

UnitCare Services

Body Corporate Managers
46 Kensington Road,
Rose Park 5067

Ph 8364 0022
Fax 8364 6822
Mobile 0413 941 057



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MEDIA RELEASE

JOHN RAU REPORT - STRATA UNIT SHAKEUP WELCOMED

The Rau Report, which recommends tighter controls to eliminate dodgy strata management practices, was welcomed today by Gordon Russell, CEO of UnitCare Services.

‘Too often we see evidence of a strata manager’s neglect. A tightening up of practices is long overdue.’ Mr Russell said.

‘Some Strata Management firms supply very little information about their management of the property to their clients. This makes it difficult for unit owners to know what is going on or what should go on. The necessary accountability and transparency is in many cases just not there.’ said Mr Russell

‘We have seen evidence of quite large maintenance jobs going unquoted, and instead being directed straight to a sister company. Neglect to keep up with a property’s current valuation and therefore realistic insurance on buildings is not uncommon either,’ Mr Russell said.

‘To ensure accountability we send our clients a monthly report on the state of their funds along with a log of all activities at their group’.

Mr Russell was the founding Chair of the REISA Strata Managers Division. He is a trainer for the REI Strata Manager and Property Manager courses.

The Rau Report just released contains 18 recommendations to deal with problems in the strata and community title areas – see copy attached.

Mr Russell said that the recommendations, including the need to register and license strata managers represented an excellent start to clean up the industry.

‘We need skilled ethical individuals handling unit owners money and property’ said Mr Russell.

‘The recommendations need some fine tuning, with input from owners as well as managers,’ said Mr Russell. ‘But overall the Report is an excellent start and I thank John Rau for his considerable interest and enthusiasm’.

Let us hope that the Government takes these important issues forward from here to legislation.’

Gordon Russell can be contacted at work on 8364 0022.

For more information about Gordon Russell and his submission to Rau Enquiry see
www.unitcare.com.au