

s 9(2)(a)

28 February 2017

SUBMISSION ON UNIT TITLES ACT

Summary:

As our Body Corp comprises 28 units we fall into the median range of complex sizes. We appreciate the ability to opt out of some of the more stringent requirements for larger complexes. We are reasonably happy with most provisions of the Act and itemise those below without great detail.

The issue that is causing our owners and committee great distress is dispute resolution, particularly in terms of unpaid levies.

Opting Out Provisions:

Supported

Disclosure Rules:

Happy with status quo

Statutory Warranty on Disclosure Statements:

Covered in Act already. Unfair on a voluntary committee

Strengthening Body Corporate Governance:

Agree to addressing conflicts of interest. It is already hard to get together a committee of owners. Either open the membership, and chairmanship, to other interested or paid parties, or make the responsibilities less onerous.

Body Corp Management:

Agree; should be professionally run

Ensuring Long term maintenance plans:

Agree to having and maintaining a professionally produced LTMP, should be reviewed at least bi-annually

Dispute Resolution Regime:

We are having huge problems collecting levies to repair our building.

Lowering of tribunal fees would be good. Renaming the Tenancy Tribunal is trivial. The issue is to make the Tribunal better able, with better qualified adjudicators, to resolve disputes and make each party to the dispute abide by the Tribunal's decision.

The process is incredibly slow, 3 - 6 months should become 6 weeks.

This section of the Review Document is lost in detail and misses the main issue:- that is, 496 of 575 disputes heard by the Tribunal involved "recovery of Body Corporate fees".

This collection of unpaid levies is of huge concern to our Body Corp. Because a small number of owners cannot, or will not, pay we always have about 30% of our levies outstanding.

We are trying to remediate our leaking building. We cannot complete the work because we have so much money outstanding. Of a total remedial cost levied of \$3.44M to date to carry out the work, \$464k (13%) remains unpaid. The legal costs to collect unpaid levies on this sum total \$97k to date, money which should have been spent fixing our building.

We have been to the Tribunal about 6-8 times. Only two of these has led to payment. Our recourse to the District Court has proven very expensive and time consuming. With two owners we have reached the stage of a court telling us we can sell their units, only to be stymied by obstructive lawyers, slow systems, and judges who overturn each other's decisions.

Body Corps must be given more ability to collect levies without wasting much of their money, effort, and energy, in tribunals and courts.

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We would like to present to the Select Committee