

Knowledge Exchange Sponsorship - Capacity Building Project of the Owners Corporation Network Australia Ltd to Drive and Support Resilient Strata Communities

File No: X026203

Summary

A multi-year application has been received under the Knowledge Exchange sponsorship program from the Owners Corporation Network Australia Ltd (OCN) to build the organisation's capacity to drive and support resilient strata communities ('Capacity Building Project').

Established in 2002 and based in our local government area, Owners Corporation Network Australia Ltd has 10,600 members nationally. Owners Corporation Network Australia Ltd is the only not-for-profit peak consumer body with an exclusive focus on advocating for the rights and interests of apartment owners.

Owners Corporation Network Australia Ltd receives no State Government funding and is almost entirely run by volunteer board members and alumni from professional backgrounds. Its overarching vision is to facilitate ongoing improvement for people living in strata through sharing and disseminating information to its members and advocating for legislative changes that afford better consumer protection.

More than 70 per cent of the City's residents live in strata apartment buildings, yet most owners do not fully understand their rights and responsibilities under the Strata Schemes Management Act 2015.

The sponsorship will enable Owners Corporation Network Australia Ltd to build its capacity and expand its reach. The scope of work includes website optimisation and enhancement, development and delivery of online resources and webinars, face-to-face education events and development of a business case to secure long-term State Government funding. Owners Corporation Network Australia Ltd is making a significant in-kind contribution to the project. The University of New South Wales - City Futures has confirmed its participation as a project partner.

The sponsorship will directly support the City's goal to create harmonious, connected and resilient communities and aligns with the key actions in the Residential Apartments Sustainability Action Plan 2015-2025, the Social Sustainability Policy and Action Plan 2018-2028 and Resilient Sydney 2018.

The request for sponsorship has been evaluated against the City's Knowledge Exchange Sponsorship program and is recommended to the full amount requested.

Recommendation

It is resolved that:

- (A) Council approve a Knowledge Exchange cash sponsorship consisting of \$40,000 in year one, \$30,000 in year two and \$30,000 in year three (excluding GST) to the Owners Corporation Network Australia Ltd for their Capacity Building Project to support resilient strata communities; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer a sponsorship agreement with the Owners Corporation Network Australia Ltd for the Capacity Building Project.

Attachments

Nil.

Background

1. The Owners Corporation Network Australia Ltd (OCN) is an independent, not-for-profit, peak consumer group that advocates for the rights and interests of apartment owners. It is uniquely positioned as the only organisation with an exclusive focus on owners.
2. Owners Corporation Network Australia Ltd is a trusted and independent advisor that is regularly called on to represent the interests of apartment owners by the State Government.
3. City of Sydney residents have one of the highest proportions of apartment ownership in the local government area and because of this are amongst the most vulnerable in Australia.
4. Purchasing an apartment is likely to be the single biggest purchasing decision for many of our residents yet the current legislative and regulatory framework does not adequately protect their consumer rights.
5. The sponsorship will enable Owners Corporation Network Australia Ltd to build its capacity and expand its reach to educate more residents. The scope of work includes website optimisation and enhancement, development and delivery of online resources and webinars, face-to-face education events and development of a business case to secure long-term state government funding.
6. Owners Corporation Network Australia Ltd is making a significant value-in-kind contribution. The University of New South Wales City Futures program has confirmed its participation as a project partner, adding further value to the proposed deliverables. The City will have the opportunity to co-design and add branding to any resources and collateral developed as part of the sponsorship.
7. Owners Corporation Network Australia Ltd is a key external stakeholder and has collaborated extensively with Sustainability Programs, Social Programs and Policy, and Planning, Development and Transport teams. The Executive Officer of Owners Corporation of Australia Ltd is a representative on the Residential Apartments Sustainability Plan Reference Group.
8. Owners Corporation Network Australia Ltd employs three part-time staff who are supported by 12 board members and alumni who are subject matter experts.
9. The sponsorship has a cross-cutting approach that will deliver benefits across social, economic and environmental pillars. If owners understand their rights and responsibilities in strata, they can govern more effectively through their owners corporations. This enables increased participation and trust, better performing more cost effective buildings and planning for resilient communities.
10. The sponsorship will help fund four key activities:
 - (a) website content development and enhancement, providing easier access to online resources and the member forum;
 - (b) webinar development, including building an online platform, content creation, promotion and delivery;

- (c) outreach and face-to-face events on targeted topics to strengthen networks; and
 - (d) business case development, to ensure a sustainable financial plan going forward.
11. The assessment panel have recommended granting the full amount requested by Owners Corporation Network Australia Ltd as the Capacity Building Project contributes to the following Knowledge Exchange sponsorship program outcomes:
- (a) strong networks where participants share resources and acquire new knowledge and skills; and
 - (b) improved capacity in organisations and individuals to develop socially just and resilient communities.
12. Evaluation of the sponsorship will measure the number of face-to-face events and webinars delivered, number of event and webinar registrations, increase in paid membership and subscribers, improvement in online user experience and increase in engagement on the online member forum.
13. Sponsorship benefits include City of Sydney branding on collateral, the opportunity to co-design content for face-to-face events and webinars and City of Sydney representation at events, where appropriate.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

14. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This sponsorship is aligned with the following strategic directions and objectives:
- (a) Direction 2 provides a road map for the City to become A Leading Environmental Performer - the sponsorship will support the City's endeavours to work with our residents to encourage sustainable living and build social cohesion within strata communities.
 - (b) Direction 10 - Implementation through Effective Governance and Partnerships - the sponsorship supports capacity building and future proofing of owners corporations and strata communities.

Organisational Impact

15. The sponsorship complements and enhances programs delivered by the City including Strata Skills 101 and Smart Green Apartments.

Social / Cultural / Community

16. The project will benefit strata communities in the City of Sydney local area and beyond through facilitating education and knowledge sharing and advocating for improved regulation and consumer protection.

Environmental

17. Apartment buildings have a significant and increasing environmental impact. The City is working with strata stakeholders to reduce this through actions in the Residential Apartments Sustainability Plan (2015).
18. A significant barrier to upgrading buildings, improving operations and creating resilient communities, is the complexity of decision making and the lack of understanding of strata ownership. The City will utilise the training and engagement delivered through Owners Corporation Network Australia Ltd as a key part of the engagement in this broader environmental improvement.
19. Strengthening the capacity of Owners Corporation Network Australia Ltd allows more chance of removing legislative barriers to solar and environmental upgrades in strata communities and precincts.

Economic

20. Empowering Owners Corporation Network Australia Ltd to have a stronger voice in the property market is vital to ensure that all input and consultation in the strata sector is not dominated by developers and builders. For most people, their home is their largest financial asset. Collective ownership in strata does make our residents and owners vulnerable financially if they have bought poor quality assets. It is important we have a representative body advocating for their rights.

Budget Implications

21. Funding for year one (\$40,000 excluding GST) is available in the 2019/2020 Knowledge Exchange Sponsorship budget. Funding for year two (\$30,000 excluding GST) and year three (\$30,000 excluding GST) will be included in the 2020/2021 and 2021/2022 Knowledge Exchange Sponsorship budgets.
22. A contract will be entered into for year one, with second and third year grants being subject to the recipient meeting milestones in year one.

Relevant Legislation

23. Section 356 of the Local Government Act 1993 provides that a council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

24. Section 356(3)(a) - (d) is satisfied for the purpose of providing grant funding to for-profit organisations because:
- (a) the funding is part of the Knowledge Exchange program;
 - (b) the details of the program have been included in Council's draft operation plan for financial year 2019-2020;
 - (c) the program's proposed budget does not exceed 5% of Council's proposed income from ordinary rates for financial year 2019-2020; and
 - (d) the program applies to a significant group of persons within the local government area.

Critical Dates / Time Frames

25. The project is planned to run from 1 December 2019 - 30 November 2022.
26. Key milestones:
- (a) Website optimisation, testing and launch - 30 April 2020
 - (b) Webinar platform build, testing and launch - 1 March 2021
 - (c) Develop, deliver and evaluate face-to-face events - ongoing
 - (d) Project acquittal - 1 November 2022.

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