAS incentive value for every current year can be found <a href="here">here</a>.

#### **Further information**

Further queries on SOCs can be sent to <a href="mailto:nras@dss.gov.au">nras@dss.gov.au</a>.