



FROM THE DIRECTOR



I will get on the band wagon and have my say about the recent economic slowdown. You are probably sick and tired of hearing the same thing day after day in recent months. We have seen share prices tumble in the last four months at unprecedented levels, the media keeps telling us how bad things are. But having gone through the last severe recession back in the early 1990's I have to say things are not as bad as

what we are being told unless you had all your money in shares and were heavily geared.

Let's take a quick comparison of where things were in the early 1990's and now.

Back then: if you were lucky enough to have a home mortgage which was capped at 14% you considered yourself lucky others had to be content paying residential mortgages at 17% or more and for commercial loans rates went up to 22% in some cases.

Today: Commercial rates are down to around 5% and falling, residential rates are slightly higher.

Back then: (1) We had double digit unemployment, inflation was running at 8% and rising, high interest rates (2) Office space and other Industrial property vacancy rates shot up to around 20% and more, (3) All our four major Banks were struggling with heavy losses with no Government assistance or guarantees.

Today: (1) All banks have received guarantees from the federal government on deposits and are unlikely to suffer heavy losses they have settled and appear to be strong (2) Office space and other Industrial property vacancy rates are at approx 6% vacancy Australia wide and residential vacancy rates here in Melbourne are at all time lows inner city within 7 kilometres from the CBD as low as 1% (3) Inflation is around 4% and falling.

Compared to most other countries Australia's economy is good, the federal government and the Reserve Bank of Australia have made a commitment that they will do whatever it takes to safeguard Australia's economic wellbeing.

So do you feel better now, you should, an average person with a job and a mortgage is so much better now than 6 months or 12 months ago. Be positive and be good at what you do and the recession we are told is coming or some say it's here now will pass you without affecting you.

Whilst most corporations are downsizing we at Roscon continue to expand our products and services. I welcome Kingsley Osmond our most recent recruit to Roscon, Kingsley

main duties will be further Business development and Client Services, Kingsley holds a diploma in Building and a Diploma in Building Surveying. All the best to you all, for what 2009 will bring, it will be a testing year for some, and a year of opportunity for others, good luck to you all.

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OWNERS CORPORATION FEES – CAN THEY BE REDUCED WE THINK SO?

Under the current Strata Management system a manager is responsible for all aspects relevant to the operation of the properties under their management. They must prepare and manage the budget, arrange and manage meetings, liaise with owners and liaise with tenants and rental managers, manage the economics by collecting fees, paying the bills, arrange trades for repairs, sourcing quotations submitting quotations for approval, letting contracts to trades to perform the quoted works, to name the least. Provide additional services non core tasks that are not within their job description, and all of this for a minimal, competitive management fee.

With all of the tasks that a Strata Manager is required to perform, time is the restriction to the performance of their duties in a cost efficient manner. With their time being expended on the intricate running of the properties that they manage, they have insufficient time to expand sourcing new properties, let alone having available time to expand their portfolio.

Our acquired knowledge and extensive experience in property has enabled us to identify a VOID in the property maintenance industry which is in desperate need of a service solution. Through years of experience within the Strata Management industry Roscon Property Maintenance Pty Ltd have developed a system where a lot of the tasks that the Strata Manager performs (at no cost to the Strata Plan) can be performed by Roscon, the Strata Manager contacts Roscon who source the quotes, when the quote is approved Roscon Property Maintenance Pty Ltd engage the trade, oversee the works, oversee the OH&S implications of the works, inspect the works, submit invoice to the Strata Manager for payment.

Roscon Group of Companies (Roscon) has evolved from its history of developing its own projects, construction & management of commercial and industrial projects. Its operations established in Melbourne since 1987. Since our beginning Roscon has extended its service capabilities into Property Maintenance Management, Grounds Management, Cleaning Services, Graffiti Removal, Waste Collection and all other Maintenance Management just to name a few. Our management system has been assessed by international certifications and found to comply with the requirements of ISO 9001:2000 Quality Management standards.

Outsourcing immediately makes available your business's most valuable resource – people power, enabling your management team to focus on operations fundamental to your business. Services that are not core to your business, but are still essential to your operations, benefit from specialist service delivery. When performed by people who know their job intimately, our services improve maintenance management control. Non core functions now strictly governed by statutory requirements require expert management and supervision.

Comprehensive Maintenance Cover is a product exclusively developed by Roscon. It is a complete property maintenance solution which provides comprehensive fixed priced maintenance cover, resulting in a dramatic reduction in budgetary risks for Bodies Corporate and property owners alike.

Roscon takes the risk on repair and maintenance costs. *"We are happy to work within these guidelines as we believe this reinforces our commitment and removes our client's risk. If for example a light globe is not working or a door lock is malfunctioning we replace or repair it. There's no limit to the tasks we're asked to perform in managing maintenance in a property portfolio. Our key staff has construction & property management expertise".*

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 a property manager to deal with up to 20 or more contractors. By outsourcing the maintenance to Roscon your property managers will be further able to focus on managing and expanded property portfolios directly resulting in significant increase for your company's bottom line.

All Roscon's services are personally attended 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 Job Safety Analysis checklists which should be completed by all contractors prior to prescribed works being carried out.

We recruit industry experts with senior management experience and comprehensive understanding of issues relevant to the markets in which we contribute. Roscon is highly sought after by the property management industry to provide a wide variety of detailed reports, form waste management to maintenance budget plans.

REGISTERED BUILDERS UNDERSTANDING THEIR QUALIFICATIONS & LIMITATIONS.

WHY USE A REGISTERED BUILDING PRACTITIONER?

Every building project, no matter how big or small, carries some sort of risk. By using a Registered Building Practitioner you are engaging a qualified, knowledgeable and experienced professional. If you are building or repairing a building that has been occupied you need an experienced registered building practitioner who understands the public risk involved and who will set in place the necessary safety measures to ensure that the public are not placed at risk.

If the value of the works exceeds the value of \$5,000, the first question you should always ask your builder is: "Are you a Registered Building Practitioner?" If the value of the works

exceeds \$5,000 the builder must be a registered building practitioner. You can check if your builder is registered by calling the Building Commission on 1300 360 320 or use the 'Finding an RBP' menu at www.buildingcommission.com.au.



With the variety of work that is performed on ageing buildings it is essential that an experienced builder is engaged to perform the works in a manner that is both safe and efficient.

If you engage a Registered Building Practitioner or use subcontractors to undertake the work they must provide you with a major domestic building contract for work over \$5,000. For work over \$12,000 they must also provide domestic building insurance. It is an offence for an unregistered builder to carry out building work where the contract is over \$5,000.

Your relationship with your builder is like any other business relationship. It carries certain roles and responsibilities and, as a consumer, it is important to know where to go if problems arise. There is a range of services available to advise and assist you to resolve issues or disputes, should they arise. Building Advice and Conciliation Victoria is a one-stop-shop for consumers and builders, providing free advice and assistance to resolve domestic building issues. BACV is managed and delivered jointly by Consumer Affairs Victoria and the Building Commission. Available services include advice, conciliation and technical inspections of building work. You can contact BACV on 1300 557 559 for free advice from trained staff.

COUNCILS ARE DEMANDING WASTE MANAGEMENT PLANS.

The purpose of the Victorian Planning Act 1987 is to build a sustainable environment, and as such a waste management plan is a requirement for new multi unit developments.

A waste management plan will provide confirmation that, by the occupation of the land, waste generation, has been audited, thereby confirming that adequate facilities and methodologies are in place to manage and control the waste.

By engaging an experienced company to compile a waste management plan, ensures that the waste management plan will look at and cover all of the relevant aspects, from general and recycled waste generation per unit/lot, to control and management of disposal of that waste, confirming that the installation of the necessary infrastructure takes place. This may be as basic as general wheelie bin storage and for kerb side collection to mechanical compaction equipment and necessary waste disposal methodologies.

At Roscon we can provide a detailed waste management plan with in depth calculations from the volumes of waste, the correct selection of compaction equipment and waste disposal management. In particularly if the development is to have a full time caretaker it will ensure that the facilities and

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procedures are in place to maximise the efficiency and appropriate waste management procedures for the caretaker.

Environmental sustainability is a difficult concept for people to understand and to relate to within their everyday lives. One of the key barriers to the adoption of more sustainable practices is the current poor understanding of sustainability principles and natural environmental cycles, not only by the general community, but also by building designers, housing developers and policy makers. Despite this, people understand that the environment may be deteriorating over a long time frame.

Sustainable consumption is the consumption of goods and services that meet basic needs and quality of life without jeopardising the needs of future generations. For individual consumers this means purchasing and using fewer resources and products; more eco-efficient products and services; and producing less waste. For the developers of new residential buildings this means putting in place measures to provide on going management of waste in the form of a waste management plan.

What is a “Waste Management Plan” and why are they required?

Unsorted construction and demolition waste accounts for millions of tonnes of waste going to landfills each year. These volumes together with the limited capacity of available landfill have resulted in the need for new developments to consider waste management as part of the development process.

A waste management plan is a document detailing and recording amounts of construction debris to be sorted, collected, recycled, salvaged and disposed of on a job site, it also details the use and on-going management of the development once the development is occupied i.e. The plan will help developers minimise the generation of waste, maximise the recycling of materials and dispose of wastes in an appropriate manner.

Waste Management Plans are just one means of ensuring that appropriate actions are taken to manage the generation and treatment of wastes for new developments.

In assessing the Waste Management Plan, Council takes into consideration the types of wastes likely to be produced as a result of the proposed development and the methods proposed by the applicant.



Many developers and builders are often unsure of the purpose and requirements of waste management plans. In an effort to ease the stress and uncertainties of providing a waste

management plan for planning approval, it is advised to engage an experienced company with the know how to prepare the required documents.

At Roscon we possess the experience and expertise to compile a waste management plan for submission. Our format is easy to understand and we have worked with many

developers in the past including providing waste management plans for multi storied buildings in excess of 200 units.



Our Reports will help identify the time frame that it will take to introduce an environmental management system, describe arrangements for the cleaning and maintenance of waste storage areas including volume handling and reduction equipment. We will also ensure that appropriate signage is in place and that the occupants/tenants are aware of how to use the waste management system correctly including identifying each stage of waste transfer and disposal.

ESSENTIAL SAFETY MEASURES... ARE YOU UP TO DATE?

Are you up to date? Under the “Building Regulations 2006 – part 12,” Building owners need to be aware of the new obligations in relation to buildings built before July 1994. An owner of a building or place of public entertainment constructed before the 1st of July 1994 *must* prepare an annual Essential Safety Measures report. The essential safety measures report must be approved and in place before the 13th of June 2009.

WHAT IS AN ESSENTIAL SAFETY MEASURE?

An essential safety measure is defined under the Building Regulations 2006 and can be summarized as any measure (including an item of equipment, form of construction or safety strategy) required to ensure the safety of persons using the building. This may include safety systems such as: Mechanical ventilation, fire rated materials, exit doors, path of exits, early warning systems, emergency lifts and lighting, emergency power supply, exit signs, fire extinguishers, fire/smoke detectors and alarm systems etc. See the Tables I.1.1 to I.1.3 and I.1.5 to I.1.11 of Volume One of the Building Code of Australia (BCA).

Once the construction of a building is completed, it is the responsibility of the building owner to ensure that maintenance to the building is up kept and most importantly that the essential safety measures in place are audited yearly. By ensuring that the essential safety measures systems are in place and maintained, the building will remain at the required safe operational level throughout its life span. The type, size and nature of the building will determine the complexity of the required safety measures and equipment. Building classes subject to the Essential Safety Measures regulations are classes 1b, 2, 3, 5, 6, 7, 8 and 9 and places of public entertainment. This means all buildings other than a house or outbuilding are affected.

WHAT DOES THE LAW REQUIRE?

Under the 2006 building regulations building owners are required to maintain all safety fittings, equipment and safety features, this includes all items listed as essential safety measures. Obligations may vary dependent on when the building was built or when building work occurred for that

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particular building. Please refer to the Building Regulations Part 12 – Division 1.

In the case of buildings constructed or altered since 1 July 1994, the building surveyor at the completion of the works would have issued an occupancy permit or certificate of final inspection. The following items would have been listed within the permit/certificate.

- Essential safety measure associated with the building work
- Level of performance for each essential safety measure to fulfill its purpose
- Frequency and type of maintenance required.

In the case of buildings built before 1 July 1994, the owner is required to prepare an annual essential safety measure report. You as the building owner are responsible for ensuring that any safety equipment, safety fittings or safety measures are maintained and are fulfilling their purposes, including exits and path of travel to exits. Records of maintenance checks, safety measure and repair work should be kept for inspection by the chief officer of the fire brigade or the relevant building surveyor. Remember, if building work is carried out (renovations or alterations), the status of your building may change, so it is important to engage a building surveyor to ensure that the building complies with the regulations.

WHO IS RESPONSIBLE FOR ENSURING AN ESSENTIAL SAFETY MEASURES ARE IN PLACE?

The owner/manager in charge of the building or place of public entertainment is responsible for ensuring that an approved essential safety measures plan is in place and audited annually. "Under the Building Regulations 2006" in the case of the first report, the report must be in place by the 13th of June 2009 and in the case of each subsequent report, before each anniversary of the 13th of June 2009. Councils have a responsibility under building legislation for the enforcement of building safety within their municipality. Building owners have an obligation to ensure that the essential safety measures that are in place are maintained.

WHAT HAPPENS IF AN OWNER DOESN'T COMPLY?

The municipal building surveyor or the chief officer of the relevant fire brigade is responsible for inspecting and enforcing these regulations. Hefty fines may be issued as a result of non-compliance. Infringement notices issued by the council or fire brigade may result in fines of \$1000 or more. Further non-compliance may result in prosecution in which fines may reach \$10,000 for individuals and \$50,000 for companies for each breach of the regulations.

The most important issue is that non-compliance to the regulations can potentially put not only the building occupants at risk but also occupants of surrounding buildings and the public in general.

Adhering to the regulations and ensuring that the essential safety measures are in place and audited is the best approach of ensuring that the fire safety systems will remain at the required operational level. This in turn provides safety to the occupants in the event of an emergency.

You as a building owner are required to prepare an annual essential safety measures report on the buildings essential safety measures. You may choose to engage specialist maintenance contractors to assist in the preparation of the report. At Roscon we can offer our services to audit all essential safety measures installed or required in a new building or buildings constructed before the 1st of July 1994 (before the June 13th deadline) have been maintained

compliant to the Building regulations. Roscon assures you get a professional report detailing all of the requirements compliant with the "Building Regulations" and approved by the commission.

HERE IS SOMETHING TO THINK ABOUT

HERE IS WHAT BILL GATES TOLD A GROUP OF COLLEGE KIDS

In Bill Gate's message about life for recent high school and college graduates; he lists eleven things they did not learn in school. He talks about how feel-good, politically correct teachings created a full generation of kids with no concept of reality and how this concept set them up for failure in the real world.

- Rule 1** Life is not fair; get used to it.
- Rule 2** The world won't care about your self-esteem. The world will expect you to accomplish something before you feel good about yourself.
- Rule 3** You will not make 40 thousand dollars a year right out of high school. You won't be a vice president with a car phone, until you earn both.
- Rule 4** If you think your teacher is tough, wait until you get a boss. He doesn't have tenure.
- Rule 5** Flipping burgers is not beneath your dignity. Your grandparents had a different word for burger flipping; they called it opportunity.
- Rule 6** If you mess up, it's not your parents' fault, so don't whine about your mistakes, learn from them.
- Rule 7** Before you were born, your parents weren't as boring as they are now. They got that way from paying your bills, cleaning your clothes and listening to you talk about how cool you are. So before you save the rain forest from the parasites of your parents' generation, try "delousing" the closet in your own room.
- Rule 8** Your school may have done away with winners and losers, but life has not. In some schools they have abolished failing grades; they'll give you as many times as you want to get the right answer. This doesn't bear the slightest resemblance to anything in real life.
- Rule 9** Life is not divided into semesters. You don't get summers off and very few employers are interested in helping you find yourself. Do that on your own time.
- Rule 10** Television is NOT real life. In real life people actually have to leave the coffee shop and go to jobs.
- Rule 11** Be nice to nerds. Chances are you'll end up working for one.

NEXT *rosconupdate* autumn 2009

- 1) New Occupational Health and Safety Regulations.
- 2) Protecting your investment with a pre purchase inspection?
- 3) Balcony maintenance

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