

Level 5, 95 Pitt Street, Sydney NSW 2000 T: (02) 8197 9919 eo@ocn.org.au

www.ocn.org.au

2018 Year in Review

The Year in Numbers

- 16 years of owner support and advocacy
- 8 government submissions
- 35 print/digital articles (+reprints)
- 7 radio interviews
- 10 TV interviews
- 9 events

- 1 academic research partnership
- 5 voluntary Board members
- 1 part-time staff member
- some wonderful volunteers who assisted with meetings, seminars, and submissions

Member Services

During the year we held 4 meetings and 5 seminars & events, covering a variety of topics:

- February New Fire Safety Rules Your Responsibilities
- March Strata Matters
- April: Understanding Strata Levies
- May: Does Your Strata Have a Strategy to Protect Your Property & Residents?
- May II: Effective Maintenance & Capital Works Plans
- August: Improve the Value & Amenity of Your Investment Through Energy Savings
- October: Successfully Managing Building Defects & Major Projects
- November: Short Term Letting Legislative Update + Surveillance
- November II: Australian Building Management Accreditation training

The NSW Minister for Innovation & Better Regulation opened our March and October seminars.

Achievements

Off-The-Plan Contracts

OCN was instrumental in reforms by the NSW Minister for Finance to strengthen sunset clause provisions, and provide for compensation where purchasers are materially impacted by a change to what was disclosed.

Short Term Letting By-Law

OCN was instrumental in persuading the NSW government to amend the Strata Schemes Management Act 2015 (NSW) to ensure that owners corporations may pass a by-law prohibiting short term letting to holiday makers and other visitors by non-resident owners.



Advocacy

'Our Strata Community Our Choice' Short Term Letting Campaign

OCN continued to campaign for the democratic right for owners to decide if and in what form they permit short term letting to holiday makers and other visitors in their residential community. OCN was also a strong voice for owners on the Minister's Short Term Rental Accommodation Code of Conduct Advisory Committee, established as part of the stakeholder consultation on developing a Code of Conduct for all industry participants. OCN has major concerns about the Code and has pressed for the Draft Code of Conduct to be released for public consultation.

OCN is pressing for an extension to the consultation on radical proposals to the planning system to permit short term letting in all residential dwellings across NSW, also public registration of all properties used for short term letting, to enable proper oversight and enforcement of requirements. The announced changes treat short term letting in residential strata communities as a *minor impact* on the people who make their homes. If enacted, many would see their strata communities overrun by holiday makers and decimated by loss of amenity and personal security, increased management costs and reduced property values.

Building Defects

OCN was active on numerous fronts, including illegal Phoenixing, flammable cladding, and the NSW building defects bond.

OCN has worked tirelessly for 5 years to avoid the defects bond scheme following in the footsteps of the failed private certification regime. Sadly, government failed to learn from history. But OCN did obtain government agreement to a 5-year review of the effectiveness of the scheme, which commended on 1 January 2018.

Cracks in the Compact City: Tackling Defects in Multi-Unit Strata Housing

OCN is proud to again partner with the <u>UNSW City Futures Research Centre</u> to carry out research into the cause of and solutions to the high level of avoidable defects in residential strata buildings.

Federal Treasury Combating Illegal Phoenixing

OCN made a submission on the impact of illegal Phoenixing on purchasers of new residential strata properties. Sadly, Treasury failed to progress the one option that would have offered some protection, to focus on company creditors. This is another example of governments being strata-blind.

Flammable Cladding

OCN made a submission on the proposed NSW response and has continued to keep the issue alive via social media, with the responsible Minister deeming it a Major Defect with 6 years warranty instead of 2 years. We also networked affected members, and entered into dialogue with two law firms that are considering class actions, with an information session planned for early 2019.

Off-The-Plan Contracts

OCN was delighted to support the passage of the Finance Minister's latest reforms to off-the-plan contracts, which strengthen disclosures, strengthen purchaser protections, and provide for compensation in the event purchasers are materially impacted by a change to what was disclosed.