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STRATA MANAGERS EDUCATIONAL FORUM – THE PROPOSED STRATA LAWS – HOW WILL THEY EFFECT YOU?

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JS Mueller & Co Lawyers
Website I Email I LinkedIn

By-laws

Under the Strata Schemes Management Bill 2015

James Moir
Lawyer I BA LLB
Email I LinkedIn

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CHANGES TO BY-LAWS UNDER THE STRATA SCHEMES MANAGEMENT BILL 2015

A. RENOVATION BY-LAWS

Under the new Act, there are three categories of renovations:-

1. Cosmetic renovations (s.109)

Cosmetic work can be carried out without the approval of the owners corporation. Cosmetic work includes:-

a) Installing or replacing hooks, nails or screws for hanging things on walls;
b) Installing or replacing handrails;
c) Painting;
d) Laying carpet;
e) Installing or replacing built-in wardrobes;
f) Installing or replacing blinds or curtains.

When carrying out cosmetic work, owners must ensure that any damage to common property is repaired and that the works are carried out in competent and proper manner.

The by-laws can specify additional work that is to be cosmetic work.

Section 109 does not state who is responsible for the maintenance and repair of cosmetic work. Section 106(1)-(3) is basically a replica of Section 62(1)-(3) of the current Act. Accordingly, if any cosmetic work or any part of it is common property, then it would appear that the owners corporation will be responsible for the maintenance and repair.

In terms of what constitutes cosmetic work the following is specifically excepted:-

a) Work that constitutes minor renovations;
b) Work involving structural changes;
c) Any work changing the external appearance of a lot. So if installing or replacing blinds or curtains changes the external appearance of a lot (as it often will), then it is not cosmetic work.
d) Work that detrimentally affects the safety of a lot or common property, including fire safety systems;
e) (e) Work involving waterproofing or the plumbing or exhaust system of a building;
f) (f) Any work for which consent is required under another Act (for example a DA), or prescribed by the regulations.

1. Minor renovations (s.110)

Minor renovations include:-

- renovating a kitchen;

- renovating a bathroom (unless it affects the waterproofing);
- changing recessed light fittings;
- installing or replacing wood or hard floors;
- installing or replacing wiring, cabling or power or access points.

If an owner wants to carry out minor renovations, then they must provide to the owners corporation the following information:-

a) details of the work, including copies of plans;

b) duration and times of work;

c) details of the persons carrying out the work, including their qualifications; and

d) arrangements resulting to rubbish or debris.

Minor renovations require approval, but only by an ordinary resolution at a general meeting. A special resolution is not required, even if the minor renovations involve changes to common property.

When carrying out minor renovations, the owner must ensure that any damage caused to the common property is repaired and that the minor renovations are carried out in a competent and proper manner. The following work is not a minor renovation, and therefore requires approval by special resolution and a by-law:-

- Cosmetic work (no approval needed here);
- Any work involving structural changes;
- Work involving changes to the external appearance of a lot;
- Work involving water proofing;
- Work which requires a DA;
- Work that is authorised by a by-law or prescribed by the regulations.

Once interesting point that is not clear from reviewing the examples of what constitutes cosmetic work or minor renovations is that the definitions of each are inclusive definitions. That is, the new Act gives examples of what is cosmetic work or what is a minor renovation, saying that this includes the listed examples of works, but is not limited to this work.

How do we know what other types of work can constitute cosmetic work or a minor renovation? This is not clear. The definitions in section 109(2) and 110(3) include those examples and suggest other things could be cosmetic work or minor renovations. However, no parameters are given to determine what could be cosmetic work or a minor renovation.

2. Alterations or additions to Common Property (s.108)

Section 108 of the new Act is very similar to section 65A of the old Act. It states that the owners corporation or an owner may add to alter the common property or erect a new structure on the common property, but only if a special resolution is first passed that specifically authorises that work. Again, if the special resolution species that the lot owner is to be responsible for the maintenance and repair of the work, then the owner's written consent and a by-law are required.

Common Property Memorandum

Strata Schemes may decide to adopt a Common Property Memorandum prescribed by the Regulations. The purpose of the Memorandum is to make it clear what is lot property and what is common property. We have previously not considered that one generic memorandum is not particularly effective, as different strata plans have different delineations between lot and common property. For example, one strata plan might say that the garden boundary is 3m above and 2m below floor level and another might only be 2m above the slab and not below at all. The previous draft version we saw didn't entirely reflect the correct position as we saw it.

In any case, strata schemes have the option of adopting the memorandum. It is not imposed on them by the new Act.

Lot Owner Suing for Breach of Statutory Warranty

You will have heard in previous talks from us that the previous position under *Seiwa*, where an owners corporation could sue for a breach of statutory warranty, was changed by one of the *Thoo* cases. Under the *Thoo* Court of Appeal case owners could only sue in negligence, if a failure to maintain common property damaged lot property.

However, section 106 (5) of the new *Act* will make it perfectly clear that the previous *Seiwa* position will apply again. That is, an owner of a lot has a specific right to sue the owners corporation for damages for breach of Statutory duty if that owner suffers any loss as a result of the owners corporation's failure to maintain common property.

Summary of types works and differences

A summary of the changes in the legislation and how they affect different types of work is set out below:

Type of work	Position under current Act	Position under new Act
Installing hooks and nails	Under standard by-law 5, approval required, maintenance and repair not clear	Can be done without approval
Internal painting	No approval required	No approval required as long as there is no change to the external appearance of a lot, otherwise a by-law is required
Installing new carpet	No approval needed unless there are changes to common property in which case a special resolution and by-law are required	No approval required
Installation of built-ins	Special resolution and by-law needed if being bolted into a common property wall	No approval needed unless work involves structural changes
Installing blinds or curtains	Special resolution and by-law needed if alteration to common property (which is likely)	No approval needed unless there is a change to the external appearance of a lot in which case a Special Resolution and a by-law are required
Kitchen renovation with appliances staying in same position	Special resolution and by-law needed if any change to common property	Approval needed by ordinary resolution at a general meeting
Kitchen renovation with exhaust or plumbing changing	Special resolution and by-law needed if plumbing or exhaust penetrates common property, which is most likely	Only an ordinary resolution at a general meeting is required

Type of work	Position under current Act	Position under new Act
Bathroom renovation with no change to waterproofing, (eg just changing vanity and shower screen)	Special resolution and by-law needed if changes to common property. Otherwise no approval needed.	Ordinary resolution at general meeting needed.
Bathroom renovation involving changes to water proofing	Waterproofing is common property, so special resolution and by-law required	Special resolution and by-law required (no change)
Changes to or installing new recessed light fittings i.e. within ceilings	Special resolution and by-law needed, as these are going above the paint on the ceiling (ie into common property)	Ordinary resolution at general meeting required
Changes to wiring, cabling or power or access points	Most likely involves an alteration to common property, so special resolution and by-law required	Approval needed by ordinary resolution at general meeting
Structural changes	If changes to bricks or installation of beam involves changes to common property, then special resolution and by-law required. If bricks below ceiling being changed and lintel installed below ceiling, then no approval needed	All structural changes require a special resolution and by-law
Other work involving change to external appearance of lot	If no change to common property, then no special resolution needed. Possible approval needed under by-law 17 (if not in keeping with the rest of the building)	Special resolution and by-law required
Installation of bathroom exhaust fan.	Special resolution and by-law needed, as this will penetrate a common property external wall	Approval required by ordinary resolution at general meeting
Installing awnings, air conditioners bolted to a balcony, air conditions with ducting in roof void, and other "attachments"	Special resolution and by-law needed as these are alterations to common property	Unless a specified minor renovation or cosmetic work, then a special resolution and by-law most likely required

A. COMMON PROPERTY RIGHTS BY-LAWS

The previous category of exclusive use and special privilege by-laws are now called "Common Property rights by-laws". The provisions relating to these by-laws are very similar, with one notable change. Currently, section 52(1)(a) states that an exclusive use or special privilege by-law can only be made with the written consent of the "owner or owners of the lot or lots concerned". The original case defining what this meant was *Young's* case, which found that lots concerned included owners giving up common property. It effectively meant that in most circumstances, every owner's consent is required, as every owner would be giving up common property when an exclusive use by-law is created. This changed with the *James* case, where only the consent of the owners receiving exclusive use or taking on the burden of maintaining common property was required.

Under section 143(1) of the new Act, it is clear that the owners corporation can only make a common property rights by-law "with the written consent of each owner on whom the by-law confers rights or special privileges". This makes it clear that the position in the *James* case will be the correct one under the new Act.

A. WHAT BY-LAWS ARE IN FORCE?

The new Act will most likely include new regulations, which will include new sets of model by-laws.

For Strata Schemes registered from 1996-2014 (or really 30 June 2016), the by-laws in force for that Scheme are the by-laws adopted or lodged with that Strata Plan, subject to any alterations. That is, there is no change.

For new Strata Schemes created after 1 July 2016, the by-laws in force are those that were adopted or lodged with that Strata Plan.

For Strata Schemes pre-dating the Strata Schemes Management Act 1996 (which came into effect on 1 July 1997), the by-laws in force are the by-laws set out in the *Regulations* to the new Act, "for the purposes of this section" including any changes (ie special by-laws created after registration of the Strata Plan). The suggestion appears to be that the *Regulations* will set standard by-laws for all Strata Schemes that were registered prior to the commencement of the Strata Schemes Management Act 1996 (1 July 1997).

A. SHORT TERM LETTING

The new Act (section 137) specifically states that an owners corporation can pass by-laws which limit the number of adults who may reside in a lot by reference to the number of bedrooms. Common short-term letting by-laws we have done have stated that no more than two adults per bedroom can live in a residence. Under section 137(2), the limit cannot be fewer than two adults per bedroom.

Short term letting also has difference monetary penalties for breach of by-law which I will discuss below.
The new section also states that such a by-law has no effect if it is inconsistent with a planning approval or other by-law. For example, if an owner obtains development approval to use their lot as a boarding house with more than two adults per room, then the by-law cannot prohibit this.

A. GUIDE OR HEARING DOGS

You would be aware of section 49(4) of the current Act which states that any by-law banning animals cannot prevent the keeping of a guide or hearing dog.

Section 139(5) of the new Act has extended this. It now states that a by-law has no force or effect to the extent to which it purports to prohibit the keeping of an assistance animal, as referred to in section 9 of the Commonwealth *Disability Discrimination Act* 1992. That is, owners corporations will no longer be able to prevent people from keeping an assistance animal, which is an animal registered on a State register. The exception previously applied only to guide or hearing dogs.

A. REGISTRATION OF BY-LAW

As you would be aware, changes of by-laws currently have to be registered within two years of the by-laws being passed. Most of you would know that it is two months for Community Schemes.

For works by-laws and exclusive use by-laws, after two years from the by-law being made, it is conclusively that all of the necessary steps were followed. We consider that this applies to obtaining the consent of every owner affected by the by-law. With many generic by-laws, you will be unable to obtain the consent of every owner.

This could you mean that if the by-law is registered 23 months after it is passed, then owners only have 1 month to challenge it after registration, for not obtaining every person's consent.

Under the new Act, however, by-laws have to be registered within 6 months of being passed. I believe that this will apply to by-laws that were commenced before the new Act commences (1 July 2016).

A. PROCEEDINGS FOR BREACH OF BY-LAWS

There are significant changes with the enforcement of by-laws:-

1. The penalty for the first breach is 10 penalty units, which is $1,100.00;

2. Previously, if there was another breach, the owners corporation would have to serve another section 45 notice and then commence fresh penalty proceedings. However, under section 147(2) of the new Act, if an owner commits another breach of a by-law within 12 months after the Tribunal imposes the first monetary penalty, then the maximum penalty is doubled to $2,200.00.

3. The situation is different when dealing with a contravention of a by-law made under section 137 of the new Act. This is the section which allows owners corporations to pass by-laws limiting the number of adults by reference to the number of bedrooms i.e. no more than 2 adults per bedroom may live in a lot. For those types of by-law breaches, the maximum penalty for the first breach is $5,500.00 and if there is another breach within 12 months, the maximum increases to $11,000.00.

4. Under the current Act, section 204 specifically states that the Tribunal may make an order for costs when requiring the payment of a pecuniary penalty for breach of adjudicator's orders, or a breach of a section 45 notice. Under the new Act there is no specific section providing for legal costs for penalty applications. This would most likely mean that section 60 of the *Civil & Administrative Tribunal Act* would apply, whereby costs are only awarded in special circumstances.

5. The largest change in proceedings for breach of a notice, is that unless the Tribunal otherwise orders, the monetary penalty will be paid to the owners corporation. This will create a huge incentive to owners corporations to commence these types of action.

James Moir
Lawyer I BA LLB
enquiries@muellers.com.au
02 9562 1266

Meetings

Under the Strata Schemes Management Bill 2015

Adrian Mueller
Partner **I** Senior Lawyer
B.Com LLB FACCAL
Email I LinkedIn

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STRATA SCHEMES MANAGEMENT BILL 2015
REFORMS TO MEETING PRACTICE AND PROCEDURE

Introduction

The NSW Government is reforming NSW strata laws. The reforms seek to bring strata laws into the 21st century. The Government says the reforms will "create a modern framework for residents living in strata schemes today." The strata law reforms will include changes to meeting practice and procedure of owners corporations and executive committees. This paper will review those aspects of the reforms.

The Reforms

The strata law reforms are contained in the draft *Strata Schemes Development Bill 2015* and *Strata Schemes Management Bill 2015* which were released for public consultation on 15 July 2015. The reforms to meeting practice and procedure are contained in the *Strata Schemes Management Bill 2015* (**Bill**). The object of the Bill is to provide for the management of strata schemes and the resolution of disputes in connection with strata schemes. The Bill re-enacts the current law relating to the management of strata schemes with some important changes.

Object of Reforms to Meeting Practice and Procedure

The reforms concerning meeting practice and procedure are intended to modernise and improve the way strata schemes are managed. This will be achieved by:

- Creating flexible meeting options;
- Introducing new ways to vote at meetings;
- Preventing proxy farming;
- Improving tenants' participation in meetings; and
- Making miscellaneous changes to meeting practice and procedure.

Flexible Meeting Options

The strata law reforms will enable use of modern forms of communication in connection with meetings of owners corporations and executive committees.

Service of Meeting Notices

An owner of a lot will be able to give an owners corporation an email address as an address for service of meeting notices and other documents under the Bill (section 256).

Meeting notices will be able to be distributed to owners and others by email to any email address that is given as an address for service of documents without an empowering by-law (section 258).

Attendance at Meetings via Video

The strata regulations that will supplement the Bill (which have not been released) will allow attendance at meetings through social media, video and teleconference.

This is because:

- the owners corporation or strata committee (as the executive committee will become known) will be able to allow votes to be cast at meetings other than in person (Schedule 1, clause 28; Schedule 2, clause 10); and

- a person who votes, or intends to vote, at a meeting by a permitted means other than a vote in person will be taken to be present for the purposes of determining whether there is a quorum (Schedule 1, clause 17; Schedule 2, clause 12).

Flexible Quorum Arrangements

If there is no quorum for business at a general meeting, the chairperson, after half an hour, will be able to declare that the persons present constitute a quorum for that purpose (Schedule 1, clause 17). The chairperson will also still be able adjourn the meeting for at least 7 days.

Timing of AGMs

The new strata laws will also give owners corporations flexibility to determine when their annual general meetings are held. Under the reforms, the annual general meeting of an owners corporation will need to be held once in each financial year rather than within 1 month of the anniversary of the first annual general meeting (section 18).

New Ways to Vote

The owners corporation and strata committee will be able to determine that a vote at a meeting may be made other than in person (e.g. a postal vote or vote cast by electronic means) (Schedule 1, clause 28; Schedule 2, clause 10).

The strata regulations will provide for the means of voting (other than in person) that may be adopted by an owners corporation, procedures for voting by those means, and prohibit the use of specified means of voting (Schedule 1, clause 28; Schedule 2, clause 10).

Voting including on an election of the strata committee will also be able to occur by secret ballot if the strata committee or at least one-quarter of the persons entitled to vote agree (Schedule 1, clause 29). The strata regulations will make provision for voting by secret ballot.

Proxy Farming

Many people have raised concerns about the practice of proxy farming in strata schemes. This occurs where one person controls the decisions made by the owners corporation by obtaining a majority of votes using proxies.

The new strata laws will curb proxy farming. The reforms will limit the number of proxy votes able to be held by one person to:

- for schemes of up to 20 lots - one proxy vote only; or
- for schemes with more than 20 lots - proxy votes of not more than 5% of the total number of lots;
- except where the proxies are held as the joint owner of a lot (Schedule 1, clause 26).

A provision of a contract for the sale of a lot, and any provision of an associated contract or arrangement, that requires the owner of a lot to vote as directed at a meeting of an owners corporation or to give a proxy will be void and unenforceable (Schedule 1, clause 27).

Tenants' Participation

The new strata laws will allow tenants in schemes where the majority of units are tenanted to take part in owners corporation meetings and have an elected representative on the strata committee, while respecting the financial decisions of owners. The new laws concerning tenants will only apply to those tenants who have been notified to the owners corporation under a written tenancy notice.

The notice for the first annual general meeting will need to be given to each tenant of a lot at least 14 days before the meeting (section 14). The agenda for each other general meeting will need to be given to each tenant at least 7 days before the meeting (Schedule 1, clause 11).

A tenant will be entitled to attend a general meeting but not to vote (unless a proxy holder) and may be excluded from a meeting when financial matters (such as the raising and recovery of levies) and termination of a strata scheme are being discussed or determined (Schedule 1, clause 21). A tenant will not be entitled to speak at a meeting unless permitted to do so by resolution of the owners corporation.

A tenant representative on the strata committee may be nominated by the tenants of lots in the strata scheme but will not be able to vote on committee decisions and may be excluded from discussion about certain financial matters (section 33; Schedule 2, clause 9).

Miscellaneous Changes

1st AGM

The agenda for the first annual general meeting of an owners corporation will now need to include motions to:

- consider the report by any strata manager as to whether, and what, commissions have been paid or are likely to be payable to the strata manager for the following 12 months;
- receive the documents required to be provided by the developer under section 16;
- consider the initial maintenance schedule provided by the developer;
- consider building defects and rectification (section 15).

AGM Notice

The notice of each annual general meeting of an owners corporation will now need to include:

- a call for nominations for members of the strata committee at least 7 days before the meeting and the nominations already received (Schedule 1, clause 5);
- a motion to consider a report as to commissions by any strata managing agent of the owners corporation (Schedule 1, clause 9);
- a motion to decide how to deal with overdue contributions payable to the owners corporation (proposed clause 9).

The notice of an annual general meeting will no longer be required to include the last financial statements prepared by the owners corporation, but these must be provided to an owner or mortgagee who asks for them at least two days before the meeting (Schedule 1, clause 10).

Minutes

Minutes of general meetings and strata committee meetings will now need to be given within 14 days after the meeting, to:

- each member of the strata committee;
- each owner - if the strata scheme is not a large strata scheme;
- any owner who requests a copy of the minutes - if the strata scheme is a large strata scheme and the owner requests a copy within the period of 7 days (Schedule 1, clause 22).

Unfinancial Owners

An owner will be able to require that a motion be included on the agenda for a general meeting of an owners corporation even though the owner cannot vote because of unpaid strata contributions (Schedule 1, clause 4). Any requirement given by an owner must include an explanation of the motion of not more than 300 words in length (Schedule 1, clause 4).

An owner will be able to nominate a candidate for election to the strata committee even though the owner is unfinancial (Schedule 1, clause 5).

An unfinancial owner will not eligible for appointment or election to the strata committee (section 32).

An unfinancial owner will still not be allowed to vote at general meetings (Schedule 1, clause 23).

A member of the strata committee will not be entitled to vote on any motion put or proposed to be put to the strata committee if the member was, or was nominated as a member by a member who was, an unfinancial owner at the date notice of the meeting was given and the amounts owed by the unfinancial owner were not paid before the meeting (Schedule 2, clause 9).

A committee member will not be entitled to move a motion at a committee meeting unless the person is entitled to vote on the motion (Schedule 2, clause 14).

Conflicts of Interest

A developer will not be entitled to vote or exercise a proxy vote on a matter concerning building defects or rectification of building defects (Schedule 1, clause 15).

Members of a strata committee will need to disclose any pecuniary interest in a matter that is being or is about to be considered at a meeting of the committee and, unless the committee otherwise determines, must not be present for any deliberations on the matter or vote on the matter (Schedule 2, clause 18).

Strata Managers

An owner who is seeking appointment as a strata managing agent will not be entitled to vote or cast a proxy vote on the appointment at a meeting of the owners corporation (Schedule 1, clause 49).

A strata managing agent will need to report the following at each annual general meeting:

a) whether any commissions have been paid to the agent (other than by the owners corporation) in connection with the exercise by the agent of functions for the scheme during the preceding 12 months and particulars of any such commissions;

b) any such commissions and the estimated amount of any such commissions that the agent believes are likely to be received by the agent in the following 12 months (section 60).

A strata manager will need to inform the strata committee of any changes that need to be made to the report presented at the annual general meeting as soon as practicable if, for example, commissions are paid to the strata manager which differ from those referred to in the report (section 60).

A strata manager who does not give or update that report will be liable to a penalty of up to 20 penalty units.

Insurance

A strata managing agent will need to provide an owners corporation with not less than 3 quotations from different providers for each type of insurance proposed by the agent to the owners corporation or provide written reasons to the owners corporation if less than 3 quotations are provided (section 167).

Vacancy in Office of Executive Committee Member

A strata committee will now be able to appoint a person eligible for election as a member to fill a vacancy in the office of a member of the strata committee or an office bearer, other than a vacancy arising as a result of the election of a new committee at an annual general meeting (sections 35 and 45). Currently there is some doubt about the committee's ability to fill a casual vacancy on the committee. The reforms will remove that doubt.

Chairperson

For the first time, some of the functions of the chairperson of the owners corporation will be prescribed (section 42). The functions of the chairperson will include the following:

a) to preside at meetings of the owners corporation and the strata committee of the owners corporation;
b) to make determinations as to quorums and procedural matters at meetings of the owners corporation and the strata committee of the owners corporation.

Budgets

The initial budget for the administrative and sinking funds prepared before the first annual general meeting will need to take into account the initial maintenance schedule provided by the developer for that meeting (section 79).

An owners corporation of a large strata scheme will need to include in the budget for the capital works fund (previously known as the sinking fund) prepared at each annual general meeting a note as to any difference between the estimates in the budget and the estimates in the 10-year capital works fund plan and the reasons for the difference (section 79).

Special Levies

Special levies will now be able to be raised at a general meeting to either the administrative fund or the capital works fund (section 81).

Audits

The owners corporation for a large strata scheme, or a strata scheme for which the annual budget exceeds $250,000, will need to ensure that the accounts and financial statements of the owners corporation are audited before presentation to the annual general meeting (section 95). Currently, this requirements only exists for large schemes.

Legal Action

An owners corporation will still need to pass a resolution at a general meeting before obtaining certain types of legal services or taking certain types of legal action but if it fails to that will not invalidate any legal action it takes (section 103).

Building Defects

The agenda for the annual general meeting of an owners corporation will need to include consideration of building defects and rectification until the end of any applicable statutory warranty (Schedule 1, clause 6).
As mentioned earlier, the developer will not be entitled to vote or exercise a proxy vote on a matter concerning building defects or rectification of building defects (Schedule 1, clause 15).

Strata Inspections by Developers

For the purpose of complying with requirements for giving notice of a meeting of the owners corporation, the developer or an agent authorised in writing by the developer will be entitled to inspect the strata roll without payment on making a written application (section 183).

Conclusion

The Bill contains some very useful reforms concerning strata meeting practice and procedure. The highlights of the new laws include provisions allowing:

- meeting attendance and voting by video;
- flexible quorum arrangements;
- power to decide when to hold the AGM each year.

The new laws that will outlaw proxy farming and clarify that strata committees will be entitled to fill casual vacancies on committees will also prove helpful.

However the jury is still out on whether the reforms designed to increase tenant participation will prove worthwhile. And some of the new laws, particularly those giving more rights to unfinancial owners, will certainly prove controversial.

Ultimately, the new laws will prove useful and should modernise and improve the way strata schemes are managed.

Adrian Mueller
Partner I BCOM LLB FACCAL
adrianmueller@muellers.com.au
02 95621266

Levy Collection

Under the Strata Schemes Management Bill 2015

Faiyaaz Shafiq
Lawyer
LLB I GDLP
Email I LinkedIn

JS MUELLER & CO
LAWYERS

LEVY COLLECTION
UNDER THE STRATA SCHEMES MANAGEMENT BILL 2015

Introduction

The New South Wales Government has recently passed the Strata Schemes Management Act 2015 (SSMA 2015) and the Strata Schemes Development Act 2015. The new legislation will commence operation later in 2016.

The Acts are designed to overhaul the way strata schemes will be managed in the future in New South Wales. Consultation in relation to these new changes commenced in 2011 when submissions were invited from key stakeholders in the industry and strata experts. The new legislation is said to reflect community sentiments and the submissions received by the government during the consultation process.

This paper is limited to the consideration of levy recovery under the SSMA 2015. In particular it focuses on some of the important changes proposed in the area of collecting overdue contributions, interest and costs. In this paper contributions will be referred to as levies.

Levy Recovery

- It is settled law that before an owners corporation (OC) can recover outstanding levies it has to levy a contribution to be paid into the Administrative or Sinking Funds of the OC by a lot owner.

Current Position

- Currently the raising of a levy is governed by Section 78 of the Strata Schemes Management Act 1996 (the SSMA).

Section 78 of the SSMA states:-

1) *An owners corporation levies a contribution required to be paid to the administrative fund or sinking fund by an owner of a lot by serving on the owner a written notice of the contribution payable.*

2) *Contributions levied by an owners corporation must be levied in respect of each lot and are payable (subject to this section and section 77) by the owners in shares proportional to the unit entitlements of their respective lots.*

3) *If, at the time a person becomes owner of a lot, another person is liable in respect of the lot to pay a contribution, the owner is jointly and severally liable with the other person for the payment of the contribution and interest on the contribution.*

4) *A mortgagee or covenant chargee in possession of a lot (whether in person or not) is jointly and severally liable with the owner of the lot:*

   a) *For any regular periodic contributions to the administrative fund or sinking fund together with any interest on those contributions, and*

   b) for any other contribution together with interest on that contribution if the mortgagee or covenant chargee has been given written notice of the levy of the contribution.

5) *Subsection (4) does not affect the liability of an owner of a lot for any contribution levied under this section.*

6) *Regular periodic contributions to the administrative fund and sinking fund of an owners corporation are taken to have been duly levied on an owner of a lot even though notice levying the contributions was not served on the owner."*

New Position

- Under the SSMA 2015 the levying of contributions will now be contained in Section 83 which states as follows:-

1) *An owners corporation levies a contribution required to be paid to the administrative fund or capital works fund by an owner of a lot by giving the owner written notice of the contribution payable.*

2) *Contributions levied by an owners corporation must be levied in respect of each lot and are payable (subject to this section and section 82) by the owners in shares proportional to the unit entitlements of their respective lots.*

3) *Any contribution levied by an owners corporation becomes due and payable to the owners corporation on the date set out in the notice of the contribution. The date must be at least 30 days after the notice is given.*

4) *Regular periodic contributions to the administrative fund and capital works fund of an owners corporation are taken to have been duly levied on an owner of a lot even though notice levying the contributions was not given to the owner."*

Key differences between Sections 78 -v- 83

- Section 78 at present regulates levying of contributions on owners of lots within a strata scheme and the liability of mortgagees in possession and other persons for such contributions.

- The new Section 83 is in part similar to Section 78 but not entirely.

- Section 83 will now be the new provision which will regulate levying of contributions on owners within a strata scheme. It will no longer be the provision which will also regulate the levying of contributions on persons other than owners such as a mortgagee in possession.

An entirely new provision, namely Section 84, will now regulate the liability of persons other than owners for contributions such as a mortgagee in possession. (See discussion below re: Section 84).

At present there is no requirement under Section 78 that requires a levy notice to specify that a levy will become due and payable 30 days after the levy notice is given. However, Section 80 of the SSMA 1996 enables recovery of outstanding levies at the end of 30 days.

- The new Section 83(3) now specifically states that any contribution becomes due and payable on a date specified in the levy notice which "must be a date at least 30 days after the notice is given".

- It appears that s83(3) will now require a levy notice to specify a specific date when the levy will become due and payable which must be a date at least 30 days after the notice has been given.

Issuing levy notices

- One issue that is always raised by lot owners in defending a levy claim under the current law is the need for the OC to issue a levy notice.

- In most defended levy collection claim, lot owners would often claim that they did not receive a levy notice and therefore they are not entitled to pay the levy, interest or costs.

- Section 83(4) retains Section 78(6) of the SSMA 1996 and therefore there will be no legal obligation for an OC to issue a levy notice (even though this is done) to an owner under Section 83(4) for ordinary levies.

- If the proposed changes were to require the issuance of a levy notice as a precondition to the collection of an outstanding levy then the process of collecting same would have been cumbersome and time consuming. Luckily from an OC's perspective the new proposed section 83(4) does not require a levy notice to be issued even though all most all strata schemes do issue levy notices to owners.

- The onus therefore under the new regime still remains with the lot owner i.e. it is the owner who has to be proactive and diligent in paying levies even though a levy notice may not have been issued by the OC.

Liability of mortgagees in possession and other persons to pay contributions

- A new Section 84 will now separately deal with a liability of former owners and mortgagees in possession of a lot.
- Section 84 states:

1) *If, at the time a person becomes the owner of a lot, another person is liable to pay a contribution in respect of the lot, the owner is jointly and severally liable with the other person for the payment of the contribution and any interest on the contribution.*

2) *A mortgagee or covenant chargee in possession of a lot is jointly and severally liable with the owner of the lot:*

   a) *for any regular periodic contributions to the administrative fund or capital works fund together with any interest on those contributions, and*
   b) *for any other contribution together with interest on that contribution taken to recover unpaid contributions, if the mortgagee or covenant chargee has been given written notice of the levy of the contribution, and*
   c) *for any costs payable as a debtor in respect of enforcement action to recover unpaid contributions.*

3) Subsection (2) does not affect the liability of an owner of a lot for any contribution levied under this section."

- The liability for other persons to pay contributions under s.84 is the same as that contained in the present Section 78(3), (4) and (5); however, Section 84 goes a step further.

- Section 84(c) states that the mortgagee in possession will be jointly and severally liable "for any costs payable [emphasis added] as a debtor in respect of enforcement action to recover unpaid contributions."

- At present, Section 78 does not say that a mortgagee in possession of a lot is also required to pay costs and expenses incurred in an action to recover outstanding levies, although, levy recovery lawyers always argued that since the mortgagee in possession was in the shoes of the lot owner, therefore, it is obliged to pay such costs of a recovery claim. The mortgagee in possession obviously argued otherwise.

- Section 84(c) now clarifies this dilemma by making sure that a mortgagee in possession is also liable for any recovery expenses for unpaid contributions.

10% Interest

- Section 79(2) of the SSMA 1996, states that if a contribution is not paid at the end of one month after it becomes due and payable, that contribution attracts 10% interest or any other rate if such is prescribed by the regulations.

- Section 79(2) is retained in the new Section 85(1).

- Section 85(1) states:

1) *A contribution, if not paid when it becomes due and payable, bears until paid simple interest at an annual rate of 10% or, if the regulations provide for another rate, that other rate."*

- Section 85 is in two parts. Section 85(1) and (2).

- Section 85(1) – states that a contribution if not paid when it becomes due and payable, bears until paid, simple interest at an annual rate of 10%.

- Section 85(1) omits from it the words "*at the end of one month after ....*" which is contained presently in section 79(2).

- Instead of keeping these words in Section 85(1) there is now a new Section 85(2) which is a separate provision.

- Section 85(2) states exactly the same thing which is said in the current Section 79(2) but with more clarity that no interest will accrue if the contribution is paid no later than one month after it becomes due and payable.

Waiver of interest on overdue levies

- Presently Section 79(3) states that the owners corporation may by "*special resolution*" decide that no interest will be payable on a contribution. To obtain such a resolution, the legislation requires a

general meeting to be requisitioned and a motion carried through at that general meeting to waive the interest in favour of the lot owner who has requested a waiver of interest.

- In the new Section 85(3), it is interesting to observe that a special resolution is no longer necessary. A simple resolution will suffice. In other words the executive committee is able to pass a resolution agreeing to a request for the waiver of interest. The executive committee can convene a meeting and resolve that the OC will waive interest either generally or in a particular case.

- The proposal seems to be making the process of granting a request for the waiver of interest in certain cases, much easier than it is presently.

Discounts

- Similarly the existing Section 79(4) is a provision where a lot owner can request the owners corporation to determine that a person will pay 10% less of a contribution if the person pays the contribution before the due date of the contribution. This request at present can only be approved by the owners corporation at a general meeting and by special resolution.

- Under the new section 85(4) a special resolution is no longer required.

- Therefore if a person pays a contribution before it becomes due and payable, the OC, if requested, may give a discount of 10% to that person without any need for the OC to approve such a discount by a special resolution at a general meeting.

Payment Plans

- Under the current SSMA 1996, there is no specific provision or allowance to cater for payment plans for the payment of contributions.

- Even though there is no such requirement allowing the OC to enter into payment plans, a number of strata schemes have been entering into payment plans on an ad hoc basis and in appropriate cases.

- Cases which have proceeded to Court for a recovery action, a number of strata lawyers have used payment plans or instalment orders as a way of settling levy claims. Often a clause will be negotiated for inclusion in the consent orders stating that if the judgment debtor defaults on any instalment then the entire sum, i.e. the entire judgment sum, will become due and payable less any payments made such that the OC can continue with the recovery of the debt.

- Currently, the OC has no legal obligation to accept payment plans. In other words, the existing law treats all owners equally and makes no allowance for owners facing financial stress.

- During the consultation period, it was suggested to the NSW Government that executive committees or agents be given the ability to defer the whole or any part of the levies for a reasonable period on conditions as it thinks fit, or approve a flexible payment plan if an owner is facing genuine financial hardship.
- It was further suggested that if an OC unreasonably refuses any request of deferring payment of contributions or payment plans, then the owner should be able to apply for an appropriate order.

- Payment plans are now reflected in the new section 85(5)-(7) of the SSMA 2015. For the first time the owners corporation will be given a right to enter into payment plans for the payment of overdue contributions, by approving such by a resolution.

- It is important to note that a special resolution is not required for the approval of a payment plan if the OC was minded to enter into one.

- Section 85 further states that the regulations may prescribe the requirements for payment plans. At present, the regulations have not been finalised but they have just been released for discussions.

- *Clause 19* of the draft *Strata Schemes Management Regulation 2016* provides how a payment plan is to be managed.

- It provides that the owners corporation will have to do the following things in relation to a payment plan:

19 ayment plans for unpaid contributions: section 85 (6) of the Act

1) A payment plan for the payment of overdue contributions is to be in writing and is to contain the following:

a) *the name of the lot owner and the title details of the lot,*
b) *the address for service of the lot owner,*
c) *the amount of the overdue contributions,*
d) *the amount of any interest payable for the overdue contributions and the way in which it is calculated,*
e) *the schedule of payments for the amounts owing and the period for which the plan applies,*
f) *the manner in which the payments are to be made,*
g) *contact details for a member of the strata committee who is to be responsible for any matters arising in relation to the payment plan,*
h) *a statement that a further plan may be agreed to by the owners corporation by resolution,*
i) a statement that the existence of the payment plan does not limit any right of the owners corporation to take action to recover the amount of the unpaid contributions.

2) The strata committee must give a lot owner who has entered into a payment plan a written statement for each calendar month of the plan that sets out the payments made during that month and the amount of unpaid contributions and interest owing.

- The regulations do not provide the requirements that will trigger the need for a payment plan.

- Section 85 further states that a payment plan will not limit the right of the OC to take action to recover the amount of unpaid contributions.

- The suggestion that the OC or the agent be given the authority to defer in whole or in part the levies have not been adopted in the new Act.

- Some concerns have been raised in relation to payment plans.

- Even though the OC may enter into a payment plan, there is nothing to prevent the OC from taking action to recover unpaid levies.

- This was said to bring about some level of confusion and unfairness. It was suggested that section 85(7) should be amended to clarify that the OC cannot take any action to recover levies the subject of a payment plan where there is no default under that payment plan. This suggestion was not adopted.

- Conversely, if an owner does not comply with a payment plan and defaults under it, the legislation should provide that the OC can immediately recover the balance with or without interest. Although this has not been expressly stipulated nonetheless under section 85 (7) the OC's rights to recover is not limited.

- Section 85 allows payment plans for overdue contributions.

- Is overdue interest covered under the payment plan? Yes it is. The overdue interest is now reflected in Clause 19 (1) (d) of the proposed regulations. The regulation requires the amount of interest to be stated in the payment plan and how it has been calculated.

- The use of the phrase "*generally or in particular cases*", in section 85(5) is vague. The phrase is not defined and therefore it is unknown what can be a general or a particular case. It was expected that the regulations will give some guidance as to what will amount to a general or a particular case but the proposed regulation is silent on this issue at present.

- Commentators had previously requested that the new Act should spell out the circumstances which could lead to the establishment of a payment plan such as the owner suffering financial hardship due to unemployment, illness, a special levy or any other reasonable cause. This has not been adopted in the new Act.

- Entry into the payment plan is not mandatory because of the use of the word "*may*" in section 85(5). In other words, it is the OC which holds the sole right to determine whether it will enter into a payment plan or not, rather than the owner having a legal right when experiencing financial hardship to ask for and be granted an appropriate payment plan. The owners corporation can choose not to enter into a payment plan for any reason that it chooses or, for that matter, no reason at all.

- Representatives of the owners previously argued that the new legislation gave an incentive to debt collectors and lawyers to be litigious rather than resolving disputes and encouraging payment arrangements.

- As a consequence of this imbalance of power, it was strongly argued that there was a need to establish in section 85 a right for an owner to enter into a payment plan in deserving cases and a further right to be given to the owner to a review process if such becomes necessary.

- Section 85(5) only allows entry into a payment plan when contributions have become overdue. The section prevents the OC from entering into a payment plan prior to any contribution becoming overdue.

- In other words, an owner cannot expect an OC to agree to a payment plan until such time that the levy has become overdue, even though the owner may wish to enter into a payment plan knowing full well that a contribution, or a set of contributions, will in all likelihood in the future not met.

Recovery of Unpaid Contributions and Interest

Current Position

- At present, the OC recovers any overdue levies, interest and expenses due to it from a lot owner under section 80(1) of the SSMA.

- Section 80(1) of the SSMA states as follows:

1) An owners corporation may recover as a debt a contribution not paid at the end of one month after it becomes due and payable, together with any interest payable and the expenses of the owners corporation incurred in recovering those amounts."

- Section 80(1) requires an OC to recover as a debt a contribution "*together with*" any interest and expenses.

- It is settled law that under section 80(1) an overdue contribution, interest and any expenses incurred in recovering contributions are treated as a **statutory debt** because section 80 says so.

- In the case of *Dimitriou* the NSW Court of Appeal held that the word "*expenses*" in section 80 includes "legal expenses" reasonably incurred and is reasonable in amount.

- Interest and expenses as explained in *Dimitriou* requires that such be claimed in the same proceedings that have been brought for the recovery of levies because of the words "together with" in section 80.

- Currently it is only a Court of Law that has jurisdiction to hear levy recovery claims and not the NCAT.

Position under the new Act

- Sections 86(1) and (2) will become the substantive section that will regulate the recovery of unpaid contributions, interest and expenses.

- Section 86(1) states as follows:

1) The Tribunal may, on application by an owners corporation, order an owner of a lot in the strata scheme, or other person, to pay any of the following that are payable by the owner or other person under this Act:

a) *a contribution not paid at the end of one month after it becomes due and payable,*
b) *any interest payable on an unpaid contribution,*
c) *the expenses of the owners corporation incurred in recovering any such amounts.*

Note. Section 78 of the Civil and Administrative Tribunal Act 2013 provides for the recovery as a judgment debt of amounts ordered to be paid by the Tribunal.

New South Wales Civil & Administrative Tribunal (NCAT)

- For the first time, jurisdiction will be given to NCAT by extension to allow NCAT to accept and determine levy recovery claims.

- Section 86(1) is not designed to give NCAT the exclusive jurisdiction to hear levy recovery actions but it is an alternative route.

- Section 86(1) states that the Tribunal "*may*" on application order an owner to pay a contribution, interest and expenses.

- The use of the word "*may*" indicates that it is not mandatory that levy recovery claims, interest and expenses be lodged in the Tribunal.

- If a claim is to be lodged in NCAT and a judgment is given in favour of the OC, then section 78 of the *Civil and Administrative Tribunal Act 2013* requires the Registrar to issue a certificate which can then be filed with a Court of competent jurisdiction and registered as a judgment of that Court for enforcement purposes.

- One interesting observation of section 86(1), in comparison to section 80(1) of the SSMA 1996, is that section 86(1) does not say that the outstanding contribution, interest and expenses is or will be treated in the Tribunal as a "statutory debt" to begin with, although it is anticipated that the Tribunal is more than likely to hold that such is a statutory debt in light of Dimitriou.

- Further, section 86(1) does not have the words "together with" as is the case presently under section 80(1) of the SSMA 1996.

- On the one hand, the exclusion of the words "together with" is a favourable development for the OC as it allows the owners corporation not to be forced into bringing a claim for any interest and expenses in the same proceedings for the claim for outstanding levies.

- In other words, under section 86(1), if the owners corporation decides to go to NCAT, separate proceedings can still be brought to claim interest and expenses if they have not been brought as part of the same proceedings for recovering levies.

- To minimise costs, it is anticipated that action will still be brought for levies, interest and expenses in the same proceedings and a second or third action may only become necessary if the OC has missed out on any interest or expenses that should have been claimed in the first instance.

- As stated above, section 86(1) nonetheless gives the OC an option to go to NCAT to recover outstanding levies, interest and the expenses although it is to be noted that the right of getting an order for costs in NCAT is limited.

- Section 86(2) of the new Act on the other hand is similar to section 80(1) of the SSMA 1996 as this section gives an OC the right to recover contributions, interest and expenses in a Court of competent jurisdiction and the outstanding contributions, interest and expenses are treated under this section as a "statutory debt" as is the case currently under section 80(1).

- Section 86(2) also omits from it the words “together with”, which means a levy recovery claim does not necessarily have to also be a claim together with interest and expenses.

- It is common for an OC to incur in some cases substantial enforcement costs after the conclusion of the proceedings.

- Under section 80(1) of the SSMA 1996 and in the light of what has been said in Dimitriou, enforcement costs which come after the conclusion of the proceedings cannot be claimed in later proceedings. This meant that the OC had to fund such from its own pocket.

- With the omission of the words “together with” from sections 86(1) and (2), it means that further proceedings can be commenced to recover any interest and expenses that the OC may have missed or not claimed as part of the initial proceedings.

- One further observation in relation to section 86(1) and (2) is, that it does not pick up the comments in Dimitriou that expenses have to be reasonable. The word “reasonable” does not appear in 86(1) and (2).

- Some commentators had argued that the legislation should have inserted instead of the words “the expenses” in section 86(1) and (2), the words “the reasonable expenses ” [my emphasis added] to reflect what the Courts have recently said in relation to the recovery of expenses.

- It was argued that these sections should have been amended and as a bare minimum, the word “reasonable” inserted so as to avoid any doubt that only expenses that have been reasonably incurred and are reasonable in amount were recoverable. This was not adopted in the new Act.

- In the author’s view it does not really matter whether the word “reasonable” was introduced or not in sections 86(1) and (2) because the Court of Appeal in Dimitriou has explained that the recovery of expenses incurred in recovering outstanding contributions have to be reasonably incurred and reasonable in amount before they are recoverable. In light of this there is no need to insert the word “reasonable” in sections 86(1) and (2).

Conclusion

The SSMA 2015 does not in the area of levy recovery bring about any drastic changes in comparison to what is the existing position such as to place the OC at a serious disadvantage when it comes to collecting overdue levies, interest and costs.

The proposed changes have attempted to strike a fine balance between the rights of the OC and the lot owner.

There were some outrageous suggestions received by the government during the consultation process which if it was adopted would have made recovering of levies, interest and costs much more difficult.

As the regulations have just been released it will be interesting to see in the months to come what further changes may be brought about to the regulations.

I suggest to all participants that you keep a close watch of our website as we will bring to your attention further developments in relation to the framing of the regulations

Faiyaaz Shafiq

Lawyer I LLB GDLP

faiyaazshafiq@muellers.com.au

02 9562 1266

BUILDING DEFECTS

Under the Strata Schemes Management Bill 2015

Bruce Bentley
Partner **I** Senior Lawyer
BA LLB LLM AIAMA FACCA
Email I LinkedIn

JS MUELLER & CO
LAWYERS

BUILDING DEFECTS UNDER THE STRATA SCHEMES MANAGEMENT BILL 2015

What the Act Covers

- The Act will make provision for defective building work contained in a building or part of a building that forms part of a strata plan if the work was carried out by or on behalf of the original owner for the purposes of or contemporaneously with the registration of a strata plan being building work completed after the commencement of the Act.

- The provisions will cover residential strata schemes and mixed use strata schemes that include a residential purpose but will not include completely non-residential schemes.

- The provisions to do not apply to schemes which are subject to the requirement to obtain home building compensation insurance (exceeds 3 storeys or work is $20K or less).

- Defective building work is defined in terms of the *Home Building Act 1989* warranties.

- Completion of building work is defined in accordance with s3C of the *Home Building Act* 1989. That section provides that where the issue of an occupation certificate is required to authorise commencement of the use or occupation of the building the completion date of the building work occurs on the date of issue of an occupation certificate authorising occupation and use of the whole of the building.

- The provisions will not affect other rights of the owners corporation in relation to defective work.

- If the residential building work comprises the construction of two or more separate buildings the date of completion of that work is determined as if they were separate buildings constructed under separate contracts with a separate completion date for each building capable of being used and occupied separately from any other building.

Interim Report

- The developer must appoint an unconnected qualified building inspector approved by the owners corporation not later than 12 months after completion of the building work to inspect and report to the owners corporation not earlier than 12 months and not later than 18 months after completion.

- If the initial period has not expired within 12 months after completion of the building work the original owner must notify the Chief Executive who will appoint a building inspector to carry out an inspection and report to the developer, the owners corporation, if the initial period has ended, and the Chief Executive.

- If the original owner and the owners corporation fail to agree on a building expert or the developer fails to comply with the requirement to appoint a building inspector, the owners corporation may advise the Chief Executive who will appoint a building inspector to carry out an inspection and report to the developer, the owners corporation, if the initial period has ended, and the Chief Executive.

- The report must:
    - Identify any defective building work;
    - If reasonably practicable identify the cause of that defective building work;
    - Be in the form and contain the matters prescribed by the Regulations.
    - The cost of the report is to be borne by the developer.
- An appointed building inspector may enter and inspect any part of the strata scheme upon giving at least 7 days written notice of intention to enter. The owners corporation, the strata manager, the building manager, owners, occupiers and exclusive users must provide reasonable assistance to enable the inspection to take place.

Final Report

- The developer must, not later than 18 months after the building work is completed, arrange for the building inspector who prepared the interim report to do a final inspection and prepare a final report not earlier than 18 months and not later than 2 years after the completion of the building work and if that building inspector is unavailable to advise the Chief Executive who will appoint another qualified building inspector.
- If the developer fails to arrange for a building inspector to prepare a final report the owners corporation may notify the Chief Executive who must appoint a qualified person to provide the final report.
- If the interim report identified no defective building work a final report does not have to be prepared.
- The final report must:
    - Identify defective building work identified in the interim report that has not been rectified;
    - Identify any defective building work arising from rectification of defective building work identified in the interim report;
    - Specify how the defective building work identified in the report should be rectified and the estimated costs of rectification;
    - Not contain matters that relate to defective building work not identified in the interim report other than work arising from rectification of defective building work;
    - Be in the form and contain the matters prescribed by the Regulations.
- The builder may enter the strata scheme at any time before completion of a final inspection on the giving of at least 7 days written notice to rectify any defective building work.

Building Bonds

- A building bond in the sum of 2% of the contract price for the building work (to be defined by the Regulations) is to be paid to the Chief Executive before an occupation certificate is issued for the

building work for the purpose of securing funding for the payment of the cost of rectifying defective work identified in a final report.

- The whole or part of the building bond is payable as follows:
    - To the owners corporation to meet the estimated cost of rectifying defects identified and estimated in the final report.
    - To the developer if there is no defective building work or no further costs for rectification identified in the final report.
    - To the owners corporation with the consent of the developer on joint application to the Chief Executive made within 30 days after the final report is given to the developer.
    - To the developer with the consent of the owners corporation on joint application to the Chief Executive made within 30 days after the final report is given to the developer.
    - To the owners corporation or the developer in accordance with an order of the Tribunal of the Supreme Court.
- The developer cannot cast a vote on a motion on a building defect matter.
- The bond is payable to the owners corporation irrespective of whether the developer is liable to the owners corporation or the owner of a lot in relation to the defective work.
- The building bond must be paid out within either 2 years after the date of completion of building work or 60 days after the final report is given to the developer, whichever is later.
- An owners corporation that has been paid either the whole or part of a building bond must within a reasonable time use the amount paid for or in connection with rectifying the defective building work for which it was received or costs related to the rectification and must repay to the developer any amount of a building bond that is not required for such a purpose and give to the developer written notice of the completion of the rectification work.
- The owners corporation or a person carrying out rectification work for the owners corporation is entitled to enter any part of the strata scheme on giving at least 7 days written notice to the owner of any affected lot.
- The Tribunal may make orders requiring any occupier to grant access for inspection or rectification of defective building work on the application of an owners corporation, developer, building inspector or builder.
- The Tribunal may on application by an owners corporation, developer or the Chief Executive make any of the following orders:
    - An order that the Chief Executive not pay, or pay, the whole or part of the amount of a building bond to a specified person.
    - An order that an amount of building bond be repaid by an owners corporation to a developer

- An order specifying the amount of the contract price of building work for the purpose only of determining the amount of the building bond.

- An order varying the time within which an action is required to be taken under this part, if the application for the order was made by or with the consent of the Chief Executive.

Bruce Bentley
Partner **I** Senior Lawyer
enquiries@muellers.com.au
02 9562 1266

About JS Mueller & Co Lawyers

JS Mueller & Co Lawyers has been servicing the strata industry across metropolitan and regional NSW for almost 40 years. We are a specialist firm of strata lawyers with in depth and unmatched experience in, and comprehensive knowledge of strata law and levy collection.

02 9562 1266
enquiries@muellers.com.au
www.muellers.com.au