

The Deluge Continues | Yet More Strata Law Reforms

This article is intended to provide an overview of the vast amount of change which strata managing agents and other participants in the strata sector need to address. If you are a Compliance Pack member and want to read more on the subject, please [LOGIN HERE](#) to read our [Strata Reforms Guide](#) (please login for link to work).

The fast pace of strata law reform continues with yet another reform bill, the Strata Schemes Legislation Amendment (Miscellaneous) Bill 2025, having been introduced into Parliament on 19 November 2025.

The bill proposes a number of sweeping reforms and will be implemented in at least two stages, being:

- A number of reforms to take effect on the Act (when made) receiving assent.
- The remainder to take effect on a date or dates to be proclaimed.

Reforms which will take effect on receipt of assent include amendments to the Strata Schemes Management Act 2015 and in most cases corresponding alterations to the Community Lands Management Act 2021 in relation to the following:

- Strata managing agents - Enhanced disclosure obligations relating to commissions and training services.
- Strata committees:
 - Training requirements will now be as approved by the Secretary, rather than as specified by regulation.
 - Strata committee meetings must be convened and held within a specified timeframe from request.
- Financial management:
 - Provision for proceeds of insurance to be applied "as soon as practical", rather than "immediately"
 - Commencement of some provisions relating to payment plans, although most will commence at a later date.
- By-laws - Provision for parallel actions for damages and prosecutions in the event of breach.

- Initial period restrictions- Provision for parallel actions for damages and prosecutions in the event of breach.
- Fair Trading powers:
 - Publication of enforcement action.
 - Establishment of the Strata Hub fund.
 - New and increased penalties.
- Tribunal powers:
 - Section 238A provides that the Tribunal may make orders awarding damages for breach of statutory duty in specified situations.
 - Extension to the Tribunal of the Court's power to make a costs order on the basis that contributions must be levied only in relation to specified lots and in specified proportions.

Reforms which will take effect on dates to be proclaimed include:

- Strata managing agents - Reworking of notice and other requirements which arise as the end of a term of appointment approaches.
- Building managers:
 - Capping of term, essentially to 3 years.
 - If appointed at first AGM, term expires at the end of the second AGM.
 - Tribunal power to terminate or vary the agreement in the event of breach or failure to make required disclosure.
 - A new regulation in relation to building managers which will:
 - Define building manager so as to exclude repair and maintenance contractors.
 - Impose additional liability on building managers, essentially to act with due diligence and to draw owners corporation attention to specified matters.
 - Impose additional disclosure obligations, including in relation to connected suppliers.
- Strata committees - Introduction of subcommittees.
- Infrastructure:
 - Exclusive supply networks. Regulation of exclusive supply networks, which will be defined so as to extend beyond electricity to other services. Essentially, the provider

- cannot recover capital costs or require the owners corporation to purchase infrastructure.
- EV charging stations. Provision for owners to install EV charging stations, essentially at their own cost, even if common property works are required. An owners corporation may object, but there is a mechanism for review.
- Works:
 - Clarification that the owners corporation is responsible for maintenance of windows safety locks.
 - Substantial changes proposed in relation to lot owner works, which will now essentially divided into the categories:
 - Cosmetic work- Not requiring approval, but somewhat narrowed in scope.
 - Minor work - Requiring general meeting resolution.
 - Major work - Requiring general meeting special resolution, except perhaps for sustainability or accessibility infrastructure.
- Small strata schemes - Substantial changes are proposed, greatly reducing formality for 2 lot schemes, to be known as small strata schemes in particular:
 - A number of governance requirements will be dispensed with, including AGMs and other general meetings, having a strata committee, passing special resolutions, preparing a plan of anticipated major expenditure.
 - It will be possible to effect most decisions by written resolution approved by all owners.
- Strata interest notices - Expanded requirements, particularly in relation to vacation of tenants.
- Meeting and voting procedures (owners corporation and strata committee) - Substantial changes, including a shift towards addressing these by way of regulation, rather than by schedule to the act.
- Levy recovery - Substantial changes , including enhanced scope for payment plans and restrictions on recovery action against owners in arrears.
- Bonds and fees - A new Section 105AA will regulate requirement by an owners corporation of payment of a bond or fee. In particular:
 - A bond must be reasonable having regard to the likely risk of damage to common property arising from the matters to which the bond relates.

- The owners corporation must give the owner or occupier a written copy of the terms of the bond which must state the circumstances in which the bond may be claimed or must be released, release being required if no claim within a specified time.
- A fee for provision of goods or services must not exceed the reasonable costs incurred by the owners corporation in providing those goods or services.
- The Tribunal may order repayment of the whole or part of a bond or fee if satisfied that the bond or fee is unreasonable or in the case the bond has not been released in accordance with the terms of the bond.
- The regulations may specify goods and services or other matters for which a bond or fee may not be required.
- A by-law has no force or effect to the extent that it would require payment of a bond or fee inconsistent with Section 105AA.
- BMCs - Substantial reforms are proposed, including:
 - Provision for a review of allocation of costs and amendment of strata management statements.
 - Power to the Supreme Court to direct an alteration.
 - Provision for retention and inspection of records and building related contracts.
 - Provision for novation of building related contracts.
 - Limit of term of agents to 5 years, with a transitional provision excluding existing agents, but effectively requiring them to have their contracts ratified within three years.
 - Changed content requirements for strata management statements, e.g. meeting and other procedures.
 - Changed representation requirements, e.g. owners corporations to be represented by strata committee member appointed by special resolution.
 - Mandatory review of existing strata management statements (within one year or five years of commencement of the legislation, depending on the circumstances in which the statement was created).
 - Amendments to Conveyancing Act 1919 to align building management statements and strata management statements.

The Government has undertaken consultation to some extent addressed feedback, but has also indicated that further consultation and consideration is required and that certain issues will be addressed further by way of regulation. Accordingly, it is very possible that changes will be made, either in the bill itself or in supporting regulations.

We have considerable experience with implementation of these reforms and would be pleased to provide you with whatever assistance you may require, with a view to reducing your time and financial cost associated with such a difficult transition.

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