

18. Project 6 – Strata Community Management

Description

To review and update the suite of strata management qualifications in the CPP training package to:

- adhere with the four-year review cycle of the national review schedule as per the Training Package Development and Endorsement process policy December 2019
- make sure the qualifications align with occupational outcomes and are fit for industry needs
- assist in the attraction and retention of people into the industry
- ensure core units that were updated as part of the real estate project are still fit for this qualification and industry needs

Rational

The following drivers for change are evident for this project.

National Review Schedule Policy

All three Strata Community Management qualifications contain units in their cores that have recently been reviewed and updated as part of the Real Estate project, and as per policy, following the Real Estate Project's endorsement, a review of the Strata Community Management qualifications is triggered to make sure these units are still fit for the qualifications and industry needs. The units are as follows:

Unit affected	Superseded by
CPPDSM3009 Maintain workplace safety in the property industry	CPPREP4001 Prepare for professional practice in real estate
CPPDSM3016 Work in the property industry	
CPPDSM3011 Monitor building facilities	CPPREP3105 Assist with property inspection
CPPDSM3019 Communicate with clients in the property industry	CPPREP3002 Communicate effectively to support customer service in real estate
CPPDSM4044 Coordinate maintenance and repair of properties and facilities	CPPREP4231 Manage commercial property maintenance
CPPDSM4057 Monitor a safe workplace in the property industry	CPPREP4002 Access and interpret ethical practice in real estate
CPPDSM4049 Implement maintenance program for managed properties	CPPREP4123 Manage tenancy

Additionally, the Strata Community Management qualifications will be reviewed and updated in adherence with the four-year review cycle of the national review schedule as per the training package development and endorsement process policy December 2019.

Industry Context

Consultation with expert IRC and industry members revealed that while the qualifications were endorsed in 2016, the strata industry has grown and changed rapidly since then and the current qualifications are now out of date.

Licensing and regulation

Changes in the industry such as licensing and regulation have shifted the occupation and as a result, the qualifications do not fully line up with current occupational requirements. The qualifications need to be updated to provide more appropriate regulation content relevant to Strata Community Management as it varies greatly around the country.

Technology use in industry

A recent report by Macquarie Business Banking on the Strata Management industry shows that technology use has rapidly grown since 2006 and is projected to grow in the industry in the next 24 months.⁵⁰ This includes the use of online portals and staff flexibility tools, management information systems, Building Information Modelling (BIM) systems, cloud platforms and workflow tools.⁵¹ The digital literacy skills needed to understand and use these systems will therefore need to be reflected in the suite of Strata Community Management qualifications.

Furthermore, industry consultation revealed that as Building Information Modelling (BIM) usage increases in the Australian construction and property industries, strata managers will need skills and knowledge to navigate and use BIM systems.

Growth of industry

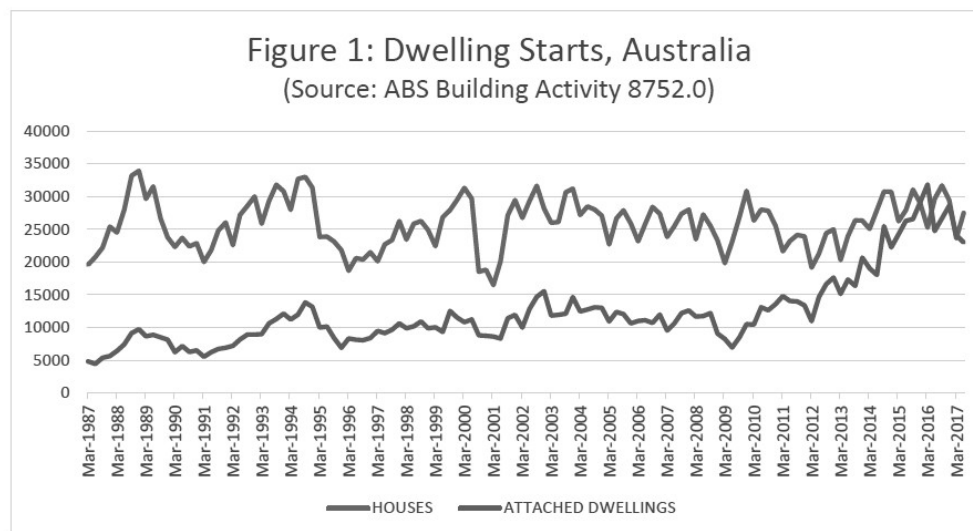
The strata industry in Australia has grown rapidly in the last few years. A UNSW study showed the growth in the industry through the increase in construction of attached properties (figure 1). Figure 1 shows that 2015 was the first year that there were more dwelling starts for attached properties (apartments and townhouses) than for detached houses in Australia's history.⁵² Much of this growth is accounted for by a rapid rise in the number of approvals for apartment buildings with 4 or more storeys over the past 10 years and is concentrated in the eastern states of New South Wales, Victoria and Queensland.⁵³

⁵⁰ 2019, *People and efficiency – driving higher performance: Strata Management Benchmarking Report*, Macquarie Business Banking, accessed 18/04/2019 at: <https://static.macquarie.com/dafiles/Internet/mgl/global/business-banking/campaign/docs/macquarie-strata-benchmarking-results-2019.pdf?v=13>

⁵¹ 2019, *People and efficiency – driving higher performance: Strata Management Benchmarking Report*, Macquarie Business Banking, accessed 18/04/2019 at: <https://static.macquarie.com/dafiles/Internet/mgl/global/business-banking/campaign/docs/macquarie-strata-benchmarking-results-2019.pdf?v=13>

⁵² Easthope, H, Buckle, C., and Mann, V., 2018, *Australian National Strata Data 2018*, City Futures Research Centre, UNSW Australia, accessed online 24/01/2019 at: <https://cityfutures.be.unsw.edu.au/research/projects/national-strata-data-analysis/>

⁵³ Easthope, H, Buckle, C., and Mann, V., 2018, *Australian National Strata Data 2018*, City Futures Research Centre, UNSW Australia, accessed online 24/01/2019 at: <https://cityfutures.be.unsw.edu.au/research/projects/national-strata-data-analysis/>



Since the majority of attached dwellings are managed through the strata industry, demand for a skilled strata workforce has increased since 2015. A Macquarie Business Banking study revealed that hiring intentions have surged since 2015, with almost three out of four strata management businesses now saying they plan to grow staff numbers in the next 12 months. As a result, competition for staff intensifies, making it vital to engage and retain talented people in the industry.⁵⁴

Other industry changes

There have been some shifts in focus in the industry to include:

- legalities & management of disability and aged care access and building modifications
- disaster planning and management
- building manager skills such as risk and compliance, since not all buildings have a building manager and the strata manager often ends up filling part of this role.

Considering these industry changes, the current qualifications “scratch the surface” of the skills and knowledge needs of strata community managers and assistants, according to the consulted industry members, and should be reviewed to meet not only current, but also future needs. The qualification updates will be informed by the Strategic Strata Workforce Competency framework being developed with strong Industry consultation (commissioned by the SCA VIC and will soon to be expanded to cover information from all of Australia). Details of the draft framework are available upon request.

Employment, enrolment outlook and employer demand

A UNSW study into the strata management sector revealed that approximately 9,330 people are directly employed in the industry in Australia, with many other occupations gaining business through the strata industry such as

⁵⁴ 2019, *People and efficiency – driving higher performance: Strata Management Benchmarking Report*, Macquarie Business Banking, accessed 18/04/2019 at: <https://static.macquarie.com/dafiles/Internet/mgl/global/business-banking/campaign/docs/macquarie-strata-benchmarking-results-2019.pdf?v=13>

gardeners, plumbers, electricians, lawyers, insurers and valuers.⁵⁵ However, since strata management is not coded for in the ANZSCO, the direct employment numbers in the industry are likely to be higher.

The table below shows the enrolment numbers across the three qualifications, and through consultation with expert IRC and other strata management industry members we found that the no and low enrolments are a result of only minimal RTOs delivering the Certificate IV in Strata Community Management and almost no RTOs delivering the other two qualifications (see the tables below).

Qualification	2015 enrolment	2016 enrolment	2017 enrolment
CPP30416 Certificate III in Strata Community Management			
CPP40516 Certificate IV in Strata Community Management	0	0	91
CPP50316 Diploma of Strata Community Management			

Qualification	Number of RTOs with qualification on scope
CPP30416 Certificate III in Strata Community Management	0
CPP40516 Certificate IV in Strata Community Management	8
CPP50316 Diploma of Strata Community Management	2

The low enrolments across the three qualifications, however are not an indication of industry need or demand as industry has been advised by RTO's that they do not see the return on their investment to develop the training and assessment materials needed to deliver the qualifications. The Strata Community Association (SCA) is working to solve this problem by talking with RTOs and working out ways to collaborate with RTOs to develop the training materials needed.

Furthermore, TAFE WA are working with RMIT and SCA to begin delivering the Diploma as well as the Certificate IV, which will lead to an increase in enrolments, particularly given legislative changes in WA that may affect the minimum education requirements for the industry. The Certificate III leads to the occupation outcome of Strata Community Manager assistant and SCA aim to introduce this qualification as a VET-in-schools career pathway to attract more people into the industry.

⁵⁵ Easthope, H, Buckle, C., and Mann, V., 2018, *Australian National Strata Data 2018*, City Futures Research Centre, UNSW Australia, accessed online 24/01/2019 at: <https://cityfutures.be.unsw.edu.au/research/projects/national-strata-data-analysis/>

Ministers' Priorities Addressed

Reform	Action to address reform
Obsolete and duplicate qualifications removed from the system	This project will identify obsolete and duplicated units of competence where possible.
More information about industry's expectations of training delivery is available to training providers to improve their delivery and to consumers to enable more informed choices	The Companion Volume Implementation Guide will provide supporting advice on industry expectations, regulatory application and training delivery. Performance criteria evidence will reflect industry expectations of competent practitioners.
The training system better supports individuals to move more easily between related occupations	The 3 qualifications will articulate a pathway from entry to management and support development of more complex skills. Alignment with real estate qualification will be confirmed to articulate pathways between occupations.
Improved efficiency of the training system through units that can be owned and used by multiple industry sectors	Relevant units will be imported from other packages such as Real Estate and Business.
Foster greater recognition of skill sets	Skill sets will be utilized to define skills groupings needed for specialist functions. Skill sets will also be utilized where licensing requirements are less than the full qualification or vary between jurisdictions.

Consultation Plan

Consultation Undertaken

The consultation undertaken for this project included one-on-one interviews with members of the Property Services IRC, an ISF survey widely promoted to industry through our website and newsletter and additional interviews with key industry associations and employers.

There was one key interview with an IRC member who has expert knowledge in the strata community management industry who detailed the issues with the current qualifications and why they need to be reviewed and updated. This IRC member also passed on a key piece of literature for further research as well as contact details for other key members of the industry for us to consult with.

We also spoke with employers and members of the Strata Community Association about the industry need for the qualifications and why they need to be reviewed and updated.

Additionally, we have been sent letters of support from the following 13 businesses in the strata industry:

- Capitol Body Corporate Administration
- ACTON Strata

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- Strata Administration Services
 - A Class Strata Services
 - Ace Body Corporate Management
 - Chambers Franklyn Strata Management
 - WA Strata Management
 - Bellecourt Strata Management
 - Northern Body Corporate Management
 - PICA Group
 - Love&Co Strata Management
 - MBCM Strata Specialist
 - WA Strata Professionals

Consultation Plan

The key engagement methods may include some or all of the following

- Technical Advisory Groups (TAGs) will be established in accordance with internal policy and procedures to guide the subject matter expertise components of the work
- direct correspondence with regulators
- direct correspondence with State Training Authorities
- direct correspondence with IRC and key stakeholders
- industry associations and other stakeholders will be invited to capital city forums in all state/territories. A copy of forums material will be published on the web and an online forum will also be facilitated
- RTOs will be engaged through online survey and trainer networks
- public web project page updated fortnightly
- newsletter survey distribution to 4,200 stakeholders, including all RTOs, regulators, industry associations. Minimum of three newsletter profiles
- industry survey on early and late draft material
- distribution of survey through TAG networks and Artibus digital channels
- social media –twitter and LinkedIn.

Other Relevant Information

Timelines and Key Dates

Overall project duration: 16 months from execution of Activity Order.

Details	Date
Expected approval by the AISC of proposed work	June 2020
The Department of Education, Skills and Employment (DESE) commissioned activity order	July 2020
Engage SMEs to develop training package components	August 2020
Draft 1 is put forward for consultation	November 2020
Review feedback and update training package components, as per TAG advice	November - February 2021
Validation draft put forward for consultation	March – April 2021
Finalise quality assurance	June 2021
Send project to STAs for sign off	July 2021
Lodge project to DESE	August 2021
AISC considers project for implementation	October 2021

Summary of project Components