



FROM THE DIRECTOR



The recent OCV Principals Forum and Symposium held by Owners Corporation Victoria on the 22nd and 23rd of September 2009 was a resounding success. The OCV Principals Forum, Awards Dinner and Symposium went from strength to strength. The entire event was well supported by the OCV members and I believe that everyone had a great time.

Roscon presented their Web Site award to this years winner, Strata

Data Group, who were nominated and achieved a level of excellence for the following:-

- Good design and layout, very user friendly
- Lots of information
- Company Philosophy
- Company's Environmental Mission
- Owners can access their personal information aided by sample entry to explain how it works
- Owners can access their property information, minutes, agendas, etc.
- Owners can pay accounts on-line
- Staff Profiles with links to direct email and role descriptions
- Testimonials, including link to encourage feedback
- Links to numerous services on offer with detailed descriptions of various roles within, personnel profiles of those delivering the services, and the ability to request assistance/quotes, etc.
- Newsletters – archived online
- Access to view careers with the company
- Comprehensive FAQs



At the second industry awards dinner on 22nd October 2009 there was once again recognition of the best managers in a variety of categories. In addition to the wonderful exposure and the recognition by peers of a job well done, the winners of the Awards categories have the exclusive opportunity to

attend a one day workshop on Contract Management - a major benefit that money can't buy! Awards were primarily made to outstanding individuals, except for the Web Site award which is given to an organisation.

It is a great privilege to have the opportunity to help improve your knowledge base, to keep up with changes within the industry, to engage in informative conversations with the sponsors, to view products that are available from the sponsors, and have the chance to interact with the other members of the OCV including the committee, staff and managers.



At Roscon we are looking forward to the challenges ahead in the Owners Corporation industry. We have taken a very proactive attitude in implementing vast improvements to our range of reports that have been tailored to meet the specialised needs of property managers.

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WHEN A TEN YEAR PLAN IS NOT A TEN YEAR PLAN

It sounds confusing but if you listen to people who should be in the know, they advise that you should have a minimum fifteen year Maintenance Budget Plan in place. They say that when a ten year Maintenance Budget Plan enters its second year it is deemed a nine year plan which no longer complies with the requirements of the Owners Corporation Act 2006, Division 3, section 37, which states:-

Section 37 What must a maintenance plan contain?

- (1) The maintenance plan must set out—
 - (a). the major capital items anticipated to require repair and replacement within the next 10 years; and
 - (b). the present condition or state of repair of those items; and
 - (c). when those items or components of those items will need to be repaired or replaced; and

- (d). the estimated cost of the repair and replacement of those items or components; and
- (e). the expected life of those items or components once repaired or replaced; and
- (f). any other prescribed information.

- (2) Major capital item includes—
- (a) a lift; or
 - (b) an air conditioning plant; or
 - (c) a heating plant; or
 - (d) an item of a prescribed class.

This section of the Owners Corporation Act states that the plan must contain "the major capital items anticipated to require repair and replacement within the next 10 years" - a very clear statement. So if the plan is already one year old, does it still comply with the Owners Corporation Act?

I posed the question to Consumer Affairs Victoria. After a period of deliberation, they contacted me and provided the following response.

So long as the Maintenance Budget Plan was compiled and approved by the Owners Corporation as a ten year plan, it is considered to be in compliance for its plan duration. Therefore, after the passage of one year, the Maintenance Budget Plan is deemed to be in its second year of a compliant ten year Maintenance Budget Plan and so forth and so on.



The representative from Consumer Affairs Victoria offered a comparable situation. In the case of a twelve month lease for the rental of a property, a lease is compliant even after the passage of three months. It remains a twelve month lease that is now in the fourth month of the lease.

The concept that has been bandied about that after the passage of one year the plan would be a nine year plan and as such no longer complies with the requirements of the Owners Corporation Act 2006. Division 3, section 37 is **totally incorrect**.

You now need to ask yourself that if you receive a quotation for a 15 year or greater Maintenance Budget Plan:

- **How much extra are you paying for it?**
- **Is the additional expense justified?**
- **Do you really need 15 or more years in a Maintenance Budget Plan?**

The answer to the last question is a resounding 'NO'.

While Roscon can provide ten year, twenty year and thirty year plans, we feel that the added expense for extended term plans is not justified, especially when considering the requirements of the Owners Corporation Act 2006.

OH&S WILL BECOME PART OF BUSINESS IN THE FUTURE

Clients addressing their own Occupational Health and Safety concerns will be actively seeking to minimise their risks and liabilities. They should now demand from potential contractors evidence of their OH&S systems and procedures.

More than ever Federal and State agencies, The Department of Infrastructure, Councils, construction companies,

developers, and our clients should be looking to address their own Occupational Health and Safety concerns and minimise their risks and liabilities. The practise of requesting from potential contractors evidence of their OH&S systems and procedures are on the increase by smart forward thinking property managers. Roscon has, for a long time, been at the forefront in OH&S procedures.

At the very minimum, all property managers should obtain from sub-contractors their verification of currency of insurances and a Job Safety Analysis (JSA) also known as a Safe Work Method Statement (SWMS) prior to the commencement of any works. Some managers are electing



the easy way out in meeting their OH&S obligations by simply providing their contractor lists to Trade Monitors who in turn charge a fee to the contractors. Unfortunately this alone will not protect the manager entirely

as contractors must issue JSA's/ SWMS's for individual works and Trade Monitors are not present to analyse each individual job scope of works, its complexities and the JSA's/SWMS's that are to be provided prior to the commencement of the works.

Sub-contractors should be asked to present their OH&S policies, evidence of training, consultation and other elements of the OH&S management systems in order to be able to successfully tender work. Managers should have an OH&S system checklist for contractors to complete which will be used to determine that they are qualified to perform the tasks and that they have the necessary licences, permits, registrations, and insurances.

Property managers tendering works to contractors also need



to know how the work is to be completed and what safety considerations have been taken into account. At present, the majority of property managers are simply accepting contractor JSA's/SWMS's and naively assuming that if the contractor has supplied one then all must be fine. A property manager is not trained nor do they have the necessary skills to assess a JSA's/SWMS's compliance. The JSA/SWMS must be completed to show how the contractor intends to comply

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with all OH&S procedures and how the work will be undertaken. It must describe the specific tasks to be carried out, how the tasks will be performed in a safe manner, what counter measures will be applied to reduce the degree of risk of injury while following proscribed procedures, indication of correct OH&S tested and tagged equipment to be used along with personal protective equipment, how access to heights are being handled, and if the site/works needs traffic management, specialised equipment and other procedures. All these details are standard on large commercial developments where WorkSafe and trade unions have for a long time put procedures in place to ensure the safety of the employees and general public, and now the Federal and State Governments are insisting that the same strict OH&S procedures as those used on large developments be adopted for all works regardless of size.



Roscon has identified this problem faced by property managers and is filling the void in the industry by being able to provide a complete Property Maintenance Service that oversees all of the works and safety procedures that apply to the works that are required to be performed. Roscon can be engaged to vet the contractors that the Property Manager wishes to use, verifying that the contractor's insurances are always valid and can be engaged to oversee the safe progress of the works. Roscon can provide a comprehensive permit system for all hazardous works procedures. If the manager or owners corporation intend to carry our works which may be complicated or hazardous, Roscon can compile the JSA/SWMS and other OH&S documentation required to enable the property manager to correctly and safely oversee the works of their nominated contractors. However, remember much of the documentation is now to be provided by the contractor who must give evidence of the OH&S systems and procedures, qualifications and training systems that they have in place.

Roscon strongly recommends that property managers stay ahead of the game because with the advent of new OH&S construction regulations which are continually being upgraded, OH&S will become an integral part of doing business in the future. More than ever before, OH&S is one of the intrinsic keys of running a successful business.

Property managers looking to improve their OH&S knowledge can contact the small business consultancy program which is an ideal means for small business operators (with less than 50 employees) to obtain resources and improve their OH&S skills and knowledge. The 3 hours required is a minimal investment.

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THE ONE STOP SHOP FOR ALL PROPERTY MAINTENANCE & REPORTS.

From the beginning the sole purpose of Roscon Property Maintenance was to fill the void between the property maintenance, property reporting and Owners Corporation industries. Through our extensive experience and understanding in all three of these industries we are able to provide a "one stop shop" for all of your owner's corporation property maintenance & reporting needs.

Roscon provides a single point of contact to service the owner's corporation industry in all aspects of property maintenance and specialised building reports. From small residential to large commercial properties we are structured to provide efficient response to maintenance, reports and general advice. This is a great tool for any property manager who desires to have all their properties services dealt with efficiently allowing the manager to be more productive with their companies core business requirements.

Countless hours and therefore dollars are wasted by managers on non core and non-income producing tasks in order for them to maintain quality customer services to their clients. The fact is, clients do not appreciate the effort and time involved in sourcing quotations, assuming or expecting this added service to be granted within the manager's role gratis. Yes, quotations are free and entail no obligations, and as a consequence requests to source multiple quotations are a regular occurrence for proposed works that may or may not proceed. However, the exercise of scouring quotations costs the Owners Corporation Strata Management Company and not the Owner's Corporation itself. Committee members take for granted the convenience of managers who bend over backwards to provide the best level of service they possibly can regardless of the cost to the strata management company. When operating a business, time is money and business hours are a valuable commodity and are better invested in either prospecting new business and/or further improving the level of service to make a positive impact upon the management company's revenue.

As property developments are now becoming larger in size and have more facilities, the work load is also becoming more labour intensive and expensive to maintain. It is acknowledged that a property manager will spend a considerable part of their working time attending to maintenance issues. On large developments it's not unusual for the property manager to deal with up to twenty or more contractors. By outsourcing the maintenance to Roscon your property managers will be further able to focus on managing and expanded property portfolios saving the property manager time and above all, the risk associated with dealing with twenty or more individual contractors within one development.

The result of our success in providing a "one point of contact" to managers is now felt by an increasing number of our clients. The fact that they now have their hands untied from co-ordinating maintenance & building reports means that more time can be spent to concentrate on what matters to their business. All companies need a competitive edge over rivals to maintain existing business and stimulate growth from each year to the next. More often than not, excellent customer service is the main motivator driving your clients' loyalty and their word of mouth referrals are undoubtedly the best form of advertising.



All of Roscon's services are attended to through one point of contact. More recently, property managers have the added responsibility to ensure all maintenance works are carried out in accordance with the Occupational Health and Safety (OH&S) Act. They are now required to comply with work place safety guidelines with appropriate Safe Work Method Statements which must be completed by all contractors prior to the commencement of works being carried out.

Roscon is highly sought after by the property management industry to provide a variety of extensive detailed reports and all of your property maintenance needs. We recruit industry experts with senior management experience and comprehensive understanding of the issues relevant to the markets in which we contribute. We carry and maintain all required credentials to perform the work for which we are retained, including:

Registered Building Practitioners
Unlimited Commercial & Domestic Builders
Occupational Health & Safety (OH&S) safety site inspection
10 year Maintenance Plan Budgets
Reinstatement and Replacement Insurance Reports
Asbestos Inspection and Removal
Building Defect Reports
Window Audits
Annual Essential Safety Measure Reports
Depreciation Reports
Pre-purchase Inspections
Expert Witness Reports
Development Feasibility Studies.

The Mayonnaise Jar

When things in your life seem almost too much to handle, When 24 hours in a day is not enough, Remember the mayonnaise jar and 2 cups of coffee.

A professor stood before his philosophy class and had some items in front of him. When the class began, he wordlessly picked up a very large and empty mayonnaise jar and proceeded to fill it with golf balls. He then asked the students if the jar was full.

They agreed that it was. The professor then picked up a box of pebbles and poured them into the jar. He shook the jar lightly. The pebbles rolled into the open spaces between the golf balls. He then asked the students again if the jar was full. They agreed it was. The professor next picked up a box of sand and poured it into the jar. Of course, the sand filled up everything else. He asked once more if the jar was full. The students responded with a unanimous 'yes.'

The professor then produced two cups of coffee from under the table and poured the entire contents into the jar, effectively filling the empty space between the sand. The students laughed.

'Now,' said the professor as the laughter subsided, 'I want you to recognize that this jar represents your life. The golf balls are the important things - family, children, health, friends, and favourite passions - things that if everything else was lost and only they remained, your life would still be full.'

The pebbles are the other things that matter like your job, house, and car. The sand is everything else --the small stuff.

'If you put the sand into the jar first,' he continued, 'there is no room for the pebbles or the golf balls. The same goes for life. If you spend all your time and energy on the small stuff, you will never have room for the things that

are important to you. So pay attention to the things that are critical to your happiness. Play with your children. Take time to get medical checkups. Take your partner out to dinner. There will always be time to clean the house and fix the disposal.'

'Take care of the golf balls first -- the things that really matter. Set your priorities. The rest is just sand.'

One of the students raised her hand and inquired what the coffee represented. The professor smiled. 'I'm glad you asked.'

It just goes to show you that no matter how full your life may seem, there's always room for a couple of cups of coffee with a friend.'

Important announcement about Home Insulation Program

From 2 November 2009 some changes will be introduced to the Home Insulation Program to add extra safety precautions, consumer protections and reduce the maximum subsidy under the Program.

The main changes are:

1) From 2 November 2009, the maximum subsidy under the Australian Government's Home Insulation Program will be reduced from a maximum of \$1,600 per dwelling to a maximum of \$1,200 per dwelling.

2) Program funding has been capped at \$2.45 billion. The program will conclude when funds are fully expended or on 31 December 2011 whichever occurs first.

3) From 2 November 2009, ceiling insulation installation must include the use of an appropriate cover over down lights and other relevant ceiling appliances, as approved and installed in accordance with relevant Australian Standards. This is a key safety fire protection. Where it is not possible or appropriate to install a cover (e.g. due to space limitations in flat ceilings) installers must still leave the minimum clearance distance required under the relevant Standards.

4) From 2 November 2009, ceiling insulation must be installed without the use of metal staples or other metal fasteners to fasten insulation products as an electrical safety measure. Taping or fastening with nylon/plastic staples or any other non metallic means will be permitted.

5) From 1 December 2009, ceiling insulation must not be installed before a Risk Assessment has been completed by the Installer on the approved template. The completed Risk Assessment must be provided if requested for audit purposes.

NEXT *rosconupdate* autumn 2010

- 1) Essential Safety Measure reports - What Again
- 2) When do you need another safety report
- 3) Internet Harassment

CONTACT US

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