

## STRATA LIFE WINTER 2011



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### Welcome to Strata Life

In this winter edition we focus on health and safety, and discuss proposed changes to the laws which affect you as an owners corporation. We also seek your feedback in our survey about how active your owners corporation is and any issues of concern you have about complying with requirements in the Owners Corporations Act (OCA) 2006 and Regulations 2007.

#### Victorian Government listens to OCV

The Owners Corporations Victoria (OCV) election Policy Position paper advocates strongly for both consumers and managers. We argued that some changes proposed by Consumer Affairs Victoria (CAV) would have adverse consequences on consumers and managers alike and finally the Government has listened.

#### Delegation to committees

Legislative changes, due to commence 1 Sep 2011, would have required an instrument or a resolution to delegate authority to owners corporations' committees. The Minister for Consumer Affairs and CAV have informed us those legislative changes will be repealed and revert back, with the owners corporation (OC) committee holding all the powers automatically. **CONTINUED PAGE 2**

### REVIEW OF THE OWNERS CORPORATIONS ACT 2006

OCV welcomes the review later this year of the operation of the Act and will be making a formal submission to the Minister for Consumer Affairs, the Hon Michael O'Brien MLA, to ensure that the interests of stakeholders are clearly conveyed. It is imperative that a balance is struck between the public policy imperative of protecting lot owners, strata title property occupiers and professional managers with realistic compliance requirements. The burden of red tape has an adverse impact on owners, managers and all stakeholders.

With owners corporations covering properties as diverse as small blocks of units in the suburbs to the Eureka Tower, retirement villages to large industrial estates, OCV will be the strong voice for all stakeholders — owner occupiers, investors, managers and suppliers.

Our policy outlines the policy positions OCV has been proactively promoting to government: <http://goo.gl/sWGzx>



**SURVEY** Your voice — complain, inform, suggest, engage, change.

Please take a minute to complete our anonymous survey so we can articulate your concerns and suggestions to improve the operation of the OCA and Regulations here:

[www.surveymonkey.com/s/JX7KW3V](http://www.surveymonkey.com/s/JX7KW3V)

**Rob Beck,**  
GENERAL  
MANAGER



FROM PAGE 1 – ROB BECK

### Proxies for committee meetings

OCV disagrees with the practice of allowing committee members to appoint proxies to represent them at a committee meeting if they are unable to attend. Regardless, CAV is proceeding with changes to the Act which will permit proxies. The policy to assist with management of proxies at committee meetings was set out in a letter to OCV on 21 February 2011. Minister O'Brien stated the intention was to:

'give owners corporations the power to restrict the voting rights of a proxy-holder for a committee member where that proxy-holder has not been elected or co-opted to be a member of the committee. The committee would be able to confer such voting rights.'

OCV has suggested however, that such power be given to the committee by simple direction of the OCA.

To set a rule to grant such power to the committee implies the need for a special resolution of 75% of lot owners. In practice, OCV recognises how challenging this task is and believes it will severely limit the ability for an OC to limit the voting rights of a proxy-holder.

OCV argues that the OCA should make provision for this as a general resolution of the owners corporation, which may occur at an annual general meeting. Alternatively such a ruling could be supported by a decision of the committee under Section 112 (11) which provides the power to the committee to set their own proceedings.

### Giving "standing" to individuals — The Edgar Wood Building from *Foss v Harbottle*

The common law rule since *Foss v Harbottle* in 1843 was that in the case of a wrong to a company only the company itself could sue, not the individual shareholder-members of the company. The Corporations Act in 2001 (Cth) modified this rule and now allows representative or derivative actions, though gaining leave is still not an easy pathway for applicants. But to date, the OCA has not

modified this rule, meaning that individual lot owners have no standing, only the OC does. It's now proposed by the Minister that the OCA does modify this rule given the decision in *Wynden Pty Ltd & Ors v Owners Corporation PS 431248H & Anor (Civil Claims) [2010] VCAT 1683*, which was followed with the same finding in a subsequent case *Camilleri and ors v Oldroyd and ors (Owners Corporation) [2011] VCAT 279*. This latter case cited another in support of its analysis, *Carre v Owners Corporation — Strata Plan 53020 & Ors [2003] NSWSC 397*, which found that NSW strata law is the same as the current Victorian situation. It is proposed by the government to abrogate the rule so that anyone who can apply to VCAT has standing, because it was never their intention for it to be restricted in this manner. It's noteworthy that the *Oldroyd* decision, speaking about Parliament's intentions, said "The fact that such a statutory response similar to that in the Corporations Law was not included in the OCA leads me to the conclusion that this was no mere oversight and that the rule does apply to owners corporations". Well, the government is now saying that it was an oversight and that was not their intention.

OCV's position on this issue was:

- OCV disagrees with giving 'standing' to individual lot owners. There should be no change. The current law is sufficient
- The OC is the appropriate entity to sue after obtaining a special resolution. Changing it would lead to the perverse situation where s18(1) of the OCA is easily overcome by the owners agreeing that one or more of the owners sue a third party instead of the OC suing the party — without the need for a special resolution
- This is all notwithstanding the fact the current laws, quite appropriately, do not prevent, in the case of a wrong to an individual lot owner, that lot owner suing.

As an aside when the OCA was first made it amended s29 of the Subdivision Act 1988 to specifically exclude OCs from Corporations legislation.

### Overseas lot owners

Overseas resident lot owners who do not have a physical Australian address present fee recovery issues for OCs.

The proposed changes should overcome problems with VCAT's rules surrounding service of documents by requiring absent lot owners to specify addresses in Australia, and provides an alternative mechanism for service where they have not complied.

### Company title

Another issue which OCV is concerned about and which the government will be developing an options paper, relates to company share and stratum properties which are currently governed by ASIC under the Corporations Act. OCV proposes that these properties are brought under the OCA completely and removed from ASIC jurisdiction.

It is imperative that a balance is struck between the public policy imperative of protecting lot owners, strata title property occupiers and professional managers with realistic compliance requirements.



## Electric hot water system phase-out exempts strata

Water heating is the largest single source of greenhouse gas emissions from most Australian homes. To address this, various levels of government across Australia are working together to phase out inefficient and greenhouse gas-intensive electric resistance hot water systems throughout the country.

Agreement to implement the phase out for existing homes has been reached by Federal, State, and Territory Governments. Implementation dates for Victoria will be confirmed, however, the phase out is likely to commence during 2011.

The proposed changes will result in the reduction of greenhouse gas emissions of almost 30 million tonnes over the ten years from 2010-2020.

The phase out will affect existing residential detached, terraced and town houses that are replacing their electric water heater, with apartments and units exempt.

The decision, once implemented, will prevent the installation of greenhouse gas intensive electric resistance hot water systems. Homes with a working electric water heater will not be required to install a new hot water system until their current heater needs to be replaced.

The availability of rebates and incentives provides assistance for householders to switch to more energy efficient hot water systems like solar.

## Benefits of Owners Corporations Collectively Insuring

*Alan Ferré, CHU*

If you could help safeguard the interest of lots owners, make life simpler for Owners Corporations (OC) and at the same time make some costs savings, wouldn't you want to know how? One area that this can be achieved is with 'collective' single storey building insurance.

### Single storey buildings

Under the Owners Corporation Act 2006, single storey buildings with common property above or below lots do not require the OC to take out collective insurance for all of the lots. In addition if a subdivision was registered under the Strata Titles Act 1967 or the Cluster Title Act 1974 and does not have any lots above or below one another, then the OC also is not required to take out insurance for the lot owner's lots.

However, there are still some compulsory insurance requirements. Public liability insurance is still mandatory for the OC's of single storey lots where there is common property. In addition the OC must still arrange insurance for buildings on common property which may only include property such as common driveways or indoor swimming pools.

### Simple solution

To help avoid potential gaps in cover and to simplify who should take out what cover, one solution is for the OC to resolve by unanimous resolution that all lots must be insured. Under this agreement, they can then elect to collectively insure all of the buildings and the lots, within the OC strata insurance plan and this would then be the recommendation, irrespective of the mandatory requirements or limitations.

### Significant benefits

There are some significant benefits and advantages for both lot owners and the OC in collectively insuring all lots within the plan:

1. **Cost savings:** Considerable savings for the lot owners /OCs are achievable. An OC insuring under a single Strata policy will cover the statutory public liability requirements, all common property and some or all of the buildings within the plan, avoiding the substantially more expensive route of each individual lot owner insuring their lots separately.
2. **Comprehensive insurance plan:** The 'all-in-one' CHU policy provides a broader and substantially more comprehensive cover, with some unique benefits which a lot owner will not obtain when arranging their own insurance under a standard household or domestic building policy.
3. **Avoid gaps in cover:** The 'peace of mind' advantages with lot owners collectively insuring, alleviates the risk of one lot owner forgetting to insure and/or the consequential ramifications for the other owners if a lot owner elects not to insure.
4. **Ease of doing business:** There are real administrative benefits of dealing with a single insurer rather than potentially a multitude of insurers, especially in the instances of claims.

Collectively insuring has many advantages and OC's should be prepared to have a general discussion with managers as ultimately, this could help safe guard the interests of lot owners whilst reducing the cost of insurance. The "Guide to Owners Corporations" produced by Consumers Affairs Victoria (CAV) also makes mention of the above advantages.

*This article provides general advice only and OC's should always check the extent of the coverage on offer, and if it is right for the OC/lot owner's individual circumstances.*



## Owners corporations and leases and licences of 'real property'

*Jenny Wang & Lindsay Crofton, Berrigan Doube Lawyers*

Taking advantage of leases and licences of 'real property' (meaning land or an interest in land) can offer significant opportunities to an owners corporation, according to Berrigan Doube Lawyers Jenny Wang and Lindsay Crofton.

However, an owners corporation has to be alert to the differences between a lease and a licence and to understand some of the problems that can arise.

Most importantly, an owners corporation must pass a special resolution when granting or obtaining leases and licences for 'real property', whereas leasing and licensing in respect of 'personal property' (other articles and items, such as security equipment and office equipment) does not require any formal resolution.

When choosing between a lease and a licence the owners corporation should take proper advice as early as possible as to what best suits its needs so that the special resolution specifies precisely what is going to be entered into by the owners corporation. A special resolution which leaves that choice open (or hands the decision to the owners corporation committee) is at risk of being challenged in the Victorian Civil and Administrative Tribunal (VCAT).

Making sure the special resolution is specific is only half the battle; the special resolution also has to be passed. In 2008 VCAT decided that 7 votes out of 11 in favour of a resolution could not be taken as a 'special resolution' validating the grant of a licence because the 7 votes only represented 63% of the votes cast, and so fell short of the 75% necessary for a special resolution.

An owners corporation also has to be careful about various other matters. For example, the land that is the subject of the lease or licence has to be accurately described, the parties must be correctly

identified, and the terms of the lease or licence must reflect what has actually been resolved by the owners corporation.

Of particular importance is the question of whether the rights and obligations placed on the parties to the lease or licence can be transferred to other parties. What is actually transferred hinges upon whether the transfer is by way of an "assignment" or by way of a "novation".

Generally an assignment only serves to transfer the rights but not the obligations of the assigning party. On the other hand, a novation can serve to pass both rights and obligations. A novation 'renews' a lease or a licence by effectively substituting the 'incoming' party in place of the 'outgoing' party.

However, a novation is not quite as simple as that; in order for a novation to be valid, both the party that benefits from the obligations and the incoming party that will assume those obligations have to consent to the outgoing party passing its obligations to the incoming party. Furthermore, the mechanism for transferring those obligations has to be clear and must be followed by all the parties concerned.

A similar problem arises with the assignment of a licence. Because a licence — unless agreed otherwise between the parties — cannot be transferred, any such mechanism for transferring the licence has to be strictly followed. In a 2010 case VCAT decided that the failure to comply with a particular transfer process resulted in there being no assignment of two licences.

Granting or obtaining leases and licences for 'real property' can be advantageous but owners corporations have to tread warily when it comes to undertaking them and should pay particular attention to the issues that may arise in any transfer of contractual rights, obligations and liabilities.



## Digital TV: advice for tenants and landlords

*Alert from CAV*

Consumer Affairs Victoria has received calls from tenants and landlords asking who is responsible for the costs associated with switching from analog to digital television. The switch is due for completion by 2013.

In cases where an external antenna is part of the property and cannot receive digital signals, the landlord must upgrade or replace it if:

- the original antenna could receive analog signals when the tenant moved in, and
- the lease is covered by the *Residential Tenancies Act 1997* (RTA).

If a television set does not have capacity for digital input and the TV is part of the lease, the landlord must arrange the upgrade (e.g. by providing a set top box) or replacement. If the tenant owns the TV, then any upgrade or replacement is the tenant's responsibility.

If a lease is not covered under the RTA, a tenant may still argue that having a working TV signal is an implied condition of their agreement — and therefore the landlord's responsibility — but tenants in this situation should seek legal advice.

If a tenant is not sure if their lease is covered by the RTA, they should contact Consumer Affairs Victoria or visit Digital Ready website:  
[www.digitalready.gov.au](http://www.digitalready.gov.au)



## Prevention is better than the cure

*Martin Stuart, PL Plumbing*

At home whether it's enjoying your morning shower, the comfort of staying dry and warm on a rainy winter's night or just getting that washing up done in time to relax in front your favourite TV show, there is one thing we all like to take for granted and that's the plumbing. It's one of those things none of us think about until trouble strikes and when it does, the impact can be highly stressful and that's before the plumber's bill arrives. A preventative program can provide a stress free solution.

Preventative plumbing maintenance is an under-utilised property management strategy yet the benefits are many and varied. The wisdom in sayings like; 'prevention is better than the cure' or 'a stitch in time saves nine' or even 'nip it in the bud' often goes unheeded by many owners corporations who invariably learn their lesson the hard way. When it comes to plumbing, and that includes the roof, it is a 'false economy', on the one hand, to avoid the short term costs of preventative maintenance while, on the other hand, it can equate to negligence in the eyes of the courts and insurers dealing with unforeseen repair costs, property damage and lost rental income.

Whilst compliance laws oblige annual testing of backflow prevention devices and roof anchor points etc., an annual preventative plumbing maintenance program also can include services such as:

- Clearing of pits, guttering, down pipes
- Clearing of waste pipes and traps
- High pressure cleaning of stormwater and sewer drains
- CCTV survey of stormwater and sewer drains for condition assessment
- Cleaning and treatment of metal roofs to manage rust and movement
- Checking of shut-off valves



- Checking of pilot lights and valves for Hot Water systems
- Servicing of pumps

There are significant benefits for a property from implementing a preventative plumbing maintenance program including:

- Assisting owners corporation managers in defining and controlling budgets
- Reducing the risk of expensive 'after hours' service calls for blocked drains etc.
- Minimising disruption to residents through pre-planning major works
- Minimising property damage from flooding due to stormwater system failure etc.
- Reducing water consumption by identifying and rectifying leaks
- Prolonging the life of assets to align with future planning
- Reducing costs by grouping various plumbing jobs in the one visit to avoid multiple service calls
- Assuring potential buyers of good management when reviewing owners corporation certificates

*PL Plumbing customises programs for owners corporations of all types including a 'property profile' detailing the location of services, isolation valves etc. and listing short term and long term works required to assist planning.*



## Winter health and safety

There is nothing nicer than sitting in your warm home or enjoying a hot shower to beat the winter chills, but it's important to check these appliances to ensure they are safe.

Energy Safe Victoria recommends your water heater, space heater or central heater serviced by a licensed gasfitter at least every two years.

Gas appliances need regular servicing as:

- Burners in water heaters or space heaters can become blocked with dust or lint and then soot up the heat exchanger and flue passageways
- Air filters, air ways and fans can become blocked by lint and dust, leading to overheating and burner problems
- Safety controls can wear out and fail.

## Operate gas appliances correctly

- Use gas appliances only for their intended purpose and according to manufacturer's instructions
- Never tamper with safety valves or other fittings and do not use excessive force to open or close gas control knobs
- Never use an oven to heat a room or as a clothes dryer
- Turn off your radiant gas heater when you leave the house or go to sleep
- Always supervise young children near heaters or any gas appliance
- Clean your oven, grill, hot plate and rangehood regularly to prevent the build up of spilled fats and burnt foods and reduce the risk of fire
- Always follow the manufacturer's service plan and keep a record of the date of service.

Ensure your gasfitter is licensed to service gas appliances.



## KEEP AN EYE ON THE BUILDING AND WORKS

*Bill Kuszniarczyk, Clement-Stone Town Planners*

Owners Corporations are left balancing competing interest's everyday of their working lives. I see on a regular basis proposals to alter the building by adding a level to it, cover in car parking, all of which might assist members of the owners corporation to avoid creating tension and disputes between the owners corporation members.

The advice I give often relates to residential development just as much as it would to a commercial or industrial context. Here is a recent scenario. A unit holder in a relatively new multi-level residential development thought it was a good idea to start using for their own personal use basement visitor's bays to be allocated to a restaurant within the same complex.

Two problems. One, what should the owners corporation do and two, how to fix it.

The short answer in this particular case was, the planning permit endorsed approved plans of the development and imposed conditions on the use of specific bays allocated for the restaurant. It was a visitor parking arrangement specifically for that restaurant.

No matter how hard one particular owner of the complex sought to persuade me the short answer is that the owner's corporation was exposed to being in breach of their planning permit. Why? Because the planning permit runs with the use of the land and not specifically with any individual who obtained it.

The Planning and Environment Act is quite specific in relation to what is approved for building, what is endorsed on plan and in fact the use of land. Therefore, in this case the owner's corporation was not even permitted to consider whether or not it should grant a lease or licence to the individual unit holder over the restaurant's visitor parking area because the planning scheme effectively prohibited it unless they were visitors of the restaurant.

In another case, a large factory development with at grade parking (ground level) in front of each factory was approved and constructed. One of the new unit holders didn't like the design of the front of his building and he thought he could extend out creating a small office at ground and upper level.

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The Planning and Environment Act is quite specific in relation to what is approved for building, what is endorsed on plan and in fact the use of land.

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Two things happened. Firstly, the building no longer complied with the planning permit that was issued and secondly, the works proposed to be carried out by the unit holder affected the parking provision onsite subject previously assessed by Council.

If there is to be any material change in the use of an area such as car parking or building extension or changes in the building footprint, the smartest thing to do for people in an owners corporation is to take the following advice.

1. You should establish a special rule within your owners corporation that ensures basic protocols are followed with respect to any changes to the building or use of common areas. In some cases things like car parking spaces are a secondary unit entitlement and they are easier to enforce.
2. The Committee should not as a matter of course entertain any change in use of building associated with common areas that do not derive a wider unit holder benefit. In other words, the proposed changes need to make sense and benefit more than one unit holder's entitlement. Remember if it doesn't meet this test there needs to be sufficient information of a technical nature provided by the unit holder who wishes to do work demonstrating that there will be no consequential impact on either other unit holders or the owner's corporation common land.

As members of the owner's corporation you have to live, work and play with your fellow neighbours.

Avoid putting yourself in a position where you are considering ad hoc changes to the use, development of your land or associated works by individual unit holders as generally in my experience they lack merit and will only cause you further problems in the future.

Be prepared, act swiftly on any request and make sure you keep in the back of your mind, will any change benefit our complex and if it doesn't my initial response is don't pursue it.

*Bill Kuszniarczyk is a highly qualified and experienced urban planner respected in his field. His role as an Urban Planning expert has extended over 25 years, his knowledge and expertise is sought by private residents, businesses, public companies and all levels of Government.*

**Clement-Stone**  
TOWN PLANNERS

## In building a Sustainable City, the Inner-City faces a Strata Stumper

What can you do to help? Tell us your views for the chance to win \$50!

*Brenden Carriker, Sustainability Officer — Residential Energy Efficiency | City Planning and Infrastructure City of Melbourne.*

Owners Corporations Victoria has partnered with four inner-city councils, lead by the City of Melbourne, to undertake a project investigating opportunities to make multi-unit developments more valuable and sustainable communities... but we need your help to get there.

The City of Melbourne is growing rapidly. Over the next twenty years an additional 100,000 people will move to the municipality; nearly doubling its population. Most of these people will live in multi-unit (or strata) buildings.

We're committed to ensuring our ever-expanding communities become more sustainable every day. But attempting to drive significant sustainable changes to benefit multi-unit residential buildings and their owners and occupiers can be challenging.

To clearly understand what we can do in this sector, we need to hear from the people who make up owners corporations and experience strata living every day.

We urge you to participate in an anonymous on-line survey which will take about twenty minutes to complete. The survey is located at: [https://www.surveymonkey.com/s/Hi-RES\\_PropertyOwners](https://www.surveymonkey.com/s/Hi-RES_PropertyOwners)

As a thank you for your time, each person who completes the survey will go in a draw to win one of two \$50 Coles/Myer gift card!

Thanks for helping us develop solutions for you.

*This project is supported by the Victorian Government Sustainability Fund, managed by Sustainability Victoria.*



## IMPORTANT SAFETY MEASURES FOR ALL WINDOWS ABOVE GROUND LEVEL

*James Freestun & Peter Berney, Solutions In Engineering*

Several recent incidents involving falls from windows has brought the issue of open windows above the first floor in strata buildings, and the fall risk they can pose, into focus. It is important that owners understand the risks involved, the fundamental legal requirements, and how to fulfil their general safety duties.

### The risks

Children are the most at risk from a combination of low sill heights and fully openable windows. Furniture under windows has also been found to be a contributory factor in nearly all of the 23 reported child-falls from high-rise buildings in the last five years, including the recent death of three-year-old Iman Akter Mostafa, in Sydney.

### Legal obligations: the *Building Code of Australia* and building regulations

Section D2.16 of the *Building Code of Australia* (BCA), requires an 865mm high balustrade or barrier (such as the wall up to the window frame) below any openable window where a person could fall more than four metres. Prior to this, depending on when a building was completed, the applicable height for the barrier or window sill was 900mm or 1000mm. Therefore the minimum sill or barrier height should be 865mm.

This is of course assessed and dealt with in more particular terms when an Occupation Health and Safety Report is completed by a knowledgeable safety report provider such as Solutions in Engineering.

In the common property area furniture or other objects beneath the window are not permitted as it reduces the effective height of the required barrier.

### Safety: The ultimate risk-management approach

The ultimate way to prevent injuries and deaths from falls from openable windows is by restricting how far a window can be opened, preventing even a child from falling. Obviously sealing the window entirely is not ideal or necessary. Professor Danny Cass, Director of Trauma at The Children's Hospital at Westmead, was interviewed after Iman Akter Mostafa death; he recommends a "10:10:10" approach — spending \$10 and 10 minutes to attach a lock or similar device that will prevent a window opening wider than 10cm. (This is less than the width of a child's head.) This is also consistent with the requirements for balustrade construction in buildings, which require a 12.5cm sphere not to be able to pass between the individual balusters.

While the common property areas clearly need to comply it is also worth noting that, common areas can be considered workplaces under the OHS Act. Therefore, for the purposes of a workplace, a risk-management approach should be adopted, a full risk assessment carried out and an Occupational Health and Safety regime put into place.

### Conclusion

The risk of children and other people falling from windows in high-rise buildings is all too real. Owners of high-rise buildings must ensure that any openable windows on upper stories have a barrier with an effective height of at least 865mm underneath them, and to remove any risk permanently they could install a lock or similar device to prevent windows opening wider than 10cm.





## Earthquakes Shake Strata

*Mark Lever, CEO, National Community Titles Institute (NCTI)*

When the latest disasters — the tragic Japanese and New Zealand earthquakes — hit the airwaves all Australians no doubt paused for a moment and wondered... what if?

In recent summers we in Australia have seen bushfires rage out of control, the tragic results of floods in three States and the devastation of a severe cyclone. Australia is not generally considered earthquake prone but you might think differently if you had happened to be in Newcastle at the end of 1989.

While the evidence suggests that weather-related disasters are on the increase in terms of frequency and severity as a by-product of climate change, it is also a fact that the increasing density and complexity of the human footprint on the planet means the cost of all kinds of disasters is rising exponentially as well. Certainly, Newcastle is a very different city today with much more medium and high density development.

There is no doubt that an earthquake of similar intensity would now cost many times more than what was at the time already, Australia's most costly disaster.

In the aftermath of Australia's most recent disasters it has become clear that the issues specifically affecting strata and community titled property continue to struggle to gain the attention of politicians and other decision makers confronted with a massive and complex reconstruction task.

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NCTI initially has been drawing attention to the fact that current disaster relief arrangements are focused on individuals and businesses with no provision for bodies corporate or owners corporations. It is another example of the yawning blind spot suffered by policy makers at all levels and of all political persuasions when it comes to the 270,000 entities around Australia that form such an important part of today's economic and social fabric.

The immediate implication is that there is no direct assistance for the several hundred buildings facing significant cleanup costs in Brisbane, for example, even though these will ultimately be borne by the individual residents and owners because with very few exceptions they did not have flood cover in their insurance.

Longer term these events will inevitably increase the difficulties already being experienced in obtaining suitable insurance for buildings in more vulnerable weather zones. Anecdotal evidence suggests this scenario is already being played out in cyclone-prone north Queensland, for example.

Governments that impose statutory requirements for buildings to take out strata and community title insurance will need to give more thought to the type of cover mandated as well as to situations where that cover might not be affordable or indeed available at any price.

Beyond this, there will also be issues around planning and design, and potentially retrofitting buildings in vulnerable areas to improve resilience against severe weather and indeed potentially other types of disasters.

While it is difficult to attribute any one weather event to climate change, this recent summer no doubt added renewed momentum to the political drive towards some form of carbon price or similar market based mechanism to drive down carbon emissions and eventually slow the pace of climate change.

The Federal Government has just announced the broad outlines of its carbon reduction policy and that consultation will begin shortly. The lack of specific incentive programs aimed for existing strata and community title buildings is a yawning gap in the current energy policy framework.

It is vitally important here to learn the lessons from the past and make every effort to ensure that the interests of our industry and our customers have a seat at the table in the design of compensation packages and incentives to reduce carbon footprints.

Experience tells us there is no guarantee that the sector's interests will even be on the radar of key decision makers unless we put them there.

*The National Community Titles Institute (NCTI) is the Australian national representative professional association for home owners, community associations, body corporate management practitioners, solicitors, tradespeople, insurers, bankers and other parties involved in the professional, full-time administration of community and strata schemes. Owners Corporations Victoria is a member of NCTI.*







## STRATA COOKING

### Nutella Banana Strata

#### INGREDIENTS

A loaf of bread crusts removed & cut into squares or rectangular pieces

8 eggs

3 1/2–4 cups milk

8 sliced bananas

2 tsp vanilla extract

1 tbsp agave syrup

Nutella

#### METHOD

- Lightly butter the bottom of a 9x13in dish.
- In a medium bowl, whisk together the milk, eggs, vanilla and agave syrup.
- Spread Nutella on half the squares/rectangles of bread and layer them in the dish, nutella side facing up. Layer sliced bananas on top. Spread Nutella on the remaining squares/rectangles of bread and layer them on top of the bananas (nutella side facing down).
- Pour the egg mixture on top, pressing gently with a spoon so that the bread soaks it all up. Cover with gladwrap and refrigerate overnight.
- Preheat oven to 180°C. Bake strata for 35 minutes, uncovered.
- Let stand for 10 minutes. Dust with icing sugar & serve. For added decadence drizzle a mixture of nutella & cream on top before serving.

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## OCV MEMBER MANAGERS — PEACE OF MIND

Owners corporation managers are professionals responsible for the administration of owners corporations, reducing the administrative burden on lot owners to maintain buildings and common areas within a multi dwelling block. Managers are specialists in their field, possessing the knowledge and skill to administer the owners corporation in accordance with the complex requirements of the Victorian legislation.

An OC manager can:

- help to achieve consensus in decision making and to assist owners to comply with their obligations
- organise meetings, draft agendas, encourage attendance of lot owners
- invoice, collect and bank levies and fees
- arrange general maintenance and repairs as required
- obtain quotes for insurance, valuations of assets
- handle the finances.

### OCV professional standards and continuous education

At OCV, we don't apologise for the high standards we demand of our members. That's our commitment to you, the lot owner.

To be an OCV member, managers must:

- accept and adhere to the **OCV Code of Professional Conduct** – this sets the bar higher than the standards required by the Owners Corporations Act 2006
- demonstrate a commitment to ongoing **Continuing Professional Development (CPD)**.

OCV has an extensive calendar of events, conferences and seminars to keep its members up to date on legislative and regulatory changes. Networking also ensures members have the benefit of each other's knowledge and experience.

### Find an OCV member within **OCV's Owners Corporation Management Directory**

If your current manager is not an OCV member ask why?

Are they registered? Check the Business Licensing Authority website at <http://goo.gl/8TUrx>

**OCV** OWNERS CORPORATIONS VICTORIA  
**STRATA LIFE**

**Questions? Comments? Articles?**

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