



Strata management education changes in Western Australia

Consultation guide

Landgate is seeking feedback on a consultation draft of the Lands Regulations (Community and Strata Titles) Amendment Regulations (No. 2) 2024 between 18 November and 9 December 2024.

This guide looks at what's changing and how to provide feedback.



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Overview

A new and enhanced model for strata management education qualifications has been proposed for Western Australia.

Developed through extensive industry consultation over many years and an initial public consultation in November 2022, the new model is designed to elevate professional knowledge and experience across WA's strata management industry.

This uplift in standards is expected to deliver significant benefits to statewide strata owners and tenants once in place.

The new model will:

- Broaden educational qualifications and introduce experience requirements for professional strata managers.
- Establish new career pathways and redefine certain roles and responsibilities to better align with industry needs.
- Address the effects of national changes to the Certificate IV in Strata Community Management on Western Australia's industry.
- Apply to any future scheme managers of community titles schemes (once developed), as well as strata titles schemes.

To implement the new model, WA's strata titles regulations* have been amended and a consultation draft of that amended legislation – the Lands Regulations (Community and Strata Titles) Amendment Regulations (No. 2) 2024 (Amendment Regulations) - is now available for feedback.

* *The Strata Titles (General) Regulations 2019 (STGR)*.

How to make a submission

Visit landgate.wa.gov.au between 18 November and 9 December 2024.

The [strata management education changes](#) web page includes the online consultation form.

Summary of amendment regulations

1. Full Certificate IV to become baseline qualification

A full Certificate IV in Strata Community Management (Certificate IV) will become the standard qualification for everyone working in a professional strata manager role.

Context for change

Strata management in WA is becoming more complex, requiring professionals to be skilled in a range of areas. Requiring all professional strata managers to complete a Certificate IV as a baseline qualification aims to strengthen their knowledge in key challenge areas and improve industry-wide practices and standards.

Timing

This requirement will come into force when the Amendment Regulations take effect.

However, there will be a:

- Transitional period of 2 years for those currently working in a professional strata manager role without the prescribed educational qualifications to obtain the full Certificate IV.
- Provision for persons who immediately before commencement of the Amendment Regulations met the former prescribed educational qualifications.

Key points

- Under the new model, the baseline educational qualification requirements for individuals engaged by a strata management business to manage strata schemes will be the full Certificate IV in Strata Community Management.
- This requirement will apply to both principals of the business and the newly defined role of a strata community manager (as defined through amendment 5 below).
- Currently, a full Certificate IV is only legislatively required to be held by the principal of the business, while those undertaking the functions of a strata manager (designated persons) are required to complete a range of units from the Certificate IV.
- Principals of the business will also be able to complete the Diploma of Property (Agency Management - Strata) and comply with the Amendment Regulations.
- A provision has been added to 'futureproof' the regulations by providing for the replacement of the Certificate IV, according to the National Training Register.
- Note: this qualification requirement does not apply to volunteer strata managers.

Refer to:

Part 2 | *Community Titles Regulations 2021* amended:

- Regulation 96 (Scheme manager to ensure educational qualifications are met).

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation 95 (Strata manager to ensure educational qualifications are met).

2. Remove use of specific unit numbers from the Certificate IV

Specific unit numbers from the Certificate IV will be removed and replaced by a specific number of core and elective units for different strata management roles.

Context for change

This change was needed following national changes to units within the Certificate IV which made it impossible for some WA strata managers to comply with the educational qualification requirements set out in the STGR.

Timing

These changes will come into force when the Amendment Regulations take effect.

Key points

- Under the new model, Certificate IV unit numbers and names have been removed from the STGR and replaced in the Amendment Regulations with requirements to complete a specific number of units for each of the different strata management roles.
- The proposed unit requirements are set out below:
 - A principal who is a qualified person – 4 units.
 - A strata community manager who is a qualified person – 4 units.
 - An assistant strata community manager who is a qualified person – 2 units.
 - An assistant strata community manager who is not a qualified person – 4 units.
- This change will provide strata management businesses with more flexibility to determine the educational needs of their employees – that is, for those who aren't required to complete a full Certificate IV but only a select number of units (a qualified person).
- These changes will also help 'futureproof' the Amendment Regulations against any future changes made to unit names and numbers within the Certificate IV qualification.

Refer to:

Part 2 | *Community Titles Regulations 2021* amended:

- Regulation 96 (Scheme manager to ensure educational qualifications are met).

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation 95 (Strata manager to ensure educational qualifications are met).

3. Remove the definition and concept of a 'designated person'

The Amendment Regulations remove the definition and concept of a designated person.

Context for change

Consultation with industry identified that 'designated person' is a regulatory term and does not reflect terminology used by the industry.

The proposed amendments remove the definition and concept of a designated person and replace it with several different definitions and concepts covering individuals that own strata management businesses or work in the role of a strata manager.

Timing

This change will come into force when the Amendment Regulations take effect.

Key points

- Under the new model, the definition and concept of a designated person will be removed from the STGR and replaced in the Amendment Regulations with role definitions and concepts that are easier to understand and better reflect industry terminology and business structures (i.e. strata community manager and assistant strata community manager).
- These newly introduced roles are further explored through amendments 5 and 6 below.

Refer to:

Part 2 | *Community Titles Regulations 2021* amended:

- Regulation 90 (Terms used)
- Previous regulations - 91 and 96.

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation - 90 (Terms used).
- Previous regulations - 95 and 96.

4. Introduce a definition for 'principal of the business'

The Amendment Regulations introduce a definition for 'principal of the business' and establish new experience requirements.

Context for change

While the role of a principal is mentioned in the regulations, it is not a defined term, causing confusion within industry as to how the educational qualifications for this role are to be applied.

The proposed amendments to the regulations will make it clearer for strata managers who a principal is and introduce new experience requirements for this role.

Timing

This change will come into force when the Amendment Regulations take effect.

However, there will be:

- A transitional period of 2 years for those currently working in a principal of the business role without the prescribed experience requirements to obtain this experience.
- Provision has also been made that will allow someone who starts in a principal role during the transitional period to continue in that role until they meet the experience requirement.

Key points

- Under the new model, a definition has been added to clarify who can be a principal of the business.
- Currently, the role of a principal of the business is included in the STGR but without a supporting definition. This has created uncertainty for strata managers about who qualifies as a principal and who is responsible for fulfilling the principal's functions. The absence of a definition has also led to confusion within the industry about the application of educational qualifications for this role in strata management businesses. A definition has been added through the Amendment Regulations to clarify who is a principal of the business.
- Defining principal of the business will also make it clear who in a strata management business needs to hold the qualifications required of this position.

- The principal will be defined as an individual who is the owner, a partner, a director, or employee of the business that is the strata manager holding a strata management contract with the strata company and, in the case of a partner, director, or employee is authorised by the strata manager to perform scheme functions without supervision.

Individuals who are principals will have to meet the newly prescribed educational qualifications and hold two years' experience in the strata management industry. A key difference from the November 2022 public consultation to the consultation draft is that the education requirements are now linked to employment terms, rather than the scheme management contract. This shift ensures that the requirements apply to the right employee - specifically, the one responsible for carrying out scheme functions.

Refer to:

Part 2 | *Community Titles Regulations 2021* amended:

- Regulation 90 (Terms used)
- Regulation 97A (Scheme manager to ensure experience qualifications are met).

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation 90 (Terms used).
- Regulation 97B (Strata manager to ensure experience qualifications are met).

5. Introduce a new role and definition for a 'strata community manager'

The Amendment Regulations introduce a new role and definition for a strata community manager.

Context for change

The introduction of the 'strata community manager' role, with a clear definition, aligns with current industry terminology and business structures. This role largely retains the duties of the 'designated person' but replaces the term, which is not commonly used in the industry. The new role and definition will supersede 'designated person' in the STGR, particularly regarding educational qualification requirements."

Timing

This change will come into force when the Amendment Regulations take effect.

However, there will be:

- A transitional period of 1 year for those currently working in a strata community manager role without the prescribed experience requirements to obtain this experience.
- Provision has also been made that will allow someone who starts in a strata community manager role during the transitional period to continue in that role until they meet the experience requirement.

Key points:

- Under the new model, a new role and accompanying definition for strata community manager will be introduced.
- This role will, in part, replace the concept of a designated person with a key role (see amendment 3 above) and apply to individuals who are undertaking work as a strata manager in the practical sense.
- The introduction of this role will reduce confusion around who is required to hold an educational qualification by linking the need to hold a qualification to the authorisation of the carrying out of a scheme function under a scheme management contract. That is, someone who meets the definition of a strata community manager will need to hold the educational qualifications.

- A strata community manager is defined as an individual who is an agent, employee, or contractor of the strata manager and who is authorised by the strata manager and responsible for undertaking scheme functions that the strata manager is authorised to carry out. They carry out these scheme functions with no or minimal supervision or direction from a principal of the business.
- Individuals who are strata community managers will have to meet the prescribed educational qualifications and hold one year's experience in the strata management industry.
- The requirement to hold one year experience is a new requirement and aimed at improving real world knowledge of the strata management industry in strata community managers.

Refer to:

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation 90 (Terms used).
- Regulation 95 (Strata manager to ensure educational qualifications are met)
- Regulation 97B (Strata manager to ensure experience qualifications are met).

6. Introduce a new role and definition for an 'assistant strata community manager'

The Amendment Regulations introduce a new role and definition for an assistant strata community manager.

Context for change

The introduction of an 'assistant strata community manager' role creates a valuable career pathway role for individuals who want to enter the strata management industry. By splitting the 'designated person' role into 'strata community manager' and 'assistant strata community manager', a clear progression is established. This new role allows individuals to work under supervision while gaining qualifications and building their experience in strata management.

Timing

This change will come into force when the Amendment Regulations take effect.

Key points:

- A new role and accompanying definition for assistant strata community manager has been introduced.
- This role provides a valuable career pathway into the strata management industry. It is designed to allow people to work in the industry and gain experience prior to obtaining a full Certificate IV.
- An assistant strata community manager is an individual who is an agent, employee, or contractor of the strata manager and who assists the principal or strata community manager in carrying out their role. They can undertake a scheme function but must do so under the supervision of a principal or a strata community manager.
- Individuals who are assistant strata community managers will not have to meet immediate educational qualifications but will have to obtain a minimum qualification over a prescribed timeframe.
- There will be no experience requirements for assistant strata community managers as it is aimed at allowing people to develop experience in the strata management industry.

Refer to:

Part 3 | *Strata Titles (General) Regulations 2019* amended:

- Regulation 90 (Terms used).
- Regulation 95 (Strata manager to ensure educational qualifications are met)
- Regulation 97B (Strata manager to ensure experience qualifications are met).

Frequently Asked Questions

What allowances have been made for qualified people in the amendments?

Allowances for qualified people have been retained in the Amendment Regulations. A qualified person is someone who already holds a relevant qualification recognised under Schedule 4, clause 1 of the STGR.

This is to acknowledge that some people working in the strata management industry may hold a qualification different to what is required by the regulations but that equips them with knowledge comparable to the Certificate IV in Strata Community Management.

Qualified people will still only be required to complete a limited number of the units of the Certificate IV but will need to meet experience requirements.

How soon will the new educational and experience requirements apply?

The Amendment Regulations include an extension of the transitional period for the new educational requirements by two years. So, principals and strata community managers will have two years in which to obtain the new educational qualifications.

The Amendment Regulations also include a transitional period for the new experience requirements. This transitional period starts when the regulation changes come into force and ends two years after this date.

However, these transitional arrangements also include provisions that will allow someone who starts in a principal and strata community manager role during the transitional period to continue in that role until they meet the experience requirements.

That is, if someone comes into a role that has an experience requirement but won't meet the experience requirement by the end of the transitional period, these provisions let them continue in that role until they gain the required experience.

These are new provisions and Landgate is seeking feedback on how appropriate or necessary they are through this consultation process.

Why do the Amendment Regulations refer to community titles schemes and the Community Titles Regulations 2021 (CTR)?

Both the STGR and the CTR include educational qualification requirements for those who are employed by a strata or scheme manager to undertake scheme functions under a management contract. The educational qualification requirements under the CTR were also impacted by changes to the Certificate IV and need amendments to accommodate these changes.

As educational qualifications under the CTR are very similar to those under the STGR. The proposed changes to educational qualifications and the introduction of experience requirements have made the differences between these two sets of qualification requirements negligible.

As such, the decision was made to homogenise the educational and experience requirements across the two sets of regulations. To achieve this, the Amendment Regulations need to change both the STGR and the CTR, which is why these regulations include references to community titles schemes and the CTR.

