

Publication Date: 7 September 2023

YSP Podcast Transcript: 377. Why you might want to self-manage your strata, and how to do it successfully

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Intro: Welcome to Your Strata Property, the podcast for property owners looking for reliable, accurate and bite-sized information from an experienced and authoritative source.

Amanda Farmer: Hello and welcome to this week's podcast episode. I'm your host, strata lawyer, Amanda Farmer. And it's my job here each week to help demystify the legal complexities of apartment living. Helping me do that this week is my guest, David Glover.

David has four decades of business experience in marketing, hospitality, entertainment and events. He has been a strata committee member and office bearer in both a commercial and residential strata community since 2009. In fact, David has managed the commercial building from 2017 to 2019, and the residential building since 2018, still managing that building today. In those roles, he's helped these communities deal with security issues, noisy Airbnb guests, overcrowding, barking dogs, burst hot water systems, assaults by and on residents, owners who won't pay their bills, and been through eight strata managers at four different strata management companies.

Now I invited David to have a chat with us here on the show after he contributed his insights to a live chat, I was hosting over on our Facebook page, one of our regular weekly Friday live events. David's contribution to that discussion showed us all that he had a great deal of experience self-managing the communities that he's been a part of and I had a suspicion that he might have a lot more to offer.

Indeed, he does and it's all here in this chat for you. I'll take you right on over now to my chat with David Glover.

David Glover, welcome to the show.

David Glover: Thank you, Amanda, happy to be here.

Amanda Farmer: David, tell us about your community whereabouts, are you located? How many lots are in your building? What kind of facilities do you have? What's your role on the committee?

David Glover: We're in the inner West Sydney suburb of Darlington, close to Redfern Station. We've got a 14-unit apartment building. We're facility-wise, it's fairly basic. It's a sort of recreation of an old factory that used to be on the site. So it looks like a big tin shed from the outside. But it's actually got 14 double-level apartments within it. We don't have any lifts, we don't have any pools, we don't have any gyms, so in terms of management, it's more straightforward. We have a car park, we have a garden courtyard, we have a foyer. That's about all there is to it. My role in it, formally I am the Chairman, Secretary, Treasurer and Building Manager. And these days, for the last, I think, three or four years, I've run the building, because I work from here as well as live here.

Amanda Farmer: So, you hold all office bearer positions. Do you have anyone else with you on the Strata Committee?

David Glover: I have two others on the committee at the moment. We've, yes, over the past few years we've had three, four or five on the committee, but we just had our AGM a few weeks ago and two of last year's committees have continued. Two others from last year have decided to drop out of the committee for this year with work commitments.

But yes, I'm pretty insistent on having other people involved. I mean, one of the things with self-management is if one individual is doing it as I am, you really need to have, as you would obviously know, the secretary and treasurer positions in order to send out meeting notes and operate the bank account. The chairman role I don't really need and I asked if one of the others wanted to be the chair this year but they said no, you keep doing it. So that's the way it is at the moment here.

Amanda Farmer: How long have you been an owner of the building?

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David Glover: 2010, so just over 13 years. And I've been on the committee pretty much from the first AGM when I moved in.

Amanda Farmer: And has the building always been self-managed or was that a decision that was made at some point within your ownership?

David Glover: It was made about four years ago. When I moved in, we had what I'd call a good strata manager working for a fairly small firm. He'd been managing, I think, at that point for six or seven years. So, he knew the building. Everyone knew him. And I would rate him as a good, conscientious, trustworthy, reliable strata manager.

It was only when the firm got acquired by a larger firm and then that good strata manager left the firm a few weeks later and we were randomly assigned someone that I describe as the strata manager from hell who did literally nothing, by which I mean he did not send out levy notices, he did not pay bills, he did not respond to any attempt from any member of the committee to contact him by phone, by email. And what he did do, and what really brought the thing to a head, was when we got an email from our long-time cleaners saying, Dear David, I'm sorry, I don't understand what we did, please contact me.

And he appended an email from the strata manager saying, the strata committee has decided to terminate your services forthwith to our cleaner of a decade at that point. So that's when we were already frustrated and that I think pretty much coincided with the disconnection notice from the electricity authority saying we hadn't paid our bill for four months.

Amanda Farmer: Oh, my goodness, it just keeps getting worse.

David Glover: It just couldn't have been much more, yes. And anyway, I again tried to contact this guy. I couldn't get onto him, so I looked up the CEO of the large firm that had acquired our small firm, and I just put a call through to his office and spoke to his PA, who realised what a disaster it was. And said, I'll have someone call you and so someone in the layers of management gave me a call. But you know, in talking to them there was a lot of hand ringing and yes, we want, that's not satisfactory.

But they didn't actually fix it. And they didn't, when I said, look, we've been paying you for six months and you haven't done anything and you've created this kind of nightmare for us, I want all that money back that you've charged us.

And basically, they offered us, I think, a month free. They made some offer, but it was really kind of inadequate. And I didn't feel we were getting a decent response. And at that point, I had been managing another building that I had a commercial space in, an office building. So I'd been doing that for a couple of years, similar, not quite as extreme problems with another strata firm.

And so we'd moved that commercial building to self-management. With there, we had a very active, so the work was spread across more committee members than just me. But yes, at that point, I'd actually done the CERT 3 in strata management, so I knew that I had a level of competence. And so, I said to my building, look, how about we just go self-managed? Because that was the other thing we did track down our previous good strata manager, who was working for a new firm, but he had a non-compete clause. So he couldn't work for us for some period.

Amanda Farmer: Yes

David Glover: So I said, look, let's go self-managed, see how it works out. And then at the next AGM, we'll decide whether we want to continue.

Anyway, we've continued, I think, for three years since then for me to manage it. And it's moved from an arrangement where I did ask for an honorarium after that first year, which everyone was happy to pay. Now it's a more formal structure with an actual, there's contract between the building and my consulting company that I operate my business through.

Amanda Farmer: Right?

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David Glover: To engage me as the building manager, which is really the only provision in the Act for an owners corporation to engage someone, or at least that's my reading of it.

Amanda Farmer: Yes, well, what I'm hearing is you're not acting formally in the position of strata manager. You are a self-managed building, but you may well be acting in the position of the building manager and indeed the owners corporation at a general meeting is required to approve your engagement with an ordinary resolution.

David Glover: And that's what they do. And I don't want to be seen as the dictator in the building, which can and does happen. I know of buildings where that's happened. And so, the contract between the building and May is month to month. It can be cancelled by the party at any time with one month's notice. And it gets reaffirmed at each AGM and when it happens I leave the meeting and hand the chair over. So if anyone wants to raise anything or has concerns or thinks I'm getting paid too much or too little, there's a way for that to be handled, which to me is the proper way to do it.

Amanda Farmer: What is your professional background if you don't mind sharing David? Do you have any particular expertise in property or property management that's put you in a good position?

David Glover: I don't have property management expertise. I've had a variety of businesses, mostly around marketing consulting, advertising, but also event production. My original professional training was in theatre production. I kind of build sets and rig lights and control sound systems.

Amanda Farmer: Do a lot of things at once according to a deadline.

David Glover: Yes, and so, I have a lot of project management experience because I've managed lots of big projects like annual reports and corporate videos and corporate events. So those sorts of things. So, I'm very comfortable working with budgets and assembling teams to achieve something. And I don't have, I like to think I'm not deluded about what I know about and what I don't know about. And when I don't know about things, I will seek professional help.

And I think that's one of the keys for me with self-management is to know what you know and know what you don't know. And it's part of what frustrates me about, you know, what strata managers, the ones I've dealt with, particularly with these big firms, even with the best strata manager, you're going to hit the limits of their expertise, because they're not engineers, they're not building experts, they're not lawyers, they're not accountants. But I felt even with these two large firms that I was dealing with, you would think that a strata manager in a big firm would have like someone on the end of a phone extension who has building expertise or legal expertise or, you know, in the other building that I was in, the committee included a heritage architect, a lawyer who specialised in building work, like everyone ran their own business. So everyone was comfortable with.

Amanda Farmer: Was this the commercial building, David, that you mentioned earlier?

David Glover: This is the commercial building. Yes.

Amanda Farmer: I imagine managing a commercial strata building would be quite different to managing a residential strata building. Is that your experience? You've got different considerations. You haven't got people on site 24-7. You don't have all of those behavioural necessarily issues to be dealing with. And you're also dealing with commercial people who may recognise or be able to more easily measure the value of their time and their money.

David Glover: The latter is certainly true and I think because everyone was a business person, business people are much more accustomed to switching between their personal persona and their business persona. And people like me who've run big projects for clients, we can flip between the three. So I can flip between kind of my personal scale finances and my business scale finances and my clients business scale finances, which can be orders of magnitude different. So managing a project with a six-figure budget is something I've done loads of times.

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And so scaling up for the scale of a building where you're not thinking about \$100 here and \$100 there, but \$15,000 here and there, it's something that business people are much more familiar with. We still had behavioural problems in, I mean we had some shocking behavioural problems in the commercial building.

Amanda Farmer: Right.

David Glover: Yes, I mean, I'd say the challenges were the same. We had pipes burst and floods and we had a really serious break in one night where two guys, one of them had hidden in a cleaning storeroom,

Amanda Farmer: Oh, God.

David Glover: Till the building was vacant, let a mate in through a side door. And then they proceeded to break into a bunch of offices, and I mean just tear doors off hinges,

Amanda Farmer: Oh my god.

David Glover: Smash through walls, and carry out a bunch of laptops and television screens and things. All captured on CCTV.

Amanda Farmer: Wow. Right, good job.

David Glover: So, but you know, we had days of police investigations and the crucial piece of evidence was that the guy who was let in had a can of Jim Beam and Coke or something

Amanda Farmer: Right.

David Glover: And it was there when he came in and then it disappeared. So we said, everyone checked their bins. And if you find a Jim Beam and Coke can, don't touch it.

Amanda Farmer: Right.

David Glover: And the cops sent a scene of crime team in who fingerprinted all over the place. And they took this can of Coke as evidence and they got DNA and fingerprint evidence off it.

Amanda Farmer: Wow.

David Glover: And were able to tie it back to one of the perpetrators. Anyway, yes, the joys of...

Amanda Farmer: Well, I was going to say transitioning from self-managing a commercial building to self-managing a residential building, may have been a sensible one because you're sort of scaling up in terms of the problems that you may need to deal with in a residential setting. But maybe in your case, maybe not. Things might be a bit quieter in your home than they have been in your office.

David Glover: The thing is that we had dealt with problems when we had a strata manager.

Amanda Farmer: Yes.

David Glover: And I think one of the challenges with strata management is the economics of it as it's currently built don't work very well for smaller buildings. I understand the challenge from the strata management company's point of view that it's hard to make a respectable profit out of a building of our size with 14 people without charging so much that it becomes a very significant overhead

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for the owners. And I sort of feel like because the practical reality of being in both of these buildings is that the committee members do all of the on-site work. You're not going to pay a strata manager's rates to have him or her drive out to your building to meet a plumber to quote on repairing the leaking tap. You know the sort of thing that goes on in buildings.

That's okay in a 100-unit building that's got an onsite building manager or even a part-time building manager. Or even if you did have someone from your strata manager spend an hour and a half, you're spreading that hour and a half across 100 people. So, we had always done all of the sort of onsite meeting this tradesperson, meeting this consultant reviewing these quotes.

When I moved into my residential building, we had almost no money in the bank and my predecessor had left a little time bomb in the form of a special levy that had been voted through but was due and payable a month after I moved in.

Amanda Farmer: Right.

David Glover: So, copying a fifteen-thousand-dollar bill after I had just paid stamp duty, just paid removalists.

Amanda Farmer: Yes

David Glover: And that was part of my motivation for getting on the committee and going this is not acceptable. That this building has \$12,000 in the bank. That's it. That's all that was in the bank when I moved in.

Amanda Farmer: I was going to ask you, David, the motivation or what pushed you as a community to decide to self-manage. I was wondering if it was this financial question, the economics weren't stacking up for you, you all felt that you were paying too much for strata management services, or was it simply the frustration with the poor level of service? You'd be happy to pay if you got a good level of service where you actually felt you were getting value. And I feel like having heard you speak to that point now, it's a little bit of both, is it?

David Glover: In the residential building, we weren't unhappy with either the service or the price we were paying for it from our previous manager. And as I say, he was conscientious, he was reliable, he was trustworthy. But it was still a bit frustrating that you know, it was very hard to get him directly on the phone. So you're constantly leaving voice mail messages. There's a lot of toing and froing.

You know, the commercial building was the more frustrating, one because we went through four individual strata managers there over whatever it was, eight or ten years. And their experience, and expertise kind of wandered all over the place. And every time you get a new one, you're starting from scratch.

And then the last one we had there was really not up to the task. And they weren't dishonest or anything. They just did not have the level of skills that were needed. And we had a meeting with both of the owners of that firm and just said, you know, sorry, we're just they need more support or we need someone different, but all of these things are slipping through the cracks. And we were, yes, we were a very active committee. So, one of the things we'd done was we'd found running all of the contracts through the strata manager, all of the communication lines get along.

And you find things like your waste contractor gets changed and a bin doesn't get picked up. And so, you call the strata manager who calls the waste contractor, who calls the driver of the truck, who tells you, no, the council had closed the road and I couldn't get the truck through, I'm going to do it at five o'clock tonight. And then the waste contractor, you know what's going on. So, we ended up over the years just moving all of those contracts directly with us.

So, the strata manager paid the bills and managed that, but we had a direct, one of the committee members looked after the cleaning and the waste. So, we just took turns at those things. And just problems with the cleaning contractors. It's like they're not doing a good job here. So yes, again, this long, circuitous thing.

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Amanda Farmer: Yes. I hear what you're saying. And I see it in my own community where there are day-to-day issues that the owners the residents on site are seeing and it's where there are relationships already built between a resident and the cleaner and a resident and the gardener where those issues can be nipped in the bud very quickly because the residents right there saying, "Oh, hey, Jill, notice that this didn't get done. Can you sort that out?" And then there's simply an email that goes to the committee and the strata manager saying, "I saw Jill on site and I made sure that she's doing the back garden instead of the front garden today. Just letting you know." Perfect. Wonderful. When that works, it works but as you said when it doesn't and we're going through those chains of communication it's very easy for a link in the chain to be broken.

David Glover: And that's where the little chiselling that goes on in this business where, you know, we had some windows got broken when some kids were playing ball in the park next door and broke a couple of louvres. In my next-door neighbours. And she told me, she was also on the committee at the time, and I went downstairs, and found a bit of timber to just board it up.

And we put a call through and a day later, a glazier came out. And it wasn't until I think the next quarterly report that we saw that we had paid \$1,500 for an emergency call out to this glass mob when it should have been like \$100, \$150 job. I think I would say this to any conscientious committee, whether they want to be self-managed or have a strata manager if you don't take control of things like the contractors that are being used.

Amanda Farmer: Right.

David Glover: Things will go wrong; you will pay too much for some things and you will be frustrated by these communications links. So, you know we have in both of the buildings we quickly identified a local locksmith and security company who operate 24 seven they deal with all access. And they charge a fair rate and we deal directly with the owner of the business. Likewise with plumbing, we have a plumber who has a small crew of, I think there's three or maybe four of them. He's a third-generation maintenance plumber and he has buildings on his books that his grandfather signed up 80 years ago. So, he really understands strata and communities and we have this simple direct relationship. So, if we've got a flood happening somewhere, he will get someone here. If we've got something that is more routine, you know, he also maintains our sump pumps and things like that, he will just schedule them at his convenience and that works fine. Same with fire contractors, that's another area where bills get loaded up, work gets done poorly, you know.

Amanda Farmer: What about other ways that you're setting yourself up for success, David, in terms of the day-to-day communication management, getting levy notices out, operating the bank account, making sure your financials are compliant? Have you got any tech or software suggestions for those who are interested in taking this on themselves?

David Glover: I mean, we're using a package that is built for strata managers, which goes by the name of Urbanize, or it also went by the name My Strata for a while. I got that for the commercial building. It's really overpowered for a single strata. It's convenient in that it's focused exactly on strata.

But it's really geared to someone who's running multiple buildings. So there's a fairly large set-up cost and mandatory training cost. I think it was about three grand to sign up for the package. I don't know whether it's the same now, so don't check that if anyone wants to check it. I find it works very well because it's got all these things integrated.

But I think if I was just managing my residential building, my software suggestions would probably be Basecamp, which is a project management package that I've used a lot for managing projects, and which we used to use in the commercial building just within the committee as a way of collating documents, keeping track of our to-do lists.

Those sorts of things and communication between committee members. So I'd probably pair that with Xero or MyoB or any one of the standard accounting packages. Although people do need to know that strata accounting is a slightly odd mix of it's mostly on a cash basis. But a bit of it is on an accrual basis. So the people who know what that means will go, oh, okay, the people who don't know what that means, you need to see an accountant because there's just a couple of things that can trip you up in that.

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Amanda Farmer: Right. In terms of your contractual relationship with the owners corporation, you are the engaged building manager. There's a fee that's paid to you, for you...

David Glover: I don't do it for the money. One of the things that moved us to the building management situation was that I had just struck a fixed fee to do all the regular management. And I really continued to do what I had done as a committee member voluntarily. But we had a couple of issues that have consumed a huge amount of time unnecessarily, I would say, but they did. And so at the AGM, not this most recent one, but last year's, I said to everyone, I'm sorry, I can't keep doing this without getting some money.

So I set a fee at that of, what is it, \$90 an hour, which is about 60% of, I think, the basic strata management hourly fee, and less than the hourly rate of the plumbers and so on. So my objective was that it was not to make money out of it, but also not to be putting in a lot of time entirely at my cost. And that was unanimously agreed to by the owners in the general meeting. So that's the basis.

Amanda Farmer: Has there ever been a time when you've had an owner or two say, "No, we'd like to go back to professional management, let's give it a go." Or has everybody in the last four years unanimously been on board with the self-management?

David Glover: We have one owner who I'm actually in NCAT on Wednesday for the second day of a hearing with one owner who wants us to get professional strata management as part of his thing, but that's a whole other story.

Amanda Farmer: Wow, okay. It is. Well, let us know how that turns out.

David Glover: And that is one of the things that has taken a huge amount of time.

Amanda Farmer: Right.

David Glover: You know, the thing that bugs me is that we're getting a lot of PR out of the strata management industry. They have now dissolved the owners' section of strata management. What is it? Is it Strata Management Australia? Strata?

Amanda Farmer: Strata Community Association, the owner chapter of Strata Community Association, yes.

David Glover: So that used to have an owners chapter, I think they called it, and there was an owner who sat on the board, or two maybe. They, first of all changed the constitution to make the owners into subscribers, not members, and then a year or two later they eradicated owners altogether.

And when I got the notice saying that this was being proposed at the general meeting, I wrote to the President. I said, you know, basically, what the hell are you doing? And so anyway, they went ahead and did it. I got no response. But the bottom line of that is now the industry body that lobbies and represents the industry and the communities of strata to the government, which is entirely funded by the owners of strata like every single person doing every single job in that every dollar comes out of our mostly after-tax pockets and we have no voice. So, I'm pretty dark on that organisation. I think that is corrupt. I think it is dead wrong.

And we've got the Owners Corporation Network, which I had been a member of, I've recently rejoined and I'm kind of connecting with them. And talking to someone from there the other day, they get no government funding.

Amanda Farmer: Yes, that's shocked me as well.

David Glover: So I've gone slightly off on tangent,

Amanda Farmer: No, it's an important tangent.

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David Glover: But this body is spending a lot of money, which is our money, to promote this idea of professional strata management. We're professionals. We are just like your lawyers, and your accountants, and your engineers, except that they take no responsibility for anything. They do catastrophically bad things sometimes. So my personal direct experience is yes there are some dedicated, competent, conscientious professionals in there and I have worked with a number of them and I respect them. But every single one of them who works for a larger firm has said to me, "We just have too much work. We have too many buildings to manage. And I spend all my time," I mean one friend just couldn't stand doing it in Sydney anymore and he ended up moving out to the regions. So, he's in one of the mid-north coast cities. But all of them have said, yes, we just overloaded it. We're just managing so many places and it's really hard to not drop a ball from time to time.

Amanda Farmer: Yes.

David Glover: And it feels as though these big firms just sort of leave them to it and they don't have, I guess what I see when I look at these bigger businesses is that their business model is to buy up all these little strata firms and they just sort of aggregate them.

Amanda Farmer: Yes.

David Glover: They don't do anything on a larger scale because I would think if you've got a big firm that's managing tens of thousands of units, building over here has a big problem of some nature. You've got a specialist or you've got an emergency team within that building. It's like, okay, we need three guys to focus on this building for a day to look into this, whatever it is, fire compliance notice, lift, whatever. Someone who has genuine, very specific expertise as opposed to, one poor strata manager who's got a few hundred lots on their list and who might be really good at managing all of the levies and the notices and the meetings and all of the SSMA compliance matters, but is challenged when it comes to dealing with any of the myriad.

Amanda Farmer: Be out of the ordinary if you've got original building defects or as you said, you've got an emergency and evacuation or something like that. Yes, it's a good idea having those project teams who are qualified and experienced to deal with those one-off situations.

David Glover: Now, I don't know, maybe that exists, but it didn't exist in either of the two firms that I dealt with. And when we as a committee sort of raised an alarm with them, it was really hard to get a response. So, you know, back to this whole thing, they all want to be professionals. They all want to get paid like lawyers.

But they're still, you know, the kickbacks that are coming from insurance in particular. Oh, the commissions, that's right. Oh, the commissions. No, the kickbacks. This is corruption. This is putting money in your pocket that's coming out of your client's pocket. And I know that there's firms of contractors out there who are quietly doing favours for individual strata managers and for firms. It's like, "Oh mate, you're a follower of the footy, aren't you? We've got a box at the grand final this weekend."

Amanda Farmer: Yes. Yes, for sure.

David Glover: Or, "Your missus likes the opera, doesn't she? I've got a couple of tickets for La Boheme." That sort of stuff just goes on all the time. The lunches and the you know.

Amanda Farmer: Yes. There's no love lost between you and Strata Managers. You've mentioned they're the owners corporation Network, which I like to think is taking up that call to be that voice, especially to government for owners. I too, would like to see the OCN get some more government funding to assist it in its advocacy work. Where else do you go? Or can you go or you recommend our listeners who are wanting to get support with self-management, where do you get that support from?

David Glover: Well, the key thing is your service, your Strata property, which we have subscribed to for four years. And I try and on the forums in there, I try and contribute as much as I take, but I've appreciated your advice through that and the advice of

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others. And just so my views on Strata managers are clear, I do not want to denigrate the pros out there and I know they're there. But I feel that there is an industry that and there are and as I say, I haven't dealt obviously with all of them.

But I have dealt with two large players, and I think their business model is the most polite way I could say it is it's not fully developed and it's not focused on the owners who are paying their bills. In the way that, you know, I've dealt with plenty of professionals, like genuine professionals, and I know that the standards that good lawyers, good accountants, good engineers, good architects hold themselves to is a different category from what I think the average strata manager and certainly a whole other level of the not so good strata managers. And all this kind of talk of professionalizing in inverted commas, and requiring people to do more and more specific training.

I sort of think that's, I think it's good that they're doing more training, but it's also, you know, the shop is closing. And I mean, Law is of course the most closed shop of all. So talking to a lawyer, you would both know that and also know both sides of that coin. But it's a rare lawyer who would accept a kickback from someone that they're making a recommendation to a client about. It certainly happens, but in the world of law, that would be considered deeply unprofessional.

And if it came to light, that individual may well find themselves struck off. They might lose their ability to earn an income. You know, we think of that case with the, you know, the judge who lied about. When he was driving the car and speeding.

Amanda Farmer: Oh, Justice Einfeld.

David Glover: Yes, Einfeld, that's it. But, you know, there is no accountant. There are some accountants, I had a friend who is a chartered accountant, who expanded his firm to do financial planning. And a lot of financial planning then, this is some years ago, involved commissions on insurance products. And he didn't tie himself to any insurance firms, and he just credited any commissions to the client. It just went on the client's account as a credit. I mean, I did the same thing with my marketing business when I was buying a lot of print and media. Lots of that came with media commissions and discounts from printers and discounts from video production houses, all of that sort of stuff. And we just had a very simple policy.

We invoiced our clients at what it cost us, plus an agreed service fee. So we always made the same margin on external stuff, regardless of the structure, you know, so we might get an invoice for \$10,000 worth of printing, less 10%. We would invoice that to the client at \$9,000, plus our 17 and a half per cent. And, you know, that, that to me is a sort of, you want to be a professional, you must, must have that financial side nailed. I am concerned at the way that strata management is being professionalized. And yes, Strata Community Australia has turned itself into the strata equivalent of the Bar Association or the Chartered Accountants body or, they want to be a professional accreditation body, but I think there needs to be a fundamental change in the mindset.

Amanda Farmer: Returning to self-management, David, those who are listening in and feeling inspired by what it is that you and your community have been able to achieve, and who may be thinking about making the change, dipping their toe in the water of self-management, what are your suggestions for some things they should be thinking about early on in that decision-making process?

David Glover: I think if a community is interested in trying it, I would start by establishing your own direct relationships with important suppliers, which can be done in conjunction with the Strata Manager. You simply say we want to use this cleaning firm or we want to use this plumber. Can you please set them up in your system as a supplier? So take control of those things.

Amanda Farmer: I would also say there's nothing wrong with you as a committee member, especially if you're the secretary, communicating directly with your already engaged plumbers, electricians, whoever those contractors are.

David Glover: Absolutely.

Amanda Farmer: The engagement is between the owners corporation and the contractor. And look, I do hear it. I hear it from members of our community saying, Amanda, we can't contact our contractors. Our strata manager says we can't talk to them. That

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is wrong. If that's what's happening, your strata manager is the agent, not the principal. You have the relationship, the legal relationship with the contractor. So if you're not able to communicate directly with your contractors, something is wrong.

David Glover: Yes, and every building, every community will know which are those critical ones that have been a pain point. And sometimes part of it can just be if you're dealing with a big plumbing firm or something, you're going to get different individual tradespeople every time

Amanda Farmer: Yes.

David Glover: And you find yourself explaining the same things. And I don't think a lot of contracting firms or strata management firms are good at building knowledge bases. To me, bringing in a new strata manager within a strata firm, they should in an hour of reading be able to come up to speed on a particular building. And it should be the responsibility of the enterprise, of the larger organization, to maintain that knowledge.

So really any one of their strata managers should be able to just pick something up and go, okay, we're in building X, they've got an ongoing maintenance issue with this, we've got this, okay, here are the headline things, I'm responsible for that, whether it's a few weeks while someone's on holidays or whether they've just changed the portfolio. Instead of this kind of I don't know, you know, we had strata manager at the commercial building who had never visited the building and clearly had never looked at the plans or the photos of the building, all of which are in their files. So just, you have conversations with them and they go, oh, where's that? And what's that? And it's like, well, you know, it's the fire hose upstairs that's marked on the plan that you've got fire hose.

So I think if you're thinking self-management, start taking on those things and start managing those. If your strata manager is doing a good job of maintaining the records and the books and getting quotes on your insurance and all of those things, and the amount they're charging is reasonable, then keep doing it.

If you want to go further, if you have the skills, and the inclination, and the time. The first thing I'd do is sign up for your service, go to flat chat, go to look up Strata, read a lot. You can do as I did and actually sign up for the CERT 3 in, which is not too demanding and you basically then get the bare bones of what you need to know about the Strata Schemes Management Act and the legislative requirements. But again, you can find most of that. You can read the Strata Schemes Management Act if you're inclined to.

It's sort of easy enough to flick through the subject headings and see the things that matter. And that's sort of really what I did when I started. It's like what is required at the AGM. And it's set out there in two or three different places, but it is set out there. So, you just have a checklist. I have to do this. We must do that. And you can build an agenda like that.

Amanda Farmer: Well, I can certainly see David from the contribution that you make to our online community or posts in the forum and the support that you give other members that you definitely know your stuff. So, I think that is essential. If not knowing your stuff, the ability or the willingness to want to learn this and to understand the need to learn this is important. If any owner is going to take on this undertaking.

David Glover: And I do think it's really important to recognise what you don't know. We've had some major waterproofing here over the years and, you know, building problems and when they arise, we have consistently brought in outside building consultants to look at it and then we've paid them to oversee the work. Because I know a little bit about building, but I can't walk in and look at a waterproofing contractor's work and say, "yes, that's all right, mate." And I'm not prepared to accept it on their say so. And for that matter, I don't know of a strata manager who has the expertise to do something like that. So, we pay professional building consultants, people with engineering and building degrees, who work for us to evaluate contractors' proposals and then check the work at every appropriate point so that we can be assured of that.

Amanda Farmer: Yes, really important.

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David Glover: And similarly, we will engage lawyers. You know, this owner who has taken us to NCAT. We have sought advice from a specialist strata lawyer, who I'm sure you would know. And that's invaluable because I'm representing the owners corporation and myself in NCAT because I felt comfortable with doing that. But I would not have felt comfortable doing that without having had two pretty extensive phone conferences and written advice from someone with expertise who was able to say, "These are the issues that matter, these are the points you should make." NCAT declined to allow legal representation. We did ask, but they said no.

Amanda Farmer: Right. Well, look, it's a good example that one of the horses for courses, you know, I have clients who engage me to advise from the sidelines, I call it sit in the back row and not necessarily appear at the hearing, but to arm them with written submissions to be clear on the orders that they should be seeking and you don't have to engage a lawyer for the whole shebang before NCAT. But I also see others who go to NCAT completely self-represented with no guidance whatsoever and failing spectacularly because they've sought the wrong orders under the wrong section, little things that a specialist strata lawyer could have sorted for them and avoided that pain.

David Glover: And if you're organised, you can get a lot of good advice without having to pay for vast amounts of professional hours. Be clear on the questions you're asking. Give the lawyers or the building consultant or whoever does the legwork, don't pay professional rates for clerical work. They don't want to do the clerical work, but they will happily charge you for it if you force them to. So make their job easy.

Amanda Farmer: Yes, true. Well, thank you so much for all of your insights shared with us today, David. I know there's so much more that you have experienced, that you've learned over the years of self-management that I'm sure you can share, but we do have to wrap it up there. Keep up the good work is all I can say. Perhaps let us know how you go in NCAT. If that becomes a reported case, that'll be an interesting one to have a look at. He's smiling at me here.

David Glover: I'll let you know.

Amanda Farmer: I'm sure we'll catch up again soon and no doubt there will be many listeners who are interested to find out more about your experience, David. Look I don't want to bombard your email. If there are people reaching out with more specific questions about self-management is that something that you'd be happy to field those questions, David?

David Glover: Absolutely. Any questions, send them through to me and I'll find a way to respond. But we can do it in a way that you're able to spread it a bit further. Because if one person's got a question, no doubt others will.

Amanda Farmer: Yes. Excellent point. What we'll do is under this episode over on the website, yourstrataproperty.com.au/podcasts, You'll see this episode with David Glover on that page and you can post your comments under that episode. It's a public page there. There will be public posts and David will be there having a look at those and where he can add to the gold that he's delivered for you here today. Then it sounds like he'll be happy too. So that'll be the place to head yourstrataproperty.com.au/podcasts.

Thank you so much, David.

David Glover: Thanks, Amanda, thanks for what you do, and all the best. Bye.

Amanda Farmer: Bye for now.

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