



Coronavirus Disease (COVID-19) Impact on Residential Buildings and Defining Essential Services

3 April 2020



Executive Summary

- The current situation within higher density accommodation is unprecedented and the demands that this will place upon the facilities and communities within Strata buildings is untested.
- The impact on these increased demands of the essential services of residential buildings due to self-isolation, forced isolation, restricted travel and unemployment needs to be considered.
- It is envisaged that the hours in residence will dramatically increase and therefore the demands on the facilities within the buildings will be increased accordingly.
- Significantly increased social and welfare challenges are also posed by extended isolation in high density Strata buildings with mental health and social cohesion issues more likely to occur.
- This will require increased management and servicing to avoid overwhelming essential services and supporting residents through national lock down and during virus control mitigation.
- In higher density buildings, the service compliance requirements, as well as the operational needs, are monitored dually and managed by on-site managers and off-site coordinators.
- Without the management of buildings, these properties will cease to function as there will be no one to coordinate the maintenance, and deal with the many enquires and financial aspects of the property therefore strata managers are by nature an essential service.
- Strata and Building Managers are best placed to understand the needs of the building and are a key part of the safety of the building, its residents and the service technicians.
- In light of the current circumstances, the Strata and Building Managers role becomes even more imperative to the safe operation of buildings.

Introduction

Strata Community Association (SCA) is the peak industry body for Body Corporate and Community Title Management (also referred to as Strata Management, Strata Title or Owners Corporation Management) in Australia and New Zealand.

Our 5,000 individual and corporate members include strata/body corporate managers (*from now referred to as 'managers'*), support staff, owners' representatives and suppliers of products and services to the industry. SCA proudly fulfils the dual roles of a professional institute and consumer advocate.

Following announcements from Commonwealth, State and Territory Governments, our members have also voiced concerns about potential confusion surrounding terms such as "Non-Essential Services". The strata community sector seeks to ensure all Governments are furnished with a complete understanding of the essential role of the **manager** acting in the vital role of resident letting agents or **managers** contracted to provide services within body corporate schemes across Australia, and we request clarification whether these services will be included in any definition of "Essential Services" once a policy is announced.

The main purpose of this submission is to receive national clarity regarding essential services identification for the whole strata ecosystem. The role of the **manager** will also extend to far more critical mental health, behaviour, procedural and compliance, and safety issues, managed remotely but equally important.

The Australian Government 2019-20 budget¹ identified key essential services Australians rely on. From these identified, Health, Social Services and Communities, Keeping Australia Safe and the Financial System relate to the impact on residential buildings and the communities that live within them.

This submission will demonstrate how the role of the **manager** is critical to the ecosystem of residential buildings, particularly as they become more impacted by isolating residents. From essential maintenance, to emergency repairs and perhaps most importantly the ongoing waste management and sanitation control that occurs when the schemes are fully occupied for indefinite periods.

We trust this submission will provide a basis for a clarified essential services identification.

Strata Market

This relentless growth in the size of the market has generated an intensively competitive and rapidly evolving service sector. The governance and technical features of strata buildings increasingly require a high degree of specialist knowledge among all the many and varied trades and services that operate within the broader property services industry. The difference between common and private property, and the decision-making processes of body corporate committees, add a degree of complexity to trade and service delivery. **Managers** are the key link in this value chain.

Based on the 2016 Census, more than 2.2 million people live in flats and apartments, the vast majority being strata titled. This figure does not include other forms of strata title such as townhouses and community titled developments. Nor does it include businesses operating in strata titled commercial buildings.

A 2018 survey of state and territory land title records² showed there were 316,227 strata schemes in Australia comprising 2,587,397 individual lots. Their combined replacement value exceeds \$1 trillion.

Strata Services

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Direct employment in specialist strata management companies is approaching 10,000 people. More significantly, they are pivotal in an estimated \$6.7 billion in annual economic activity³.

Managers are required to navigate through a maze of legislation and regulation ranging from actual strata specific legislation to Workplace Health and Safety, Building Codes, as well as measures applicable to the management of body corporate funds. A **manager** is expected to be knowledgeable on a range of issues relating to the management of a scheme and skilled to deal with interpersonal challenges. Many of the areas a **manager** advises on are specialised, detailed and complex.

¹ Guaranteeing Essential Services. Australian Budget 2019-20 <https://budget.gov.au/2019-20/content/services.htm>

² Australian National Strata Data 2018, UNSW City Futures Research Centre

³ Australian National Strata Data 2018, UNSW City Futures Research Centre

Defining Essential Services

Essential Services should cover designated businesses and other organisations that provide essential services and workforces related to COVID-19 that shall continue to operate brick and mortar facilities⁴ during this time period.

Community or Government-Based Operations and Essential Functions

- Workers to ensure continuity of building functions, including but not limited to security and environmental controls (e.g., HVAC), and the permits and inspections for construction supporting essential infrastructure.
- Local and state inspectors and administrative support of inspection services who are responsible for the inspection of elevators, escalators, lifts, buildings, plumbing and gas fitting, electrical work, and other safety related professional work

Residential/Commercial Facilities

- Workers who support the supply chain of building materials (production to application/installation), and employees who provide services that enable repair materials and equipment.
- Workers distributing, servicing, repairing, installing residential and commercial HVAC systems, boilers, furnaces and other heating, cooling, refrigeration, and ventilation equipment.

Residential Facilities and Services

- Workers responsible for handling property management, maintenance, and related service calls who can coordinate the response to emergency “at-home” situations requiring immediate attention, as well as facilitate the reception of deliveries, mail, and other necessary services.

Public Safety

- Security staff to maintain building access control and physical security measures.

Communications and Information Technology

- Workers providing electronic security, fire, monitoring and life safety services, and to ensure physical security, cleanliness and safety of facilities and personnel

Hygiene Products and Services

- Workers providing personal and household goods repair and maintenance.
- Workers necessary for the installation, maintenance, distribution, and manufacturing of water and space heating equipment and its components.
- Support required for continuity of services, including commercial disinfectant services, cleaning personnel, and support personnel functions.

Construction-Related Activities

- Workers such as plumbers, electricians, exterminators, builders, contractors, HVAC Technicians, landscapers, inspectors and other service providers who provide services that are necessary to maintaining the safety, sanitation, and essential operation of residences, businesses and buildings.

⁴ City of Massachusetts (31 March 2020), COVID-19: Essential Services <https://www.mass.gov/info-details/covid-19-essential-services#waste-and-wastewater->

Proposed Essential Service Single Point of Access

It's vital that they have access to the most up-to-date information. Strata communities must make decisions based on reliable sources.

There has never been a time for more kindness, acceptance, flexibility and support for each other. Whilst isolating is our personal responsibility, surviving and thriving through the long night in strata will require a village response.

As the community is now forced to shelter in apartments and homes, the need for adaptive solutions to work with our strata communities has never been more critical. The economy is being placed into hibernation, but strata cannot hibernate. We are facing an unprecedented challenge and must have a coordinated effort.

Strata and Building Management services offer an alternative to having service providers attending sites and meeting with a multitude of residents to assess and address repairs and maintenance. The Single Point of Access allows an opportunity to have control measures in place to protect the service providers from having to interact with residents and vice versa.

In buildings where there is Building Management on site, an access provision can be made to allow safe access to the building and other areas with minimal interaction with either residents or the Building Manager. Buildings where there is no Building Manager, safe access arrangements can be provided via the **manager** at the Strata Management company.

The public communication aims of the **manager** are very similar to the Emergency Response Plan for the Australian Health Sector⁵. Whether people are a landlord, owner occupier, committee or a building owner, SCA prepared best practice guidelines⁶, based on best practice, proactive advice and preventative policies, for **manager**, strata committees and residents who are living in apartments. These guides focus around preparedness, communication and resident safety during the COVID-19 outbreak.

Everyone will be home for some weeks and quite possibly feeling under pressure with the uncertainty of the current circumstances. During this time, all residents should be encouraged to be tolerant, considerate and kind to each other. A common courtesy that may be tested during these potentially challenging times.

The role of strata and building management will support the following roles:

- *Build and maintain public trust and support by providing consistent, clear, informative public messaging.*
- *Ensure messages include what we know; what we don't know; what we are doing; and what you can do.*

⁵ Australian Government, Department of Health (18 February 2020). **Australian Health Sector Emergency Response Plan for Novel Coronavirus (COVID-19)**. <https://www.health.gov.au/resources/publications/australian-health-sector-emergency-response-plan-for-novel-coronavirus-covid-19>

⁶ Strata Community Association. **Apartment Living and COVID-19 Best Practice Guidelines**. <https://www.strata.community/news/apartment-living-and-covid-19>

- *Encourage behaviours and attitudes that will contribute positively to reducing the spread of disease and minimise the psychological, social and economic impacts including assisting others (neighbours, family, friends etc.).*
- *Manage the disease threat by increasing uptake of recommended actions.*
- *Build public confidence by keeping people informed of the current situation and what is being done to address the impact of the outbreak and through transparency.*
- *Empower individuals by increasing their understanding of the seriousness of the disease.*
- *Ensure individuals, communities and specific stakeholders understand the reasons why interventions might be modified and tailored to best meet the needs of the situation.*
- *Support essential services.*
- *Provide information to at-risk groups.*

Essential Services and Compliance Requirements

(a) Waste Management

Required as part of the operational acceptance of the Development Application pursuant to the registration of a Units Plan and based upon a Waste Management Strategy included with every Development Application, waste collection often requires the involvement of personnel to move waste and rotate hoppers within a building's waste rooms as well as presentation of the hoppers for local Government contractor collection.

We have noted an increase in the requirement for waste movement due to the number of people who are working from home.

Further increases of residents based primarily at home will result in further increases for rotations and the number of services for collection.

All buildings with waste or recycling chutes as well as any with multiple waste rooms will require manual movement of the waste hoppers.

(b) Fire Monitoring

Managers will continue monitoring of the Fire Panels to be able to report faults and reduce the need for increased attendances by service technicians. Essential equipment for the safety of all residents and a compliance requirement.

(c) Vertical Transport

Compliance requirement for regular servicing as well as dealing with periodic issues that arise. Breakdowns may increase due to increased usage. Essential equipment for the safety of all residents and a compliance requirement. Onsite management reduces the number of and severity of the breakdowns.

(d) Hydraulic Infrastructure

The use and misuse will increase. The misuse will also include residents flushing inappropriate items through the system like alternatives to toilet paper rendering the system inoperable. It has already become an issue in certain buildings.

(e) Electrical and Communications Infrastructure

The demands on these items are due to increase as more people are required to work from home. These demands will also increase due to the social needs of residents to interact safely with family and friends.

(f) Cleaning – Touch Points

Increased visits will be required for infection control cleaning⁷ with the disinfection of common area facilities including bathrooms, lobby entrances and all associated access furniture, vertical transport including all operation buttons and various other touch points throughout the building.

Conclusion

A **Manager** can act as a gatekeeper for other service providers, however unless there was 24/7 security on every access point, they are limited in the protection they can provide to non-occupiers. Building Managers, Strata Community Managers and Committees will need to support each other so that the triangle of management can support the lot owners who in turn will need the support of the triangle of management now more so than ever before. And the scheme must remain open to occupiers and service providers such as a caretaking service provider and those whom they supervise, this is essential. Using the clear defined statement like below⁸, will take into consideration the critical functions of body corporate schemes.

Institutional, Residential, Commercial and Industrial Maintenance

Businesses that provide support and maintenance services, including urgent repair, to maintain the safety, security, sanitation and essential operation of institutional, commercial industrial and residential properties and buildings, including, property management services, plumbers, electricians, custodial/janitorial workers, cleaning services, security services, fire safety and sprinkler systems, building systems maintenance and repair technicians and engineers, mechanics, (e.g. HVAC, escalator and elevator technicians), and other service providers who provide similar services.

Any proposed workforce interruptions must take into consideration the critical functions of body corporate schemes.

We hope that these matters will be considered in this light and that clarification can be made.

⁷ HavenCab Sustainable Cleaning Solutions (2020). **Coronavirus (COVID-19) - Infection Control Cleaning- Touch Points.**

⁸ Office of the Premier, Ontario USA (23 March 2020) **List of Essential Workplaces / Institutional, Residential, Commercial and Industrial Maintenance.** <https://s3.amazonaws.com/files.news.ontario.ca/opo/en/2020/03/list-of-essential-workplaces-2.html>



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