

Hold on to your Hats...

More Legislative Change!

Sweeping Amendments to the Strata Schemes Management Act 2015 and Community Land Management Act 2021 were assented to on 2 March 2025, a small number of the amendments have now commenced with the assent:

1. Changing the voting threshold to remove office-bearers to mirror that to remove committee members – an ordinary resolution instead of a special resolution.
2. Amending section 103(3)(c) for clarity this is with retrospective effect to when the Strata Schemes Management Act 2015 commenced.
3. Removing voting limit restrictions on Company Nominee's voting power.

The equivalent amendments in the Community legislation have also commenced.

The balance of the amendments will commence at a date to be proclaimed, which we anticipate to be around the middle of this year.

The amendments primarily arise from recommendations made to the government in the report on the statutory review of the Strata Schemes Management Act 2015 tabled in Parliament on 29 November 2021. Roughly half of the recommendations in this report have been implemented in this amending legislation, so there may be more to come going forward.

The amendments are addressed towards a broad range of matters including:

- More express duties for committee members, including mandated training;
- Greater clarity on the Chairperson's role;
- Increased focus on payment plans for levies and inclusion of a requirement for reasonableness on the part of an OC in refusing, as well as a mechanism to apply to the Tribunal for review;
- Extending the notice period before an OC can commence proceedings for levies;
- Mandating the allocation of levy payments towards levies and interest first;
- Setting a higher bar for maintenance schedules when a scheme is created as well as greater penalties for an original owner that is slow in complying with their obligations regarding prompt convening of meetings;

- Requiring disclosure of embedded networks;
- Making it easier to install accessibility infrastructure by lowering the voting threshold;
- Requiring more prompt recording of managing agent's exercise of delegated functions;
- Added an express duty on building managers to act in the best interests of their owners corporation (and leaving room for further express duties to be put in the regulations);
- Greater clarity on when an OC can defer repair and maintenance of common property;
- Requiring committees, where delegated the function, to explain their reasons for refusing a request to undertake minor renovations and including a deeming provision that the works are approved if written reasons are not provided within 3 months;
- Including a requirement for reasonableness when an owner is requested to provide their consent to the repeal or amendment of a common property rights by-law that they derive a benefit from; and
- Creating extensive powers for the Secretary of Fair Trading to investigate failures to repair and maintain common property, including requiring provision of information, invasive testing, and entry into undertakings and the ability to impose penalties.

Key takeaways

- The voting threshold for removing office-bearers has been changed to an ordinary resolution.
- New express duties for committee members and building managers have been introduced.
- Amendments include a focus on payment plans for levies and greater clarity on the Chairperson's role.
- The Secretary of Fair Trading has been granted extensive powers to investigate failures in property maintenance.
- Further amendments may be forthcoming as the government continues to implement recommendations from the statutory review.

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