

# STRATA & COMMUNITY LIVING

SUMMER 2018

BROUGHT TO YOU BY:



## 2018 WRAPPED UP

2018 seems to have flown by but it was a year packed full of opportunity and change. Strata Community Australia (NSW) became Strata Community Association (NSW) and worked through issues such as short-term letting and combustible cladding. SCA (NSW) General Manager, Rachel Lynn looks back on the year.

“During this past year SCA (NSW) has again provided a variety of educational and social opportunities for owners to get involved in the organisation,” Rachel said.

“The Strata Owners Committee continued to deliver interesting and valuable information to its members by way of the ‘new look’ monthly ‘Strata Owners Newsletter’, seminars and annual Strata Owners Day.”

This year the Committee promoted SCA (NSW) through various channels, such as NABERS. The committee continues to work on fostering partnerships with local council areas, such as Parramatta, City of Sydney, Lane Cove, Sutherland Shire and North Sydney.

“Our annual Strata Owners Day was held on 24 March offering owners – both members and non-members – the opportunity to hear from experts on topics such as combustible cladding, major defects and environmental efficiency.”

In August we announced the winners of the 2018 CHU Strata Community Awards which has one award dedicated to strata schemes. This year's winner of the Strata Community Environmental and Engagement Award was a scheme located in the Sydney suburb of Woolloomooloo. The award is sponsored by the City of Sydney.

“This was an interesting scheme that had once been a commercial store and had been refurbished into apartments. The strata committee was provided with a ratings and assessment grant from the City of Sydney to investigate carbon abatement opportunities.”

“In addition to energy efficiency, water and renewable energy projects, the committee also established an extensive community vegetable and herb garden. This includes implementation of a new food waste composting system and a worm farm. The scheme already has recycling bins.”

“It is remarkable what strata schemes can achieve when they get together. We will bring you more of this story in future editions. But for now, it's never too late to think about entering the awards in 2019.”

Throughout the year SCA (NSW) has also brought information and updates via the Strata Owners Newsletter which is sent out monthly. Updates included information about a new NABERS rating scheme and tool for apartments, updates on the new regulations for external combustible cladding and details of the new Multi-owned Properties Research Hub established by the University of NSW through its City Futures research centre.

“Again this is important work that is proudly sponsored by SCA (NSW) and is designed to benefit the NSW strata sector.

“There is still so much more to come for 2019 but for now we thank our owner members for their continued support and contributions to both the SCA (NSW) and the sector.

If you've missed anything don't worry it's all on the website [nsw.strata.community](http://nsw.strata.community)

SCA (NSW) wishes everyone a happy and safe holiday season and look forward to the challenges a new year provide.

Rachel Lynn  
General Manager  
SCA (NSW)



## COMMUNITY TITLE SCHEMES REFORM

When the NSW Government committed to and then finally introduced the new strata laws in 2016 one thing was missing – a reform of the community title laws.

Some preliminary reviews of the community schemes laws have been undertaken so let's recap where it's at.

For those who don't know, community title is by and large a housing estate or gated community and can be a mix of strata title and Torrens title properties. A good example is Breakfast Point in Sydney's inner west which is made up of strata title apartments, Torrens title houses, a shopping centre, country club, community centre and oval. It has streets and gardens and all of this is managed by a community association which has representatives from amongst all the lot owners.

The community title scheme has its own by-laws which apply in addition to the by-laws of the strata title scheme making management of these complex and specialised.

In September 2014, NSW Fair Trading released a Community Title law reform paper. The position paper sets out a coherent and informed approach to meet the future needs of residents living in nearly 2,200 community, neighbourhood and precinct schemes operating around the state.

The Minister for Fair Trading at the time said that at the very heart of the package are measures that seek to better protect residents with a focus on ensuring transparency and accountability in decision-making.

"We are establishing a framework for community schemes that is modern, flexible and removes the onerous requirement to have all owners agree unanimously on decisions about their property."

NSW Fair Trading which is conducting the review says that a draft Community Schemes Bill is expected to be finalised by

the end of 2019. It says:

"The proposed reforms in the community scheme law reform position paper mirror many of the proposed reforms in the strata scheme law reform position paper.

"While this will enhance consistency across both sets of laws, it is also acknowledged that some of the strata scheme law reforms, for example secret ballots and proxy vote limits, will be most relevant to the operation of neighbourhood associations. These types of reforms may not be necessary or practical for the operation of precinct and community associations."

Reforms proposed include:

- Better ways to control parking
- Developers required to set realistic levies during the initial period and after the first year
- Allow penalties to be paid directly to schemes
- Allow land to be added to a community or precinct scheme, providing it has been disclosed in the development contract
- Allow schemes to lease additional property
- Allow land to be added as association property or as a lot in the scheme by special resolution

A greater list of these proposed reforms can be found on the NSW Fair Trading website.

Before the proposed reforms start, NSW Fair Trading will provide updates and information on how changes will affect the rights and responsibilities of people involved in community schemes. Register to receive these updates at [www.fairtrading.nsw.gov.au](http://www.fairtrading.nsw.gov.au) and have your say when the public consultation period opens.

# STRATA BITES

Rental housing reform, scams and a new online portal for mediation – this is what's been happening lately.

## ACADEMICS ENCOURAGE BETTER RENTAL HOUSING REFORMS

Academics from Universities around Australia involved in housing research have called on the NSW Government to reform current eviction proceedings arguing that without this the other reforms will have little effect. In an open letter, 45 academics, including those from City Futures at the University of NSW (with which SCA (NSW) regularly collaborates) said that:

"The provision for landlords to give termination notices, with no grounds, at the end of a fixed-term tenancy or during a continuing tenancy is contrary to genuine security.

"No grounds" termination notices give cover for bad reasons for seeking termination, such as retaliation and discrimination. The prospect that a "no grounds" termination notice may be given hangs over all tenancies, discouraging tenants from raising concerns with agents and landlords and undermining the legal rights otherwise provided for by their leases and the legislation.

The deficiencies of our current laws are becoming worse, as more households rent, and rent for longer into their lives. About 32% of NSW households rent and this proportion is growing. Over the five years to 2016, 63% of the net growth in the number of NSW households was households in rental housing. And 42% of NSW renter households include children.

Our deficient current laws are also increasingly

out of step with tenancy laws in comparable jurisdictions. Many European countries, as well as most of the Canadian provinces and the largest US cities, do not provide for "no grounds" terminations by landlords."

To read the entire letter go to the City Futures blog page [blogs.unsw.edu.au](http://blogs.unsw.edu.au)

## NEW ONLINE PORTAL FOR MEDIATION

A new online portal specifically to mediate strata disputes was launched in October 2018. The new Strata Mediation Portal is designed to make it quick and easy to lodge an application for assistance with a strata dispute.

NSW Fair Trading says that the mediation service is free and resolves over 65% of all strata disputes. It is available to anyone who lives in, owns or works in the strata sector or in a community scheme.

This service can assist with many of the most common strata disputes including:

- keeping pets
- repairs and maintenance to common property
- car parking
- using common property

In the past year, NSW Fair Trading has received more than 1,800 applications for strata mediation services. Their experienced mediators are impartial and help parties reach a mutually beneficial agreement by taking part in an informal dispute resolution process.

Go to [www.fairtrading.nsw.gov.au](http://www.fairtrading.nsw.gov.au)



## RENTALS IN NSW

In NSW, about 32% of households rent

## BETWEEN 2011 AND 2016

There has been a 63% net growth in NSW households in rental housing

## NSW RENTAL HOUSEHOLDS

42% of NSW rental households include children



NSW RENTER HOUSEHOLDS ARE ON THE RISE



## LATEST SCAMS

We like to make sure our readers are kept informed of the latest scams so wise decisions can be made.

The Australian Competition and Consumer Commission operates Scamwatch where scams can be reported as well as updates provided on the latest attempts by criminals to make us dishonestly part with our hard earned money.

The ACCC is warning against two latest scams one involving celebrity endorsements and the other fake charities.

According to the ACCC website, people are increasingly being caught out by celebrity endorsement scams, with reports to Scamwatch increasing 400 per cent and losses increasing by a staggering 3,800 per cent so far in 2018.

These scams often appear as online advertisements or promotional stories on social media or a seemingly legitimate, trustworthy website. They include fictitious quotes and doctored or out-of-context images of the celebrity, such as presenters from the TV show Shark Tank, promoting a product such as skin care creams, weight loss pills, or investment schemes.

The scam works by consumers signing up for a 'free trial' for a product. As part of this process,

they have to provide their credit card details. The 'free trial' however, has strict terms and conditions such as having to return the product within a near impossible timeframe, and an automatically renewing subscription that is difficult to cancel. These terms are often only visible on the document that arrives with the product.

The ACCC website also reports that scammers are increasingly using fake charities or impersonating real charities to take advantage of people's generosity and compassion. So far in 2018, Scamwatch has received 689 reports of fake charities scams with more than \$320,000 in reported losses. This compares to the whole of 2017 where reported losses were \$313,563.

Fake charities operate in a number of different ways. Scammers may approach people on the street (for example posing as a monk, or a collector for a specific cause) or at their front door. Scammers may also set up fake websites which look similar to those operated by real charities. Some will call or email people requesting donations.

Report any suspicious activity to the police or to [www.scamwatch.gov.au](http://www.scamwatch.gov.au)

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means now known or to be invented, electronic or mechanical, including photocopying, recording or by any information or retrieval system without written permission from the author or publisher, except for the brief inclusion of quotations in a review.

DISCLAIMER: Please note the information enclosed is general in nature and cannot be relied upon as legal advice. Strata Community Association (NSW) Ltd and its members disclaims any liability (including for negligence) to any person in respect of: anything; and the consequences of anything, done, or not done, by any such person in whole or partial reliance upon the whole or part of the information enclosed. Strata & Community Living is a joint initiative brought to you by SCA (NSW); the peak industry body representing strata managing agents and others committed to the continual improvement in standards of strata management practice in NSW and your strata managing agent.

EDITORIAL CONTACT: SCA (NSW) Ltd W: [nsw.strata.community](http://nsw.strata.community) | P: 02 9492 8200 | E: [enquiries@strata.community](mailto:enquiries@strata.community)