

To: Royal Commission into Age Care Quality and Safety and others for info.

WE ALL HAVE DISABILITIES AT SOME STAGE: A DISCUSSION OF POOR QUALITY MANAGEMENT IN ANY GROUP HOUSING.

All lies and jest, still a man hears what he wants to hear and disregards the rest
(Simon and Garfunkel)

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STRATA PLANS AS A MODEL IN NEED OF MICRO-ECONOMIC REFORM FOR BETTER SERVICE, INCLUDING IN EDUCATION

I draw your attention to the recent submission below which I have made to the NSW government inquiry into the Retirement Village Asset Plan proposal. It uses personal experience on the strata committee of strata plan 10775 in Glebe to show the kind of micro-economic reform necessary in building and related service management, to encourage markets to respond better to the national public interest in improving service to all.

This is also a discussion of the micro-economic reform necessary in NSW to achieve common national and individual aims, whatever they are; and to provide better coordinated paid and unpaid work in any service; beginning with housing value which must be maintained as an asset. The submission below addresses maintenance, renovations, insurance and related costs with a view to understanding and improving operations on the spot to reduce costs. This is done by seeing residents as ideal land owners working for common good, paid or unpaid.

In this regional context we all need somewhere to live, from the cradle to the grave, and are either supporting ourselves or living off the paid or unpaid efforts of others. The concepts of advocacy and mental health or disability were earlier addressed in the attached discussion for the **NSW Disability Advocacy Review**. General insurance and fund management matters for the performance of the **National Disability Insurance scheme** are addressed in related regional lights which residents inhabit while they must expect changing roles, unpaid and paid, up to death, as Shakespeare pointed out. (See attached comparative discussion of police practice and disability service expectations sent to the Royal Commission into child sexual abuse for regional direction.)

Discussion of advocacy service providers contrasts this service with our feudal court practice, the historical opposite of good service, which Australia still follows. As I wish I had been able to say to Nicholas Cowdery on the launch of **'Frank and Fearless'**, a champion of the legal approach to law: *'Shame on you and your partial, gutless, expensive mob of liars'*. Unfortunately, I never got the mike to do it. Many of the matters treated in this lawyer's professional memoir should have been fixed by 1968, before Whitlam went to China, and I bet that Royal Commissioner Roslyn Atkinson, from Queensland, thinks the same. Legal practice is clearly slow and stupid, as I had to interject.

One naturally follows the regional demographic approach to development recommended in World Health Organization direction since 1946 when health was first viewed holistically, in terms of quality of life. This life is naturally related to one's surroundings and opportunities for development. This has population planning methods intimately attached first, as gross domestic product (GDP) concepts in any region are ideally also related to population per head for more realistic assessments of community well-being. This is a different approach to many professional scales made popular in professionally competing markets. As I pointed out to our groundsman when he was emptying our bins this morning, I don't have to convince relatively rich people, I have to convince relatively powerful people. A discussion of socialist education principles is provided attached in a traditional left wing Australian Labor Party context of old left, new left and typically authoritarian red guards. This is not broad enough to assist current or younger generations stop their heritage decay.

I realize that Thatcher and Chinese governments knew far more about this, far earlier than I. On the other hand, like any thinking child or grandma, and as a teacher and student all one's life, one has always thought a lot about children. Opposition leader and professional immigrant lesbian leader, Penny Wong, on the other hand, is now a top ratbag in a Labor party which has been going downhill in polls ever since her stupid big boy mates got rid of PM Kevin Rudd. Wong appears a harassed creature, dumbly caught in the spotlight of the bigger boys in the South Australian and Victorian ALP, as shown in the biography **Penny Wong**, by Margaret Simons. This is illuminating.

If you see Wong behaving according to her passion and principles, like in the book's subtitle, be afraid, be very afraid. She often demonstrates the authoritarian notions of the lawyer, that she is entitled to withdraw into her own and not give reasons for her behaviour. She also keeps referring vaguely to a mystical '**counterfactual**', for example, and typically appears longing for the privacy of the bar, when we are ideally operating in broader retail arenas. This won't do as it will neither assist Australia bring out the best in trading relationships, nor help us help ourselves in matters of subsistence or greater substance.

Perhaps more of the excellent women now turning up so visibly in the ABC and SBS channels, universities and related communications networks could accompany Penny wherever she goes instead of her usual party handlers. Talk to the masters of war for new beginning.

See related matters below and attached. Cheers,

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MAINTENANCE, RENOVATIONS, INSURANCE AND RELATED COSTS ON STRATA

A DISCUSSION OF OUR INSURANCE AND MAINTENANCE PRACTICES BEFORE THE ANNUAL GENERAL MEETING OF ST JAMES COURT, DECEMBER 2019.

I SUGGEST THE MEETING BE HELD HERE AND THE OWNER OF NO. 11 BE ASKED TO ATTEND TO EXPLAIN HIS RENOVATION PLANS IN THE LIGHT OF RELATED STRATA PLANS REGARDING OUR JOINT FOUNDATIONS, WALLS, FENCES AND VEGETATION

THIS WILL BE CHEAPER AND ON THE RELEVANT SPOT SO THAT EVERYTHING CAN BE EXPLAINED BETTER TO ANYONE ATTENDING (HE HAS NO TENANTS IN NO. 11 SO WE CAN GET IN AND SEE)

Since you last wrote about your perception of the need for comparing our respective levy values and related costs, I have pondered such matters, legal or not, as we have for so long. As a result, and as a lover of trees, birds and gardens, preferably without rubbish strewn all over, I have decided to throw in with understanding the total lot and that of neighbours better. If we did this seriously, I bet we could save money and have a better place with better management.

Let me draw attention again to my earlier comment on the document tendered by the owner of No. 11 who I assume is generally unknown to the strata committee. It is mysteriously entitled **Strata Scheme 10775 Annexure to Change of By-law**, which we appear expected to pass so that he can do extensive renovations on his rental property.

In an accompanying document entitled **Strata Scheme 10775 Motion to change By-law** he states *'special privileges via a Common Property Rights By-law is required to grant approval to Lot 11 to undertake such works within their Lot'*. Liam of Whelan's adds that the reason for this is because any renovations involving common property will require a special by-law at a general meeting to indemnify the owners' corporation of the responsibility to repair and maintain the renovated sections of common property going forward.

Why do we need such indemnification? Isn't this just another cost without any related knowledge of commercial or associated risk in related dysfunctional legal and insurance markets? It seems from the evidence that our insurers are currently failing to meet comparatively reasonable demands, given the historically poor state of safety or commercial management. This is indicated by correspondence discussed below in our case.

As I have previously indicated, many times, a plethora of confusing or incomprehensible by-laws only encourages commercial in confidence behaviour and related poor management, driven typically by lawyers or small claims with high and apparently unreasonable administrative and other costs. This also reduces effective maintenance and related quality service because all are comparatively ignorant of broader interests and actions other than their own. This occurs in global environments where only the most financially powerful may do well.

The owner of No. 11 refers to the **body corporate**, rather than the **strata plan and strata committee**, as we now appear expected to call ourselves, (now also with **agents**, once called **strata managers**, and new accounting procedures with **Macquarie Bank** that I can't

understand. This all appears part of a disturbing recipe for increasing administrative costs not providing service to owners, in my ignorantly forced opinion.)

I don't know if the above recent changes in nomenclature matter but I have learned, as a result of working in state workers compensation arenas, to see market driven insurance competition as dysfunctional and expensive for everybody involved in the plot except lawyers and their conventional mates who all operate behind closed doors as usual. Medicare approaches to service, on the other hand, are comparatively well data driven without any stupidly ruling bylaws about bodies distant from a health professional's work. (Indemnity arrangements for health professionals or anyone else are another matter.)

Any forms of effective planning and risk management in strata are impossible under current conditions related to insurance and by-law proliferation. These only confuse any comparatively straightforward case at great expense and distance from knowledge of the particular grounds. This is especially so when applied to rule with lawyers and mates, who view all commercial in confidence treatment and adversarial behaviour as their bread and butter.

I discuss these matters in regard to disability insurance, trade and investment nationally and internationally attached. In my view we should seek similarly reasoned regional approaches, not adopt confusing, unknown principles to live by which may only appear highly likely to privilege those managers who wrote them.

STRATA PLAN 10775 INSURANCE STATE OF PLAY IN NOVEMBER 2019

Clear letters on our insurance coverage and related attachments were sent for strata committee approval only a couple of days prior to the expected insurance renewal date of **1.10.2019**, for strata plan 10775. However, Whelan's provided the greatest amount of clear information about our particular insurance conditions than we have ever received before, in my experience since coming to live at St James Court in 1995.

The letter from Coverforce Insurance Broking Pty. Ltd. to Whelans **re renewal 1.10.19** states that Longitude should continue to be our insurer, although this insurer has been **reluctant to issue renewal terms because of the claims associated with this property. In the last five years there have been 6 claims with a total value of \$47,751.** Jordan from Whelan's writes a clear covering letter stating the policy is currently held with Longitude, with the last premium paid at a total of **\$13,670.00.**

Jon from Whelan's writes in answer to you: *The claim for 2 Rosebank St has not been settled. The last update I had was the insurers were reviewing the claim and considering an offer from No. 2 to settle the claim. I am waiting on a call back from the insurance brokers with an update.*

There appear so far to have been comparatively small but unknown claims which I can only assume have been reasonably made by people needing the comparatively small amounts of money. However, if the strata manager and presenter at **Strata Skills 101** thinks insurance is going to be **9%** of overall expenditure in future strata pie charts, she seems sadly mistaken on current trends. Insurance only appears to make sense periodically for lawyers and for those with apparently unrealistic expectations of their assumed compensation rights under the related policies.

Risk management of any kind is impossible for ignorant people and I am pissed off that I have known little or nothing about our particular insurance costs; and how many claims were made; and what they were made about; for many years. It is necessary to analyse claims with a view to reducing them by better maintenance and related service practice. Neither we nor our insurers appear capable of effective risk management in our case.

We appear to suffer high premium costs compared with the costs of our overall building management and maintenance, although both are going up in our comparative ignorance of how we might manage our collective plots better. On the other hand, we appear encouraged by by-laws to use more lawyers or make small claims. A plethora of stupid or confusing by-laws complicates an expensive common lot.

The second highest cost (after Promaster fire safety systems), that we had in 2018, appeared to be insurance premiums at \$15,000, according to the Statement of Key Financial Information provided by Verdun Walsh, for the reporting period 1.10.2017 to 30.9.2018. Both costs are mandated by law and were very high and unexpected, by standards comparable with other maintenance services we received. One assumes by-laws invite similar treatment to law, with related legal privileges. The dysfunctional nature of these legal privileges is discussed attached and on our little plot.

As I wrote earlier: Verdun Walsh, indicated costs billed to the strata plan by **Promaster** from **Jan.-May 2018** totalled **\$24,566.00**. This is the **biggest unexpected expense** I can recall since plumbers swooped on our strata plan, shortly before we had planned to repair the timber and paint the building. They claimed they had found asbestos in a garden and would search all 18 townhouse gardens, back and front, for more, shortly before the time of the global financial crisis in 2008 when I was living off my super fund which was also losing money. I felt intimidated resisting this action alone. Here we go again in a slowing global economy? Insurance companies are expensive and failing to insure for reasons often appearing typical in the current slow growth financial environment in which the larger financial and legal interests invariably appear most likely to prosper.

(For example, the former CEO of Macquarie Bank was the highest paid Australian executive followed by Alan Joyce of Qantas, if recent memory serves me correctly.)

For the record, I have never made an insurance claim since coming here in 1995, although I can certainly understand why others might reasonably or unreasonably do so. I have had many potential incidents where I could have made a claim but did not do so. Only the most notable bad building shock to my system is outlined below, for interest.

I was paying the big Winter electricity bills for my neighbour (No. 9) for many years, until I found out, by putting in a water tank to hose my garden, that the electrical wiring between our houses was wrongly set up so that I had been paying their Winter heating costs for many years and they had been paying mine, which were far lower and the same as Summer. As I was working at the time and they had a young baby, I merely celebrated the great private experience of my new water tank. I also needed this tank because the last time No. 11 had eradicated their bamboo, they slashed a water pipe to my place at No. 10. This was all during the last big drought. When No. 11 agents found they had slashed their pipe, they turned their tap off at the main. Good communication saves a lot of pain and money, whether it is polite or not. I wish to God we had more of it in financial matters.

Let us address the costs of poorly designed management and insurances. This appears our biggest 'bang for buck' financially speaking as well as maintaining our chosen way of life more effectively. I can never understand what people today see as the benefit of insurance unless they are lawyers; or an insurance company; or a person willing to make a comparatively small claim; or with deep pockets to engage lawyers.

These normal routes destroy the capacity for proper maintenance and management by separating maintenance and claims in a way which allows no effective risk identification and management. We should spend more on more informed and better management and maintenance and little or nothing on bylaws and insurance in my opinion.

The Hayne Royal Commission more recently pointed out insurance is poor value for money when attached to superannuation and recommended its abolition in many cases. In strata, I guess the increasing costs of poor insurance design will continue and rise sharply in the light of the normal progress of international underwriting cycles, until claims costs prevent further willingness to insure for the time being. In manufacturing and in associated practice, the real aim of operation often appears to be trailing maintenance costs and commissions.

These reasons I give are also part of the Australian regional and international trade and development directions addressed more broadly in papers attached and on www.Carolodonnell.com.au. In my view, we should never forget we are operating in a historical strata plan framework in a major university and tourist precinct because that is our key to better and greener development, in open co-operation with politicians, in many cases.

BETTER DESIGNED MAINTENANCE TO BRING ABOUT BROADER UNDERSTANDING ALWAYS APPEAR PREFERABLE TO RISING INSURANCE COSTS FOR SAFETY AND RELATED BUILDING REASONS. SYSTEMS TO GET IT ARE DIVORCED.

I hope you take these views on board. Cheers Carol (No. 10)

Hi Lili

I will go to the Benledi Room at the Glebe Library for this meeting, but I really must point out that holding an AGM there or any place other than here is a bizarre decision sending all the wrong messages.

We know that Richard or I at least will always make our places available here and Sally has done so from time to time. We can therefore **easily and quickly** set a time and place of meeting **FREELY** irrespective of when the Benledi Room or any other place is available. I don't regard forced charity to the Public Library or CFMMEU, etc. as part of my role in life. They are big enough to look after themselves.

It is a totally dysfunctional proliferation and waste of time (paid and unpaid) and money to hold any meeting at any place other than here and it is especially galling if we are expected to be talking about this place, ie. St James Court. (!!!!!!)

Of most symbolic and real importance to me in all this, is that if I discuss something, I like to know what I am actually talking about. Seeing what one is really expected to be talking about usually gives one much greater understanding of what any issue or problem is. This is especially the case with a group of people who have shared and yet different goals, experiences, loves and perceptions and who are about to engage on key renovations with typically unknown, secretive and thus probably hostile neighbours.

This is a very important intellectual, moral and opportunity cost principle for me. It is why I loathe lawyers with a passion, as they are all too gutless to point the obvious out clearly. This seems an example of strata managers following them up to make more work and money than is ever necessary, at our expense. See you at the stupid Benledi Room if necessary but I am fucked if I will be nice about it.

Cheers

THE ROLE OF STRATA MANAGERS AND PROPERTY INDUSTRY REFORM

Thanks for the encouragement. I also write to you, the City of Sydney, the Owners Corporation Network and others about the role of strata managers, the content of their training and their certification. **I raise it with you now as a result of state govt. asking for**

feedback on property industry reform matters related to training and certification of strata managers (agents?) and linked land and property agents.

If anybody needs good and clear **content** in training leading to certification in this country it is strata managers, starting with **financial operations** from the view of the owners rather than the strata managers or their best industry mates.

The place is historically run as if we all want secrecy most, so we can sell the townhouse in two years' time and make money, whatever its state. As I am sure many will attest, we owners don't buy and sell houses like that, although a few might. We buy our houses to live in them as we go through the rituals of life or watch the rituals break up, perhaps in an increasingly driving and romantic market, also driven by greater financial equality of the sexes, with mass public support. (This keeps market costs unpredictably up and down to screw us.)

People who close their eyes to this reality appear doomed to be fleeced and exploited as the market ramps up their romantic dream and they grow older, more conveniently blind or embittered and more dependent on their wives and fellows than in the past with closer mates.

Surely all financial literacy and management comes down to the clear and appropriate structure and keeping of accounts and the keeping of accounts in strata now appears awful, I assure you, compared with what we used to have under Verdun Walsh.

This unclear accounting means the big end of town rules the roost and the big end of town is Macquarie Bank aided by the strata manager with DEFT and their bigger mates, like insurers and engineers or plumbers and electricians, etc. etc. who are obviously crucial. This is a secret recipe for owners to increasingly roll over under lawyers.

If accounts are not clear and meaningfully related to work projects undertaken and paid in a timely manner, they become increasingly unopen to challenge by anyone. (We used to have good accounts in our strata before new changes.)

Note that Nicholas Moore, former Macquarie Bank CEO was paid **\$23.86 million** last year and that this was the highest pay in the country behind Alan Joyce, CEO of Qantas at **\$23.88 million** (SMH 17.9.19 p.12). (This system is geared up to be fabulously unfair.)

The end payers are the bunnies, whether they are: owners, renters and residents of property, like us, or Council, state government and federal government. This will happen through industry secretly or suddenly dishing out more uncontrollable increased maintenance and capital works costs carried out anytime those who are bigger or more unscrupulous in the industry want. This is scary in the wake of 2008 and everybody growing older and more expensive for governments through living longer in more single and/or disabled states.

I pay \$114 per week for strata living delivered in quarterly levies of \$1364. This is on top of a mortgage (which I don't have). However, it is typical of the power of the industry over government that this rising and comparatively uncontrollable cost of levies is ignored in the press.

If government does nothing to fix up the appalling situation outlined below they are crazy. The City of Sydney Council free course Strata Skills 101: Strata Levies: Planning essential for strata is good so far. I look forward to seeing what else it covers.

The Owners Corporation Network will only let me pay \$55 to join if I agree to be bound by the rules of the company in force at any time. (God knows what the rules are, but they must think I'm crazy. Why would I ever be bound by somebody else's rules? I would surely be a knave or a fool to do so for what they are offering - (mainly a chance to chat online with lots of others in a mess?) Perhaps I can do that better myself for free, thanks to the democratic way our political offices and related websites have been constructed and can be used. I wish I could say the same about the private and voluntary sectors.

Cheers Carol (See response to state govt. paper below.)

RESPONSE TO THE PROPERTY INDUSTRY REFORMS EXPLANATORY PAPER ON TRAINING

I respond to the **Property Industry Reforms Explanatory Paper** to point out that as a Glebe resident I have no idea whether the proposed reforms will meet their aims. You give no indication of what the **content** of the training is, which is supposed to result in a **strata** or other form of **licence**.

I am a resident owner of strata property and I want to point out **the accounting for administrative expenditure on strata**, let alone capital works, appears to have become comparatively appalling in the past year, starting with the central ability to produce clear accounts for those people paying the ongoing levies to live on the spot. (What do you people think we are, chopped liver?) This will be a problem for government and other stakeholders too.

I can't even understand the basic administrative accounting details presented to us by our new strata manager. Is this the result of changes to the strata manager's relationship with the Macquarie Bank DEFT financial product? I've got no idea but I know we all need to understand our accounts or we are in big trouble, including any lesser mortals in small and medium enterprises that won't get paid in a timely fashion as the next global financial crisis turns up.

This performance is not good enough for obvious reasons discussed below and attached. You could learn a lot from Bush Heritage operations.

Hi all

I would be grateful for any thoughts on my following impressions re:

SOLAR LIGHTS, ROOFS, GARDENS, FENCES AND QUESTIONABLE VEGETATION LIKE BAMBOO (A LOVE/HATE RELATIONSHIP)

The new solar lights look very good to me. Are they a bit too bright in the garage if they are doomed to be on all the time? (I would be grateful for any advice or perceptions.)

The last roof clean we got from a new local company was the best I've ever seen. Was there another much worse clean recently, when I was out? I ask because I would be prepared to clean my own roof of leaves falling from No. 11 next door, if that individual approach appears the best way forward. There are far fewer leaves to clean up these days, thanks to the removal of the tree at the front of No. 11. (I hope the other 2 trees in 11 next door remain, but their maintenance is a cost I acknowledge. What do others think?)

Mulberry tree and birds pooping purple down the white walls. Personally, I'm happy to see the tree remain or go but I wouldn't die in a ditch over it. Any ideas what is to happen?

The back lane looks absolutely beautiful with trees and plants to me these days, so I am glad to use it more now that we have a reasonable padlock arrangement on the gate. **In my aesthetic, gardens at T17 would show to even greater advantage if the green fence blocking their front palms was pulled down. This is none of my business** and I couldn't care less but I get so much pleasure from the vegetation here I thought I'd raise this matter with Justin and Tiggy and others by this method. Everyone would have a better view, I think.

Very naively and foolishly circa 1997, I chopped down a native Australian tree in my paved back yard which was growing too slowly for my liking. Immediately bamboo sprang up in its place. Over the years I realized that even with constant vigilance bamboo grows up and spreads. I love the peaceful beauty of my garden and its bamboo to do anything about this except pull some out and let roots remain. However, I wonder what arrangements, if any, are being made about the bamboo next door in No. 11, from whence mine started off, I guess.

I would be happy to hear any related opinions on vegetation management and other matters.

All correspondence gratefully entered into. Cheers Carol No. 10.

COMPARISON OF VERDUN WALSH AND WHELAN'S PROPERTY GROUP ACCOUNTING PRACTICES: THE FORMER ARE PREFERRED FOR STRATA PROJECT IDENTIFICATION AND COST CONTROL PURPOSES

This is a consideration of the draft minutes and financials for the 10775 strata plan meeting 26.8. 2019, undertaken in historical and comparative terms. This is necessary for quality management of the place and persons in it.

I only had time to look at the Whelan accounts shortly before the meeting and decided I had a lot of questions, so would look at them properly later.

One seeks to address Strata Plan 10775 Balance Sheet and related accounts on historical, comparative grounds. This is automatic personal and scientific medical practice when faced with the person to be treated somehow. It is also the World Health Organization (WHO) and UNESCO view of life in theory, including in Oz.

One assumes that for quality management, the need for capital works is addressed as a result of experiences in the administrative fund, in many cases, and that strata levies and agent's fees must be in a position to **manage** both funds effectively.

These questioning comments and related advice are given to you and Whelan's Property Group in the light of the **minutes of the meeting (26.8.2019)** below:

2. Financials accepted.

It was noted that the Administrative Fund is in deficit.

It was suggested that the project of the walls be amalgamated under one account code.

I couldn't understand the Administrative Fund when I read it and I still don't know how it is in deficit. (I didn't raise this and voted with the rest, which happens a lot.)

Question (1). If it can't be put more clearly as a matter of course, **I would like to know how to read the *Administrative Fund in the Whelan's Property group Balance Sheet Detailed As at 26.8.19.***

I guess we would be better off without a lot of administrative detail discussed later which seems unclear, unnecessary and confusing.

Would less detail cost less? Are our agent's costs rising rapidly in an uncontrolled manner, compared with Verdun Walsh? It seems likely to me.

We appear to have somewhat lost our former growth in quality financial management direction in our balance sheet and accounts when we changed our **strata managers** (now called simply **agents**), from Verdun Walsh to Whelan's Property Group in March 2019. Since we changed, however, we have built up our funds to **\$132,093** in **26.8.19** compared with **\$112,259** in 30.9.2018. All capital work is still stalled?

Whelan's Property Group (**26.8.2019**) accounts fall behind Verdun Walsh (**30.9.2018**) for quality management purposes. The key dates above are the first indication of this. Whelan's appears managed so that regular quarterly or other comparisons with its own strata practice or with the strata practice of others is made more difficult by the comparatively random treatment of time and the environment surrounding the business. One assumes this may in time affect the timeliness of payments to smaller contractors to the business, as distinct from to bigger players.

We are all persons living in places, so consistent forms of understanding help communication which is also necessary for effective rather than disastrous or reasonably ordinary advance. Whelan's **Detailed Expenses for the financial year from 1.11.18 to 26.8.2019 provide too much pointless detail.** Payment of creditor; photocopying; postage; issue work order and trades compliance tell nothing useful about this lot. **Is this in addition to the Standard Management Fees?**

I cannot understand how the agent's fees in these Detailed Expenses relate to anything else. They both appear in comparatively meaningless and inconsistent statements all over

the place. I can't understand the extent to which they are rising rapidly after a big hike above the Verdun Walsh rate in 2019, for example.

There is always a danger that the more we proceed the less we know and this appears to be getting worse instead of better in terms of any expected financial program and project management. This is frustrating as Verdun Walsh accounting in 2018 allowed one to follow up work done in particular project areas more easily.

I noted in the meeting minutes for item 4 (26.8.19):

4. We would like a request made to Landlay to provide the committee with a timetable i.e. Key milestones, expected completion dates etc. We are wanting to be advised that it may be possible to fast track the wall at No 18 should there be no need for drilling there.

I hope the clumsy phrase '**we are wanting to be advised**' doesn't mean we are about to insert yet more lawyers between all the many other decision layers that ought to be worked out openly by grown, expert and interested adults left to their own devices. Lawyers, like typists, have point if one writes clearly for others. Richard has done so in regard to the NBN, for example. We are not supposed to be adversaries, we are trying to do the right thing in the open as it is cheaper and better.

I have always thought that the best thing about Verdun Walsh was the quality of their accounts for the purposes of general understanding and follow-up of performance on this place. I could do this with plumbing, for example, to understand and reduce the number of emergencies, when **Rivergum** were servicing St James Court in an uncontrollable way, and people had lots of problems with shit in their laundries.

One notes we used to have a **strata manager** and now we have an **agent** instead. I fear that in the absence of better central management of finances and work we are likely to be driven increasingly by the Macquarie DEFT agenda with another global recession possibly coming up, as we already have the inverted yield curve as notice.

On the other hand, I know and trust the work of Rowan, Matt of Everready Plumbing, John and Robertson's Painting and Decorating, as we know what they have done with us for years. Plot based familiarity enhances mutual trust and understanding.

I would like to change away from **Sydney Roof and Gutter**, on the other hand because quality management is impossible with them and with others in continuing relationships like them, where we never know who will come out next. The more agents and workers are working on this building, in terms of any particular time and place, the more quality management is made harder and unwanted administrative costs are increased. (Promaster

appears the latest government sponsored and unclearly ongoing expense.) Our last service with new gutter clean people was great.

Surely many of these management and quality management practices should have been worked out in the industry long ago, as a matter of course? I speak as a mere beginner in this industry-based reality which appears to avoid good management. What in God's name are the rest of them doing? I get the impression this industry is full of people working to rule to shift costs and perhaps invest our money on their own behalf, instead of cooperating effectively with each other to solve our problems.

(I was speaking to Matt about this yesterday as a result of our plumbing experiences with neighbours with shared internal walls, pipes and wires, but won't go into it here.)

Who pays debt collection fees? Surely the strata should not pay debt collection fees for individuals, especially in any environment where the Macquarie DEFT product is involved. Those on top are really big people who couldn't give a shit about us at the end of the line. I guess it will show up increasingly in the way they do their accounting. What makes business sense to them internationally may screw us here, with any coming recession. In an environment where we are supposedly involved in management according to much bigger boys' financial rules, I am worried. In my view, NAB and I manage my money clearly and others should follow.

I know it is early days in the change of agents but what do others think?

Cheers Carol

ON MY EARLIER COURSE OF ACTION AS A DEFT SYSTEM PAYER AND BILLER FOR STRATA PLAN 10775 AT ST JAMES COURT IN GLEBE, SYDNEY

I previously commented on the **Draft Communications Protocol** Richard tabled at the last meeting of our strata committee to ask: **WHY ISN'T POINT NO 6 ENOUGH?** Point 6 was that *anyone who wishes to have a matter placed on the strata committee agenda is strongly encouraged to send an email to the Secretary (with a copy to all members of the Committee,) with as much information as possible about the issue raised, so that members understand well before the meeting what is to be considered.* I also note that to ensure our communications with the managing agent are clear, effective and inexpensive, as the Draft Communication Protocol seeks, we would also have to know what the managing agent wants. I assume others involved in our management would like this communication as free feedback, for example and that if they want to charge me for it, they may be nasty morons or worse. After all, they can always say, 'Here's stupid Carol again' and bin the lot unread.

My general philosophical and scientific principles here are that people in all cultures at all times experience magic moments and unbearable ones, or longer, but not on the same scales of one to ten. Long story short, this makes me a Marxist grandma, retired on the plot and regionally rather than organizationally or professionally committed, let alone to scales of 1-10 on pain, etc. Get it, Ross, etc? See related discussion attached on the ideally open workings of democracy and addressing corruption in dealing with government or others.

I discuss the Notice of Levies due in July 2018 that I recently received from Whelan's Property Group and **payer or biller-initiated routes to DEFT and Macquarie Bank**. This is my comment, after considering the Macquarie Bank DEFT payment systems online, followed by reading the DEFT product disclosure statement, talking to Macquarie representatives and to Liam at Whelans Property Group.

I had first followed an unsuccessfully roundabout dazed and confused route to levy payment by starting with the DEFT website instructions regarding payment of my levies, which I ended up paying by old-fashioned cheque on 11.6.2019. **I realized eventually that I can continue to make levy payments from National Bank to DEFT, using the same biller code as I did when Verdun Walsh were our strata managers, rather than Whelan's. This is good to realize for future reference. (Silly me?)**

I don't know whether you were as incompetent, confused, or wary, as I was, when I went to the DEFT payment systems website of the Macquarie Bank and tried to follow the instructions to pay my strata levies, before I gave up and rang and asked for a hard copy of the Product Disclosure statement for DEFT. One had first to accept this substantial on-line document and one on privacy to register with DEFT. The DEFT product disclosure statement indicated that one could take **a payer or biller-initiated route** to DEFT payment. **As individuals we contribute as payers to the biller, which is Strata Plan 10775.** However, I appeared to me to be heading down a personal payer-initiated route to the Macquarie Bank. **Would this payer-initiated route be a good thing for me and for the strata plan?**

I guess not unless it is linked to more broadly planned, as distinct from market driven approaches higher up the value chain of typical local real estate management operations, like those of Whelans Property Group and larger relations in government and with others.

The clear and helpful DEFT product disclosure statement sent to me by Macquarie Bank after I rang confused about their system, also outlined DEFT **risks**, which appear substantial to me and likely to increase through global rentier approaches to Air BNB properties and related debt and repayment problems. One naturally asks, **will these risks have an impact**

on Whelan's likelihood of transfer of their costs to all of us in Strata Plan 10775, so our levies go up with little expenditure in this plots' interests? Hey, Baby, what do you think? If this sounds overly suspicious to you it may be because I am currently reading 'The Coming First World Debt Crisis' by Ann Pettifor and wondering if this DEFT development is part of the global and related regional and generational increase in inequality of which she writes.

These are questions with national and international import, coming down to us in the form of the question of whether the **DEFT payer-initiated relationship makes Strata Plan 10775 stronger or weaker**. Instinctively, as a woman who accepts ongoing responsibilities for others, I like plan protection. However, I often guess our strata plan 10775 concerns are like petty cash holding up far bigger financial forces which want to move faster in more unstable market or planned directions, depending upon the stakeholders or stockholders. Stakeholders exist primarily in government and related regional relationships, whereas stockholders exist in markets which may or may not be fettered in commercial secrecy.

The DEFT website, through which one might normally approach these financial matters, rather than through the DEFT product disclosure statement, appeared to be encouraging me to take risks outlined in the product disclosure statement. The website suggested I should register using my email address and set a personal password, completing personal details. This is recommended if I did not know whether I already had a DEFT log-in or not. I did not know my DEFT log-in and had no idea whether anybody else did either so I moved on.

The DEFT and Strata Plan 10775 relationship has passed from Verdun Walsh strata management to Whelan's Property group **without changing the crucial Biller codes for Strata Plan 10775**. I see this now. DEFT operates, however, in a world in which its website invites us to enter a personal registration, setting a password and completing personal details, in a **payer-initiated** route to DEFT payment. I couldn't do it. Having read the DEFT product disclosure statement, I am glad of this. However, on 11.6.19 I sent DEFT a cheque made out to Strata Plan 10775 to comply with Whelans Notice of Levies due in July 2019. I wonder whether others have any other experience or views about their payment of levies.

The DEFT website states it has introduced some new great features to make my payments a breeze. ***There is a DEFT wallet that makes it easy to securely store multiple bank accounts and card numbers.*** (I don't have these.) ***I 'receive notification if a payment is unsuccessful, so I know I'm always up to date in my DEFT payments'.*** (I don't make many or unsuccessful payments). ***I 'can easily manage multiple DEFT reference numbers'.*** (Can I really? I seriously doubt it if my recent experience is an example.) If these 'benefits' seem like risks to you, perhaps you are not alone. As I have previously said, I look forward to receiving our first Balance Sheet and Income and Expenditure Statement from Whelan's Property Group

as the one we received quarterly from Verdun Walsh was comparatively clear and timely. I am worried our normal accounting procedures and prompt payments may be threatened.

As Strata Plan 10775 payers and billers when should we delight (alone or together) in seeing increased potential for private personal relationship with Macquarie? Will this be bad news for the residential bottom line of Strata Plan 10775 expenses? (This is my fear as it appears typically likely to further privatize the affairs of the bigger, non-residential financial investor while offloading the costs of bigger bad debts handling onto strata plan payers and billers. That is us, as both payers and billers for Strata Plan 10775. Whelans are the middle meat in our relationship with Macquarie Bank through DEFT, according to what I just learned.

Those who remember Macquarie's Man with the Boomerang on prime-time TV every night before the global financial crisis in 2008 may fear being drained by this again bigtime? I recall building subcontractors not being paid fast enough or not at all for work already done and current government concern about this occurring again. At the time, if they mentioned it at all, the financial press like the Australian Financial Review was putting down the high rate of business failure in construction to bad management. You could never be across this lot, starting from the top. **The question for me is what will DEFT do for us and the country?**

I wonder if the people who might benefit most from a broader personal relationship with DEFT, rather than a relationship under the biller, Strata Plan 10775, may be those who have a string of rental properties across the globe which they let out or use as suits them best. **Can this or related matters addressed in the DEFT Product Disclosure Statement impact on other payers to the biller (Strata Plan 10775)?** I ask this as I note our levies and costs have increased faster than inflation in 2018. This increase was suggested suddenly by Richard at a meeting and we all agreed to it. This is, however, no proper way to carry out business.

I remind you again, for example, of my previous comments on the Draft Communications Protocol presented to the last strata committee by Richard. Re point 6: ***I agree that anyone who wishes to have a matter placed on the agenda is strongly encouraged to send an email to the Secretary (with a copy to all members of the Committee,) with as much information as possible about the issue so that members understand well before the meeting what is to be considered.*** So why didn't Richard follow this practice, as I do now?

Cheers

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Hi Secretary of Strata Plan 10775 (and others for info.)

In regard to Promaster costs, I guess that the strata plan must naturally meet the reasonable costs of what has occurred in the public areas of the building like the garage. However, I first put fire alarms in my own house myself as a result of the legal requirement to do so made known to strata before the global financial crisis of 2008. I think the owners of no. 18 and no. 9 should pay for their fire alarms in their own houses because this has been the practice for the rest of us owners, expected for years. Whether the tenants pay for this in some way or another is a matter between particular owners and tenants in my view and I can't see why the tenants should normally pay if their rents are reasonable. According to law they and those of us living nearby have been unsafe for years (not that I lie awake worrying.)

I refer you below to the earlier views I put in relation to fire alarms in Units 18 and 9 and to the related treatment of minutes:

Last I heard, Jon was supposed to be addressing matters in Unit 18 and Unit 9 to bring them into conformity with the rest of us. I assume this can be done reasonably easily by him in agreement with the tenants in both cases. We know the owners.

Hi Jordan

SOME ISSUES WITH THE FIRE ORDER

Re the nature of the Fire order, any related certification and your statement: Please note that a compliant AFSS is due by the 21st June 2019.

This is just to let you know I have a hard copy of Promaster's original quotes dated 26.9.17 and 15.11.17 which I can send you by snail mail if you can't get them from anywhere else more easily. I stress the only reason I accepted these Promaster quotes is that the financial costs are clearly tied to relevant requirements in legislation. One notes, for example, that **smoke alarms shall (sic.) be installed in all class 1a residential terraces.** (**Shall** rather than **should** denotes God's will and thus the law to those of us somewhat in the know about these kinds of tricky feudal things in grammar and claiming ignorance of the law is no excuse).

Personally, I think we all should make a fuss about this time-wasting expensive crap because I cannot see how you can possibly have the expertise or entry to assess if the work is done properly to sign off on our owners' behalf, as I assume you must.

The two non-Promaster quotes I've thrown away, on the other hand, were like a couple of mysterious chicken scratchings with a couple of numbers attached, as far as I saw. If we are forced to do something for government we might as well do it right by their standards? Anyhow, I hope none of us will be charged for this continuing crap.

After manfully going through the quotes and commenting on them with others, I left the management of the further process to Lili and Sally with relief. I certainly hope they will be able to tell you more than I can about these many super lousy management practices in the construction and housing industries in which we all appear caught. (I was not surprised to read in the SMH that Frank Lowy's wife has

got dementia and is now talking non-stop about her need to take the monkeys to the waterfall. I don't blame her because I often feel like punching someone myself when we are face to face. Bloody Meredith Burgmann has never been much help.)

Cheer