

ELEVATION

Your Strata Community Newsletter

Victoria Body Corporate Services

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Welcome to your latest edition of VBCS Elevation

In our Summer 2015 edition of this newsletter we discussed the following:

- Understanding what function the strata community serves
- The duty of complying with statutory and moral obligations

In this edition we will take our journey a little further in considering the following:

- The office bearers & committee being focused on what they can and should do
- Administering the affairs in a transparent fashion, so that owners understand what is happening and why it is happening
- Being inclusive and trying to involve owners and residents, exercising discretion and getting people to cooperate and not discriminate

Unfortunately many owners look upon body corporate administration as a duty that can more satisfactorily be performed by others – the owner occupiers, the semi or fully retired with the time to devote to administering seemingly minor or relatively unimportant matters. Many feel that the duties to look after their property interests can be safely delegated to the ones who are “most actively” interested. That is not a safe assumption even where professional assistance is engaged. The professional manager will try to steer a course that benefits everyone however the manager, like everyone else, must execute the decisions of the owners and the committee.

It is a working partnership where the manager applies his professional knowledge and expertise and skill to assist committees and attendees at the AGM, reliant on the owners making sound altruistic decisions and electing sensible, thoughtful and sincere people to serve on the committee.

The success of the partnership depends very much on the willingness of sensible, articulate and sometimes busy people to “put their hand up” and volunteer for committee appointment and to provide about eight hours in the year to help other sensible, active and interested people make the right decisions for the well being of their strata community.

We hope that this issue inspires your thoughts and your participation in your owners corporation affairs.

Richard Eastwood | General Manager
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**VICTORIA
 BODY CORPORATE
 SERVICES PTY LTD**
 your strata care company



Governance: How and why corporations need to manage their affairs

Nicole Wilde, Strata Lawyer at Tisher Liner FC Law in Victoria makes the following remarks:-

"Strata corporations are creatures of statute. Their functions, powers and procedures are only as wide as the strata legislation that creates them permits. Strata laws impose clear duties on strata corporations to manage and administer the common property for the benefit of all owners and users. The other primary function of the owners corporation is to administer the Rules of the owners corporation."

The responsibility for making decisions on behalf of and in the interests of the lot owners falls to the appointed office bearers and the committee. The manager assists those officers to discharge their responsibilities, acting always in the best interests of the lot owners.

In making decisions, the office bearers must stick to fulfilling the fundamental purpose of the group – to manage and maintain common property, to honour any contracts binding upon the community and to administer the rules in a responsible and reasonable manner and respecting the equality of the owners and tenants.

The three fundamental management objectives of any strata community should be:

- Inclusiveness
- Productivity
- Transparency

Inclusiveness

The most difficult thing to do in a strata community is to engage lot owners and involve them in making decisions that, in a minor but important way, are either working in or against their best interests. Not being involved in the decision does NOT provide immunity from its effects! In fact, in a strata community, the risk that something bad will happen if you "tune out" momentarily is actually reasonably high. Making it worse is that apathy is infectious.

Too often strata committees are seen as daunting, preoccupied with trivia, intimidating and often the heavily protected bastion of HQ power mongering around which there hangs a veil of secrecy, locking the foot soldiers away at a safe distance. That's not how governance works best in strata communities. **Strata committees need to be seen as open, welcoming, sharing, informative, productive and even embracing.**

A suburban Melbourne church displays a notice that says: "Evil triumphs where good people do nothing" and one can readily draw an analogy to the governance of strata communities.

Productivity

Satisfaction in "serving the community" comes from the sense of participation and achievement and these result primarily from the outcomes from meetings. Meetings provide the mechanics for both involvement and "getting things done". If meetings are not productive the sense of accomplishment and community service will be compromised and participation levels will fall. Community members will feel that "it's not worth the trouble" to volunteer for community service.



"Getting things done" will result from two activities:

- Managing the corporation's agenda
- Managing the corporation's meetings

Managing the agenda

Productive meetings are structured and the mechanism for ensuring that meetings are structured is the agenda.

The meeting's agenda should contain all matters that need to be discussed and resolved. All information that will be discussed should be included with the one page agenda so that all attendees have all the information they need prior to the meeting.

Most committees meet for a total of 8 hours each YEAR. That places an imperative on the useful, productive use of a very short amount of time. It is vital that committees are "focused". They need to define clearly their objectives and they need to be prioritised.

Remember, the strata community has only three primary purposes:

- To manage and maintain the common property
- To honour any contractual obligations
- To administer the by-laws

Determining the priorities should not be too difficult. Priorities will be sorted into order of "importance" and "urgency". "Important" priorities will largely consist of maintenance of the common property where priorities will primarily be determined by working from hazards to health & safety through function and amenity to aesthetics and improvement. "Urgent" matters will usually consist of disputes arising from Rules administration. The committee's prime objective is to take a planned and active approach to dealing with those closest to the "top of the list".

Managing the meeting

Productive, purposeful and enjoyable meetings are conducted in a spirit of camaraderie but with a sense of purpose – to resolve what actions are to be undertaken and to move "Open" issues closer to completion.

The chairperson should ensure that:

- Discussion sticks to the agenda religiously. Issues on the agenda are dealt with strictly in the order that they are listed and all additional items are discussed AFTER the agenda items have been dealt with, irrespective of whether or not that suits individual participants.
- All participants have an opportunity to contribute to the discussion. No-one should be allowed to "dominate" the discussion, and repetition is to be discouraged.
- Discussion should be orderly and should always be working towards a resolution. This will take an attentive, diplomatic but assertive approach by the chairperson. Discussion should be long enough to provide sufficient opportunity for people to contribute and to put "all the points on the table" but no longer.

Transparency

Productive meetings will produce happier residents and owners, however keeping people happy is an ongoing process that requires continuing attention. Fixing problems is rewarding but the results are not always "permanent". Once the committee has addressed current issues it faces the temptation to "take the hand off the throttle" and engage cruise control. The other option is to turn the energy engaged in fixing things to planning for the future – to address issues that would cause problems later on if they are not addressed now. The typical example is planning future non recurrent maintenance and major works. Others include updating the building so that its capital value will appreciate along with its land value, and making sure that the peace continues by taking a pro-active approach to Rules administration – by educating the community and anticipating latent remedial issues.

The committee also needs to continue to engage willing voluntary participants. All of these rely heavily upon having an informed, involved and understanding community. The way to achieve this is by informing lot owners about the outcomes and the processes of the committee. This is a very valuable educative and effective way to engage lot owners and to keep the governance mechanisms healthy into the future. That is particularly important in large (high-rise) apartment buildings and in large community schemes. That can be achieved by communicating committee outcomes to all members of the community on a frequent and consistent basis.

Victoria Body Corporate Services Appointed as the Preferred Owners Corporation Manager for Caulfield Heath



Caulfield Heath is the first Precinct of Caulfield Village. This master planned community is being developed by Beck Property Group and ProBuild. The site was originally the members car park at Caulfield Racecourse located only minutes from Caulfield Station and Monash University.

Caulfield Village will ultimately comprise three different precincts offering various types of high quality housing and other complementary uses. It will deliver a range of benefits to the established neighbourhood such as pedestrian and road upgrades, convenient local retail, peaceful landscaped connections, recreation zones and improved safety through greater activation of the streets leading to the railway station.

When Caulfield Village is complete it will consist of approximately 2000 apartments, a town square, tranquil garden sanctuaries and a retail sector that will include supermarket, cafes, pharmacy, restaurants and various specialty stores.

The first Precinct has over 400 apartments. It was a great success and sold out in under 14 months. This Precinct is currently nearing completion with first residents due to move in around July this year.

Caulfield Heath has incorporated resident amenities that include: a business centre, resident theatre, wine cellar, resident kitchen & dining room, pool and gymnasium.

Stage Two of the Caulfield Village project comprising one, two and three bedroom apartments was recently released if you would like information please register at this link <http://beck.com.au/beck-register/>

Census 2016

A snapshot of who we are,
where we are and what we are doing.



Who cares about me? The Australian Bureau of Statistics does!

On the night of Tuesday 9 August the Australian Bureau of Statistics will be tracking down every last one (a tad over 24,000,000) of us to find out who we are, where we are and what we are doing as part of the five year process of "taking a snap shot" of the country so that governments, statutory authorities and business generally keep account of population, housing, economic, financial and employment trends across time.

The 2016 Census will be Australia's first Census where more than two thirds of Australia's population (more than 15 million people) are expected to **complete the Census online in August 2016**.

New delivery and collection procedures will make it easier to complete the Census online. **In the lead up to 9 August, households will receive a letter from the ABS, addressed 'To the Resident', including a unique login and instructions on how to complete the Census online.**

Completing the Census survey will be fast, easy, secure, environmentally friendly, and help to reduce the cost of the Census to the community.

Paper forms can be requested where needed and must be completed and returned in the Reply Paid envelope provided without delay.

For the first time the data collection process will be absolutely painless as householders will be able to simply complete an online form which will be processed directly by the Bureau of Statistics. No need for people to doorknock and interrupt the night's TV viewing.

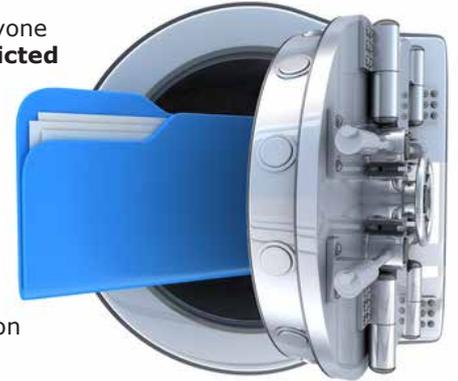


StrataMax

Online Access to your owners corporation information

What is the Owners' On-Line Portal?

We believe that everyone should have **unrestricted access to the important documents** and up to date information on their corporation anytime, **any day and anywhere** so we publish it all on a secured internet portal. The information is refreshed daily.



Documents available online:

- Minutes of AGMs and committee meetings
- Financial statements for past years and the current year
- Contracts including the current Management Agreement
- OC Rules for the corporation and any guidelines
- Insurance certificate of currency
- Your personal fees account

In just 4 very easy steps here is what you need to do:

1. Go to www.vbcs.com.au and select "Owner's Login"
2. A popup will explain what you need to do to "Create an account"

Activate the video by clicking on the "PLAY" button

3. Use the unique login codes sent to you previously. If you cannot remember them, click on **Having problems logging in?** to reset your ID codes.
4. When you have created your new account you need to "upgrade" it as explained on the setup video.

What if I have more than one property managed by VBCS?

If you have more than one property you can add them in the same way by selecting "My Info" and "Add Property to Passport" once you are logged on.

NOTE: You will need the Stratapay reference number for each property (they are unique to each). This reference number can be found on any levy account notice for the property. The user-id will be the first 8 digits (leave off the ninth digit) on the **Stratapay reference number** located near the stratapay logo  on the payment part of the invoice.