



Australian Government

Department of Education, Employment and Workplace Relations

CPPDSM6012A Plan property portfolio management

Release: 1

CPPDSM6012A Plan property portfolio management

Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit of competency specifies the outcomes required to plan the management of a property portfolio. It requires the ability to provide advice and recommendations to the client based on an accurate analysis of investment performance.

The unit may form part of the licensing requirements for persons working in the property industry, including in the real estate, business broking, stock and station agency and property operations and development sectors, in those States and Territories where these are regulated activities.

Application of the Unit

Application of the unit

This unit of competency supports the work of those involved in planning the management of a property portfolio.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Prerequisite units Nil

Employability Skills Information

Employability skills The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency. Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Establish performance requirements.	1.1 Property portfolio performance requirements are determined and confirmed in consultation with client and relevant people. 1.2 Client needs and expectations are accurately assessed and clarified using appropriate research and survey techniques. 1.3 Risk assessment is conducted on portfolio management requirements. 1.4 Industry benchmarks are analysed to determine expected performance of portfolio in varying market conditions. 1.5 Relevant market data is accurately interpreted to determine trends that may affect performance of portfolio. 1.6 Applicable ethical, legislative and organisational requirements are interpreted and applied.
2 Analyse performance constraints.	2.1 Asset life cycle is confirmed and usage parameters are determined in consultation with client. 2.2 Class and use of property portfolio are analysed and investment management strategies are established. 2.3 Asset information is analysed and specific maintenance and strategic issues are assessed and documented. 2.4 Financial performance and retention information are analysed and special funding and budget requirements are documented.
3 Design portfolio management system.	3.1 Portfolio management plan is designed within a strategic management framework and disseminated to relevant people. 3.2 Portfolio management strategies are reviewed according to organisational requirements for best-practice compliance and risk management. 3.3 Variations in performance expectations are identified and explained to relevant people.
4 Implement and review the system.	4.1 Portfolio is systematically evaluated and variations to the management system are identified and appropriate changes made. 4.2 Measures and criteria are chosen that provide sufficient information to make judgements about progress towards client objectives. 4.3 Strategies to improve portfolio management system are documented and implemented.

ELEMENT**PERFORMANCE CRITERIA**

- 4.4 Regular **reports** on property portfolio management activities are provided to relevant people.
- 4.5 Information is securely maintained with due regard to client confidentiality, and legislative and organisational requirements.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the essential skills and knowledge and their level, required for this unit.

Required skills:

- analytical skills to interpret financial data, assess property performance, and research property or facility application and usage and benchmark for optimisation
- communication skills to negotiate leases, purchases and rent reviews
- computing skills to access the internet and web pages, prepare and complete online forms, lodge electronic documents and search online databases
- interpersonal skills to relate to people from a range of social, cultural and ethnic backgrounds and varying physical and mental abilities
- literacy skills to interpret written and oral information, including property portfolio plans
- organisational skills to implement and review the portfolio management system and develop and complete strategies within established timeframes
- research skills to analyse and interpret property investment documentation and identify relevant sources of information
- technical skills to develop reports.

Required knowledge and understanding:

- a range of research methods and analysis techniques
- administration of property or facility usage plans
- contract law and property performance
- cost-in-use issues such as occupancy costs, service charges and maintenance costs
- industry practice and benchmarks
- lease rights and responsibilities
- life cycle costing
- local property market conditions and overall trends in the industry
- organisational and professional procedures, ethical practices and business standards
- relevant federal and state or territory legislation and local government regulations

REQUIRED SKILLS AND KNOWLEDGE

related to:

- anti-discrimination
- consumer protection
- environmental issues
- equal employment opportunity (EEO)
- financial probity
- franchise and business structures
- industrial relations
- OHS
- privacy
- property sales, leasing and management
- risk management associated with property portfolio management.

Evidence Guide

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, the range statement and the Assessment Guidelines for this Training Package.

Overview of assessment

This unit of competency could be assessed through practical demonstration of planning the management of a property portfolio. Targeted written (including alternative formats where necessary) or verbal questioning to assess the candidate's underpinning knowledge would provide additional supporting evidence of competence. The demonstration and questioning would include collecting evidence of the candidate's knowledge and application of ethical standards and relevant federal, and state or territory legislation and regulations. This assessment may be carried out in a simulated or workplace environment.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

A person who demonstrates competency in this unit must be able to provide evidence of:

- assessing risk and identifying portfolio performance constraints through analysis of asset life cycle, class and use
- conducting analysis of portfolio performance requirements against sourced market information and industry benchmarks
- designing and documenting strategic plans for the

- review of the portfolio management system
- determining client performance expectations through consultation and conducting research of relevant documentation and legislation
- knowledge of organisation's practices, ethical standards and legislative requirements associated with planning and managing a property portfolio
- preparing plans and reports on portfolio management and suggesting improvements through systematic review of portfolio management against set criteria.

Context of and specific resources for assessment

Resource implications for assessment include:

- a registered provider of assessment services
- assessment materials and tools
- candidate special requirements
- competency standards
- cost and time considerations
- suitable assessment venue and equipment
- workplace documentation.

Where applicable, physical resources should include equipment modified for people with disabilities.

Access must be provided to appropriate learning and/or assessment support when required.

Assessment processes and techniques must be culturally appropriate, and appropriate to the language and literacy capacity of the candidate and the work being performed.

Validity and sufficiency of evidence require that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical requirements of the workplace
- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further learning and practice with a decision of competence only taken at the point when the assessor has complete confidence in the person's competence
- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence
- where assessment is for the purpose of recognition (RCC/RPL), the evidence provided will need to be current and show that it represents competency demonstrated over a period of time

- assessment can be through simulated project-based activity and must include evidence relating to each of the elements in this unit.

In all cases activity and must include evidence relating to each of the where practical assessment is used it will be combined with targeted questioning to assess the underpinning knowledge. Questioning will be undertaken in such a manner as is appropriate to the language and literacy levels of the candidate and any cultural issues that may affect responses to the questions, and will reflect the requirements of the competency and the work being performed.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. ***Bold italicised*** wording in the performance criteria is detailed below. Add any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts.

Portfolio performance may relate to:

- concepts and plans
- customer service outcomes
- productive use of property and assets
- strategies and placement of capital in property for investment.

Clients may include:

- developers
- financial institutions
- fund managers
- internal and external property groups
- investment organisations
- joint ventures
- owner-occupiers
- partners
- unit trustees.

Relevant people may include:

- accountants
- analysts
- clients
- government personnel
- legal representatives
- management and colleagues
- members of industry associations
- supervisors
- taxation specialists.

Client needs and expectations may relate to:

- immediate capital gains
- long-term capital gains.

Risk may relate to:

- access restrictions on property
- borrowing risk
- gearing
- market and property sector risks, including:
 - fluctuations in economic cycle
 - interest rates

- stock market
 - risk factors and return expectations
 - specific property risk
 - volatility of income and capital.
- Industry benchmarks** may include:
- discounted cash flow
 - employment rates
 - industry association performance index
 - inflation rate
 - internal rate of return
 - life cycle costing
 - published vacancy factors
 - tenancy mix.
- Market conditions** may be influenced by:
- availability of alternatives
 - business confidence
 - economic conditions
 - level of competition.
- Performance of portfolio** may be influenced by:
- capacity to improve assets
 - capital growth versus short-term gain
 - cash flows
 - change to organisational structure
 - demographics
 - gearing possibilities
 - geographic aspects
 - limits to financial resources
 - return on investment
 - return versus risk
 - taxation considerations
 - type of property or facility.
- Legislative requirements** may be outlined and reflected in:
- Australian standards
 - general duty of care to clients
 - home building requirements
 - privacy requirements
 - relevant federal, and state or territory legislation that affects organisational operation, including:
 - anti-discrimination and diversity
 - environmental issues
 - EEO
 - industrial relations
 - OHS
 - relevant industry codes of practice covering the market sector and industry, financial transactions, taxation, environment, construction, land use, native title, zoning,

	utilities use (water, gas and electricity), and contract or common law • strata, community and company titles • tenancy agreements • trade practices laws and guidelines.
Organisational requirements may be outlined and reflected in:	• access and equity principles and practice guidelines • business and performance plans • complaint and dispute resolution procedures • emergency and evacuation procedures • employer and employee rights and responsibilities • goals, objectives, plans, systems and processes • legal and ethical requirements and codes of practice • mission statements and strategic plans • OHS policies, procedures and programs • policies and procedures in relation to client service • policies and procedures relating to own role and responsibility • quality and continuous improvement processes and standards • quality assurance and procedure manuals • records and information systems and processes.
Asset life cycle is:	• acquisition • disposal • operation and maintenance • planning for and establishing a new asset.
Class of assets in portfolio may include:	• infrastructure • land • land and improvements • plant and equipment.
Asset information may be contained within:	• business plans • comparative market data • depreciation schedules • financial documents • government statistics • marketing plans • property valuation statements • qualitative and quantitative data • reports and inventories • taxation records.
Strategic issues may relate to:	• changes in return on investment expectations • political considerations • portfolio balance

Evaluated refers to evaluation methods that could be qualitative or quantitative and may include:

- the environment.
 - checklists
 - cost data analysis
 - expert and peer review
 - interviews
 - observation
 - questionnaires
 - review of quality assurance data.
- Reports*** may be:
- accounting
 - advisory
 - financial.

Unit Sector(s)

Unit sector	Property development, sales and management
--------------------	--

Competency field

Competency field	Property operations and development
-------------------------	-------------------------------------