

# The basics of Strata Manager function

What we do and what we don't do.

IT'S ABOUT YOU

WE'RE NUMBER 1  
and that's only one of the  
millions of reasons to contact us.



## UNDERSTANDING THE ROLE OF YOUR OC MANAGER.

Strata Manager. Owners Corporation (OC) Manager. Body Corporate Manager. There are different names but it all refers to the same thing. We understand that sometimes it might get confusing for our customers, and we're here to set the record straight. For the purpose of this article, we'll just use OC Manager.

### THE BASICS

Let's start with the definition of an Owners Corporation. [An owners corporation \(formerly body corporate\) manages the common property of a residential, commercial, retail, industrial or mixed-use property development.](#)

[If you own property affected by an owners corporation then you become a member of that owners corporation automatically. As a member, you have legal and financial responsibilities to the owners corporation.](#)

### THE RESPONSIBILITIES OF AN OWNERS CORPORATION

An Owners Corporation is responsible for maintaining common property, making sure the financial and insurance obligations are met, as well as being able to provide various paperwork when requested (such as OC Certificates). It's also important that the duties and functions under relevant Acts and Regulations are carried out.

### WHY DO OWNERS CORPORATIONS HIRE AN OC MANAGER

Managing an Owners Corporation is a lot of work. As an owner, it's understandable that there are other things that would normally occupy your time, such as your family and career. It's not only the long to-do list, but there's also the expertise required in handling with the myriad of issues that might arise that lead to Owners Corporations opting to engage with experts.

### THE ROLE OF AN OC MANAGER

Now that we have the basics out of the way, let's discuss the role of an OC Manager. We can divide an OC manager's role into three major aspects:

#### 1. Facilities Maintenance and Access

The area that most people are familiar with is facilities maintenance and access. Typically because this is the work that is the most visible to even the busiest owner. Keeping your common areas clean, providing you with keys, fobs, garage remotes. For some it's making sure the elevator works well, for others it's making sure the gardener has come in. Whether your OC has decided on security cameras or you need to deal with burst pipes, there's a multitude of issues and tasks that has to be done to make sure your property is maintained.

- Organising and managing contractors that take care of common property, including maintenance, repairs or improvements
- Maintaining stock of keys, fobs and remotes and providing them to owners, tenants, or agents upon request

#### 2. Finance and Insurance

An Owners Corporation is considered as a business. This means they have an ABN as well as a bank account. This is where the fees of Owners go to. These fees or levies are used as fund to run the Owners Corporation. An Owners Corporation Manager ensures that everything is sorted, from collecting, disbursing, accounting and maintaining the financial records.

- Preparing budgets for the financial year, all subject to the Owners Corporation or Committee approval.
- Monitoring invoices for levy payments
- Ensuring all fees are up to date, and organising reminders for other lot owners to pay their levies
- Ensuring that all the Owners Corporation's bills are paid for in a timely manner
- Organising the required building insurance for the property, ensuring that they are up to date, adequate and competitive

### 3. Various Admin Tasks

There is a variety of admin tasks that come with managing an owners corporation. While some may be tedious, they are necessary to ensure the Owners Corporation run smoothly, and fully comply with relevant acts and regulations

- Maintain the Owners Corporation Register, and providing owners with certificates and records, such as Owners Corporation Certificate and Certificate of Currency
- Keeping copies of correspondence sent or received by the Owners Corporation
- Organise and attend Annual General Meetings and be present in committee meetings, providing updates to the owners and committee members. This includes taking minutes of meetings, ensuring all decisions are recorded, distributed and acted upon on behalf of the owners corporations.
- Keep copies of voting papers related to motions, resolutions, election of the committee, etc. This includes electronic votes.
- Record, maintain and amend(as necessary) the by-laws of the Owners Corporation
- Some properties also needs assistance in cladding. Read more about it here.
- Assisting in mediating some disputes\* between lot owners. Some examples might be noise, incorrect parking, and pets.

*\*Assistance in disputes vary depending on scope. In cases where the scope of the dispute is considered a private matter, the OC Manager's assistance may be limited. An OC Manager may only provide guidance on matters especially if there are regulations, acts, council notes, etc. They do not have the power to enforce a decision unless sated in the by-laws and only on behalf of the committee or Owners Corporation. The focus of the manager will always be the interest of the Owners Corporation and not individual lot owners.*

Above all, the role of an OC Manager is to ensure harmony within a property. At Strata Plan, we personally strive to provide our customers with a hassle-free experience, and this means sometimes going above and beyond what is listed above. You may read some of our wins here or watch videos of happy customers.

### WHAT OC MANAGERS CAN'T DO – MISCONCEPTIONS

The title itself may seem like a misnomer to some. Some of our customers think of the term *manager* as connected to authority. While we are experts in the industry, the authority to get things done may not always be readily available. Here are some examples:

#### 1. It is the Owners Corporation / Committee that agree on the annual fees. Not the OC Manager

We've had some customers think that the OC Manager is the one setting the "high" pricing of annual fees. While we understand that ensuring value for money is important, we also want to make sure that your property has enough funds to pay all liabilities. These are not limited to facilities maintenance, but also preventative maintenance and insurance. The pricing of your annual fees are calculated against the liabilities of the Owners Corporation. [A large part of this is building insurance.](#)

**TIP:** *If you want to understand where your annual fees are spent, take time to attend Annual General meetings and committee meetings. If you have missed them, request for minutes of the meeting from your OC Manager.*

## 2. Your OC Manager is not your one-stop shop solution to all property problems

While it may be nice to think your OC Manager can provide answers to everything and solve every problem, unfortunately that's not the case. An Owners Corporation is a complex ecosystem of different personalities and an army of stakeholders. Everyone has a role to play, and your OC Manager's job is merely to guide you. Some misconceptions are:

**Insurance:** While your OC Manager organises and manages your building insurance, the claims will always be at the discretion of the insurer.

**Conveyancing:** A conveyancer assists in the settlement of property purchases and title transfers. While purchasing a property that is part of an existing OC may be daunting, there's some things that some customers expect from the OC Manager that is simply the conveyancer's job. A simple example is the payment of fees before or after the transfer of the title. The conversation to settle the fees during this period must be settled by the buyer, seller and conveyancer.

**Maintenance:** While a good OC manager must have a very robust list of contractors to tap for maintenance works, the ultimate decision will still be for the Owners Corporation and the Committee. An OC Manager cannot hire and pay a contractor unless expressly approved by the OC. For example, the OC Manager presented 2 quotes for a window cleaning, with emphasis to hire cleaner A. The committee requests to look for cheaper solutions, thus having a quote from Cleaner C at 30% less cost. So, the OC goes with Cleaner C, and he does a job poorly. Sometimes we get the blame for things that the OC has requested or approved.

### **Tips:**

- *Communication is always key. Remembering that your OC Manager is your OC's expert resource, and their recommendations are for the betterment of your OC.*
- *Recognise whether your query or question is something the OC Manager can answer or assist with, or if the solution needs committee approval*
- *Be patient. The committee is made up of regular people in your OC. They have things going on in their lives and might be busy. Additionally, the committee might not even be allowed to make the decision you specifically are requesting for. Sometimes, it might need a special resolution, which in turn might require a meeting. While it's your OC Manager's full-time job to help you, the committee might need some time to convene and decide.*

## 3. The management agreement between the Manager and the Owners Corporation, does not involve lot owners in their personal capacities. In other words, there is no contractual agreement between a lot owner and the Manager

This is one of the more common things people forget about when it comes to dealing with their OC Manager. At Strata Plan, we would occasionally be asked where the fees are going.

It's really unfortunate that despite some customers being with us for a number of years, they still think that when we don't want to help them (especially with private matters) that it's because we just feel like it. While we want to do our best to help, the OC Manager will always put the interests of the Owners Corporation above any individual lot owner.

Finally, if some requests are rejected by the committee, there is nothing we can do to enforce it.

All in all, not everyone in the property has time to commit to an active role in your Owners Corporation's committee. Communication is key to success, but it's also a two-way street. A good OC manager will make sure they communicate with you, but you also have to put the effort in. Communicating with your OC manager as well as your committee members is the best way to get to the best solution. Remember: Communication = Community.