

New strata laws
30 November 2016

**What you should know
as a committee member**

Welcome!

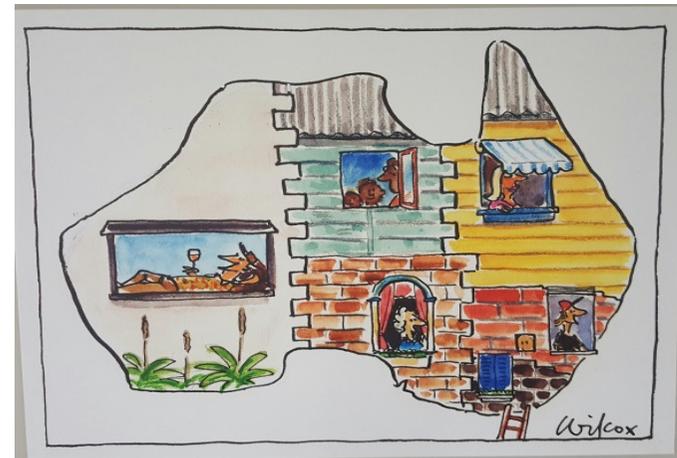
House-keeping

- + Introduction
- + Morning tea break
- + Amenities
- + Questions
- + Information you will receive



90 changes | what's important

- + Strata committee
- + Tenant representative
- + AGM process
- + Notice of AGM
- + Common property obligations, approvals & management
- + By-law review considerations



Strata committee

- + Must act **for the benefit of the OC** and with **due care & diligence**
- + **Eligibility**
 - + An owner of a lot can only nominate one person
 - + Co-owners can be on the committee if co-owners hold multiple lots and the nomination for one of the co-owners must be by another lot owner.
- + **Ineligible**
 - + Building managers & real estate agents can no longer be on committees unless they are owners
 - + If un-financial at time of notice then must have **paid before the meeting** so as to be eligible
 - + Connected person ineligible unless they **disclose the connection** at the meeting and before the election or before appointed to act as a member.

Connected person = holds relevant financial interest or relevant power, is a relative, employer, employee or engaged or holds an executive position



Strata committee

- + **Nominations**
 - + Have to have the **consent** of the nomination by the candidate either in writing or verbally at the meeting
 - + If more than 50% investor owned then must elect a **tenant representative** (*next slide*)

- + **Officers of the committee**
 - + nominations must
 - + be in writing
 - + must be included in the notice
 - + may be made at the meeting
 - + disclosures can be either in writing or at the meeting



Tenant Representative

- + Owners must give **notice** of terms of lease **within 14 days of commencement of lease**

- + If 50% of lots are tenanted then must **convene a meeting of eligible tenants** for the purpose of nominating a tenant representative on the strata committee
 - + 14 days before AGM for a meeting not earlier than 7 days after notice
 - + Notice either displayed on noticeboard or given to every tenant
 - + The convenor or eligible tenant is to chair
 - + Quorum is 1
 - + Rep is determined by majority vote of those present at the meeting
 - + Term starts at end of AGM at which nomination is received and ends at the end of the next meeting where a new committee is elected.



Tenant Representative

- + Tenant Rep **cannot**
 - + put a motion to the committee
 - + nominate an office bearer
 - + be an office bearer
 - + be included to the quorum count
 - + Vote

- + **Can be asked to leave** when discussing
 - + Financials & audit reports, and other financial matters
 - + Levy & levy management
 - + Strata renewal proposals



What's new about the AGM process

- + **One AGM per financial year.**
- + Every motion must have an explanatory note
- + You can have a motion to adopt **electronic means of voting** eg teleconferencing
- + If motion is to vote by way of email or website then this is referred to as **pre meeting electronic voting**
 - + notice must include statement that if a motion is amended at the meeting then the pre-meeting vote may have no effect
- + There are new requirements relating to the **form of the Notice** (next slides)
- + **Developer excluded** from voting on matters relating to defects
- + **Developer vote reduced** if still owns half of the lots to one third
- + **Tenants**
 - + can attend meetings
 - + cannot vote unless they hold a proxy
 - + can only address the meeting with resolution of the meeting



What's new about the AGM process

- + Chairperson to **declare the result** of voting on each motion
- + Chairperson can declare **after half-hour** of no quorum that those present personally or by duly appointed proxy **constitute a quorum**
- + **Proxy limitations**
 - + Proxy held by a building manager, on-site manager, or strata manager is **invalid** if it assists in obtaining a pecuniary interest.
 - + If scheme 20 lots or less then can only hold **one** proxy vote.
 - + If scheme greater than 20 lots then can hold a number of proxies that equates to **no more than 5%**
- + The pre-meeting electronic voting effectively replaces the need for the **proxy that directs** how to vote on motions.



What's new about the form of Notice

- + **Any owner** (un-financial incl) may **request a motion** via written notice with
 - + motion,
 - + name of person making the motion, &
 - + explanatory note of less than 300 words

- + Include a **call for written nomination for the committee**

- + Prepare or **review a 10 year plan for capital works fund**

- + Consideration of **AFSS** & arrangement to obtain next one

- + Consideration of **building defects** whilst still in warranty period



What's new about the form of Notice

- + Statements that
 - + owner vote does not count if **priority vote** is cast for a motion. Priority vote if motion for expenditure greater than \$1000 per lot.
 - + **Un-financial** owner, mortgagee or covenant charge cannot vote unless **payment** made for levies and other recoverable amounts **before the meeting**.
 - + **Voting or other rights** can be exercised in person, by company nominee or by proxy
 - + The provision for determining **quorum**

- + Consideration of **commission or training services** have been provided or paid to strata managing agent or what likely to receive in the next 12 months.

- + A form of motion to deal with **overdue contributions**

- + **Tenants** to receive
 - + not required to provide supporting documents
 - + Noticeboard suffices



What's new about common property

- + **Owners can recover any loss** due to failure of owners corporation to act on duty to repair & maintain
- + OC can adopt a **common property memorandum**
- + **Power to enter premises** with consent of owner to carry out OC work eg window devices, fire inspections, works to rectify defects, works required by public authorities.
- + **Disposal of goods on common property** with proper disposal notice. Allowed to sell the goods with proceeds to admin fund and details of sale to be recorded to OC records.
- + **Removal of a motor vehicle** to another place on common property or to the nearest place it may be lawfully moved, with similar disposal notice.

Date & time to be specified (not earlier than 5 days of the date of the notice)



What's new about common property

- + **Cosmetic works** don't require approval
- + Defined **minor renovations** approved via resolution at general meeting.
 - + By-law can give authority to the strata committee
 - + Owner to give written notice with certain details.
 - + Cannot be reasonably withheld.
 - + Minor renovations does NOT include:
 - + structural
 - + waterproofing
 - + changing external appearance of lot eg access ramp



What's new about by-laws

- + Your schemes by-laws are to be **reviewed**
- + A **consolidated set** is to be held

- + Do your by-laws suit the scheme?
- + Are the current by-laws enforceable?

- + Would you like to consider new matters?
 - + **occupancy limits** | may not be fewer than 2 adults per bedroom.
If occupants are related then limit cannot be applied.
 - + **minor renovations** | to give the strata committee authority to approve



What's new about by-laws

- + Schedule 3 New model by-laws for residential strata has 18 by-laws
 - + Keeping of **animals** | 2 options with 1st not requiring written approval of the OC
 - + **Smoke penetration** | 2 options, both the smoke must not penetrate another lot
- + **Tribunal can order**
 - + for removal of animal if considered in contravention of by-laws, or if animal causes a nuisance or hazard, or interferes with use or enjoyment of another lot
 - + keeping of an animal if considered consent unreasonably withheld

The orders are binding despite the by-laws



New strata laws

What else would you like to know?
