

New builds new beginnings – 20 June 2024 webinar Q&A

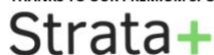
Further to our webinar, the Panelists have attempted to answer your questions. Please note this document is for information only and should not be relied upon. For further information please seek legal advice

Question	Answer
Will a copy of the slides be made available to participants?	Yes, recording of this webinar can be found here
Will the webinar be recorded?	The recording will be available to Members in the week following the webinar. Members can also view past webinars here .
Heating Cooling Hot water service to big apartment block and benchmark	Future webinar? Answer: This quite a big question, so we are considering a future webinar on this topic.
Embedded network	OCN was invited to make a submission to the NSW Government's inquiry into embedded networks. Search 'embedded networks' on our website (it's open to all).
Strata Education resources available for Owners committee members	View the OCN website at https://ocn.org.au & Learn Strata web pages at https://ocn.org.au/learn . There is much help on the NSW Fair Trading website, or VIC Consumer Affairs website, or similar in your state.
How to save water cost in a 20 unit apartment	Significant savings may be possible. Check Council & State Sustainability programs, grants. Water suppliers have advice on their websites, e.g. Sydney Water, Melbourne Water. Search 'Water Wise'.
I am new to STRATA living since 2022. Wanting to understand about Strata.	View the Learn Strata web pages at https://ocn.org.au/learn . Follow the prompts to suit your interests & keep adding to your knowledge gradually, so that you are not overwhelmed. Once you have the basics, it becomes easier. You can also go to the OCN website at https://ocn.org.au .
I'd like to learn more about the iCIRT star-rating system	Refer webinar slides and the recording available to Members.
What copies of building certifications show a purchaser ask for when buying a Unit? How is off the plan different?	With an existing building, certifications mean less over time. Do a strata records search and look at maintenance, building issues etc - either yourself or, better, get a knowledgeable friend or professional to do it.. Do NOT rely on a standard 'strata report' which often doesn't dig very deeply.
New building sailing in the great ocean with passengers out no experienced captain appointed and why state Govt so irresponsible	VIC: OCN is gathering momentum in Victoria - we launched the chapter at the High Life Expo. Your support via membership is critical to our advocacy for strata owners and enables us to produce resources for you to use.
What can be done to unify all States in providing desirable outcomes?	WA: Unifying the states would mean aligning & unifying State Govt. Strata owners generally want the same across all states, which is what OCNA advocacy aims for.
Applying for Strata but the parking is illegal. structural damage to neighbouring properties. How to get out of this mess?	It is essential to understand what rules & laws apply to the different areas of your scheme. That way you can work through each separate issue appropriately. View the Learn Strata web pages at https://ocn.org.au/learn . There is much help on the NSW Fair Trading website (other states have assistance such as Consumer Affairs in Victoria, or Landgate in WA.

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<p>How best to communicate with renters (as they are not strata members)? Thank you</p>	<p>Much information is not owner-specific, so it can be addressed to all residents via Noticeboards, an online group or email communications about what is happening in the building. This inclusiveness is great for creating community spirit. Hosting an 'info hour' reaches out to everyone & results in Word-of-Mouth communication.</p>
<p>Special Resolutions for changing Services the Concierge Hours</p>	<p>Check if a Special Resolution would be required. It may be necessary if the Concierge has significant duties that impact building operations, or the hours may be considered an important element of the lifestyle expected by residents. Refer to the By-laws for guidance.</p>
<p>Managing self interest Committee members</p>	<p>How much time do we have?! Keep reminding them that as committee members they are legally bound to act in the interests of the owners corporation, not themselves. Make a declaration of conflicts of interest a standard agenda item for every meeting, right after confirming the prior meeting's minutes. Any time someone tries to dodge spending money because they don't personally benefit, gently remind them that, as a committee, you have a duty to all. Saying things like "But X, it wouldn't be lawful for us, as a committee, not to act on this." can shift people's perspective. If you feel things are being voted through that are NOT in the OC's collective interest, ask that your dissent be formally recorded in the minutes to drive the message home.</p>
<p>By laws n protocols, iCIRT system, Latents Defects Insurance</p>	<p>By-laws should align with the legislation in your state, to ensure they are enforceable under the law. There may be model by-laws within the Act. There is guidance on the Fair Trading / Consumer Affairs website. NSW: Strata Schemes Management Act 2015. VIC: Owners Corporations Act 2006.</p>
<p>Creating a culture of respect and pride; iCIRT star-rating system</p>	<p>View the Learn Strata web pages at https://ocn.org.au/learn and look for FURTHER INFORMATION - COMMUNITY. It takes time, but a strong community is an effective tool for enhancing good behaviour and management. You can also refer to the webinar slides (available to all) and the recording (available to Member). Refer webinar slides and the recording available to Members.</p>
<p>Interested in the iCIRT star rating system and the topic with a view to possible future build</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>Strata committee versus Strata Manager and accountability to legislation. Can the SC deflect the 'must' items in the Act through?</p>	<p>Ultimately the owners corporation is responsible for all decisions and actions it makes, whether through a general meeting, the committee or through the delegated authority given to a strata manager. If it says 'must', that's what it means. SM's have insurance, committee members should have insurance.</p>
<p>What to do when the committee refuses to enforce bylaws</p>	<p>Approach the Committee & seek to understand reasons; there may be some matters which they feel are outside their remit. Remember that they are volunteers - can you help with work required? Is there some kind of evidence or report needed? As a last resort, you can approach Consumer Affairs for mediation. Ensure you have a clearly presented argument & have not conflated issues.</p>
<p>I reside in Victoria. What learnings could we take from this initiative in Sydney?</p>	<p>VIC: Happy to advise that iCIRT has an Australia-wide scope & Latent Defects Insurance is available in all states. OCN is gathering momentum in Victoria - we launched the chapter at the High Life Expo. Your support via membership is critical to our advocacy for strata owners and enables us to produce resources for you to use. View the Learn Strata web pages at https://ocn.org.au/learn and look for FURTHER INFORMATION - COMMUNITY.</p>
<p>Chair of a OC re-elected by a poll of existing committee members called for at an AGM is this legal</p>	<p>VIC: The committee members are elected by the Owners Corporation (all owners) at the Annual General Meeting (AGM) each year. The Consumer Affairs Victoria strata webpage:</p>

<p>Strata by-laws involving install an extractor fan on the outside of a unit where the outside wall is considered common property</p>	<p>https://www.consumer.vic.gov.au/housing/owners-corporations/meetings-and-committees states 'The chairperson should allow fair and open discussion of matters and stick to the agenda, so that decisions can be made.' It also states that the committee must act honestly and in good faith, and act in the interests of the owners corporation (all owners).</p> <p>Check your own By-laws and the WA Strata Living Guide by Landgate. If you are making a submission to your Strata Council, be very clear & include diagrams/photos. Prior to writing your application, it's a good idea to meet at the site with a Committee member, so that you can be as helpful to them as possible in making the decision. Meeting Formality: You must provide a written notice (general in nature) to a member of the strata council to add the item to the meeting agenda. This notice must be received more than 14 days prior to the general meeting.</p>
<p>Timing of works</p>	<p>Unclear what this query is. Possibly check your AGM past Agenda documents for the Capital Works Plan, which lays out what is to be undertaken & when.</p>
<p>How to remove committee members that are dysfunctional ?</p>	<p>Depends a bit on your position and whether this view is widely shared. If you're in the committee, you could just ask them to resign. Or, more formally, have a resolution of the committee expressing no confidence in them. Or you can call a general meeting (if one isn't imminent) to raise the issue. These approaches are obviously confrontational - which may be appropriate if the dysfunction is serious enough. If they're just disruptive, lazy or uncooperative, a good chairperson can seek to bring them into line in meetings. As a long-established chair, I did call such a person out at the AGM when they re-nominated for the committee. I told the meeting if they were elected to the committee, I would decline. They were prudent enough to withdraw their nomination. In the most extreme case, you can take them to the Tribunal and seek an order removing them. While the Act provides for this, the case law suggests it's never happened. In any case it's probably slower than waiting for the next AGM and having the owners vote on it. Good luck!</p>
<p>Record keeping and ownership of records. Issues about building managers - their possible relationship with developers.</p>	<p>The records of the owners corporation – files, emails, quotes, invoices, text messages, CCTV etc etc – belong to the owners corporation and are open for inspection to ALL owners or anyone they authorise. The only exception is correspondence that's under legal professional privilege (e.g. when an owner and the OC are in dispute). The contract with the building manager should spell out what records they maintain. As to relationships with developers...you can't do much with 'possible'. If there's evidence they are acting against the interests of the OC, get legal advice.</p>
<p>More complicated strata arrangements like combined stratas or co-ops. Discovery Point in Wolli Creek is an example of complexity. Available training resources?</p>	<p>A good topic for a future webinar – thanks!</p> <p>View the OCN website at https://ocn.org.au & Learn Strata web pages at https://ocn.org.au/learn. There is much help on the NSW Fair Trading website, or VIC Consumer Affairs website, or similar in your state. If you've already gone through everything on the website (which is being constantly added to), let us know what we should be doing next.</p>
<p>Particularly interested in By-laws and welcome packs</p>	<p>Welcome letters or packs set the expectation, particularly if the Building Manager or a resident shows the new person around. Existing residents can reinforce good attitudes. Notices & By-laws tend to cause a negative reaction & be damaging to</p>

cohesion/community. By-laws should be clear & align with the Act. Your state may have model by-laws, search online & check the Fair Trading website (other states have similar: Consumer Affairs VIC; Landgate WA).

Dealing with elderly residents who need to move into a home and the family are reluctant to make the arrangements

Unsure what the question is here. It may be appropriate to reach out to the community - surrounding residents may be able to offer reassurance or assistance. Check with social services for guidance. Be careful in these situations, as the family may have particular views/feelings which need to be considered.

The timing of when and how to address the defects correspondence to be taken seriously by the builder ?

Start as soon as evidence of defects appear. Ask for specific action with a deadline. If a deadline is passed, follow up immediately and formally. If it's significant in scope, get a building consultant to help manage it. They'll know how to approach it properly.

How best to go about developing a maintenance plan?

You can access the Learn Strata web pages at <https://ocn.org.au/learn>. Go to Further Information / Upkeep, Repairs. Look for the heading 'Everyone shares responsibility'. You will see the link for a checklist which can be used as a starting point.

Who has the authority to completely change the paint colour of an apartment block.

As a change to common property, this needs a general meeting approval. The owners corporation (all owners) has the power to make rules concerning the external appearance of lots, and this is specified in Schedule 1 of the Owners Corporations Act 2006. The change may also require local government approval.

What are appropriate delegations for the Owners Corporation to make to a Strata Manager?

Ah! A big question and one to be carefully thought through and documented in their contract. It should NOT be a blanket delegation. We'd suggest the basic admin should be delegated: issuing and processing levies; maintaining strata roll; issuing meeting notices; paying regular, budgeted invoices, maintaining records etc. We'd suggest it should not include: selection and appointment of regular contractors (cleaners, builders etc); payment of non-standard bills; any unplanned maintenance/repair over an appropriate amount. But you should decide based on your SM's track record and willingness to do the work yourself.

<p>On the iCIRT register, there are companies who have not renewed - is this a red flag?</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>Independent advice and tools is critical to this industry. How can we be sure the independence of the data ? and that conflicts of interest are identified and managed effectively?</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>How can someone access information about companies that achieved a 1 star or 2 star iCIRT rating?</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>Why aren't government regulatory authorities responsible to do what Latent Defects is describing?</p> <p>They used to be.</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>Government itself produced a report into the developer building atrocities and the report writer said you'd have to be crazy to buy a strata unit. Why hasn't government at the relevant levels acted in response to that report?</p>	<p>Refer webinar slides and the recording available to Members.</p>

<p>IN relation to the insurance, with only one supplier at this point how long do we think before the market matures to have 3 or more providers.</p>	<p>Refer webinar slides and the recording available to Members.</p>
<p>Our development is combination of retail, commercial and retail. Developer has calculated various % split of common expenses. Can the initial strata meeting delay implementation of this allocation of costs?</p>	<p>I would suggest an amendment to put a one year time limit on the developer's allocation. Then see how it works out and adjust if needed at each AGM. I chaired a commercial/retail strata for a decade and more committee time was spent managing retail garbage than any other single issue. Unbelievable! Fortunately our developer had deep experience of this and had included some very smart by-laws to help us manage it.</p>
<p>Is the insurance premium annual post build or one for the full post build term (10yr?)</p>	<p>Answer pending</p>
<p>What can be done to achieve your ideal strata, our SC has secret meeting, no minutes, uses acronyms which we do not understand, major renovations are approved by building manager, payments made without minuting to SC members and to companies they own without disclosure.</p>	<p>Any resident can create a good community with the steps set out in the webinar & on Learn Strata web pages at https://ocn.org.au/learn. For your concerns about the Strata Committee, see how they are permitted to perform their roles under the law on the Learn Strata and the NSW Fair Trading websites. During the year, the Committee can hold as many <u>in</u>formal meetings as are needed. Typically, the Secretary would take notes and circulate an Action list to the committee members, however the notes are informal and not required to be published. Any matters on which decisions need to be made are formally presented at meetings which any owner can attend. By law, the meetings require 14 days notice to all owners with an Agenda listing the motions and Minutes are issued by the Strata Manager within 7 days. For the Building Manager expenditure, you would need to consult with the Committee. Check past Minutes and the BM Agreement for permissions. I urge you to go to every meeting and encourage others too! Chat to Committee members - offer help if they are busy / overburdened.</p>