

QLD GOVERNMENT URGED TO PERMIT ELECTRONIC BODY CORPORATE MEETINGS

PROTECTING QLD STRATA COMMUNITIES FROM CORONAVIRUS

The Queensland Government is being called upon to urgently consider changing legislation which currently does not allow for virtual meeting attendance at general meetings, causing distress amongst 1.2m lot owners in light of the social distancing calls from the government and health institutions during the Coronavirus (Covid-19) pandemic.

Queensland's peak body for strata title properties, Strata Community Association (Qld) said the well-being of lot owners and body corporate managers was paramount and has written to the Attorney-General Yvette D'Ath to change legislation so it authorises video conferencing and increases the scope of electronic voting.

SCA (Qld) President James Nickless has asked to fast-track impending amendments to the Body Corporate and Community Management Act Regulations, including electronic meetings or at least to provide solutions to a sector that on average holds 958 AGMs per week.

Mr Nickless said that SCA (Qld) has expressed a sense of urgency many times in the last few years of the property law review and that the professional body corporate managers are ready to embrace virtual meetings .

"We have now come to a global incident which is causing much uncertainty in the community, in particular in bodies corporate. This is the moment in which strata communities would greatly benefit from a prompt realisation of some of the proposed reforms to reduce ambiguity, to increase community safety and to avoid disputes at a later stage."

"As of this week, gatherings of over 100 people are banned and non-essential meetings are generally recommended to be avoided," says Mr Nickless

"Legislation requires bodies corporate to convene an Annual General Meeting but is not set out to facilitate these meetings without a physical location and a quorum present. The difficulty at the present time is to comply with the legislation while not postponing meetings that would then cause a backlog in a few months' time. As the health crisis evolves, it is doubtful that owners are willing to meet face-to-face to hold their AGM and manage their affairs as required under the Body Corporate and Community Management Act but professional strata managers are scarce."

Mr Nickless said body corporate management firms are professional companies who have specialised in servicing bodies corporate with sophisticated IT, fully capable of remotely servicing their needs of strata owners.

He urged the Attorney-General to allow electronic meetings as a matter of urgency.

“In past submissions we have supported electronic attendance as it is a cost-effective, time conscious but also safe alternative to face-to-face meetings,” he said. “The technology is easy for any consumers to use with a device, whether that be a laptop, a tablet or a mobile phone. There are very few people in Queensland, owning a strata unit, that do not have access to a device to be able to hold a meeting electronically.”

“Communities should not be penalised should they choose to delay the convening of a meeting or fail to hold a meeting strictly in accordance with the legal requirements,” Mr Nickless said.

“Most affairs can only be managed electronically if there has been agreement to do so. To now obtain this agreement it is required to meet in person, pass a special resolution which will then apply to the next meeting.”

Mr Nickless said strata managers are also concerned some schemes may not be able to reach a quorum in general meetings during the Coronavirus crisis.

“A body corporate has to act reasonably and, in our view, social distancing and the abandonment of face-to-face meetings is reasonable, however, an adjudicator may see this differently in a few months’ time,” Mr Nickless said.

“Some clarification of the requirement that two voters be “personally present” and a statement that this can include by teleconference, videoconference or submission of a voting paper may go a long way to alleviating the problem.”