

Property Owner's Association of NSW Inc.

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Strata Title Law Reform

POA comments on

Draft Strata Scheme's Management Regulation 2016 Issued May 2016

1. **Clause 9. Election of strata committee** – Owners who are barred from public office, been convicted of criminal activity, have been barred by ASIC from conducting business, or convicted of fraudulent activity should not be allowed to stand for election to an Executive Committee.
2. **Clause 13. Proxy votes** – Form 2 should note that the proxy of an owner of multiple lots gives the proxy holder voting rights over all the lots owned by such multi-lot owner.
3. **Clause 14. Other means of voting**—owners corporation and strata committee - Electronic poll voting at General meetings should be specifically mentioned and allowed.
4. **Clause 19. Payment plans for unpaid contributions: section 85 (6) of the Act** – Agreed repayment plans must eliminate the outstanding debt within 24 months as well as pay all levies due during that period.
5. **Clause 19. Payment plans for unpaid contributions: section 85 (6) of the Act** – Where the debtor lot owner is a deregistered Company, re-registration of that company will be undertaken by NCAT following such application by the Owners Corporation. This will enable the Owners Corporation to undertake debt recovery action.
6. **Clause 27. Common property memorandum** - Owners Corporations Responsibilities for maintenance, repair and replacement: There does not appear to be any mention of LIFTS, SWIMMING POOLS, GYM EQUIPMENT, SOLAR POWER EQUIPMENT.
7. **Clause 29. Initial maintenance schedule: section 115 of the Act** – A full set of “As Built Drawings” for the building must be provided.
8. **Clause 33. Tribunal may order payment of proceeds of disposal to owner** – Any monies owing to the Owners Corporation or lot owner shall be deducted from the proceeds.
9. **Clause 38. Model by-laws** – By-law 9 Smoke Penetration – Provide Option (D) Non-smoking building.
10. **Clause 51. Maturity dates for building bonds** – Three (3) years is too short a period to release the bond. Many defects such as structural cracking, concrete spalling, brick fretting, render detachment, etc. can take many years to appear. A five (5) year bond retention should be required. This may induce builders to contemplate providing better quality workmanship which will eliminate these types of defects over time.
11. **Form 2 Statement of key financial information**—capital works fund and administrative fund – provide the projected income for the proceeding 12 months.

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