

# Role of contractors in the financial success of bodies corporate

By [Björn Laubscher](#)

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The cost of a maintenance project for a sectional title scheme is usually determined by its size, the current state of repair and the degree of maintenance required. To assess these costs, the body corporate should request quotes from a number of relevant contractors.



Björn Laubscher, managing director of Mirfin Valuation Services

## Prioritising projects

When deciding which maintenance project should be completed first, one should evaluate projects based on the cost of delaying maintenance, the likelihood of breakdown or failure, and where such failure may result in additional costs or safety hazards.

The highest priority maintenance item may not always be completed first, as it may require more time to be completed. Factors such as scope and weather, as well as the availability of materials and labour, could affect the duration of each project.

As the “whole is greater than the sum of its parts” in sectional title living, it is immaterial which members stand to benefit more, or less, from a maintenance project. Naturally, everyone in a community scheme will benefit from buildings and common property that are well-maintained.

The responsibility for maintaining and insuring the common property lies with the body corporate. While some managing agents offer facility management as part of their services, generally speaking, managing maintenance projects is not the managing agent’s responsibility. In most cases, this is not the managing agent’s field of expertise.



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## Selecting the best contractor

Finding a reputable and experienced contractor is critical to a successful maintenance project. Depending on the size of the scheme, the trustees may want to consider employing an in-house maintenance manager.

A good contractor will be dependable and responsive, with sufficient and relevant experience. In addition, they should be adequately insured, properly accredited and compliant with health and safety regulations.



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## Seven tips for bodies corporate to optimise their service agreement with contractors:

1. Provide a detailed, written description of your project alongside a realistic budget.
2. Obtain multiple bids, not only to secure a lower price, but also to gather information about the broader industry and its key players.
3. Ask for references and request feedback from previous clients on contractor reliability, conduct and budget control.
4. Request descriptions and specifics of projects that are similar in scope and size to the scheme's project. Try to visit current locations to observe their working dynamics, attention to detail, as well as staff behaviour and attitude.
5. Enquire about the contractor's areas of expertise: They may have abundant experience in painting, but not much experience in spalling or waterproofing. Be sure to match the scope of your project with their experience and areas of specialisation.
6. Check their accreditation with the relevant industry bodies and their compliance with industry regulations. Make sure that they have sufficient insurance in place to cover their staff and liability towards the scheme.
7. Set clear expectations upfront relating to punctuality, on-site conduct, quality, budget control, and deadlines.

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## Keeping maintenance plans updated

Keeping the 10-year maintenance plan updated makes it easier to manage the costs of maintenance, as well as identify priority projects. An up-to-date maintenance plan enables the body corporate to accurately keep track of its capital expenditure.

## ABOUT THE AUTHOR

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