

SCA (NSW) Code of Ethics

(Constitution Rule 40)

A code of ethics to establish the principles that govern the conduct of Members of Strata Community Association (NSW) in the context of the strata living environment.



Explanatory Note

This **Code of Ethics** has been prepared by SCA (NSW).

As a rule, applying common sense, good judgment and Integrity to the issues that are faced on a day-to-day basis will help ensure that Member's business decisions are consistent with SCA (NSW) values and this Code.

SCA (NSW) is determined to protect and enhance the reputation of its collective Membership. In a service business, the Integrity that the brand SCA (NSW) represents is one of our most valuable assets.

Acting with Integrity and the highest ethical standards is good business practice and Policy. Each Member of SCA (NSW) must adhere to both the letter and the spirit of this Code.

Whilst this Code does not attempt to list every possible ethical issue that may arise, it does set out clear requirements for the conduct of members.

Failure to comply with this Code means that members may be subject to disciplinary procedures as set out in this Code and the SCA (NSW) Constitution.

This Code is in six parts:

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| Part One | Membership and Chapters Applies to all Chapters within the SCA (NSW) being: Licensee in Charge Professional Strata Manager (LICPSM) Professional Strata Manager (Licensed) (PSM) Associate Professional Strata Manager (APSM) Professional Strata Practice Principal (PSPP); or Other Member Certification types as established by the Board in the future |
| Part Two | Deals with making complaints, enforcements, and disciplinary procedures of this Code |
| Part Three | Strata Practice Standards |
| Part Four | Continuous Professional Development |
| Part Five | Risk Management |

Part 1

Membership and Chapters

This part of **this Code** applies to all **Members**.

Whom this Scheme Applies

The Scheme is to apply to all participating Strata Managing Members of SCA (NSW).

The Scheme does not apply to claims prior to the commencement date.

Limitation of liability to apply to all Professional Strata Manager Members within the organisation who wish to benefit from the Scheme and must have the relevant qualifications mandated by the License Regulator, the NSW Department of Fair Trading.

This Code of Ethics applies to all Chapter Members of the SCA (NSW) as noted in section 15 of the SCA (NSW) Constitution.

Exclusive elements of the Code apply to the Professional Strata Managers Chapter.

Professional Strata Managers Chapter wishing to ensure that they benefit from the limited liability of the Scheme must renew their Membership of SCA (NSW) each year.

Duty

All Members have a duty to look after the best interests of their principal. In particular:

- a) Professional Strata Managers owe a duty to the Owners Corporation with which they manage. Their relationship is fiduciary in nature.
- b) A Strata Service provider owes that duty to the Owners Corporation for whom they are working.
- c) In accordance with the law, Professional Strata Managers owe that duty to all Owners in that Owners Corporation, and a Strata Committee owes that duty to their Owners Corporation members.

Duties of all Members

All Members must always:

- Act ethically.
- Act honestly, be straightforward and sincere.
- Not provide false, misleading, or deceptive information to anyone.
- Be objective, fair, and not allow prejudice or bias to override that objectivity.
- Be and appear to be free of any interest, which might be regarded as incompatible with Integrity and objectivity.
- Use professional courtesy and deal with all Members, Strata Managers, Strata Committee Members, Owners, and any other persons in a respectful manner always.

- Act in a lawful manner and comply with the law as may apply from time to time.
- Act at minimum in accordance with the generally accepted standards of their industry and carry out their work in accordance with the technical and professional standards relevant to that work.
- Perform their duties diligently and with competence, maintain their level of competence, and only undertake work which they reasonably expect to be able to complete competently and in a timely manner.
- Disclose and deal with Conflict of Interest issues in an open and fair manner, and not pay or accept secret commissions, either directly or indirectly.
- Treat confidential information obtained while acting for an Owners Corporation that has not been made public and that:
 - Is by its nature confidential
 - Was specified as confidential by the person who supplied it; or
 - Is known by the Member to be confidential, unless;
 - The disclosure of the information is required by law; or
 - The Owners Corporation is fully informed of the proposed disclosure and agrees to it in writing.
- Not engage in any conduct that wrongfully brings disrepute to the SCA (NSW), its Members or the consumers of their services.
- Comply with the rules regarding display of the SCA (NSW) logo and Professional Strata Managers Scheme logo as promulgated by the SCA (NSW) Board from time to time.
- Not advertise in a way that is false, misleading, or deceptive which
- Creates false or unjustified expectations of favourable results; or
- Consists of self-laudatory or misleading statements that are not based on verifiable facts; or
- Contains unidentified testimonials.
- Not induce or attempt to induce a breach of contract between an Owners Corporation and its Strata Managing Agent.
- Not denigrate another Member, nor any individual, company or profession in general.
- Observe the Constitution of SCA (NSW) and any other guideline or standard formally approved and adopted by SCA (NSW).
- Conduct their business in accordance with the SCA (NSW) guidelines.
- Promote the aims and objectives of SCA (NSW) and strive for the highest degree of professionalism in the practice of Strata Management.
- Be active in SCA (NSW) and willingly share with fellow Members the lessons of their experience.
- Be responsible for actions of their employees in their business relations with fellow Members and Owners Corporations they manage.
- Conform to any CPD training as may be required by the NSW Department of Fair Trading and SCA (NSW) in accordance with the SCA (NSW) CPD Policy to retain Membership of SCA (NSW)
- Not knowingly or negligently include false information in their individual CPD records or any other declaration made to the board.

Professional Strata Managers

This part of **this Code** is specific to **Strata Manager Members**.

All Strata Managing Agents must comply with the provisions of the:

- Strata Schemes Management Act 2015
- Strata Schemes Development Act 2015
- Property and Stock Agents Regulation 2014
- Strata Schemes Management Regulation 2016
- Property and Stock Agents Act 2002 no 66
- Residential Tenancies Act 2010
- Residential Tenancies Regulation 2019
- Environmental Planning and Assessment Act 1979
- Competition and Consumer Act 2010
- Anti-Discrimination Act 1977
- Privacy Act 1998
- Dividing Fences Act 1991
- Agricultural Tenancies Act 1990
- Work Health and Safety Act 2011
- Conveyancing (Sale of Land) Regulation 2017 – under the Conveyancing Act 1919
- NSW Fair Trading Act 1987

In some instances, members may hold several certifications within the professional member chapters. For instance, a Licensed Professional Strata Manager (LPSM) must also be a Professional Strata Manager (PSM) and is also likely to be a Principal of a Professional Strata Practice (PSMP). For clarity, a member holding several certifications is subject to the professional obligations of each of them concurrently.

All Professional Strata Manager Members must ensure they hold Professional Indemnity Insurance and uphold the CPD requirements as stipulated by the Professional Standards Scheme and the NSW Department of Fair Trading.

Without limitations, a Professional Strata Manager Member who recommends a Strata Services provider to an Owners Corporation must:

- Disclose in writing to the Owners Corporation any rebate, discount, or commission as required; and
- Disclose in writing to the Owners Corporation any potential Conflict of Interest required to be disclosed; and
- Must not accept, directly or indirectly, any undisclosed commission from any person for the recommendation.

Professional Strata Manager Members must not charge fees or disbursements that are not permitted under the signed Agency Agreement /contract of appointment or any variation of it without the consent of the Owners Corporation.

A Professional Strata Manager Member must not demand or receive a commission, reward, or other valuable consideration from any person for the provision of a service that is greater than the amount agreed in writing with the client.

A Professional Strata Manager Member must not demand or receive a commission, reward or other valuable financial consideration from any person for the provision of the following services unless agreed in writing by the Owners Corporation in engagement documents prior to the services being obtained:

- Plans, forecasts, assessments, and the like for reserve funds; or
- Insurance valuations for the replacement of insurable assets and the like; or
- Reports that identify asbestos and asbestos-containing material; or
- Reports that identify hazards and the associated risks for a Strata Community; or
- Reports and audits that deal with the Compliance or otherwise of essential services or fire services for a Strata Community.

A Professional Strata Manager Member will not unreasonably charge for additional duties and must be able to demonstrate that the expense was properly incurred by the Strata Manager Member.

A Professional Strata Manager Member being an Owner that is managed by another Strata Manager must not unethically use information obtained as such to seek the change or transfer of the management of that Strata Scheme to that first Strata Managing Agent.

A Professional Strata Manager Member must not refuse or delay convening a meeting, where one of the motions to be considered is the termination of its appointment or the appointment of another Strata Manager.

Professional Strata Manager Member must not use information obtained whilst undertaking searches regarding an Owners Corporation managed by another Professional Strata Manager Member for the purpose of contacting that Owners Corporation with a view to effect the change or transfer of the management of that Owners Corporation to that first Strata Managing Agent.

A Professional Strata Manager Member must:

- Comply with their duties in relation to record-keeping in accordance with the generally accepted standards of their industry and as required by law; and
- Take due care of records in their possession or under their control and do so in accordance with this Code and any applicable law.

A Professional Strata Manager Member must implement and maintain adequate systems and procedures to ensure accountability and transparency in all financial transactions. This includes appropriate financial records, reports, and measures to minimise fraud and ensure all monies held on trust or otherwise under their control are used properly and in accordance with the law.

Professional Strata Manager Member who does not have an appointment to act in the form of a Strata Agency Agreement from an Owners Corporation must not:

- Act as a Professional Strata Manager Member for the Client; or
- Represent that the Professional Strata Manager Member is acting for the Client.

A Professional Strata Manager Member must ensure any changes made to the appointment to act is placed in writing and may be made by way of amendment to the original document that appointed the Strata Manager Member.

A Professional Strata Manager Member must not provide payments to developers to induce them to enter into management agreements.

A Professional Strata Manager Member must not provide marketing of developer projects to induce developers to enter into management agreements. Without limiting the legislative requirements, if a Professional Strata Manager Member ceases to manage a Strata Scheme they must within 28 days after satisfactory provision is made for the remuneration of the Strata Community Manager, make available for collection by a person or company authorised in writing by the Owners Corporation, all records and property of the Owners Corporation.

Professional Strata Practices

This part of **this Code** is specific to **Professional Strata Practice (PSP) Members**.

PSP's are the entity responsible for ensuring good practice of its employed professional community. As such they have responsibility for direct oversight of conduct of employees and the maintenance of high standards of professional conduct in accordance with the Code of Ethics.

They are deemed to be responsible for ensuring that the Strata Practice Standards (Code of Ethics, Part 3) are implemented and operating in the interests of good practice and consumer protection.

Being responsible for the professional conduct and oversight of its employees. A breach of the professional obligations in this Code by a Professional Strata Manager may be seen as a breach of the Code by the Professional Strata Practice.

PSP's will confirm they meet these obligations by:

- Participating in a Biennial Compliance Audit of their practice. This program includes:
 - a compliance questionnaire and declaration that is designed to capture information about Practices (and individual Members):
 - PII Claims experiences throughout the period.
 - Experiences of conduct or market or professional risk (include notices from regulators etc..).
 - Copies of PI policy to check Compliance with the Standard.
 - Confirmation of disclosure obligations with PSL (stationery, email review etc..)
 - Changes in the number of staff (professional and support)
 - Material changes in ownership or scale.
 - Site visits and inspections of practices that, based on the results of the Biennial Compliance Audit, show evidence of creating potential high risk to consumers.
- Ensuring Compliance with the PSL obligations for disclosure

Strata Services Providers

This part of **this Code** is specific to **Strata Service Providers**.

Many Strata Services Providers also belong to their own industry association or institute, and this Code requires that they act ethically when observing not only their own industry association or institutes Code of Ethics or conduct but also this Code.

Strata Services Providers must not use information obtained in a commercial relationship with a Professional Strata Manager Member for the purpose of contacting an Owners Corporation managed by that Professional Strata Manager Member with a view to effect the change of transfer of the management of that Strata Agency to another Agency unless instructions to effect that change originated from that Owners Corporation.

Strata Services Providers must not distribute unauthorised marketing material at the events of SCA (NSW).

Strata Services Providers must comply with any disclosure requirements under law, including, if applicable, any law in respect to Acts and Regulations.

Owners

This part of **this Code** is specific to **Owners and Owners Corporations**.

Strata Manager Members have enormous trust placed upon them by their fellow Owners, both in general and when those Owners who have elected Strata Committee Members to the Strata Committee. Therefore, this Code seeks that Strata Committee Members discharge their duties ethically.

A Strata Committee Member must not gain a benefit over and above other Owners or a majority of those Owners unless that Strata Committee Member discloses such a benefit at any meeting of the Strata Committee where a motion relevant to such a benefit is considered, and makes that disclosure prior to the consideration of that motion.

A Strata Committee Member who stands to gain a benefit over and above other Owners or a majority of those Owners must not offer or provide misleading or inaccurate information to attempt to gain support for any motion relevant to such a benefit.

A Strata Committee Member, or a person who seeks to be elected as a Strata Committee Member, must comply with any disclosure requirements under law, including, if applicable to any law specific to that State Chapter Region.

Part 2

Complaints Management Process

Enforcement Action

All Members are advised, when they apply to become a Member, that they will be bound by this Code, or such other "Code of Practice and/or Ethics" as may have been adopted, have been replaced by, or replace this Code from time to time.

A Member who breaches this Code may be subject to enforcement and disciplinary procedures as set out in the SCA (NSW) Constitution and as determined by SCA(NSW) 's Code of Conduct Committee and Complaints Panel.

Professional Strata Members must comply with the SCA (NSW) Complaints Management Process (CMP).

Who may Lodge Complaints under this Code?

Any person may make a complaint regarding a breach of this Code. This includes SCA(NSW)members.

Complaints Panel (The Panel)

A group of three (3) current SCA (NSW) Board Members approved by the SCA (NSW) Board.

Delegated Complaints Manager

A person appointed from time to time by the SCA (NSW) Board to manage the Complaints Management Process.

Complaints Appeal Officer

A person appointed from time to time by the SCA (NSW) Board to manage appeals against complaints outcomes.

How are Complaints made?

Complaints must be made in writing to SCA(NSW) using the Complaints Management Form and are to be accompanied by all materials reasonably necessary to support what is alleged in that Complaint.

The CMP contains information and provides procedures and forms in relation to the making of complaints.

Who considers the Complaint?

The delegated Complaints Manager is responsible for managing the complaints process.

The Complaints Panel (the Panel) will decide on matters related to the Code of Conduct. The Panel will consider the Complaint as soon as practicable and deal with the Complaint in accordance with the Complaints Management Framework (CMF) and guidelines determined by the SCA (NSW) Board.

Principles of the Complaints Management Process (CMP)

The fundamental goal of this Complaints Management Process is to promote best practice and encourage ethical and professional practice and conduct by all Members of Strata Community Association (NSW) Limited SCA NSW) pursuant to Rules inclusive of the SCA (NSW) Constitution.

The principles that the CMP seeks to apply are:

- **Accessible:** the CMP should be available to Members and the public, in plain language, at no cost.
- **Accountable:** the CMP should report outcomes of hearings and give reasons for its decisions.
- **Data collection:** the CMP should provide for the collection and analysis of complaint data.
- **Efficient:** the CMP should be conducted in a timely manner with adequate assistance provided to Complainants to help them prepare a Complaint.
- **Effective:** the CMP should provide sanctions appropriate to an offence committed and provide an opportunity to monitor.
- **Fairness:** the CMP should be fair and transparent to all parties.
- **Process review:** the CMP should be reviewed periodically by the Board to ensure SCA (NSW) standards of ethical and professional practice and conduct by its members are effective and Complaints are handled efficiently.
- **Professional Integrity:** the CMP should be adequately resourced, and ensure sanctions are seen to be effective and enforceable.

To Whom does this Complaints Process apply?

Any person or organisation may contact SCA (NSW) with a query in relation to the "Code of Ethics" adopted pursuant to Rule 40 in the SCA (NSW) Constitution without resorting to the CMP. Such an inquiry may clarify whether lodging a Complaint Management Form is warranted in relation to activities or actions of a member and whether these activities or actions constitute a possible breach of the Code of Ethics.

A Member is encouraged to self-report possible breaches of the Code of Ethics and seek assistance from the delegated Complaints Manager in SCA (NSW).

Any person or organisation may lodge a complaint under this CMP alleging a breach of the Code of Ethics by a Member. The person or organisation lodging the Complaint need not be a member.

The CMP neither replaces nor overrides any rights available to a person or organisation at law.

Members acknowledge that they have:

- No right of action in any court or jurisdiction; and
- No right to damages or any form of compensation or indemnity; as against:
 - SCA (NSW)
 - Any Officer of SCA (NSW); or
 - Any Complainant; because of:
 - Any costs of any nature which the Member may incur (including, but not limited to, legal costs) in answering a Complaint; or
 - Any losses or damages of any nature which the Member may incur directly or indirectly due to the "Panel" making a finding as against that Member.

Complaints Process

If a person or organisation wishes to make a complaint about the conduct of a member, the process is in 3 stages:

- Stage 1 - Lodging a Complaint and Initial Processing of a Complaint
- Stage 2 - Investigation of a Complaint; and
- Stage 3 - Review and Hearing of a Complaint
- Stage 4 - Findings and Disciplinary Action

Stage 1 - Lodging a Complaint

A Complaint must:

- Be in writing
- Be lodged with SCA (NSW) online following the process and using the Member Complaint Form provided on SCA (NSW) website; and
- Contain sufficient details to enable SCA (NSW) to identify the Complainant, the Member, and the nature of the Complaint.

The Complainant must complete an online MCF, an example of which is located at Appendix 1. The Complainant is required to indicate on the MCF the part(s) of the Code of Ethics alleged to have been breached by the Member.

In lodging a Complaint, the Complainant accepts that they may be required to explain and answer questions in relation to the Complaint to the delegated Complaints Manager. The purpose of this requirement is to discourage frivolous or vexatious complaints and enable the subject Member an opportunity to respond in relation to the allegations made.

If the Complaint concerns Unsatisfactory Conduct, it must be lodged within twelve (12) months of discovery of an alleged breach of the COE.

If the Complaint concerns Professional Misconduct, it may be lodged at any time after discovery of an alleged breach of the COE.

Stage 2 - Initial Processing of a Complaint

The Complaint must be directed initially to the SCA (NSW) delegated Complaints Manager who:

- Must promptly acknowledge receipt of the Complaint to the Complainant; and
- May request further information from the Complainant if the delegated Complaints Manager considers it necessary for the resolution of the Complaint; and
- If there is insufficient information to warrant an investigation or it appears, in the delegated Complaints Manager reasonable opinion, that the Complaint is frivolous, vexatious or otherwise without merit as determined by guidelines nominated by the Board from time to time, will reject the Complaint; or
- If there is sufficient information to warrant investigation, must refer the Complaint to the Subject Member for a response.

The delegate Complaints Manager will provide to the subject Member hard copy and/or a soft copy of the latest COE, the Complaint and further information obtained within 14 days of receiving the Complaint.

If any party to a complaint has any questions in relation to the Complaint prior to the review, these questions will be put to the delegated Complaints Manager in writing, by hand and/or soft copy:

- If the party is the Complainant, within 14 days of having lodged the Complaint: or
- If the party is the Subject Member, within 14 days of the Subject Member receiving the documents.

The Subject Member may respond to the Complaint by writing to the SCA (NSW) Secretariat, and if they choose to do so, must submit their response within:

- 28 days of receiving the Complaint or;
- Such longer time as notified by the delegated Complaints Manager the Subject Member if further information is required from the Complainant under clause 2.9.6 (b).

If the Subject Member does not respond to the Complaint within the permitted time the delegated Complaints Manager will continue the CMP and ensure the Subject Member is informed of the outcome.

Stage 3 - Investigation of a Complaint

The SCA (NSW) Secretariat must investigate the Complaint in such manner as (s)he deems appropriate and may delegate investigation of the Complaint to SCA (NSW) staff members, Officers, or another nominee of the SCA (NSW) Secretariat as previously approved by the Panel.

Within 30 days of receiving the Subject Member's response to the (or such longer time as the delegated Complaints Manager deems necessary) or the deadline if the Subject Member did not respond, the delegated Complaints Manager must:

- Review and investigate the Complaint.
- Make a preliminary assessment of the Complaint.
- Seek such further information as may be necessary; and
- Attempt to resolve the Complaint with the Complainant and Subject Member and in so doing may use any means including, but not limited to, informal settlement conference and mediation. (Any Panel Member who takes part to resolve the Complaint by such means must not take any further part in relation to the hearing of the Complaint.)

In conducting the investigation, the delegated Complaints Manager may deal with the Complaint summarily is able to do so.

If the delegated Complaints Manager makes a finding that the Complaint is without substance, the delegated Complaints Manager must:

- Dismiss the Complaint summarily;
- Report the dismissal to the Panel;
- Record the Complaint in the Complaints Register

A Complaint concerning Unsatisfactory Conduct may be resolved by either of the following procedures:

- By written agreement between the Complainant and the Subject Member; or
- If, with the consent of the Complainant, the Subject Member undertakes in writing to SCA (NSW) to take corrective action at the Subject Member's expense, including compulsory attendance at an SCA (NSW) seminar, appropriate counselling or undergoing some other undertaking as determined by the SCA (NSW) Secretariat to resolve the Complaint.

If at any time both the Complainant and the Subject Member are satisfied with the resolution of the Complaint and acknowledge their satisfaction in writing to the delegated Complaints Manager, the Complaint will be deemed to be resolved as between them.

When a Complaint is resolved the delegated Complaints Manager will report in writing the Complaint and its resolution to the Panel.

The Delegated Complaints Manager must refer Complaints to the Panel for review and hearing in the following circumstances:

- If the Complaint concerns Professional Misconduct; or
- If the Complaint concerns Unsatisfactory Conduct and is not resolved ; or
- If the Subject Member fails to respond to the Complaint.

If a Complaint concerns Professional Misconduct, it cannot be withdrawn after being made by the Complainant. SCA (NSW) will retain all documents provided to it by the Complainant:

- To facilitate the Delegated Complaints Manager's investigation; and
- For the information of the Panel to facilitate the Panel's review and determination of the Complaint.

If the Delegated Complaints Manager makes a finding of Professional Misconduct which involves a potential criminal component (including, without limitation, fraud, embezzlement, theft, or illegal sexual activity), the Delegated Complaints Manager must report within 2 business days to the Panel.

The Panel must consider within 2 business days to;

- Refer the Complaint to the police for further investigation; and
- Revoke the Membership of the Subject Member.

A failure by the Subject Member to co-operate with investigations by or on behalf of the Delegated Complaints Manager or the Panel may constitute either Unsatisfactory Conduct or Professional Misconduct, depending on the Delegated Complaints Manager's assessment of the nature of the Complaint and the nature of the Subject Member's failure to co-operate.

Stage 4 - Review and Hearing of a Complaint

When a Complaint is referred to the Panel, the Delegated Complaints Manager will provide the following information about the Complaint to the Panel:

- The Complaint.
- The Subject Member's response to the Complaint (if any); and
- The outcome of the Delegated Complaints Manager's investigation of the Complaint, together with any relevant documents.

The Panel may:

- Seek legal advice in relation to the handling of the Complaint; or
- (If the Delegated Complaints Manager has not already done so under clause 2.7.19) refer the Complaint to a government agency (such as the Police, ASIC or NSW Fair Trading) where appropriate; or
- Defer the review of a Complaint where legal proceedings have commenced pending the outcome of those proceedings.

Complaint Management:

- The Panel may, if it deems appropriate to do so, for the purpose of investigating a Complaint, appoint a Panel comprising three (3) persons, such persons to be present Panel Members.
- If the Panel considers it appropriate to do so, the Panel may review the Complaint without appointing a Panel.
- The Delegated Complaints Manager will notify the Complainant and the Subject Member of the time and date at which the Panel will review the Complaint, and the parties may inform the Delegated Complaints Manager of their intention to attend the review at least two (2) days prior to the date scheduled for the review.

The Complainant and the Subject Member may also be invited or directed by the Delegated Complaints Manager to produce documents and provide witness statements relevant to the Complaint. A party producing documents to the Panel must provide copies of those documents to the other parties as well.

The Panel must review the Complaint as soon as practicable and may:

- Determine the Complaint; or
- Adjourn the Complaint; or
- Refer the Complaint to the Delegated Complaints Manager to undertake or arrange for further investigation.

The Panel may adopt specific procedures for the review to provide a fair hearing. The Delegated Complaints Manager may determine that when the Panel reviews the Complaint, the Complainant and the Subject Member may be:

- Given an opportunity to be heard and make submissions to the Panel; or
- Directed by the Delegated Complaints Manager to attend a Panel hearing and/or make submissions. Subject to the Delegated Complaints Manager's approval, the Panel and the Subject Member may be given an opportunity to ask questions of the Complainant. The Panel will also have an opportunity to ask questions of the Subject Member.

The review is not subject to formal rules of evidence and a transcript will not be made of the review. Parties have no right to legal representation at the review. However, the Panel may, at its absolute discretion, permit the parties to be legally represented provided that the parties agree to bear their own costs of such legal representation.

The Panel may, at its discretion, allow one or more of the parties to apply to adjourn the review of the Complaint being considered under this Stage 3.

Stage 5 - Findings and Disciplinary Action

In relation to a Complaint, by majority vote, the Panel may:

- Dismiss the Complaint; or
- Uphold the Complaint and find that the conduct the subject of the Complaint constitutes Unsatisfactory Conduct; or
- Uphold the Complaint and find that the conduct the subject of the Complaint constitutes Professional Misconduct.

If the Panel finds that there has been a breach of the COE resulting in a finding of either Unsatisfactory Conduct or Professional Misconduct, the Complainant and Subject Member will be given an opportunity to make submissions as to the appropriate, outcome, action and penalty that should be considered appropriate by the Panel within a reasonable time before that issue is determined by the Panel.

Where the Panel makes a finding of Unsatisfactory Conduct or Professional Misconduct against a Subject Member, it may impose on the Subject Member any requirements and/or directions it deems appropriate such as the following:

- Require a written undertaking to the Panel by the Subject Member to attend at the Subject Member's expense an SCA (NSW) seminar, appropriate counselling or some other undertaking as determined by the Panel.
- Issue a letter of reprimand to the Subject Member.
- Issue a letter of censure to the Subject Member.
- Prohibit the Subject Member from holding office in SCA(NSW).
- Require the parties to mediate.
- Require the parties to submit to binding arbitration.
- Issue a public or private apology in writing which may include media advertising.
- Direct the Delegated Complaints Manager to suspend the Membership of the Subject Member.
- Direct the Delegated Complaints Manager to expel the Subject Member from Membership of SCA (NSW).
- Make a recommendation to the Subject Member's licensing authority supported by papers and information in the possession of SCA(NSW).
- The publication of the decision(s) of the Panel and the Board in any media; and/or
- Subject to any Board approval, any other penalty the Panel determines is appropriate.

Panel Responsibilities in relation to Complaints Management

The Panel must publish to the Complainant and Subject Member within 28 days:

- The determination and reasons for the determination; and
- The penalty.

Subject to SCA (NSW) will make available a copy of the reasons for the determination and the penalty to any Member upon receipt of a written request in writing and at the requesting Member's expense.

A Complainant or Subject Member may request, by notice in writing to the Panel within five (5) working days of receiving the determination, that his/her details be suppressed, which may be determined by the Panel in its sole and absolute discretion.

The Panel is not obliged to suppress identification of the Subject Member.

In circumstances where a Subject Member's Membership has been suspended or cancelled, SCA (NSW) may note such suspension and cancellation on the SCA (NSW) website but will not record details of the Complaint or the reasons for the suspension or expulsion apart from the following:

- **Suspension** – "[Subject Member] is not currently a member of the SCA (NSW). [Subject Member's] SCA (NSW) Membership was suspended due to a finding of the Panel on [date]."
The above notation in relation to a suspension will remain for the period of suspension.
- **Cancellation** - "[Subject Member] is no longer a member of the SCA(NSW). [Subject Member's] SCA (NSW) Membership was cancelled due to a finding of the Panel on [date]."
The above annotation will remain on the SCA (NSW) website for as long as may be determined by the Board.

An SCA (NSW) Member whose Membership has been cancelled will not be permitted to renew his/her Membership at a later stage until permitted to do so pursuant to a resolution of the Board.

The Panel must report to the Delegated Complaints Manager and Board in relation to the activities and all inquiries of the Panel and the Complaints Process. This will be a standard agenda item of every regular meeting of the Board and on terms and conditions determined by the Board.

The Panel must monitor Compliance by a Subject Member with any requirements or directions imposed against the subject member under clause 2.7.31.

The Panel must undertake a periodic review of complaints received under this CMP every three (3) years, or earlier if so, directed by the Board, to determine if amendments should be made to this CMP.

The Panel may make recommendations to the Board to amend the COE.

SCA (NSW) must keep records of all correspondence with a Complainant and Subject Member and must keep that correspondence confidential and secure in accordance with the NSW Privacy Principles, as set out on the SCA (NSW) Website <https://www.nsw.strata.community/> and as otherwise determined by the Board from time to time.

Where a member of the Panel, the Delegated Complaints Manager, Officer or a delegated representative is, or becomes, aware that in relation to a particular complaint about a Subject Member, they have an interest, whether business, financial or personal, that may or will make it difficult for them to discharge their duties under this CMP or that may bring the CMP into disrepute, they must declare that interest and stand aside from the CMP relating to that Subject Member.

- Where the Panel have determined there is a breach of the SCA (NSW) Code of Ethics, this will result in an exclusion from the Membership of SCA (NSW) and the Professional Standards Scheme.

Appeals Process

An appeal against a determination made by the Panel of the Complaints Process must:

- Be in writing.
- Be addressed to the Appeals Officer.
- Be lodged with SCA (NSW) within 28 days of notice of the determination by the Panel, and;
- State the grounds on which the appeal is made.

The grounds for an appeal by a Complainant or Subject Member are limited to one or more of the following:

- Failure by the Panel to follow the Complaint Process, or criteria, policies or procedures published by the Board in the Code of Conduct.
- A material error or omission of fact by the Panel; and/or
- The severity of the penalty imposed by the Panel.

The Appeals Officer must not be a member of the Panel that took part in the review and determination of the Complaint which is being appealed.

The Appeals Officer must decide within a reasonable time (e.g. 28 days of receipt of the appeal by SCA (NSW)) to:

- Dismiss the appeal; or
- Uphold the appeal.

Where the Appeals Officer determines to dismiss an appeal, no further action is required by the Appeals Officer and the Panel except to inform the parties of the Appeals Officer's decision.

Where the Appeals Officer determines to uphold an appeal, the Appeals Officer may:

- Substitute its own determination for that of the Panel; or
- Remit the Complaint to the Panel for further determination as required, with directions as to issues which require reconsideration.

The Appeals Officer must inform the parties and the Panel of the Appeals Officer's determination and the reasons for the determination within 28 days of making the determination.

Part 3

Strata Practice Standards

Introduction

The purpose of this document is to provide a minimum framework for a Business to improve their performance by specifying repeatable steps that the Strata Managing Agent can consciously implement to achieve goals and objectives, and to create a business culture that reflexively engages in a continuous cycle of self-evaluation, correction and improvement of operations and processes through heightened employee awareness and management leadership and commitment.

Strata Management Business Practice Manual

Practice Manual

The Professional Strata Managing Agent must have a Strata Management Practice Standard Manual (the Manual) setting out the procedures that address the Business' requirements to manage its own internal processes, Owners Corporations, the implementation of relevant legislation, and follow the SCA (NSW) Code of Ethics.

Authorisation

The Manual must be authorised by the Licensee in Charge of the Business.

Procedural Implementation

The Professional Strata Managing Agent must implement all nominated procedures in the Manual including but not limited to:

- Conflict of Interest
- Owners Corporation Accounts Audit
- Uninsured exposures
- Obtaining insurance quotations for the Owners Corporation
- Arranging a valuation of common property and personal property vested in the Owners corporation
- Records Management
- Minuting Minutes
- Handover of strata communities when a Strata Manager is changed or upon termination of the agreement
- Staff Management Policies and Procedures
- Inductions for new personnel
- Performance management
- Training and CPD
- Occupational Health and Safety
- Termination
- Handling of complaints
- Use of technology
- Privacy

- Mental health and wellbeing
- Communication, both internally amongst staff and externally with clients and other parties that the Strata Managing Agent associates with.

Maintenance of Manual

The Manual must be maintained up to date, therefore any business management changes should be included within 3 months.

Availability

The Manual must be made available to all staff including non-Strata Managers.

Manual Review

The Manual must be reviewed and revised as necessary at least once a year.

Audit of Manual

The Manual and associated procedures must be independently audited by a SCA (NSW) authorised auditor. An Annual Review Audit is required for the Strata Managing Agent to maintain certification.

Owners Corporation accounts

The Strata Managing Agent must comply with legislative obligations to account fully to its clients upon reasonable requests:

- a) Receipt by it of moneys or other property of value for or on behalf of each client.
- b) Payment by it of moneys or disposal of property of value for or on behalf of each client.

The Strata Managing Agent must take all reasonable care to not allow the funds of any client to be deposited into, co-mingled or paid from the funds of any other client, and client funds are to be kept as prescribed and otherwise in separate client accounts and/or operated as a trust or bank account, which are annually audited by an independent registered auditor.

The Strata Managing Agent must comply with legislative obligations and have a procedure in place for the annual audit for those Owners Corporation that approve such audit to be conducted.

Insurance

The Strata Managing Agent must maintain appropriate Workers Compensation, Public Liability, Professional Indemnity, Cyber, and Director's Liability insurance for the Strata Managing Agent and all their employees.

Strata Management

Strata Management Agency Agreement

The Strata Managing Agent must complete in writing a Strata Management Agency Agreement when an Owners Corporation wishes to engage a strata management business.

Agreement Copies

The Strata Managing Agent must maintain a copy of the completed Strata Management Agreement for record purposes and provide a written and complete copy to the Strata Committee Representative.

Agreement Terms

The Strata Management Agreement must clearly set out all the contract terms.

The Strata Management Agreement must not be inconsistent with the Code, the Act, and the Regulations, or any of the clauses of the SCA (NSW) standard contract.

Schedule of Fees

The Strata Management Agreement must clearly set out a schedule of fees.

Payment Terms

The Strata Management Agreement must clearly set out the payment terms.

Disclosures

The Strata Management Agreement must clearly set out all commissions or remuneration payable for insurance policies or other contract services, and any other conflicts of interest.

The Strata Managing Agent must in accordance with regulatory requirements and upon reasonable request disclose its certificate of current professional indemnity insurance.

Termination

The Strata Management Agreement must clearly set out the termination requirements including early termination of the Strata Management Agreement.

Dispute Resolution

The Strata Management Agreement must have a dispute resolution clause detailing the steps to be taken if a dispute should arise under the Strata Management Agreement. All proposed actions must be provided in writing.

Insurance and Risk Management

The Strata Managing Agent if instructed to do so must seek necessary insurance quotations for the Owners Corporation to ensure statutory insurance obligations are maintained.

The Strata Managing Agent must establish a procedure for an Owners Corporation to consider other uninsured exposures.

The Strata Managing Agent must have a procedure to obtain insurance quotations for the Owners Corporation to take into consideration the building replacement value, including escalation factors, together with recommending a valuation of the building and common property to be commissioned by a qualified valuation company at least every 5 years.

The Strata Managing Agent must have a procedure in place for arranging a valuation of common property and personal property vested in the Strata Community.

Owners Corporation Documents

Books and Records

The Strata Managing Agent must have a records management procedure that details the records to be maintained securely and the applicable time limits that may apply, for each Strata Community.

Records to be kept and maintained as prescribed by legislation and otherwise include, but are not limited to:

- a) Strata Plan
- b) By-laws
- c) Strata Plan encumbering instruments
- d) Agendas and minutes of meetings
- e) Contracts and agreements
- f) Strata building plans (where available)
- g) Proprietor rolls
- h) Accounting source documentation (including income tax returns)
- i) Common seal
- j) Common property access devices (where applicable)
- k) Strata Manager activities delegated by the Owners Corporation
- l) Insurance policies and latest certificates of currency
- m) Other documents required by state regulations
- n) Building valuations, land valuations, capital works/sinking fund/maintenance 10-year plan

Other Procedures

Meetings

The Strata Managing Agent must have a procedure for minuting meetings including the annual general meeting. The procedure must detail the timing of all meetings, personnel who are to attend meetings and the required agenda.

Handovers

The Strata Managing Agent must have a handover procedure that incorporates and complies with relevant legislative obligations, and details the methods to be applied when a Strata Manager is to be changed, upon termination, or a new strata management business is to be engaged by a Strata Community. The handover procedure must indicate a time frame, the professionalism to use, respect to fellow members during handover, and the commitment to comply.

Staff Management Policies and Procedures

The Strata Managing Agent must have Policy and procedures to cover induction, performance management, training and CPD, WHS management, and termination. The induction procedure must ensure that all new personnel go through a documented induction process, which includes training on the Manual.

Records must be kept of all personnel's' qualifications, training, and experience.

All personnel must be provided with training for them to achieve and maintain a level of knowledge and competence that is sufficient to perform the functions of the position held by the personnel.

Complaints/Feedback

The Strata Managing Agent must have a complaints procedure detailing who is to deal with complaints and the course of action to be followed.

Complaints are to be responded to promptly and followed up in writing. The actions to redress the Complaint and any preventative actions to be taken will be explained to the Complainant. The person dealing with the Complaint must contact the Complainant to ensure that corrective and preventive actions are satisfactorily implemented.

Technology

The Strata Managing Agent must have a technology and cyber-technology procedure detailing the use of the company's computer system, data storage and recovery, emergency procedures, and any restrictions on its use. Consideration must be given to the sending of e-mails and the accessing of electronic media by staff members. Virus detection, protection and the electronic storage of records must also be implemented, as necessary.

Privacy

The Strata Managing Agent must have a privacy policy and where applicable Compliance with the Privacy Act (1988) that details how a person's information will be secured and who may have access to that information and for what reasons.

Mental Health and Wellbeing

The Strata Managing Agent must have a policy that provides a framework for the promotion of good mental health and wellbeing in the workplace.

Work Health and Safety

The Strata Managing Agent must have, and implement, a procedure for creating and maintaining a safe and healthy working environment wherever the Strata Managing Agent is active.

Communications Policy

The Strata Managing Agent must have a procedure that acts as a framework for good communication internally amongst staff members and externally with clients and other parties that the Strata Managing Agent associates with.

Part 4

Continuing Professional Development (CPD) Policy

Policy Scope and Statement

SCA (NSW) Continuing Professional Development Policy is an integral part of a Professional framework. This enables Professional Strata Managers to develop and expand their professional competence by meeting legislative requirement and increasing their ongoing education, thereby maintaining, and improving an effective and competent service to their clients.

This Policy will also maintain and improve public confidence in the sector as it defines the pathway members take to stay abreast with legislation and developmental changes in the Strata Community within each region.

Strata Community Association (NSW) CDP Framework supports our Professional Membership, Professional Conduct, and our Complaints and Disciplinary systems.

When you renew your Membership each year, you declare to comply with the SCA (NSW) constitution By-Laws and CPD obligations.

Who is required to complete CPD?

Members who are Chapter Members of the following Chapters are required to complete CPD.

- Licensee in Charge Professional Strata Manager (LICPSM)
- Professional Strata Manager (PSM)
- Associate Professional Strata Manager (APSM)

The annual CPD requirements are as follows:

| | |
|--|----------|
| Licensee in Charge Professional Strata Manager | 18 hours |
| Professional Strata Manager | 12 hours |
| Assistant Agent | 6 hours |

This represents double the mandatory hours required by NSW Fair Trading.

CPD Obligations per CPD Year

Licensing Requirements mandated by the NSW Department of Fair Trading

To comply with the SCA (NSW) membership policy, all Members who are Licensed Managers and are the Licensee-in-charge of their companies are required to adhere to the CPD guidelines from the NSW Department of Fair Trading.

CPD year under the Professional Standards Scheme will follow the CPD year under the NSW department of Fair-Trading guidelines being 23 March of the current year until 22 March the following year.

You must ensure that you comply with the CPD policy and achieve the required CPD points through ongoing professional development in each CPD year.

CPD Requirements under the Professional Standards Scheme

Professional Association Activity

Under this Category, SCA (NSW) Members who volunteer their time, expertise and knowledge with SCA (NSW) and are giving back to the industry such as participating in SCA (NSW) boards and committees, presenting at SCA (NSW) delivered training events, training SCA (NSW) Members or otherwise actively involved with the development of relevant professional development content for SCA (NSW), are being awarded CPD points as follows:

| Description – Structured | Applicable Hours |
|--|---|
| SCA (NSW) Board / Board Advisory Group / Discussion groups, Workshops, State/Chapter Board & Committee meeting | 1 hour per meeting attendance maximum 6 hours per annum |
| Presenter at SCA (NSW) educational events/seminars/courses | 1-hour presentation, max. 6 Hours per annum. |
| SCA Educational/Best Practice Content Development | 3 hours awarded per final content |
| Task Force, Sub Committee, Focus Groups to create SCA content | 1-hour per meeting attendance maximum 6 hours er annum. |
| Participation as a mentor for SCA (NSW) mentoring program | Hours as per applicable to mentoring program |

Formal Activity

Structured learning with an assessed learning outcome linked to a relevant Australian qualification or a relevant national training package outcome delivered by a registered training organisation, accredited training organisation.

| Description | Applicable Hours |
|--|--|
| Studies undertaken through an RTO | 1 hour per unit of competency. Max 6 hours per year |
| Certificate of Registration (NSW) | 1 hour per unit of competency. Max 7 hours per year |
| Certificate IV or Diploma qualification in Strata Community Management | 2 Hours per completed individual unit of competency. |
| Certificate IV in Training & Assessment | Max. 12 Hours (can only be claimed once in the year of completion) |

Informal Activity

This is an activity with an identifiable, non-assessed learning outcome. The training must be delivered interactively such as by, workshops (external and internal such as company inhouse training), web-based tools (webinars, eLearning, etc), strata related forums, seminars, breakfasts, workshops, and conference presentation.

Proof of attendance is required.

Informal activity hours are additional to the requirements set by the Department of Fair Trading for CPD each CPD year.

| Description | Applicable Hours |
|--|---|
| Non SCA (NSW) delivered training (other than through an RTO) | 1 Hour allocated per 2 hours of training |
| SCA delivered training | 1 hour allocated for every hour (includes up to 1 hour) |
| SCA State / Chapter Conference / Symposium | Max. 6 hours per day |
| SCA Annual Conference | Max. 6 hours per day |
| SCA State/Chapter Principal / Leader Forums | Max. 3 hours per day |

Training Providers to SCA Members

SCA (NSW) Member's applying to obtain CPD points either prior or in the retrospective of attending the training - must provide full details of the training provided including content and where applicable the learning outcome of the training, the date and duration of the training and the full details of the training provider. Applications made in the retrospective require proof of attendance at the training by providing attendance certificates or written proof by the training provider of the applicant's attendance.

Record Keeping of CPD Hours

It is the responsibility of each SCA(NSW) Member to monitor their own CPD points and retain supporting documents. SCA(NSW) will provide a quarterly CPD update with the current total for your record to enable you to monitor when you should undertake more CPD activities.

The SCA(NSW) member database, iMIS, will keep track of your CPD achieved through SCA(NSW) activities. You can go to <https://members.strata.community/> and **sign in**. Select **My Account** in top toolbar and scroll down to **My CPD**. Enter the **Transaction Date** for the period required, then select **Find**. This will provide a list of your CPD. You can export the list by selecting the orange **Export** button on the right of the screen, then select **Excel**.

Members of SCA (NSW) who knowingly or negligently include false information in their individual CPD records shall be liable to be disciplined for professional misconduct.

Medical or Extended Leave Exemptions

Under exceptional circumstances an SCA (NSW) Member can apply in writing for a partial exemption of the CPD points requirements for the CPD under the Professional Standards scheme. Exemption for CPD under the NSW Fair trading Requirements would have to be made directly with the regulator.

Exceptional circumstances show the following criteria for exemptions under the PSS:

- a) Due to geographical location, a physical disability or any exigency of the Member's business, the Member has experienced hardship or difficulty in complying with the CPD points policy
- b) The Member has been or will be substantially absent from the business because of parental leave or illness

- c) The Member has been or will be substantially absent due to long service leave, overseas study, or similar occurrence
- d) The SCA (NSW) Board considers that there are exceptional circumstances warranting the granting of a partial exemption.

At the discretion of the SCA (NSW) Board, the Member may be required to provide written evidence in support of their application such as medical certificates and reference and confirmation from the employer.

A decision by the SCA (NSW) Board to grant or not to grant an exemption/extension is final.

Change of Employment Provisions

If an SCA (NSW) Member individual is changing employer within their region, they must notify SCA (NSW) immediately once the new employment comes into effect in order not to forfeit their Membership. The new employer must be a Corporate Strata Manager Business member of SCA (NSW).

If an SCA (NSW) Member is changing employer and does not find new employment within 6 months, their membership lapses, therefore they would be required to apply to SCA (NSW) membership under their current employer again. In this instance, an application is applicable for restoration of their Membership.

The use of the “credentials” for Membership under SCA (NSW) is prohibited if a member is working for a Strata Management Business that is not a Member of SCA (NSW) and/or they have not been nominated by a Strata Management Corporate Member as an SCA (NSW) Member.

During their time of unemployment, it is understood that the SCA(NSW) Member individual is not to be operating in their role and therefore will not be granted permission to use the credentials under the PSS or SCA(NSW) Membership.

Auditing a Member CPD activities

All members are subject to a CPD audit.

Failure to comply with CPD requirements may result in a member being suspended or forfeiture of their Membership.

Dispute resolution process

If a SCA (NSW) member is in dispute with the Association over the validity of the CPD completed, the Member has the right to escalate the dispute to the Secretariat for final determination.

Part 5

Risk Management

SCA (NSW) Risk Management Strategy

The Risk Management Strategy (RMS) describes the strategy for managing risk for SCA (NSW) as a professional association and also as a business entity and governance.

The RMS supports in SCA(NSW) in achieving it's objectives through the clear articulation of how risk is to be effectively and efficiently managed to:

- a) Continually improve member outcomes
- b) Fulfil obligations including acting in the best interest of members
- c) Meet the expectations of stakeholders and the community
- d) Maintain reputational Integrity
- e) Deliver financial results against budget

The risk management strategy is to embed a strong and defined framework of proactive risk identification, continuous risk assessment against appetite and diligent management of risk. The strategy is underpinned by clear accountability, a culture that both recognises risk weaknesses and that encourages positive risk behaviors and by establishing robust management and board-level governance structures.



The strategy revolves around the four pillars of Risk Management:

- Risks are identified through continuous observation of the changing regulatory and operational environment to detect any emerging and current risks once identified, we must evaluate the risk.
- Assess risks against our risk appetite and risk profiles to determine our actions.
- Through the establishment of controls, mitigate risk. These controls may prevent actions, correct actions, or detect actions and are implemented according to risk appetite statement.
- Through transparent and accurate recording and reporting of risk events assists all of those in the industry.

Culture

A sound risk culture is a fundamental part of the broader culture and both are crucial for success from the perspective of members and community outcomes.

SCA (NSW) culture is to appropriately consider risk against reward without jeopardising member outcomes and where actions remain within the SCA (NSW) Code. To do this, the Board promotes a risk culture aimed at transparent recognition, assessment, monitoring, reporting and management of risks.

Governance

The SCA (NSW) Board are responsible for the risk management framework and have established the Risk and Finance Committee which are delegated specific responsibilities for audit and risk governance. The Board also delegate authority to other committees as they are constitutionally able to do so.

Whilst the committees have specific delegations in place, the SCA (NSW) Board will continue to monitor accountabilities and deliverables and they expect transparent and comprehensive reporting from these delegated bodies.

Committees and their Role in Risk Management

The SCA (NSW) Board can delegate operational responsibility to various committees. The list below details each committee that is formed as part of the SCA (NSW) governance framework, and the roles and responsibilities that those committees fulfil.

Policy and Legislative Committee

The responsibilities of this committee are policies relating to matters of public interest arising from the strata sector, for wide dissemination to interested parties; and responses, in a timely manner, to proposed legislative interventions affecting the strata sector.

Assessing and recommending changes to the Policy & Legislative landscape as well as reviewing and advocacy on relevant legislative change is an integral part of the committee. Policy & Legislative submissions and informing Membership regarding legislative change/best practice.

Professional Conduct and Oversight Committee

The Professional Conduct and Oversight Committee is responsible for regularly reviewing ethical conduct complaints received against its members and working in line with the Board to ensure an effective outcome. The functions include processing of complaints, processing guidance and/or recommendations to the Board, formulating a communication and noteworthy outcome, publishing and promoting the Code of conduct to members from time to time and as amended ,recommended educational topics for the Membership.

The Professional Conduct and Oversight Committee's responsibilities are to conduct annual review of membership compliance with the terms of the Scheme including, Annual survey of Membership to capture and report, Professional Indemnity Claims and Professional Membership Complaints

The committee will audit in detail 10% of the scheme membership for Compliance.

Risk and Finance Committee

The Risk and Finance Committee contribute to the organisational improvement with providing to management insight into the Risks and their impacts, assessment and management procedures, Adherence to policies and Compliance with statutory requirements and regulations. The goal to maintain high ethical standards and conduct and proper corporate practices and community standards. The committee assist in monitoring the accounting policies and financial accounts of the company to ensure that the financial statements comply with current accounting standards and review the scope and assist with the external audit process to Identify any financial risks and ensure the financial wellbeing of the company.

Strata Services Committee

The Strata Services Committee provide policy support and guidance to the Secretariat in relation to ethics, industry professionalism, legislative and regulatory reforms pertaining to the strata sector. To support the Secretariat in the review, development, and enhancement of member services. To participate either directly, or recommend (skilled) members to participate, in SCA (NSW) working groups on initiatives from time to time.

The Committee gather input from the broader membership base of the Services Chapter for input to policy development and member services. Guidance is provided to the Delegated Complaints Manager in relation to educational needs for the strata services chapter members, information to the Secretariat for Government submissions and recommendations and feedback to the Secretariat in relation to advertising and other SCA (NSW) promotional activities to foster membership and retention being the focus of the committee.

Education Committee

The Education Committee will undertake the following tasks and projects to provide recommendations and advice to the SCA (NSW) Board for their consideration and endorsement:

To review and make recommendations on the structure and content of NSW CPD requirements and ensure that education courses and programs are ready for implementation for the NEW CPD year.

The Committee will draft education content outcomes for new CPD topics to assist the content writers/ Education Manager for each CPD year.

The committee will provide the NSW Board advice and assistance as required within this scope or as requested by the SCA NSW Board.

The committee will work closely and liaise with the Professional Standards Authority to ensure that relevant professional development is recognized in accordance with the CPD requirements for the PSS.

Additionally, the Committee will deliver recommendations to the National Education Advisory Board when requested from time to time.

Strata Owners Committee

The objective of the committee is to actively represent the interests of the Strata Owners Chapter Membership. To provide support and guidance to the Secretariat in relation to the events and education plan, enhancement of member services, and membership retention and growth. They Provide recommendations and advice for development of core strategy/action plan for the Strata owners Committee membership, educational topics for the annual Strata Owners Day, Strata Owner Seminars, and training courses. Communication plans including informative content through channels such as social media, SOC newsletter, email campaigns and member surveys, and to enhance the Strata Owners Committee newsletter. Other responsibilities include updates to the website to maintain and improve customer service, monitor and review the current membership statistics at each meeting along with website data information to review the methods of engagement with members, means to increase government awareness as well as membership retention and growth of the SOC Chapter.

The Professional Strata Management Committee

The responsibility of this committee to actively represent the interests of Members in the Strata Managers Chapter.

The Professional Strata Management Committee is to investigate, review, provide feedback and put forth recommendations for discussion from the subgroups created below:

- **Professional Standards Scheme (PSS)**

This subcommittee is to provide feedback on all surveys, BPGs and Annual audits. The subcommittee aims to flag topics needed as guides, process and procedure documents that would need to be developed under the PSS for The Strata Management Chapter.

- **Government Relations**

This subcommittee is to provide feedback on all Government related surveys, interactions and outcomes.

The subcommittee is to provide feedback to stakeholders when required from time to time. The subcommittee is to provide feedback to and issues regarding Cross-pollination with the other committees to the following committees:

- Professional oversight and leadership Committee
- Strata Services Committee
- Education Committee

- **Member Engagement**

This subcommittee is to provide assist in retaining members by recommending and sourcing new member growth opportunities, increasing revenue growth, and developing new revenue opportunities.

This Committee would concentrate on the Management Agency Agreement forms to encapsulate the details needed under the PSS.

- **Education**

This subcommittee would assist in the Development of topics and guides needed for the SCA NSW resource library, such as Best practice guides, fact sheets and tool kits.

Implementation of the Risk Management Strategy

The RMS is implemented through establishment of risk management processes, frameworks, accountabilities, technology, risk identification processes, risk assessment processes, risk controls and risk policies.

A sound system of internal controls within key processes avoids or minimises losses and poor member outcomes where adverse risk events arise.

Continuous and structured risk reporting and disclosure requirements are set by the Risk Management Committee and are in line with the PSC standards.

Risk Management reporting to the SCA (NSW) Board includes any changes to the Risk Profile of any areas that need to be addressed.

Risk Management Process

The table below provides an overview of the key risk management processes in place to manage material risks that are identified through the RMF.

| Risk Category | Key Risk Management Processes |
|------------------|--|
| Strategic Risk | <p>Strategic changes to the environment caused by economic, competitive, social, and regulatory change. These impacts are compared to the risk appetite and its tolerances to determine if there needs to be a change to operations.</p> <p>Monitoring of strategic risks, the external environment & business operations supports the identification and assessment of risks that may impact upon the achievement of strategic objectives.</p> <p>Risks are managed by identification, mitigation, prioritisation, and operational implementation.</p> |
| Compliance Risk | <p>The Compliance Management Framework (CMF) ensures the SCA (NSW) members comply with the obligations in all business activities, through developing and maintaining a compliance framework which is embedded in the way Strata Managers operate.</p> <p>In addition, compliance risk may be through:</p> <ul style="list-style-type: none"> • Maintaining pro-active relationships with regulators always. • Monitoring of Australian and global changes to applicable laws and regulations. • Establishing appropriate policies, processes, and procedures. • Support provided by the occupational organisation to keep informed of regulatory and legislative change; and • Employing appropriate management, monitoring, and reporting of compliance activities. |
| Operational Risk | Operational Risk is overseen by the Risk and Finance Committee through the Risk Matrix. |
| Financial Risk | Financial Risk is overseen by the Risk and Finance Committee through the Risk Matrix |
| Conduct Risk | <p>The RMF has systems, processes, and frameworks, including Conflicts of Interest Policy and Framework, in place to manage the conduct risks that arise. The RMF identifies, monitors, and manages operational risk, including conduct risk.</p> |

| | |
|-----------------|--|
| | <p>Members are required to complete mandatory training in respect of expected behaviors and conduct. Mandatory training completion rates are monitored as part of the COE policy audit. Members are required to follow the Code of Ethics.</p> <p>Conduct Risk is monitored through line management supervision, controls, and control testing.</p> <p>Members that do not meet the Code of Ethics face disciplinary measures ranging from additional training through the expulsion.</p> |
| Reputation Risk | <p>Risk culture is measured and reported through regular membership survey results.</p> <p>Reputation risk is managed by:</p> <ul style="list-style-type: none"> • Oversight by the Boards and management committees • Active management of other material risks that may result in reputation risk • Understanding the impact of business actions on members and other stakeholders • Considering what is ethically appropriate as part of the general business decision making • Continuous oversight of current, emerging, and potential issues relating to reputation • Active monitoring of mediacoverage |

Professional Misconduct:

The term 'Professional Misconduct' in the simple sense means **improper conduct**. It means any activity or behaviour of a member in violation of professional ethics for a member's selfish ends. If an act results in dispute to his profession and make the member unfit of being in the profession, it amounts to 'Professional Misconduct'. This could be applied to:

Unsatisfactory professional conduct of an SCA (NSW) member, where the conduct involves a substantial or consistent failure to reach or maintain a reasonable standard of competence and diligence in their chosen field of expertise,

And

Conduct of an SCA (NSW) member, whether occurring in the practice of their chosen field of expertise or occurring otherwise than in connection with that practice, that would, if established, justify a finding that the member was not a fit and proper person to continue to hold membership of SCA(NSW).

Suggest Examples for Professional Misconduct including, without limitation:

- fraud,
- embezzlement,
- theft,
- Misappropriation of trust funds
- Obtaining a license fraudulently
- illegal sexual activity
- conviction of a crime
- conflict of interest.

Unsatisfactory Conduct

Conduct which is significantly below reasonable standards and diligence that a consumer is entitled to expect amounts to Unsatisfactory conduct.

Suggested Examples for Unsatisfactory Conduct including, without limitation:

- abusive behaviour,
- failure to comply with an undertaking,
- poor advise and representation,
- serious delay,
- non-disclosure of costs,
- minor breaches of the governing acts
- misleading or deceptive actions

Unsatisfactory Professional Conduct:

Conduct that falls short of the standard of competence and diligence that a member of the public is entitled to expect of a reasonably competent practitioner in their chosen field, who is a member of SCA(NSW).

Vexatious/ Frivolous

A vexatious and frivolous complaint is one that is pursued, regardless of its merits, solely to harass, annoy or subdue somebody behaving in a silly or light-hearted way rather than being serious and sensible; something that is unreasonable, without foundation, repetitive, burdensome, or unwarranted.

APPENDIX 1 COMPLAINT MANAGEMENT FORM (CMF)

Allegation of a breach of the Strata Community Association (NSW) Code of Ethics

Details of the Complainant

1. Your name

2. Your Company or Committee

3. Your postal address for Notices

Phone

Email

2. Address of your

(please tick one) Strata Scheme

Community Scheme

Not a Scheme (Go to Question 6)

3. a. What is your Plan Number?

b. If you are in a Community Plan, how many lots are there in your complex?

c. If you are in a Community Scheme, is your lot in a...?

Community Plan Neighbourhood Plan

Precinct Plan Strata Corporation

4. If you are in a Strata Plan, are you lodging this complaint as the...?

Lot owner of lot Original Owner Lessor

Strata Community/Committee Occupier

Other (specify)

OR

If you are in a Community Plan, are you lodging this complaint as the...?

Lot owner of lot Occupier Association

Strata Corporation Managing Agent Occupier

Other (specify)

IMPORTANT NOTE:

Bringing a complaint against a SCA (NSW) Member (strata manager or strata services member), who holds a contract with the Owners Corporation, without the minuted, express consent of the Executive Committee (EC) or the Owners Corporation (OC), will not typically be considered by the Professional Conduct and Oversight Committee.

The minuted EC or OC resolution to lodge a complaint is not required where the circumstances are very unusual and extreme, such as embezzlement or secret commissions, with the acceptance of the complaint being expressly approved by the Panel on a case by case basis

9. Are you applying on behalf of the Strata Community? Yes No

If so, have you attached a copy of the minutes of meeting authorising the lodgement of this complaint? Yes No

If "No", why not?

APPENDIX 1 COMPLAINT MANAGEMENT FORM (CMF)

Details of the SCA Member the subject of the complaint (Subject Member)

6. Please provide the name and contact details of the SCA Member who is the subject of the complaint

Name

Company

Address

Phone

Email

7. Are other parties the subject of this complaint?

Lot owner of lot Tenant/Occupier of lot

Owners Corporation/ Committee Lessor

Other (specify)

8. Have you tried to settle this dispute through discussion (where appropriate)? Yes No

If yes, please attach a short written statement the details of that discussion (maximum 1000 words) If no, why? Attach a short written statement of explanation (maximum 1000 words)

Details of the complaint

9. Have there been previous applications involving the same or related dispute? Yes No
If yes, please provide details

10. Where has this complaint been referred to

a. Consumer Affairs? Yes No

b. A court of law or tribunal? Yes No

c. Any other authority? If yes, which one(s)

11. What outcome are you seeking by lodging this complaint?

IMPORTANT NOTES:

*** A complaint against a SCA Member (Strata Community Manager or Strata Services Member) that has also been referred to another jurisdiction will be considered by the Panel typically after a decision is made in the other jurisdiction.

APPENDIX 1 COMPLAINT MANAGEMENT FORM (CMF)

12. What is the complaint you would like considered by the Professional Conduct and Oversight Committee?

Statement of Complaint

Describe the complaint required to be answered

Breach of Code of Conduct

Please indicate the part(s) of the SCA(NSW) Code of Ethics which you believe has been breached by the SCA Member

List the facts in chronological order

Copies of documents may be attached but must be referenced here

Preferred Outcomes

Details of how you wish this matter to be resolved

Any other relevant details

List of supporting evidence

Yes No

You hereby consent to sharing the complaint including all the attachments to the relevant complainee and those required to assist in determining the complaint.

Consent to share the complaint****

APPENDIX 1 COMPLAINT MANAGEMENT FORM (CMF)

Person Completing Form

13. Name

Position

Date

16. Are you a member of SCA(NSW)?

Yes No