



# New Thinking on Continuing Professional Development

Strata Community Association (NSW) Submission  
6 February 2023

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# INTRODUCTION

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## 1. Strata Community Association (NSW) Overview

Founded in 1980, Strata Community Association (NSW) was formerly known as the Institute of Strata Title Management. SCA (NSW) serves as the peak industry body for Strata and Community Title Management in New South Wales. The association proudly fulfils a dual role as both a professional institute and consumer advocate.

## 2. Membership

SCA (NSW) boasts a membership of over 3,000 members, including lot owners, suppliers, and professional strata managers who oversee, advise, and manage a combined property portfolio estimated to be worth over \$450 Billion.

## 3. Strata and Community Title Schemes in NSW

NSW is home to 89,049 Strata and Community Title Schemes. A significant 95 per cent of these schemes are comprised of residential lots. Altogether, the total number of Strata and Community Title lots in NSW stands at 1,043,690.<sup>1</sup>

## 4. NSW as a Leader in High-Density Living

According to the 2022 Australasian Strata Insights Report, there are 2,501,351 people residing in apartments across Australia. A majority of these apartment dwellers (51 per cent) are in NSW. <sup>2</sup> NSW also leads the way in the trend to higher density living in Australia and boasts the highest proportion of apartment households relative to all occupied private dwellings, standing at 22 per cent.

## 5. Employment Impact

Strata is a significant employer, directly providing jobs to 1,413 managers throughout NSW, as well as an additional 1,317 other related employees. <sup>3</sup>

## 6. Promoting Professionalism

1. SCA (NSW) is dedicated to fostering a high standard of professionalism in the strata industry with initiatives like the Professional Standards Scheme (PSS), which contributes to ensuring strong consumer outcomes for over 1 million strata residents in NSW.
2. SCA (NSW) membership encompasses a wide range of entities, from large corporate companies to small family businesses to dedicated volunteers. Members possess expertise in all aspects of strata management, service provision, and governance.

**For further information about this consultation, please contact Dylan Lin, Policy and Advocacy Officer, SCA (NSW). [Dylan.lin@strata.community](mailto:Dylan.lin@strata.community)**

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<sup>1</sup> Hazel Easthope, Danielle Hynes, Yi Lu and Reg Wade, Australasian Strata Insights 2022, City Futures Research Centre, UNSW, Accessed at [https://cityfutures.ada.unsw.edu.au/documents/717/2022\\_Australasian\\_Strata\\_Insights\\_Report.pdf](https://cityfutures.ada.unsw.edu.au/documents/717/2022_Australasian_Strata_Insights_Report.pdf)

<sup>2</sup> Ibid, p.8-13

<sup>3</sup> Ibid, p.8.

## SCA (NSW)'S PERSEPECTIVE

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### Overall Feedback

SCA (NSW) welcomes the NSW Government's efforts to achieve goals as highlighted in the 2021 White Paper Recommendation to help occupational licenses maintain skills and keep ahead of changes.

SCA (NSW) provided stakeholder feedback to the government's reviews as it has journeyed to this point, summarising that strata managers and owners found that the ability to meet electronically and make decisions this was as highly beneficial. They found it was more convenient, saved time and increased participation.

The above points make it critical that the NSW Government gets this legislation and regulation right, as proper reform to the Continuing Professional Development (CPD) will facilitate greater consumer satisfaction and industry efficiency.

## Discussion Questions

### Question 1: What is the role of CPD: skill maintenance or upskilling?

#### Skill Maintenance

- It can be a refresher for staff on the correct procedures and timeframes that are required.

#### Upskilling

- It assists with training staff on the legislative requirements, especially on what is not taught when people undertake the required license training.
- Provides updates on legislative changes.

Mandated training for all workers within the industry so staff keep informed on current/new changes in legislation to allow those staff to better serve & provide support to their respective clients.

In addition, to promote the industry as a professional industry whereby ongoing, mandated, training is required so current and accurate information is being provided within a high level of service.

There should be an element of both:

- the various levels of accreditation (strata assistant, strata manager, licensee etc.) should each have increasing levels of competencies attached to them which should be proven each year and maintained.
- In addition to demonstrating that skills have been maintained throughout the year for the basic competencies of each “level” there should also be an “upskilling” component of CPD for each level of accreditation which acknowledges both that participants will be progressing to the next level of accreditation soon and that the regulatory and technology environment that the strata industry deals with changes very quickly.

I think that proficiency in both maintenance and upskilling should be better “proven” in any case as the current CPD requirements allow a person to merely “attend” an online seminar or similar without demonstrating that they have learned anything.

### Skill Maintenance

Often, we as strata managing agents need to be **'refreshed'** on things that we learnt previously, for example:

- Sections of legislation that are important.
- Procedural matters, particularly where regulations are added or amended.
- Best practice advice

### Upskilling

There is a lot to learn, and a large body of knowledge is required to be a strata manager.

Upskilling is important, for example:

- Learning new legislation
- Learning upcoming legislation and being prepared
- Learning about new products in the strata, for example software, podcasts, websites which may be helpful.
- Learning about new building materials being used

The role of CPD is to teach strata managers skills or provide them with information that they may not usually have access to in their day-to-day routine. Topics **MUST** be relevant, and content drafted by experts and therefore it is essential that the SCA are involved in what topics are chosen for the CPD year.

CPD training can be viewed negatively, however we need to produce new delivery methods, refreshing content and better engage with learners like the methods used by universities and TAFE's etc.

- Maintain/improve current skills and keep abreast of any legislative changes/best practice.
- Plug knowledge gaps.

I don't think the answer is binary, i.e., one or the other. It **should** be a **mixture of both**. But it shouldn't be so cumbersome as described for teachers and as ineffective as conveyancers.

CPD should give consumers the confidence that a professional level of service can be expected from some specific professions.

It should be measurable by any organisation, not just the government (perhaps as visible as the census data?)

In some professions, it's vital to keep up with the changing landscape, and quality CPD should be part of that upskilling and maintenance.

CPD serve both skill maintenance and upskilling.

Skill maintenance to ensure minimum standards of knowledge and quality of service delivery to consumers.

Upskilling to ensure keeping up to date of with changes in the market/technology and to keep the CPD program relevant to existing and experiences professionals as they progress in experience and knowledge.

The role of Continuing Professional Development (CPD) is twofold. First, it allows professionals to maintain their existing skills and knowledge by staying up to date with the latest developments in their field. This helps to ensure that they remain relevant in the current industry. Secondly, CPD also provides an opportunity for professionals to upskill themselves and stay abreast of industry reforms, changing legislation, and providing training to individuals on business and people skills.

Both skill maintenance and upskilling provide confidence that member is not only working through the basic skills of the industry but also keeping up to date with the new laws and processes.

## Question 2: What is the right balance between initial education requirements and CPD? How could CPD be used to facilitate progression through graduated occupational licensing?

Initial education should include those areas that are dealt with daily as a minimum. Expanding upon this, CPD training should include the more intricate areas of strata management that is unable to be taught in initial training.

I don't think the requirements for certification/licensing is as hard as it is for other industries and does not stop people from transitioning to strata management. Presuming initial education requirements refers to Cert IV/TAFE/degree etc. – I think more weight should be placed on CPD as the education learnt some years ago within a CERT IV course may be outdated (**and hence why CPD education is more important as its dynamic and relevant to current legislation**).

- Initial education requirements to enter the industry should be kept low to attract new entrants from other industries. However, progressing to higher levels of accreditation should still require an investment in education and exposure to the industry.
- I think that the paper is correct in saying that most of the learning in strata management comes from “**on the job**” training but possibly this is mostly the case for newer entrants to the profession. More experienced workers should still be required to invest time and effort into some qualifications which are at a higher level than just CPD to ensure that they have a complete understanding of the various facets of the industry.
- I think that my statement above is especially important considering that we are now part of the professional standards scheme whereby the government and consumers have an expectation that licensed practitioners will have higher levels of credentials and qualifications as opposed to simply have attended various seminars throughout the year.
- i.e., consumers expect their accountants, lawyers, Planners etc. to have tertiary qualifications and this adds credibility to their professions. I think that relying solely on CPD to progress workers through the licensing process could diminish the perception of the strata industry to become like real estate where there are very low barriers to entry and subsequently a low level of trust by the public.

I believe that the initial educational structure is lacking in NSW. For example, there is no (or little) information for strata managers (in the Cert IV) for items such as:

- Building and construction processes
- Building and construction terminology
- Building materials and their uses within strata
- Building Code of Australia Warranties (2yr/6yr)
- Waterproofing materials and practices
- Design and Building Practitioners Act requirements.
- Residential Apartment Building Act requirements

CPD could be used to bridge this gap by providing for:

- Construction knowledge training so that strata managers understand how buildings are built and when terminology and products are mentioned (particularly to do with waterproofing) in quotes and tenders, they may have a better understanding of what the contractor is referring to.
- Soft skills training on how to conduct efficient meetings.
- Practical role plays and assessments on dealing with common scenarios relating to the above-mentioned points.
- Testing and assessments at a much higher level. I would be keen to see an annual or bi-annual test facilitated by the regulator on items that are mandated within the compulsory CPD topics. This way there will be better engagement as learners will know that they may be tested on the information being taught.

I don't believe that the level of upskilling will occur with the proposed 2023-24 CPD structure – 4 hours of compulsory topics is not enough and is a considerable reduction in time from the 2022-23 structure.

- Mandatory CPD to be undertaken in conjunction with initial training.
- Dual banding like trades licenses e.g., electrical where dependent on the specialist stream an individual wants to pursue, allows for diversity of roles.

I think an initial education is necessary for some professions, but career pathways with on-the-job training are vital. The experience of doing the work is sometimes more valuable than the qualification, and if this can be verified in an on-the-job environment, then it could improve productivity.

For strata specifically, we should bring in the human skills (as described by Simon Sinek) required, given that we know this is a large area of frustration for customers. The CPD element shouldn't be just technical skills.

CPD should serve the purpose of training professionals on specific areas/aspects of practice which cannot be covered/taught in initial education/training.

Consideration should be given to reducing/applying different CPD requirements to experienced professionals so that it is less onerous and more directed to enable experienced professionals to upskill to reflect their career progression (e.g., management of businesses/companies rather than day to day work).

The right balance between initial education requirements and CPD is vital for ensuring that professionals remain up to date with their chosen field. Initial education provides the fundamental knowledge and foundation to build upon, while CPD ensures that individuals can stay current in their profession and future developments. CPD reform can be used to facilitate progression within the industry through succinctly delivered and tested modules, allowing recipients to cite relevant levels of accreditation (similarly to class 1 and 2 agents, which could go further).

The right balance between initial education and CPD Initial education should be the basics of the industry. Initial education should cover topics like what is common property, who is responsible for what, trust accounting, Act, etc. CPD points will be beneficial to update each of the basic topics with the new cases and current updates to legislation.

### **Question 3: How could CPD be used to enable upskilling and improved labour market flexibility? What barriers must be overcome?**

With some of the CPD sessions that people sit in on, they only sit in the session to obtain the CPD hour, and the session is not necessarily assisting with training/educating the staff member.

The CPD sessions need to be educational, and I think sometimes more interactive. By including the staff in the session, they become more engaged and tend to then discuss the matter further after the session and helps them remember what was discussed. Also need to be mindful of who is presenting, need to ensure that the person is engaging.

Staging CPD courses based on someone's specific role – for example customer complaint handling for Strata Managers would be different than Assistant Strata Managers due to complexity.

Another example would be NCAT procedures – many ASM's would not have such exposure hence providing this training to them would give them the opportunity to upskill.

- Assuming that there are several industries with similar regulatory environments then having similar “entry level” qualifications and CPD schemes would mean that people in more junior positions can very easily move between those industries.
- However, once participants progress through the accreditation and licensing systems for their respective industries then the skills, knowledge, and experience required of them will be very specific to their industry, so I don't see much opportunity for the CPD gained in one industry to be readily transferred over to another.
- Perhaps the strata management industry is peculiar in this regard but it takes a very long time for a person from an unrelated industry to be able to progress to the point where they can competently manage a “portfolio” in a strata management company so there will always be the barrier to entry of “length of time” in the job before workers are able to manage an owners corporation to the standard that is expected of them by consumers.

To enable upskilling, CPD content needs to be pitched above the learner's current capability so that there is the opportunity of teaching people things that they do not

already know. If we continue to run through content which has been repeated over and over, I fear that learners will be disengaged.

To know what learners' capability is, testing is of paramount importance. Within each licensing class it would be helpful to grade learners and then require that they attend CPD suitable for that level. For example, class 2 agents may be divided into 3 categories, example:

1. Class 2: Beginner level.
2. Class 2: Intermediate level.
3. Class 2: Specialist Level.
4. Class 1: Beginner level.
5. Class 1: Intermediate level.
6. Class 1: Specialist Level.

By having a rating system within each class can also be used for managers to promote their skill level within the industry and on advertising material which in turn will encourage learners to want to upskill to promote themselves in the future at a higher level.

The barriers which must be overcome to improve upskilling and labour market flexibility are:

- More relevant topics
- Flexibility of delivery methods
- Accountability of learners needs to be tightened up (can do this via testing)

Government funding for industry associations or RTOs to invest in better technology for the delivery of CPD, particularly for remote learners who are conducting their businesses away from more densely populated towns or cities.

- CPD should be outcome focused opposed to points focused.
- Barriers: accessibility – implement digital learning, implementation of inhouse mentoring opportunities that count towards CPD.

Allowing on-the-job training would be a huge advantage here if there is a clear way for the individual and the company to check and have clear criteria, which could be done through digital tech.

Barriers to overcome is to ensure flexibility in the subject matter of CPD courses so that there can be cross-pollination of ideas/skills from different industries.

Continuing CPD and how it can be used to enable upskilling and improved labour market flexibility, there are a couple of key barriers that need to be overcome. Firstly, for professionals to gain access to the necessary training and resources available through CPD programs, they must have access to the right information. Accessibility is paramount, however there are different methods that individuals may prefer such as digital, face-to-face, or via industry events. Digital accessibility of industry events would be a benefit which may be able to be facilitated via the SCA, as face-to-face can have drawbacks with costs associated and lockdowns such as we have seen during COVID.

CPD points will allow to showcase the people that are interested in the industry by improving and upskilling their knowledge. Current employers can play a significant role in upskilling and ongoing training. Time management is important to be taken into consideration as well as the cost of upskilling.

## Question 4: How can digital technology be better used to facilitate and deliver CPD?

We are already utilising online CPD session however maybe include polls etc., during the session to assist with engaging those included in the session.

I am unsure if the current digital technology is not working or failing in relation to delivering CPD hence don't believe this is an issue at present.

- Covid 19 has shown us that, in terms of transferring training online, “where there is a will there is a way”. i.e., **almost every person I have spoken to would now prefer to do CPD in an online forum.**
- However, the training programs should be better regulated so that the government can be assured that, for every training session, there is a learning component, a discussion component, and a test or essay component to ensure that participants are engaged in the learning process.
- In addition to formal lessons such as above, I believe that feedback from licensees on certain aspects of how the job is performed should also be accepted as proof of competency and that this can also be achieved by a senior person “**sitting in**” on online meetings, financial duties etc. that are carried out by the worker. This allows the competency sign off to be carried out at no cost to the employer and allows technology to be used to allow visibility of the job being carried out.

It all comes down to cost. Unfortunately, **many agents do not see CPD as valuable** and perhaps see it just as something that is essential to meet the legal requirements for licensing. Further, the 2023-24 CPD framework will make it less expensive for learners to undertake CPD as they only need to attend 4 hours of training, this then impacts the ability of those who run CPD to use that money to invest into newer technology and software programs for the better delivery of CPD.

Digital technology and proper Learning Management Systems (LMS) have come a long way in terms of engagement. Industry bodies and RTOs should be investing funds into better course materials; however, this is hard as the topics change every year and the development costs to make these online courses engaging is expensive. For example, recording practical videos and creating interactive content takes time and money.

Funding is important, reducing CPD hours reduces funding and therefore I believe this

needs to be looked at for the 2023-24 CPD year to align with the 2022-23 framework (6 hours for class 2, 9 hours for class 1).

Digital technology can also be used better to test individuals. Testing throughout learning modules and on a regular basis by the regulator would be a challenge for some agents which in turn will encourage them to engage more in training sessions.

I also feel that digital technology should be used to monitor the CPD hours and topics that learners attend, for example:

- CPD certificates get uploaded on to a Strata Hub like portal for managers to view and track where they are up to. The portal may also have links to other free training videos and topics that the NSW Government offer, for example the waterproofing and project remediate course content to promote upskilling.

Digital technology can be used for better reporting for learners to keep track of their upcoming and past CPD topics and courses.

- Consider an app linked to government portals that automatically provides compliance reporting to regulators.
- eLearning modules with interactive webinars.

I like the idea of the Service NSW digital license to demonstrate CPD. If we used this as a licensing mechanism, how would that flow across state borders? What is a national solution for this instead of each state solving for something in isolation? Agree that we should be finding tech solutions to speed up and make the process of CPD less onerous. Digital technology should be used to enable flexibility of participation so that a particular CPD course is not required to be done at a set time and place.

Digital technology has become an increasingly integral part of CPD delivery, offering professionals an effective and convenient way to access the training and resources needed for their continued professional development. The use of digital technology can also ease the burden of inaccessibility to professionals who are located regionally who may have less access to face-to-face training.

CPD is essential for professionals to stay up to date with the latest industry trends and regulations but accessing the necessary training and resources can be difficult. Traditional methods of CPD delivery are often time-consuming and inconvenient, making it hard for professionals to gain access to the information they need in a timely manner.

Digital delivery of CPD offers an effective solution by providing professionals with convenient access to high quality courses from wherever they may be located and can be undertaken at any convenient time. By leveraging digital technology, regulators can ensure that all professionals have access to the right information needed for their continued professional development, and further this may be able to be centralised to ensure learning outcomes are consistent through all providers. An online database of a professional's own CPD achievements throughout each CPD year would also be beneficial and allow transparency for this to be checked by regulators.

Online learning is an important key factor. From simple courses, individual topics and updates from the industry. As well as each person online learning 'passport'

## Question 5: Does the framework appropriately guide regulators as to whether mandatory CPD is the right policy?

Our industry requires CPD training as it benefits all staff in their training.

Cost can sometimes be onus on the company/individual however if there were ways that a company may be able to implement some of the CPD sessions internally and have them registered to show it complies with the required topics.

I think the draft CPD framework does guide regulators. However, I think for our industry Stage 3 post implementation within 5 years is too long a timeframe, it should be a minimum of bi-annually.

Until an alternative is suggested/provided, I don't think there is another option to mandatory CPD. Whether it is the right policy can only be considered if there are other options to training/development/upskilling available to the industry.

- Licensees could be required to sign off that employees have progressed sufficiently and are maintaining skills rather than requiring external companies to provide CPD training.
- As with all government regulation, there is an element of participants trying to get it “**signed off**” or “**tick and flick**” as cheaply and quickly as possible rather than using CPD as an opportunity to expand the competencies of workers.
- Mandatory CPD by itself is possibly not particularly useful as there are rarely any tests or discussion from participants to show that they are engaged or have learned anything.
- So much education is carried out “**on the job**” and this is not captured or acknowledged by the CPD system, so the result is that workers are paying to do CPD which is potentially not relevant or useful whilst at the same time not being rewarded for the hours of on-the-job learning.
- However, I believe that the 3-stage draft framework is a good high-level approach to designing the program although it does seem to start with the premise that CPD is required!

I don't have a view as to whether the framework appropriately guides the regulators however the framework for the 2023-24 year should be reconsidered. I agree with the 4 hours of mandatory topics but believe the 2022-23 framework about the hours per annum was more suitable.

Mandatory CPD is imperative, if it is not mandated many agents will simply NOT undertake CPD training. Yes, there are many good agents who focus on learning and development, however there are equally as many who would take shortcuts if they could.

- Adequate, depending on the accreditation level.

I think the framework is clear and a good start. I feel like “within five years” for a post-implementation evaluation is too long. If we took that principle and applied it to Jan 2020 to today, the changes in tech and digitisation have shifted astronomically. Within three years is a better review window.

The framework should be a guide to regulators and upon completion of the courses the outcome needs to be displayed in the form of licensed practitioner to provide and guide consumer confidence

## Question 6: What design features should be included in the framework to ensure CPD is well designed and maximises net benefits?

The below is a good summary of the design features that should be included in the framework:

- A combination of professional learning and volunteer learning (as noted above which involves company providing the session and it being registered to ensure compliance).
- Regular review to ensure that the topics presented each year are relevant.
- Relevant to current events (e.g., defects, cladding, short term rentals)
- Short and direct. All staff are busy and while some clients are appreciative of being away from office for training; informing others that you are out of the office for the day when major issues are occurring can be problematic.
- Assessments. Need to ensure information is retained.
- I think that the govt is attempting to lower the bar too low by making CPD the primary way to demonstrate competency. I believe that educational qualifications should act as the main attainment to progress to higher levels as there is an expectation by consumers that an effort has been made by workers to attain qualifications.
- i.e., tertiary qualifications could be built into the framework as “**hurdles**” for workers to attain before moving from trainee to strata manager to senior strata manager to licensee etc.
- Completing “modules” of these certificate 4/diplomas/degrees would allow a uniform set of subjects to be used by govt. for signing off competencies whilst at the same time allowing workers to attain qualifications.

As noted in point 3, I believe the design could be improved by having ratings within each license class. Hours or points of CPD could be scaled up or down for each rating. Again, an example:

- Class 2: Beginner level.

- Class 2: Intermediate level.
- Class 2: Specialist Level.
- Class 1: Beginner level.
- Class 1: Intermediate level.
- Class 1: Specialist

Level. In addition:

- A portal or the like to manager CPD completed and upcoming
- More engagement with stakeholders on topic learning outcomes
- Testing of CPD content to be improved

In relation to the point made in the discussion paper – **‘practitioners who are already subject matter experts have little interest in engaging, as they already possess the knowledge and skill delivered by the training’** I feel that higher levels of information or perhaps different topics for these learners may be appropriate. For example, if there are 4 compulsory topic hours, one may choose from a selection of 8 different topics. If a scaling system is used as noted above, perhaps different course content is created for each level.

- Delivery methods of CPD
- Course fees
- RPL
- Reporting
- Checkpoints

I like the idea of licensees being directly accountable to customers (page 20 – last box) Online record keeping for reporting and regulators should be mandatory along with a robust cyber security policy.

Online training should be mandatory with a way of demonstrating on-the-job learning.

Any framework should ensure that there is flexibility of providers who are able to provide courses to meet the minimum education/skill requirements set by government/regulators.

The framework for CPD should ensure that skill maintenance and upskilling are balanced in a way that allows for initial education requirements to be met while also allowing for progression through graduated occupational licensing. To achieve this, the framework should consider the following design features:

- Mandatory CPD requirements should be based on assessable criteria,

- CPD should be tailored to the license class of professionals, with more hours required for higher accreditation, potentially leading to higher accreditation allowing professionals to position themselves higher in a competitive market,
- CPD content should be centralized to ensure consistency of learning outcomes across the industry, and
- CPD should be accessible digitally through providers where possible.

CPD should be broken down by basic skills v ongoing upskilling. Covering further topics and providing extra courses and subjects to upskill individuals to be more selective within the areas of their interests. For example, if someone is more interested in defects and how to work through the legal system with builders and developers. There should be a course to upskill the individual and along with work experience to allow that person to be a specialist in that field.

For further information about this consultation, please contact Dylan Lin, Policy and Advocacy Officer, SCA (NSW). [Dylan.lin@strata.community](mailto:Dylan.lin@strata.community)