

19 April 2022

Committee Secretary
Transport and Resources Committee
Parliament House
George Street
Brisbane Qld 4000

Dear Secretary,

There were over 500,000 lots in more than 50,000 community title schemes across Queensland at the end of 2021. Over 11% of households live in apartments across our state¹. This is a significant portion of our state population and a figure which will continue to grow.

SCA (Qld) is the peak association supporting Queensland's strata sector. We understand the sector from a broad array of viewpoints owing to its diverse membership. SCA (Qld) represents body corporate managers, community titles schemes with Committee members acting as nominees, lot owners as individuals, and service providers to the strata industry including specialist insurers, painting suppliers, energy suppliers, solicitors, accountants, water and plumbing providers, banks, elevator maintenance professionals, cleaning providers, surveyors, valuers, glaziers, IT providers and pool servicing and maintenance providers.

SCA (Qld) is pleased to contribute regarding the *Building and Other Legislation Amendment Bill (Qld) 2022* (The "Bill" or the "Legislation").

Enabling Implementation

The policy intent of the "ban the banners" section of the Bill is to ensure that owners and residents are encouraged to install solar energy infrastructure without negatively impacting others in a strata scheme. The intent of the Bill is fundamentally sound and supported by SCA (Qld). SCA is committed to educating, inspiring and supporting its members to lead the way and reap the economic, social and environmental benefits offered by sustainable development.

The proposed amendments to sections 246O, 246Q and 246S will provide greater clarity on the limited circumstances in which the installation of solar energy devices may be prohibited. This is welcomed. One of the suggested amendments is to clarify that an instrument has force or effect only to the extent that it applies to the roof or other external surface that is common property and:

if there is insufficient space on the roof or other external surface for a solar hot water system or photovoltaic cells to be installed by the owner of each lot in the building— (the instrument) prohibits an owner of a lot in the building from installing a solar hot water system or photovoltaic cells on the roof or other external surface

This may detract from the policy objectives of encouraging sustainability measures in strata schemes, particularly multi-level high rise Class 2 buildings with many lots within them. The larger the building, the greater number of lots likely to be within it. It may be rare for a many of these buildings to have sufficient space on the roof or external surfaces to accommodate solar panels for every lot in the building.

This wording implicitly permits a scheme's by-laws to prohibit the installation of solar energy devices because not every lot could be accommodated. If that is the intent, then we encourage the Committee

¹ Hazel Easthope, Sian Thompson and Alistair Sisson, *Australasian Strata Insights 2020*, City Futures Research Centre, UNSW, Accessed at <https://cityfutures.be.unsw.edu.au/research/projects/2020-australasian-strata-insights/>

to clarify that in the Bill's explanatory memoranda or any other material released to the public to better inform it of these proposed changes.

Without that clarity, there may be disputes in strata schemes over the validity of such by-laws as energy-conscious lot owners may seek to install solar energy devices only to be refused permission to do so because there will be other lots who could not be accommodated in the same way. The energy-conscious lot owner/s will wonder why their proposal should be refused if other lot owners do not wish to take up the same opportunity.

Disputes between bodies corporate and owners of lots in their scheme are dealt with under a dispute resolution process administered by the Office of the Commissioner for Body Corporate and Community Management. The Commissioner's Office is a world-leading resource and is critical to the ongoing support to, and growth of, the strata sector. However, SCA (Qld) is concerned by the prospect of the Commissioner's Office having to deal with disputes of this kind given its current capacity and resourcing problems.

Despite approximately 100,000² new lots being created and an almost 50% increase in disputes being handed to them in this time period³⁴, the Commissioner's Office has received no new resources since 2015. The Commissioner's Office needs to have its resourcing kept in line with the growth of lots at an absolute bare minimum. This would mean an initial injection of roughly 8 full time staff.

Cladding

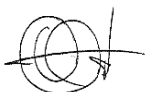
SCA (Qld) has worked in close collaboration with the Department of Energy and Public Works over several years to help identify and warn residents of buildings with combustible cladding. We have sought to keep the industry informed of this important project and make compliance easier for strata schemes. We hope this proposed shift also helps achieve these goals.

The proposed change helps reduce bureaucracy and improve the ability to take punitive steps against recalcitrant buildings. Deferring enforcement to the Queensland Building Construction Commission (QBCC) of the combustible cladding legislation is a sensible change given feedback indicates local government are not appropriately resourced to conduct this enforcement. QBCC is the best placed organisation to take action as they are the administrator of the check list.

Despite this positive change, SCA (Qld) considers that the only solution for this ongoing problem is rectification. We urge members of the Committee to seek an appropriate model for rectification as promptly as possible. Safety, the core concern with this entire program, is not assured for affected buildings until rectification occurs. Other states are moving towards rectification, and we urge members of the Committee to seek to look to other jurisdictions in Australia and overseas to provide a model for Queensland that is going to ensure safety as soon as possible.

This proposed amendment should not detract from efforts and policy discussions around rectification. A cost-effective and industry-friendly program for rectification needs to begin as soon as possible.

Kind regards



Kristi Kinast
President SCA (Qld)

² <https://www.data.qld.gov.au/dataset/titles-registry-activity/resource/f78b4f05-1873-4c60-adb0-0f922641b11a>

³ <https://www.data.qld.gov.au/dataset/activity/body-corporate-and-community-management-dispute-resolution-applications>