

OCN - THE INDEPENDENT VOICE OF STRATA OWNERS

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20 YEARS

2002-2022

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OWNERS

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Tired of strata negativity?
What does good look like?
OCN webinar
21 November 2024
12:00pm – 1:00pm AEDT

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What we'll cover today

Welcome:

- Introductions
- Answers to your most asked questions
- The role of a Building Manager
- The role of a Strata Manager
- Who does what ? Common misunderstandings
- When it makes sense for owners to get hands on, and when it doesn't
- Live Q&A

Presenters:

- Ben Mees
BMAUS
- Michael Price
STRATA+
- David Glover
OCN

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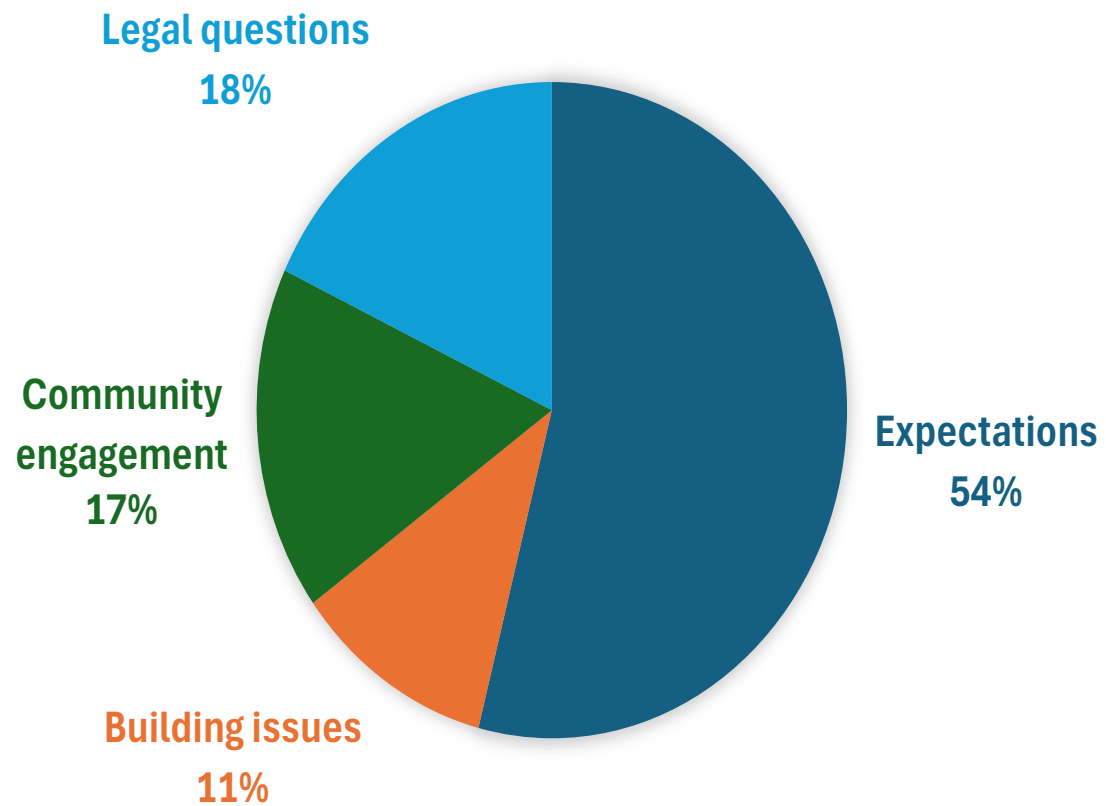
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WEBINAR QUESTIONS



Today's presenters



Ben Mees
BMA



Michael
Price
Strata+



David
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OCN
Director

Building Management Australia

Setting the standard of
Excellence in Building & Facilities
Management

BMA
Building Management Australia



Living in Strata Benefits

- **Strata living:** Own a unit within a larger complex
- Shared ownership of **common facilities** (e.g., gyms, pools, gardens)
- Build a **strong community** and supportive network with neighbours

Building Management vs Strata Management

- A **building manager's** focus is on the management, maintenance, and upkeep of common property.
- A **strata manager** handles the legislative, administrative, and daily management of the shared property.
- **Building managers** engage directly with occupants and the owner's corporation to resolve maintenance issues.
- **Strata managers** liaise between the owner's corporation and property owners, handling shared property management.





The Role of a Building Manager

- **Maintain asset register** & preventive maintenance schedule.
 - **Coordinate repairs** and verify work orders/invoices.
 - Serve as **contact** for owners, residents, and contractors.
 - Conduct **site inspections** & identify by-law breaches.
 - Manage **access devices** (keys, swipes, remotes).
 - Prepare & circulate **notices** and updates.
 - Track **services, costs,** and contractor expenses.
 - Ensure **safety compliance** & coordinate certifications.
- ... and more!**

The Benefits of Having a Building Manager

A building manager **reduces costs and protects your investment** by overseeing maintenance and property care.

Key Benefits:

- **Lower Repair Costs:** Access to a network of trusted contractors ensures quality work and fewer unexpected costs.
- **Peace of Mind:** Timely preventative and urgent maintenance extends asset life and prevents costly repairs.





BM Stories – Elderly Support

Maria, a 105-year-old resident who uses a walking frame, lives alone on Level 4.

One evening, she and her 85-year-old son returned home to find the lift out of service.

Unable to communicate effectively due to language barriers, they struggled to get help.

At 2 a.m., a concerned neighbour found them stranded. Maria's son was asleep on the floor, and Maria was hunched over her walker.

The neighbour called emergency number, and Building Management contacted the local Fire & Rescue Service.

By 3 a.m., the firefighters had safely carried Maria to her apartment.

Issue resolved, and Maria was safely in her home once again due to the kindness of her neighbour.

BM Stories – Office Fire

The co-owner discovered her husband's affair and attempted to set the office on fire.

The Building Manager arrived to find the curtains burning, but the woman had already left. The Building Manager quickly used a fire extinguisher to put out the flames before the fire brigade arrived.

There was no further damage, only burnt curtains, and the owner claimed insurance.

Quick action by the Building Management team prevented a catastrophe.





BM Stories – Elderly Lady

An 83-year-old resident with Parkinson’s disease reported that his wife, who has severe dementia, was **missing after an argument.**

The Building Management team contacted their daughter and notified the police.

While searching, the Building Manager reviewed CCTV footage and discovered the wife had hidden inside the fire hose reel cupboard.

The Building Management quickly located her, found her frightened but unharmed, and reassured her.

The family was immediately updated and expressed deep gratitude for the prompt action taken.

BM Stories – Gas Dispute

Three years ago, a gas provider issued a \$180,000 catch-up bill due to estimated readings and a misaligned meter.

Building Management immediately lodged a dispute, and negotiations lasted a year.

The Owners Corporation refused responsibility for the provider's errors and sought legal advice.

Eventually, the provider apologized and waived \$100,000, leaving the Owners Corporation with a final payment of \$80,000.

This case highlights the importance of standing firm and working together to tackle large corporations.





BM Stories – Cleanliness

A recurring issue involved a resident leaving rubbish in the pathway after garbage collection.

The Building Manager captured footage of the person and put up a sign, followed by a circular asking for help in identifying them.

The community responded with SMS, photos, emails, and in-person tips, helping the Building Manager quickly resolve the issue by speaking to the person and their agent.

This situation highlighted the residents' pride in their community and their willingness to keep the environment clean.

BM Stories – Sauna Fire

When the sauna caught fire, the people inside panicked. A resident returning home saw the commotion, quickly moved them away, and used a fire extinguisher to put out the fire.

This incident showcased **care, kindness, and residents looking out for each other.**





BM Stories – Committees are Volunteers

Committees are volunteers who improve the complex and enhance living standards, often without recognition.

As a Building Manager, I've seen that a dedicated committee and invested residents drive progress and create a better community. Strata living can be rewarding when everyone works together.

While strata living may not be for everyone, it can be **an incredibly rewarding community—a network of people working together** to create a better environment for all who live there.

Welcome

Strata+

- + Introduction – Michael Price, Head of Strata, Strata+
- + Purpose of discussion – ‘What does good look like’.
- + Key topics to be covered in this session
 1. Building a collaborative relationship between the Strata Manager, Building Manager and Strata Committee.
 2. S106 Strata Schemes Management Act (Duty of the owners corporation to maintain and repair property) and the implications on the owners corporation and strata committee.
 3. How a good well managed building adds value to your asset.
 4. Identification of remediation work and reaching agreement on order of repairs.
 5. How to engage with owners to encourage participation and achieve required outcomes.

1. Building a collaborative relationship

Strata+

Clear delineation of roles & responsibilities

- + Define a governance structure with roles and responsibilities to avoid overlap & ensure accountability.
- + Strata Manager: Administrative, financial, and compliance functions
- + Building Manager: Day-to-day operations and building/asset maintenance
- + Strata Committee: Decision-making and oversight
- + Secretary: Meeting minutes, correspondence, and records management
- + Treasurer: Financial oversight and budgeting
- + Chairperson: Meeting facilitation
- + Owners Corporation: Ultimate decision-making body

Operational framework

- + Regular streamlined communication and scheduled meetings
- + Shared access to building documentation, financials and maintenance records
- + Joint development of strategic and maintenance plans
- + United approach when communicating with owners
- + Clear escalation pathways for issues and emergencies

2. S106 Strata Schemes Management Act Strata+

- + S106 Strata Schemes Management Act outlines the duty of the owners corporation to maintain and repair common property.

Implications for Owners Corporation

- + Strict liability if duties are neglected. The legislation does not provide defences for failing to maintain common property due to financial constraints or unawareness of issues.
- + Failure to act can result in legal claims or penalties, including liability for damages caused by a failure in common property.
- + Need for adequate capital works fund.
- + Professional assessment of building condition.

Implications for Strata Committee

- + Strata committees are responsible for ensuring maintenance decisions are executed by the owners corporation.
- + If committee members act negligently, dishonestly, or outside the scope of their authority, they may face personal liability.
- + Proactive rather than reactive maintenance approach is required.
- + Importance of documented decision-making.
- + Proactive inspections and maintenance planning are essential to comply with obligations

3. Good management adds value

Strata+

Financial benefits and asset protection

- + Preservation of building condition and appearance
- + Lower long-term maintenance costs through preventive maintenance
- + Enhanced property marketability and rental returns
- + Reduced insurance premiums through risk management
- + Better financial planning and stable levies

Community and sustainability outcomes

- + Higher owner satisfaction and reduced complaints
- + Strong sense of community and engagement
- + Improved building sustainability and energy efficiency
- + Enhanced quality of life for residents
- + Positive reputation in the local property market

4. Identifying & Prioritising Remediation Work

Prioritisation criteria

- + Safety and compliance issues
- + Structural integrity
- + Water ingress and waterproofing
- + Essential services and utilities
- + Aesthetic improvements
- + Fire safety and emergency systems
- + Access and mobility requirements
- + Environmental and sustainability concerns
- + Insurance risk mitigation

Implementation strategy

- + Regular building inspections and condition reports.
- + Regularly reviewing the capital works plan
- + Cost-benefit analysis of repairs
- + Staging of works to manage cash flow
- + Emergency repairs protocol
- + Consult with professionals (e.g., engineers, tradespeople) to ensure accurate scoping of work.
- + Engage owners and stakeholders early to secure agreement and avoid delays.

5. Engaging owners

Communication & Education Strategies

- + Clear and regular communication through streamlined channels
- + Educational approach to complex issues
- + Transparency in decision-making and financial matters
- + Use of visual aids and presentations
- + Regular progress updates on projects
- + Digital voting options for meetings
- + Organise forums or Q&A sessions to address concerns and involve owners in decision-making.

Community Building & Personal Engagement

- + Early consultation on major projects
- + Personal engagement with new owners
- + Recognition and appreciation of owner input
- + Social events to build community spirit
- + Building trust through consistent follow-through
- + Fostering a collaborative decision-making environment
- + Supporting democratically determined actions

A good committee

1. United on living/owning in a well-run community
2. Has some skills, but defers to others and engages experts
3. No personal agendas (particularly 'saving [their own] money'), grandstanding or egos
4. Prepares for meetings, reading reports, quotes, research so they come with thoughtful questions
5. Divides the work and uses everyone's talents
6. Believes in real democracy (*not* politics)

A good chair

1. Keeps the meeting moving
2. Makes sure everyone is heard – and that they feel heard
3. When a vote goes against someone, never lets them feel like they 'lost'
4. (And guess what, the best thing is for the chair to lose a vote and model being a 'good loser')
5. Ensures every member embraces the committee's democratic decisions
6. A strata manager with these skills can bring some independence to the role, but this should not be assumed

OCN recent submissions

In the last 12 months we have made 23 submissions on your behalf, including

1. Federal inquiry into the transition to electric vehicles
2. Federal inquiry into residential electrification, provided evidence to the ensuing Senate Committee and provided a supplementary submission.
3. NSW Review of Short Term Accommodation
4. NSW Consumer Energy Strategy
5. Review of the Australian Energy Regulator exemption framework for embedded networks.
6. NSW Fire safety Reforms and Round table meetings
7. IPART review of Embedded Networks in NSW
8. Australian Consumer Law regarding unfair contract terms
9. Protecting Consumers from Unfair Trade Practices
10. NSW Parliamentary Inquiry into Electric and Hybrid Vehicle batteries and provided evidence at a recent parliamentary inquiry.

Questions?

How to get in touch



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Closing remarks