



**Department of Transport and Planning
Continuing Professional Development for Builders and Plumbers**

Strata Community Association (Vic) Submission

26 April 2024



Introduction

Strata Community Association (Vic) Ltd is the peak body for the Owners Corporation sector, which comprises commercial, industrial, and residential properties ranging from two units in a suburban street to many hundreds of units in inner city apartment buildings. Owners corporations represent property valued at over \$400 billion and encompass commercial, retail, lifestyle resorts, retirement villages, car parks, storage facilities, industrial and, increasingly, mixed developments. More than \$1 billion per year is collected and spent within the sector. It is estimated that around 1.6 million Victorians – a quarter of the state’s population – either live in, or own property in, an owners corporation.

Background – Strata Community Association (Vic)

SCA Victoria was established in 1990, it succeeds Owners Corporations Victoria (OCV) and Institute of Body Corporate Managers Victoria (IBCMV). SCA (Vic) members comprise a significant percentage of all professional owners corporation managers, with several hundred members managing upwards of 450,000 lots. SCA (Vic) Associate members are industry suppliers, including waste management providers, Essential Safety Measures managers, quantity surveyors, insurers, lawyers, accountants, facility managers, property valuers, building maintenance and tradespeople. Members benefit from representation, support, advice, and promotion. With Continuing Professional Development (CPD), Best Practice Guidelines on regulatory and legislative amendments, updates on VCAT determinations and emerging issues, SCA members are best placed to manage owners corporations (OCs) and empower Lot Owners and occupiers.

In Victoria, the *Owners Corporations Act 2006* defines an Owners Corporation as a ‘body corporate which is incorporated by registration of a plan of subdivision or a plan of strata or cluster subdivision.’ The individual Lot Owners form a collective known as an owners corporation. This is a legal entity which must comply with its governing legislation and enabled regulations. The responsibility to maintain common property and shared services is that of the owners corporation.

Owners corporations can choose to appoint a registered manager who will act on their direction, including engaging contractors for maintenance and repairs, on behalf of the OC. The manager assists the OC to meet these and other obligations. As part of the Annual General Meeting, Lot Owners collectively agree on a budget to fund ongoing maintenance and shared service costs. Items agreed can include the management fee, caretaking costs including gardening, utility charges, repairs to essential services, insurance premiums and waste management expenses. These are funded through fees/levies.

The growing number of Victorians living and working in strata titled arrangements necessitates an increasing focus on regulatory responses for solutions to concerns that are faced on a daily basis, including: support for issues arising within strata communities, the cost of housing, urban renewal, sustainable living, regulatory complexity, unlimited liability risks in relation to volunteer strata committee members, building defects and skills shortages.

For further information about this submission, please contact: Josh Karpin, Policy and Advocacy Officer, josh.karpin@strata.community

SCA (Vic) Submission for CPD for Builders and Plumbers

SCA (Vic) has an active and ongoing interest in Continuing Professional Development (CPD) for builders and plumbers. This interest is based on our members who, as professional owners corporation managers, rely on the expertise of builders and plumbers to help facilitate building and plumbing works on a regular basis. Additionally, our associate members include facility managers, building maintenance and tradespeople – all of whom are deeply familiar with building and plumbing processes as well as the unique working environment of owners corporations and additional challenges they present.

Preferred CPD Model (Strata Sector)

SCA (Vic) is a vocal proponent of the co-regulation model for the strata management industry as the pathway to professionalism.

Co-regulation would see the incorporation of a (well established) professional association into the governmental framework, whereby the association will report to government to assist with standards and enforcement. This would necessarily see 'strong partnership between industry and government' which would see the industry 'develop (its) own code of conduct or accreditation/ratings scheme with legislative backing from government' while government is responsible for enforcement.¹

Educational standards necessary for professionalism

SCA (Vic) believes education, as a base of knowledge and in an ongoing capacity, plays a vital role in improving professionalism within industry while also leading to better outcomes for consumers. Education is a multi-faceted endeavour which SCA (Vic) believes should include both higher education as well as practical training on an ongoing/continuing basis.

Preferred CPD Model (Builders and Plumbers)

Consistent with our position for co-regulation within the strata sector, SCA (Vic) endorses co-regulation as the preferred CPD model for builders and plumbers.

As a result, and in response to the CPD consultation for builders and plumbers, SCA (Vic) believes that 'Option 3 – Combination approach' is best suited to enhance confidence in the community that all practitioners have maintained their professional knowledge and skills throughout their careers.

¹ Australian Communications and Media Authority (ACMA), 'Optimal conditions for effective self- and co-regulatory arrangements', Occasional Paper, September 2011 (pg. 4)