Factsheet for SCA NSW Webinar 17th April 2024

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Topic: Maintenance Planning: Building Element & Asset Life-cycles + Engaging Suitable Contractors

**The Importance of Maintenance Planning**

Maintenance planning will be the difference between a successfully run strata scheme and a continual financial disaster where every year is a battle just to get insurance, just to avoid health & safety incidents and to keep the building upright.

There is now sufficient evidence linking condemned and financially ruined strata schemes to a failure to adequately plan and carry out maintenance in a timely manner.

**Building Elements:**

Are the structural and non-structural components of a building that are primarily part of the construction of a building.

These often include the superstructure, the substructure, the roof, façade and other elements like balconies, windows, and doors.

**Building Assets:**

Are components within a building that assist in the functionality of a building such as garage door motors, lifts, pool pumps, HVAC equipment, intercom systems, CCTV etc.

These assets have finite life expectancies and should be considered as part of maintenance planning.

**Maintenance Cycles:**

Each component (element or asset) within a building has a maintenance cycle.
Most buildings are approximately one third sub and super structure with the remaining two thirds being finishes and services.

After an initial maintenance free period, maintenance and replacement items tend to be frequent between years 6 and 20 of the scheme’s life.
After 20 years, maintenance can be incredibly sporadic within a building and requires regular assessment by experts to determine upcoming maintenance costs and timelines.

**The Role of a Maintenance Planning Specialist:**

Ensure you only use a maintenance planning specialist that has a working understanding of construction techniques, remediation techniques and what it means to actually complete repairs and maintenance to existing buildings. You now must make sure your specialists are also factoring in the implications of the DBPA when budgeting for certain types of maintenance and replacements to building elements.

**The Design & Building Practitioners Act NSW (DBPA):**

This Act was introduced into NSW in a bold attempt by the government to bring back a required quality and standard to building work that was identified to be lacking through a period of rapid building and development in NSW’s recent history.
This Act does not just apply to new construction and has consequently had strata title properties caught up in its requirements.

You must be mindful of the additional time, consultants and costs that seemingly simple projects now incur in order to comply with the Act.

Ensure that your maintenance planning consultants are aware of the DBPA and its implications on planning future maintenance for a strata scheme.

**Maintenance Implications on Insurance Renewals:**

Insurers will never offer cover to a building for issues arising from a poor maintenance regime. Insurance is designed to cover insurable events, not simply a lack of proactive maintenance that results in a defective or inoperable building.

Being able to demonstrate a strong pattern of maintenance will ensure strata schemes remain competitive and more importantly covered by their insurance policy.

**Suitably Qualified Contractors:**

As a strata manager or building manager, it is crucial for your own liability that you ensure that you only put forward and engage suitably licensed and qualified contractors. Just as you would not ask the handman to do any electrical work, you must ensure all your contractors are only engaged for work they are qualified and insured to be doing.

This requires you to check their licenses and insurances before engaging them or to outsource this responsibility to a third party if you do not have the time or resources.

Best practice is also ensuring that your work orders are always in writing and have accompanying terms and conditions and cost limits.

It is important to understand the implications of the DBPA and when you need to ensure that a registered practitioner is involved in the work taking place.