

# STRATA & COMMUNITY LIVING

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SUMMER 2015



## STRATA REFORM AND WHAT IT MEANS FOR YOU

The strata industry - strata professionals and strata property owners - have long been waiting and lobbying for a reform of the NSW strata laws with many areas identified as needing change. In October 2015 this finally took shape with two reform bills presented to parliament by the Minister for Innovation and Better Regulation, the Hon Victor Dominello, MP.

Some proposed changes did not meet expectations and SCA (NSW) together with the Association of Strata and Community Managers (ASCM) and Real Estate Institute of NSW joined to lobby for re-visitation of these areas. After many submissions from industry bodies, leading experts and of course SCA (NSW), the bills passed and are expected to take effect from mid-2016.

These changes ultimately affect all people, who like you live as strata owners and occupants in one of the 75,000 strata schemes across NSW. And, with around half of Sydneysiders expected to live in strata schemes by 2040 the changes passed are of concern to many.

We have highlighted some of the key areas of the new laws here for you:

### **Providing a flexible and fair mechanism for collective sale and renewal**

Once the laws take effect only 75% of owners will be required to agree to re-develop, re-new or sell a strata complex, making it on one hand possible to achieve the outcomes that the majority of owners want and on the other more difficult for those opposed to stop it.

There are provisions for consideration and compensation for owners and while not everyone in the industry is happy with the outcome, overall it is seen as an improvement with the main focus being on those older complexes many of which are aged and in dire need of repair beyond what is viable. This has led to many owners living in poor conditions.

For these, redevelopment is often the best option and with a large number of older buildings requiring costly major repairs and the demand for strata living on the rise, the new legislation is seen as a step in the right direction.

### **Modernising rules to help prevent proxy farming**

A growing concern among strata owners is proxy farming, where votes collected by proxy can sway decisions not necessarily aligned with the views or choice of all or the majority of owners. Under the new laws, this has been addressed and should provide a fairer process for when it is time to vote on the owner's corporation board and major issues.

### **Introducing a defects bond to fix building defects early in new developments**

With the occurrence of building defects across many new strata complexes, the use of poor building materials and the see-sawing that was often required between owners corporations and developers or builders to see these remedied, under new regulation, a bond to cover repairs was introduced to cover such repairs, safeguarding the interest of strata owners.

SCA (NSW) will provide information for managers and owners in early 2016. For now if you have questions about the new laws, speak to your owners corporation, strata manager or industry professional on how these changes affect your strata scheme and your property. SCA (NSW) will also have information on its website so keep checking it regularly.

With strata living fast growing to become the predominant choice of housing especially in cities and close to employment centres and CBD's, many of the shortfalls of the old strata legislation have been revised and it's now up to the new laws to smooth the path for the over 2 million people already living in strata schemes across NSW.



## MAKING YOUR FESTIVE SEASON A PEACEFUL ONE

The end of year period is filled with celebrations of all kinds, bringing joy, fun and catch ups with friends and family, yet they can also jeopardise the harmony in your strata complex.

Research shows that while the festive season is one where we enjoy, reflect and cherish the year gone, it is also one of the highest rating periods for injury, accidents, fires and conflict.

If you want to keep the peace with the neighbours and enjoy living in your apartment all year then we have a few tips on getting through the festive season with more joy than hurt. You never know this may even lead to you making friends with the neighbours and that can be a rewarding relationship.

### Minimise Extra Risks

To prevent any mishaps during this time, be mindful of the extra risks; be it cluttered hallways, extra drinks, Christmas candles placed too close to curtains or decoration that could sail off your balcony. Taking some additional care and using common sense should keep you and others safe.

### Your Visitors

It is great to have friends and family coming to your apartment to share in the celebrative season, yet in the end, they and you will get to enjoy it more if there are no hiccups or complaints. This can range from parking to noise levels, so asking your guests to be respectful with the neighbours and refrain from yahooping when they leave is advisable, especially if it is late at night.

### Parking

Usually there is allowance for visitor parking on the complex grounds or even within your allocated parking spots. However, commonly guests tend to somehow park in the wrong spot, which can be upsetting to others at any time, but especially when they too are having Christmas drinks or family get togethers. A safe bet is to ask your visitors to park off site or to make sure to follow your instructions exactly on where to park.

### Children

If you have little people visiting too, while most love children, not everyone appreciates a small gang of visiting kids playing chase down echoing hallways or making the lift their playground.

Of course we all want to enjoy this time, but some control on where they run and play and perhaps how sugar-fuelled they are, might be a recipe for peace on the day, for you, your visitors and the neighbours.

### Noise

Your average dinner and drinks or family festivities with presents and too much food might not be upsetting, however if your version of Christmas is blasting heavy base tunes and getting everyone up to dance into the wee hours, you might ruffle some feathers with the neighbours.

Inform at least your closest neighbours (on all sides, above and below) if you will be having a mega sound system to support your celebrations. This goes a long way towards community harmony.

A few chocolates and a nice card dropped to them in advance together with the warning for the excessive noise levels (or even an invitation to join in) may well smooth the path, not only for the party not to be interrupted, but to avoid complaints and any friction for the remainder of the year.

Happy Festive Season!

## HOW TO REDUCE YOUR CARBON FOOTPRINT AND SAVE ON ENERGY BILLS

Minimizing the impact our lifestyle has on the environment has long been a frequent discussion topic and one that has thrown the 'greening' terminology about quite a bit. Here we are taking a look at where we actually use most of the energy and how to reduce our consumption while putting some money back into your pocket.

When it comes to apartment living, many believe that simply because we occupy less space than house and land dwellers and with more people living on less land, so to speak, that we are automatically 'greener' in our lifestyle. Studies have found this to be a disputable argument to say the least.

In short, same as the grass is greener where you water it; the same applies to living with a lesser environmental impact, which is simply wherever we make the effort to reduce our energy consumption.

According to a report published by YourBuilding.org, heating/cooling and water heating make up around 66% of our total energy consumption, hence it is obvious where we can start clipping back on both, carbon footprint and spending on energy.

While lighting (6%), refrigeration/cooking (12%) and standby and miscellaneous adding another 16% to our energy consumption, we still preach the old 'turn off the lights' mantra, yet tend to burn up extra by taking long showers and pumping up the air conditioning perhaps more than necessary.

Here are a few pointers on how to be kinder to the planet and your wallet.

### Space Heating/Cooling

Heating is definitely the bad boy chewing up 38% of our overall consumption. Wearing another layer rather than blasting the reverse cycle could be one sensible step – or cuddling up instead of watching TV another.

More seriously however, heating/cooling only the areas used rather than the whole apartment makes a lot of sense, as does using blinds/curtains and natural ventilation to regulate the temperature can have a severe impact and lower your energy bills and your carbon footprint considerably.

### Water Heating

With the convenience of having hot water on tap making up about ¼ of our total energy consumption, having shorter showers, turning off the tap when you soap yourself or while you are brushing your teeth could make a much bigger difference than many of us would have thought.

### Stand-by and Miscellaneous

While these together only make up 16% of our total energy usage, it is an area we can reduce with common sense. Printers, computers, appliances, even TV's running while not actually being used add a fair slice to our bills. The motto of turn 'em off unless you use them, does definitely go a long way.

### Refrigeration and Lights

'Close the fridge' mum used to say, and she was right. Obviously, the energy rating of our fridges plays a big role, as does the temperature in our apartment, but minimising the time the fridge or freezer door stays open, can easily reduce the 8% this adds to our energy consumption by a few notches.

When it comes to lighting; unless you are using the room turn off the lights. Fitting low voltage, LED and energy saving bulbs can make a massive difference in keeping energy consumption low, but long showers, air conditioning and heating are definitely the culprits in keeping the size of our carbon foot print bigger than it needs to be.

To assess your overall carbon impact, log onto [www.footprintnetwork.org](http://www.footprintnetwork.org) for a quick, easy and fun way to learn how much earth it actually takes to support your lifestyle.

# Strata snip-its

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Information, updates and the latest scams to be aware of all in one spot.

## Strata Owners Seminars in 2016

They will be back for 2016 and have become very popular. Topics we aim to present next year include:

- February - Window Child Safety Locks, Swimming Pool Fences and Balustrades.
- March - Sustainable Energy - Waverley Council
- April - Strata Owners Day - Hornsby RSL
- May - Legislation Changes
- June - By-laws
- July - Mental health, dealing with difficult people

Seminars will be run during the third week of each month. At this stage we are looking at either Tuesday or Wednesday evenings. This is mainly dependent on the venues we visit.

We advertise all our seminars on the SCA (NSW) website [www.nsw.stratacommunity.org.au](http://www.nsw.stratacommunity.org.au) so make sure you regularly check it for updates.

## Strata Owners Day 2016 - Save the date

After a 12 month hiatus SCA (NSW) will be presenting Strata Owners Day again in 2016. Previously held as part of the Annual Convention we have decided that it deserves its own event.

Join us on 17 April 2016 at Hornsby RSL. We plan to have around 6 to 8 sessions and our main topic will be focussed on how the new strata laws will affect strata owners.

Information on how to register will be released in early 2016 so keep an eye out.



## City Futures releases report

The University of NSW City Futures Research Centre has released a report titled *Renewing the Compact City: Economically viable and socially sustainable approaches to urban redevelopment*.

The report looks at the recent changes to the strata laws, in particular the effect the new urban renewal laws will have on the city. The findings suggest most of the redevelopment will occur in the Eastern Suburbs and Inner West while those in the outer areas won't see much change.

Just to remind you, the new Strata Schemes Development Act (NSW) 2015 will reduce the level of owner approval required to terminate a strata scheme from 100% to 75% making it easier for owners to unlock the potential of their properties for redevelopment.

If you would like to know more check out the report via the SCA (NSW) website.

And finally from all of us, we wish you a very Merry Christmas and Happy New Year. We will be back in 2016 with lots more information to help you love living in strata.



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Strata & Community Living is a joint initiative brought to you by SCA (NSW); the peak industry body representing strata managing agents and others committed to the continual improvement in standards of strata management practice in NSW and your strata managing agent.



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