

MEDIA RELEASE

STRATA REFORM BUILDING UP A HEAD OF STEAM FOR 2021

Monday, 1 February 2020: With new body corporate regulations commencing in less than a month and a reform agenda kicking off with the Palaszczuk Government, 2021 is shaping up as a big year for the 1.1million Queenslanders affected by the reforms in Queensland.

In the lead up to the state election last year, SCA (Qld) secured long overdue changes to the [Body Corporate and Community Management Act \(BCCM\)](#), which come into effect on 1 March 2021 and make strata community living a more modern way of living.

Archaic processes have cost Queenslanders millions of dollars per year but the reforms now introduce electronic voting and attendance, faster decision making for the collective of owners and the ability to send documents via email, saving individual lot owners hundreds of dollars each year.

SCA (Qld) President James Nickless said amongst administrative modernisation, the new regulations also tackle consumer protection measures.

“A body corporate must include a defect assessment motion at the annual general meeting, after the first annual general meeting which will now ensure much earlier identification of building defects,” Mr Nickless said.

“Bodies corporate have very strict timeframes for raising disputes in relation to building defects and are often deprived of the documents that they require to effectively identify and rectify these defects. This causes some buildings to have to resort to costly litigation, while most simply repair the defects at their own expense, often costing millions of dollars. This simply isn’t fair for the homeowners.” Mr Nickless said.

“We have called for a developer to hand over more documents than previously provided for at the first annual general meeting, such as the development approval, building warranties, and key documents. These documents are essential when responding to issues such as combustible cladding and other major defects, and having these documents can save apartment owners thousands of dollars which they would otherwise have to spend to obtain them, assuming they can get them at all,” Mr Nickless said.

That reform process is just the tip of the iceberg, both for regulations and larger issues such as insurance and defects, but the changes coming in are significant for people managing and living in strata.

Mr Nickless said he was heartened by the commitments the Labour Government put forward in the lead up to the election, and SCA (Qld) is ready to get started and hammer out the details.

“Across all seven areas of our [2020 Election Priorities](#) we received some commitment from the government, and we look forward to beginning the process to honour those commitments and deliver for strata,” he said.

“The commitment to establishing a Strata Legislation Working Group shows the most promise to work through some of the big issues facing strata, such as a regulatory framework for body corporate managers, better dispute resolution for schemes and much more robust protection from building defects.

“The working group must be set up with the right stakeholders, the shortest workable timeframes, adequate terms of reference and a commitment to implement recommendations,” he said.

“The 507,000 apartments, units and lots in Queensland are not just bricks and mortar. There are people living in them, who are creating communities and wanting to enjoy their lives. The reforms which we have received commitments on will further those causes. For SCA (Qld), consumer protection is always front of mind and we are committed to help in restoring confidence in the strata building sector,” Mr Nickless said.

Mr Nickless said SCA (Qld) would be pushing hard on the issue of strata insurance affordability and particularly availability in North Queensland over 2021.

“So many of our members and strata residents in North Queensland either cannot obtain strata insurance, or are paying incredibly high and unaffordable premiums, and the government needs to take action.

“SCA is developing a reform agenda that tackles affordability and availability issues and looks forward to bringing its agenda to government to resolve the issue and bring certainty to North Queensland residents,” he said.

“The information which we are receiving from our members is that availability is the paramount issue here. Lack of availability and choice is compounding the affordability issues. It is simple supply and demand. The government need to take action to encourage more insurers into the North QLD market. The specific risks and historical losses suffered by insurers in the North QLD market has led to most insurers withdrawing from that market altogether. Government intervention is needed to reduce the level of risk to homeowners and insurers and generate more participation and competition in this market. A state or federal natural disaster compensation fund is one way that this could be achieved.”

ENDS

Read more about the new BCCM Regulations here (link to articles/areas on the website you have published info)

About Strata Community Association (Qld)

[SCA \(Qld\)](#) is the peak association supporting the state's strata sector, with more than 1,200 individual and corporate members who help oversee, advise, and manage a collective sinking fund balance of \$1.02 billion.

The association brings together people who manage strata schemes, own units or live in strata communities, and those who provide products and services for schemes. We also provide education, advice, and advocacy to enable better understanding of the regulations, obligations and owner's rights.

Strata Community Association (Qld) members represent 312,000 of the 507,000 lots in Queensland. SCA (Qld) was founded in 1984 as the Body Corporate Manager's Institute Queensland (BCMIQ), subsequently joining the other leading state and territory strata institutes in creating a national organisation. Aligning branding since 2002 we now are known as Strata Community Association (Qld).

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