OCV® OWNERS CORPORATIONS VICTORIA

"...the voice of the owners corporation industry..."

STRATA LIFE
AUTUMN
2011

IN THIS ISSUE

Review of the Owners Corporations Act urgently required

With Parliament commencing for its first full session since the change of Government, Owners Corporations Victoria (OCV) has written to the new Minister responsible for the Act, the Honourable Michael O'Brien, to congratulate him on his appointment to the Consumer Affairs portfolio.

OCV, the voice of the owners corporations sector has urged the Minister to commit to a full review of the operation of the Owners Corporations Act (OCA) as promised by the previous Government.

There are many aspects of the OCA which adversely affect the 65,000 owners corporations (OC's) and 500,000 lots in Victoria, their owners and occupiers. These laws impact on over 1,000,000 or 1 in 4 Victorian people. The sector also represents a significant slice of the Victorian economy – with managed properties valued at around $48 billion. More than $1 billion per year is collected and spent by OC's across the State.

Periodic review of all aspects of the OCA should be conducted as good public policy dictates. Fee and levy setting and collection, the setting of OC rules, dispute resolution and cost recovery have an enormous impact on the lives of residents and businesses across the State, as do meeting procedures and the adoption of maintenance plans. CONTINUED PAGE 2

Rob Beck,
GENERAL
MANAGER

OC LAW CHANGES STARTED 1 JAN 2011

Both the Consumer Affairs Legislation Amendment Act 2010 [CALAA] and the Consumer Affairs Legislation Amendment (Reform) Act 2010 [CALARA] are now law.

The commencement date for all amendments was to be 1 September 2011 but some proclamation dates were amended so that changes commenced 1 January 2011. Changes introduced include main amendments relating to:

Owners Corporation Certificates (OCC's)

The amendment introduces the obligation for all OCC's to be sealed with the common seal of the OC and includes further amendments to simplify witnessing the use of the seal for the purpose of the OCC. In such an instance it can now be witnessed by the registered manager or the chairperson as recommended by OCV.

Costs of fee recovery at Victorian Civil and Administrative Tribunal (VCAT)

The amendment empowers VCAT to consider awarding a much broader range of costs to OC's and lot owners in disputes around arrears of fees. It inserts clause 51ADA into Schedule 1 to the Victorian Civil and Administrative Tribunal (VCAT) Act 1998 to confer discretion on VCAT to award a broader range of costs, including costs incurred, either directly or indirectly, by lot owners and owners corporation managers [including the costs of professional and volunteer managers], in disputes about arrears of fees and charges imposed by OC's. Costs awarded are not limited to costs incurred by a professional advocate.

Standardises the infringements framework in the OCA

The Owners Corporations Act was amended with new section 203A providing a power to authorised officers (an inspector, a member of the police force or a person authorised in writing by the Director of CAV) to serve infringement notices.

Follow this link to Consumer Affairs Victoria (CAV) for further information: www.ocv.org.au/pdfs/2010_eNewsletter/CAV_Flyer0001.pdf

For additional information about new laws coming into force on 1 September, we are grateful to Bryan Thomas of Tresscox Lawyers – refer page 4.

FROM PAGE 1 – ROB BECK OCV looks forward to working with Minister O'Brien and Consumer Affairs Victoria (CAV) to review and amend the OCA and the Regulations it enables, to make its practical application less problematic. Good laws are alive – living and breathing, adapting to change as required.

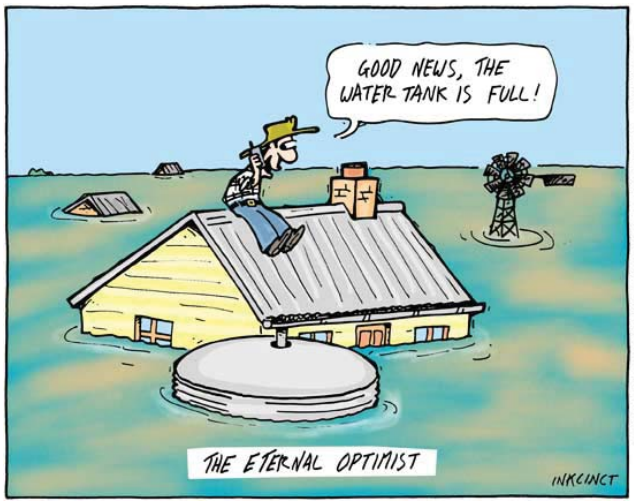
Water, water everywhere!

The recent floods throughout Queensland including Brisbane CBD, rural and regional Victoria and the floods through Melbourne CBD and suburbs earlier this month have provided an opportunity to consider how risk to properties can be mitigated and highlighted the importance of good planning and property design.

While home owners have a plethora of insurance policy options and can choose whether to insure against flood damage, generally strata properties have limited coverage in insurance policies against floods and need to look closely at the cover offered and accepted. The recent experience in Brisbane has also highlighted the risk of having building service equipment — pumps, generators, sewage services — on the ground floor or in underground carparks. As a result of inundation with water on the lower floors, many apartment buildings and businesses needed to vacate and workers were told to stay home.

The recent devastation will give rise to Parliamentary and independent Inquiries into how to reduce risks to property and life in the built environment in the future.

OCV will advocate strongly for the needs of lot owners and occupiers to ensure the needs of strata title properties are taken into account.



Short-term letting

OCV urges amendment to planning laws for peaceful co-existence

With the popularity of websites such as Stayz.com.au and Wotlf.com.au and much to the chagrin of owner-occupiers, "overnight" and "short stay" use of apartments in residential buildings is increasingly popular.

From the perspective of owner-occupiers, short term letting detracts from their quiet enjoyment of the property and its amenities. For example, holiday makers have a tendency to 'party on' which can disrupt residents. They tend to use pools and gymnasiums more frequently during their stay, sometimes resulting in damage to equipment.

From the owner-investor's perspective, short term leasing increases their return.

A solution is needed to the diametrically opposed interests to appease the conflict and discomfort.

At present, an OC cannot have a rule requiring letting terms to be more than a specified time (eg 3 months]. It is not valid or binding because it: [references to OCA]

- is not a matter that can be dealt with under schedule 1 unless it involves change of use – [s.138(1)]
- unfairly discriminates against letting owners – [s.140(a)]
- limits rights of letting owners about lot use – [s.140(b)]
- may be inconsistent with the Act about use of lots – [s.140(b)(i)]
- is inconsistent with planning laws permitting short term letting– [s.140(b)(v)]

The solution to the increasingly pressing problem of short-term leasing of serviced apartments, especially to holiday-makers, is to amend the planning laws.

These challenges have already been dealt with in other jurisdictions. For example, short term letting of less than 6 weeks was banned for new buildings in Queensland from May 2010; and NSW's Clover Moore, Member for Sydney, introduced a Private Member's Bill to bring in restrictions for less than 3 month tenancies.

Tasmania has amended the Strata Titles Act 1998 (Tas) (s91) which allows rules imposing a minimum term (not exceeding six months) for the letting of lots.This means that a rule may ban short-term letting (less than six months) but cannot ban letting of lots for six months or more.

OCV believes this consumer problem resulting from short-term letting, can be overcome with variations to the planning laws relating to property use; ensuring that short-term rental properties can co-exist with long-term and owner-occupied apartments in residential buildings.

Solutions for new buildings could include allocation of whole floors within a building to serviced apartments. These apartments would have separate lifts, garbage services and an entrance from a different street or different side of the building.

The building can even provide for increased share of outgoings by serviced apartments due to increased wear and tear. This permits the use for which there is obviously market demand but provides a separation to group "like with like" to minimise the potential for conflict to occur and provides the mechanism for the building itself to manage the conflicts that do arise.

Dealing with existing buildings is more problematic, so perhaps changes to the OC laws, as Tasmania has done, may be an alternative.

Apartment owners look to capitalise on older-style buildings

3 Dec 10 @ 10:34am by Staff Writer, Hills Shire Times, NSW

TELEVISION networks once again returning their focus to property, with the resurgence of shows including The Block and Hot Property, apartment owners and buyers are looking at ways to capitalise on older-style buildings.

Paul Morton is the chief executive officer of Lannock Strata Finance, a lender which provides money to strata corporations for repairs, maintenance and refurbishments of strata-titled properties.

"An increasing proportion of our inquiries have a refurbishment component, rather than just straight repairs and maintenance," Mr Morton said.

"Most people incorrectly write off common areas in their building as 'not my problem' when updating and maintaining these areas properly can add thousands of dollars in value to your apartment."

One Sydney-based agent said there were five common areas of apartment buildings which could yield a significant return on investment when refurbished. The exterior of the building is probably the most visually noticeable, and common treatments done to private houses such as painting and rendering can also benefit older apartment blocks.

The lobby or entrance to the building, and any lifts, can be transformed to be welcoming while providing proper utility to residents.

Also making balconies more appealing and functional can improve a building's desirability to buyers, as can street appeal with the help of attractive gardens.

Beware what lies beneath

They are almost always out of sight and are often out of mind, however pumps often lie in dark, wet and smelly places, and sometimes they can remind you that they should not be taken for granted.

While there are many different types of pumps that are used in OC's, they all seem to have two common traits; they can cause big problems when they fail, and they are almost always expensive to repair.

A recent issue with a newly acquired OC saw two sewer pumps fail. None of the occupants of the site took any notice of the flashing light on the box on the wall, but when raw sewage flowed into their backyard party, the issue had their full attention. They called our office and were diverted to our out of hours contractor. By Monday morning with electricians, plumbers and the removal of 6500 litres of raw sewage by truck, nearly $10,000 had been spent.

As it turned out the primary pump had served its owners quite well for 32 years. It is not known when the secondary pump seized in the bottom of the pit, however when the primary pump failed the secondary pump had been inoperable for some time. Searching through the records, the only mention of the pumps was the clearing and inspection of the primary pump twelve years previous.

The total cost including tradesmen, raw sewage pumping and removal, temporary pump hire, inspection of old pumps, replacement of pumps, guide polls, chains, float switches, wiring and pump control systems came in at $27,000. Had new pumps been installed during normal hours whilst the old pumps were still functioning, the cost would have been just $12,000. But how are you going to convince your fellow members of the need to spend $12,000 on pumps that are still working?

Another recent problem has been pumps in car park pits. I have personally had two issues at different sites in the last three months where pumps have been fouled by debris entering the pits. In both instances these are new buildings and while one pump was seized by gravel the other was smothered by hardened silt. In both instances it is suspected that the builder's labourers are to blame. With the first pit being a convenient hole to sweep rubbish into and the other being a place to hose left over render into. In both instances the builder denies liability and points firmly at the OC for failing to maintain the pumps.

With the increasing number of urban developments that require underground carparks to meet planning requirements and the increasing popularity of rain harvesting and its need for pumps to move and supply water to irrigation systems, budgeting for annual maintenance will become something more familiar to many OC's.

One thing that is for sure, is that giving your pumps some TLC and keeping their homes tidy will greatly reduce the likelihood of a nasty surprise.

ACE

Keep your finger on the OC pulse

32%

The medium and high density "market share" of new housing stock in Victoria in the 2009-10 financial year. This is on exceptionally strong volumes, with Victoria leading the nation in gross new medium density development.

607

The number of owners corporation managers currently registered with the Business Licensing Authority.

90%

the percentage of all apartment sales in the inner city in the first half of 2010 that were to property investors, many from overseas.

Proxies for Owners Corporation Committee Meetings

Owners Corporations Victoria strenuously opposed amendments to Section 87 of the OC Act which would allow proxies for committee meetings. Despite these strong arguments, the previous State Government decided to plough ahead with amendment to the legislation with a commencement date of 1 September 2011.

The OC by resolution at its Annual General Meeting, confirms the appointment and delegation of powers to committee members who are chosen to make decisions on behalf of the OC; being all owners. The ability for that person to then request another person attend a meeting and make decisions on their behalf opens the doors to many and varied issues; as stepped out in the following advice from Bryan Thomas, Senior Consultant, TressCox Lawyers. An OC is urged to consider and establish proceedings of the committee to minimise such issues that may arise from the character and personalities that can make up each individual OC.

Section 87 of the Owners Corporations Act 2006 (the OCA) enables a lot owner to authorise in writing another person to act as the owner's proxy to:

(a) attend, speak or vote on the owner's behalf at a meeting of the Owners Corporation (the OC);

(b) vote on the owner's behalf at a ballot; or

(c) represent the owner on the committee of the OC.

In so far as meetings of the Committee of the OC are concerned, there are good reasons not to allow a committee member to provide a proxy to another person to attend the meeting on his or her behalf.

It is a fact of life that it is difficult enough to find sufficient members of an OC who are prepared to serve on the Committee. Allowing a committee member to give his or her proxy to another person simply encourages apathy by making it too easy for a lazy committee member not to attend a meeting.

More importantly, for reasons of convenience it encourages committee members to give their proxies to one person – usually the Chairman, with the result that decisions affecting all members of the OC can be made by a minority of the Committee. Although the need for a quorum of members in order for decisions of the Committee to be valid may encourage individual members to attend,

A proxy may not be familiar with the operation of the OC, and therefore should not have the right to vote on a matter affecting the OC.

being able to give a proxy in favour of the Chairman may be dangerous where a chairperson with a controlling nature is in place.

Furthermore, a member elected to the Committee by the members of the OC is elected to a position of responsibility which that member has agreed to accept. It is not appropriate therefore for an elected committee member to hand that responsibility to a person who may not have been elected to the Committee.

The members of the OC appoint by election a member of the Committee; they do not appoint a proxy for that member. A proxy may not be familiar with the operation of the OC, and therefore should not have the right to vote on a matter affecting the OC. If all members of the Committee appointed a proxy for the purpose of attending a meeting, persons who are not members of the OC could make decisions, in particular matters of a financial nature, which affect the OC and all the members.

Finally, the directors of a corporation are elected by the shareholders. Under the Corporations Act 2001 a director is not entitled to give a proxy to another person to represent the director at a directors meeting, because directors are not the representatives of particular shareholders, but owe their duty to the corporation as a whole. The same rationale should apply to members of the Committee of an OC.

An associated problem is the attendance of observers at committee meetings. Often committees are required to discuss sensitive issues; for example, complaints, outstanding levies, breaches of the OC's Rules, legal proceedings by a member against the OC. It would be impossible for a committee to discuss an issue involving a member who is attending the meeting as an observer. A meeting could also be disrupted by a disenchanted member attending as an observer, as has been the experience when an open invitation is extended to members to attend committee meetings.

A committee can regulate its own proceedings. Therefore attendance at a committee meeting as an observer should be by invitation only.

TressCox LAWYERS

CHU Strata insurance — you get what you pay for

We've all had a similar experience — we've trusted an 'expert' and gone for a more 'affordable' product or service because we wanted to save money but then the wheels fell off or the service wasn't up to scratch.

With strata insurance, the risks are very real because you can end up with protection that falls short of the legislation and exposes managers and OC's to a number of risks...which, with a little bit of thought could have been avoided.

It's so important to consider what it is you are paying for and whether your insurer is a specialist in strata... because not all insurance is the same.

OC's often look to the strata manager to provide some level of guidance so that when dealing with the statutory obligations, such as obtaining the right level of insurance, they are aware of some of the risks and ways to avoid them. In some cases getting the right level of insurance can go wrong simply because the insurance coverage was poorly constructed or corners cut to reduce costs.

Take for example public liability insurance. Most of us are aware of strata legislation in most states that requires public liability cover to be purchased up to a minimum level for personal injury and/or property damage. This could be $5 million to $10 million depending on the state legislation. While most will purchase their insurance in accordance with the prescribed level, one critical element can often get missed; how legal costs are dealt with.

Look out for public liability cover that provides the appropriate limit of indemnity and a provision for legal costs and fees on top. This is called a "Cost in Addition" form of public liability. This differs to "Cost Inclusive" forms of cover, which includes legal costs and fees within the limit of indemnity. So if an OC with $10 million in public liability insurance cover has to pay $9 million in damages and has $2 million in legal fees but has a "Cost Inclusive" cover, then they will be out-of-pocket to the tune of $1 million. Here comes another special levy...

Shop around by all means but make sure you are getting the right coverage and not just cutting costs. If you need help understanding strata insurance talk to the experts at CHU.

NBN Co to foot the bill in linking up apartments

The National Broadband Network Co will cover the costs of rewiring old apartment blocks to ensure they can connect to the service.

The decision comes as the national association for strata managers and body corporates, the National Community Titles Institute, warned that landlords would not be willing to foot the bill for any extra costs needed to get the best service offered by the NBN.

"We would encourage landlords to make the NBN available to tenants but inevitably there could be a cost involved and in most situations like this, landlords are less willing than owner-occupied units to meet those costs," NCTI executive officer Mark Lever told The Australian. "This might have to be something that body corporates resolve themselves, and also pay for it."

Those fears should be assuaged as the NBN Co yesterday confirmed to The Australian that it had recently formalised its position on connecting multi-dwelling units (MDU) to the NBN. The formal position is in line with one of the 84 recommendations outlined in the $25 million McKinsey KPMG implementation study, which the government is yet to respond to.

"We will be doing MDU re-wiring during rollout — because we have said our objective is to bring an NTU (network terminating unit) to each premises free of charge. As the name suggests, the NTU is the end of our network," an NBN spokeswoman said.

The NBN Co did not say whether the task of rewiring old apartment blocks would affect the NBN's $43bn price tag, but the spokeswoman said the cost had been factored into its business plan, which was submitted to its board last week.

According to the implementation study, enlisting the co-operation of the body corporates that oversee MDUs is crucial in ensuring the financial success of the NBN.

MDUs account for one-third of the nation's premises and an unwillingness by body corporates to connect to the NBN, coupled with disparate state approaches to the way premises' are being connected to the network, could wreak havoc on the government's and the NBN Co's plans to ensure the maximum number of premises sign up to the network.

The NCTI — which represents the vast majority of the 270,000 body corporates around the nation — has warned that unless the government and NBN Co start engaging with strata managers and body corporates about how the network will be connected to apartments, then many of the multi-dwelling units could miss out on the NBN.

"It's all speculative at the moment. We actually don't know how the NBN is going to approach body corporates and how they will install the NBN at MDUs," Mr Lever said.

So far, the government and the NBN Co have not entered formal discussions with any bodies representing strata managers or the body corporates.However, the NBN Co said it would use the first five release sites in its mainland build — in Willunga, Brunswick, Townsville, Kiama and Armidale — to test a range of installation and deployment methods in MDUs.

Mitchell Bingemann, The Australian, October 26, 2010 12:00AM

VCAT APPLICATIONS: THE PROCESS AND PITFALLS

Since the Owners Corporations Act 2006 (OCA) came into operation some three years ago the complexion of owners corporation disputes has changed. Whilst there was a general reticence to apply to the Court in relation to owners corporations disputes under the Subdivision Act — meaning disputes were generally resolved by a vote at a general meeting, often after a period of intense lobbying by disputing factions — aggrieved parties now appear more than willing to apply to VCAT.

Under the OCA a party can complete a VCAT tick-a-box application form and pay the $37 fee to guarantee the aggrieved person his or her day in Court.

Complainants should be aware that there are two distinct application forms. One relates to Owners Corporation disputes (Form A) and the other applies to land and property rights concerned with an Owners Corporation (Form B). From the outset complainants need to ensure that they choose the correct form.

Often complaints contain the following errors:

- The Owners Corporation name and registered number needs to be identified accurately. That is, the street address and registered number must be used to identify the property. The OC manager is not the owners corporation.
- Often the manager is named as a respondent to the application. Almost as often the application is flawed in that respect. Unless a complainant believes that the manager has breached its management agreement or a prescriptive requirement of the OCA the manager should not be named in the application. The County Court recently found in the matter of Wong v Body Corporate 1 Plan No 433814P and Ors in response to allegations that the manager had breached its agreement and been negligent in failing to advise the Owners Corporation of the need to raise funds for necessary repairs and maintenance and that a manager manages the affairs of the Owners Corporation in an administrative sense only. This does not involve making inspections or risk assessments.
- The complaint form asks whether the complaint relates to a breach of the Regulations or Rules. VCAT will not likely have jurisdiction to hear the matter if the dispute relates to issues other than a breach of the Act, Regulations or Rules. In order that the respondent knows the case, full particulars of the allegations should be provided, including the relevant Section, Regulation or Rule.
- VCAT has a broad discretion as to the orders it may make. This is reflected in the alternatives with which a complainant is presented where the approved form asks what orders are sought. Complainants are urged to approach this item with caution. If all or a majority of the alternatives are sought it will be difficult for the respondent to respond meaningfully to the application. This could prolong the dispute, causing inconvenience, delay and unnecessary cost to all parties. The complainant must remember that it is required to contribute to the owners corporation's costs in accordance with lot liability.
- Applicants are required to outline the history of the dispute. Whilst it is trite to say that relevant matters only should be included it is necessary to do so. The circumstances giving rise to the dispute should be set out succinctly and directly.

VCAT will not likely have jurisdiction to hear the matter if the dispute relates to issues other than a breach of the Act

Whilst VCAT lacks the formality of the Courts, a claim will not — and cannot— be successful unless it articulates a breach of the Act, Regulations or Rules (or some other law for which VCAT has jurisdiction) and the applicant has suffered loss which can be accurately quantified. Unless the complaint discloses a cause of action with a tenable basis at law it will fail.

An assertion that a committee has breached its duty of a good faith is insufficient. A complaint against a child riding a scooter on common property is unlikely to be determined in favour of the applicant. The outward opening of a cat flap is unlikely to be regarded as an unlawful encroachment onto common property.

Parties are encouraged to attempt to resolve their issues in-house. Applicants should not presume that they are free to pursue unfounded claims in VCAT without the risk of adverse consequences, such as an award of costs in favour of the respondent. Section 109 of the VCAT Act makes it clear that the Tribunal as the power to award costs if satisfied that it is fair to do so, having regard to:

- whether a party has conducted the proceeding in a way that unnecessarily disadvantages another party
- failing to comply with an order or direction of the Tribunal;
- failing to comply with the VCAT Act
- causing or asking for an adjournment;
- attempting to deceive another party or the Tribunal
- vexatiously conducting the proceeding
- unreasonably prolonging the time to taken to complete the proceeding
- the relative strength of the claims made by each of the parties, including whether a party has made a claim that has not tenable basis in fact or law
- the nature and complexity of the proceeding
- any other matter the Tribunal considers relevant.

VCAT has the power to summarily dismiss unjustified proceedings with costs.

Complainants should be aware that an Owners Corporation has the power to conduct its own affairs. There is a clear line of cases, that confirm that VCAT will not interfere with members' majority decisions unless the Owners Corporation has failed to act honestly and in good faith or a resolution is oppressive, prejudicial or discriminatory.

A majority decision may not suit you. It may even affront you. But it will stand unless the Tribunal can be convinced that there has been a fraud on the minority. This would be rare.

HWL EBSWORTH LAWYERS

Cleaning swimming pools after floods or storms

When a swimming pool has been inundated with floodwater there are many issues that need to be considered. It is not essential that a swimming pool be restored immediately but it is essential to assess the condition of the swimming pool and make it safe before starting any work. An unused swimming pool is not likely to transmit, or become a source of, diseases in the short term unless sewage has contaminated the pool.

1. Initial Assessment

Once the floodwaters have receded the swimming pool needs to be assessed to determine that the fencing is intact to prevent children from accidental drowning. Check any pump house and other structures to ensure that snakes, spiders or other pests are not a threat. Apparently dead reptiles and insects may still be alive. Secure or restrict access to the area if possible, particularly if fences have been damaged or debris has made the area dangerous.

2. Electrical Safety

If the swimming pool, pump, timer and any electrical equipment have been fully inundated, once the floodwater has receded a licensed electrician should check the circuits and each electrical fitting to ensure electrical integrity. This may need to be done in consultation with the local PoolWerx technician in case electrical components need to be replaced.

3. Construction Integrity

Severe damage may mean that the pool area should be secured, made safe and/or abandoned until a PoolWerx technician (or insurance assessor) is able to give professional advice. Do not pump out a swimming pool immediately as this may cause more structural damage than leaving the pool full. An empty pool, particularly a fibreglass pool, may pop out of the ground. Check the pool surrounds for wash outs, missing paving materials or deposited debris. Eventually the pool may need to be pumped/cleaned out to allow a full assessment of the damage.

4. Nuisance Conditions

While the pool is full but not able to be restored it may promote mosquito breeding and should be checked daily. If mosquito breeding is detected then 1 cup of household kerosene should be added to the pool water weekly. If the pool starts to turn green then an algal bloom is developing. Your local PoolWerx technician should be consulted to determine the best practice to minimise the algal bloom.

5. Water Quality — Soil, silt or debris present

The contents of the pool need to be assessed. If the pool has received silt or other soil material during the flood it may need to be pumped or bucketed out. There may be unusual material washed into the pool that could be hazardous as well as affecting the pool water quality. The local council needs to be consulted as to where the pool contents may be discharged. It is not appropriate to pump out the pool to the sewer.

6. Water Quality — No soil or large debris present

The water is likely to be very dirty and any attempt to filter the water will rapidly clog the filter. Consult your local PoolWerx technician on how to "flocculate" the pool water to precipitate and remove the suspended colloidal soil material. The flocculated material should be vacuumed to waste and not filtered. Once the pool has been flocculated the pool filter can be turned back on to circulate and filter the water. Sufficient (check the label) liquid chlorine (sodium hypochlorite) should be gradually added to the pool to raise the free chlorine concentration to 5 mg/L and the pH to 7.2 at least overnight a minimum of twelve hours with the filter running. Once this has been achieved normal pool operation can be re-instated. If salt water chlorination is used then the salt concentration should be then adjusted.

National Broadband Network Roll Out puts focus on STRATA

By Matthew Amber, President NCTI

The National Community Titles Institute is the peak body representing the strata title industry across Australia.

Industry National forums bring together both concerns and opportunities going forward when key administrators can address important day to day issues and future challenges to strata and community title living.

There is a community expectation that strata and community title properties are able to offer to owners and their long term and holiday tenants, the full benefits of lifestyle time living.

With governments across Australia recognizing that there will be a significant increase in strata and community living solutions to best manage Australia's forecast major population growth through to 2050, there has been concerns raised about the take-up of a range of new technology.

We at NCTI made a point that the roll out of the $43billion national broadband network was unclear when it came to strata and community title properties as it may only be brought to the front door, requiring individual unit owners to provide the internal connections.

Our fear was that the NBN would be delivering the latest technology to Australians in their nationwide roll out, but that there would be significant take-up costs by strata and community title unit owners to pay for the service, while single block households would be directly connected.

At the recent ISTM/NCTI conference, these and other issues were raised as key concerns for owners and the industry.

Fortunately the NBN team have responded to **CONTINUED PAGE 8**

FROM PAGE 7 the issue and provide assurances that in the roll out, individual lots will be connected up by the NBN as an integral part of its program.

But in citing the potential of the NBN roll out issue, the list of potential penalties for those enjoying density living opportunities in the 21st century continued to emerge with new potential charges and penalties for the privilege.

It has been identified that there are now more than 200,000 bodies corporate existing in Australia with more than two million people living in apartments and hundreds of thousands of holiday makers each year enjoying resort accommodation in high rise complexes.

While there was a quick response to the NBN roll out threat, a myriad of other issues which have been raised and identified, which have become opportunities to which strata and community title properties might benefit.

As the nation directs its focus on carbon reduction programs, bodies corporate have not been able to benefit from the renewable energy target schemes.

While individual householders, who install a solar panel were handed renewable energy certificates which are traded with solar panel manufacturers for a discount on installation, unit owners get neither a feed in tariff nor the credit for the solar panels installed on the top of their building.

Yet there are sizeable benefits for this type of climate change mitigation program.

It needs to be remembered, that Governments' were able to get strong responses and sizeable benefits from campaign strategies delivered by building managers in better water management during the recent east coast water crises.

Substantial management programs were organised by building complex managers to work with owners and tenants to make substantial cuts in water usage in major properties resulting in major cuts to water usage in the drought stricken areas.

With a strong focus by the bodies' corporate committee on controlling costs, unit complexes need to be factored in as major opportunities to benefit from modern day living incentive schemes.

New complexes are leading the way in implementing 21st century green living strategies and are being developed strategically in line with the long term policies of governments to have them linked into existing transport and infrastructure hubs to maximize the use of public transport and existing services.

Governments are keen to reduce the urban sprawl across Australia, but they have not yet embraced the need to better understand the opportunities to reward the development industry and the owners with available incentives to control living costs.

As the living face of Australian cities continues to change, the issues of the strata and community title living offer real target benefits if they are recognized as leading the focus on lifestyle management in the modern environment.

STRATA COOKING

Autumn Strata *Serves 4*

INGREDIENTS

One packet of bread or 750 gm cobb/sourdough/corn loaf bread, crusts removed if thick

225 gm cream cheese

225 gm mozzarella, grated or cut into small pieces if fresh,

¼ cup prepared pesto

170 gm thinly sliced prosciutto

500 gm (about 3 medium) red, ripe tomatoes, thinly sliced

5 large eggs

1½ cups milk or equivalent

½ teaspoon salt

Freshly cracked black pepper to taste

METHOD

- Oil or butter a deep (25 cm) baking dish.
- Slice the bread about 2.5 cm thick. Arrange 2 to 3 equal alternating layers of the bread, cheeses, pesto, prosciutto, and tomatoes in the baking dish. Cut or tear bread slices if needed to make snug layers.
- Whisk the eggs with the milk, salt, and pepper. Pour the mixture over the bread and other ingredients. Cover and refrigerate the strata for at least 2 hours and up to overnight. Remove the strata from the refrigerator 20 to 30 minutes before you plan to bake it.
- Preheat the oven to 175 degrees C. Bake the strata for 50 to 55 minutes, until puffed, golden brown, and lightly set in the center. Serve hot.