



New South Wales

Strata Schemes Management Amendment (Sustainability Infrastructure) Bill 2020

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are as follows—

- (a) to facilitate the installation of sustainability infrastructure in strata schemes,
- (b) to prevent records of secret ballots from being disclosed as part of strata records,
- (c) to remove a duplicated requirement to give a tenant a copy of the by-laws for a strata scheme,
- (d) to make an owners corporation responsible for the service of notices about applications to the Civil and Administrative Tribunal (the *Tribunal*) under the *Strata Schemes Management Act 2015* (the *principal Act*),
- (e) to enable applications to the Tribunal for a civil penalty against a person who has contravened an order of the Tribunal,
- (f) to enable a person who owns more than 1 lot in a strata scheme to nominate 1 individual to act as a proxy for all the lots,
- (g) to provide that a nomination of a proxy for a meeting is not rendered invalid if the meeting is adjourned.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Schedule 1 Amendment of Strata Schemes Management Act 2015 No 50

Schedule 1[1] inserts definitions into the principal Act of *sustainability infrastructure* (which means changes to part of the common property of a strata scheme for certain environmental purposes) and *sustainability infrastructure resolution* (which means certain resolutions relating to the installation of sustainability infrastructure).

Schedule 1[2] provides that a special resolution of an owners corporation that is a sustainability infrastructure resolution requires a simple majority of the value of the votes cast to be successful rather than 75% as is required in other special resolutions. **Schedule 1[3] and [6]** make consequential amendments.

Schedule 1[5] requires an owners corporation to consider certain matters before approving a sustainability infrastructure resolution. **Schedule 1[4]** makes a consequential amendment.

Schedule 1[7] provides that an owners corporation must not make available for inspection any record that would disclose how an owner voted in a secret ballot unless directed to do so by the Tribunal or a court.

Schedule 1[8] provides that an obligation to give by-laws to a tenant does not apply if the tenant has already been given the by-laws under the *Residential Tenancies Act 2010*.

Schedule 1[9]–[11] provide that the registrar of the Tribunal is to give notice of an application to the Tribunal to the owners corporation for a strata scheme and the owners corporation is then to serve a copy of the notice on each owner of a lot in the strata scheme.

Schedule 1[12] provides for a civil penalty of up to \$5,500 to be imposed by the Tribunal for a contravention of an order under the principal Act. The penalty can be sought by the applicant for the order, the owners corporation, owner or other person with an interest in a lot in the strata scheme to which the order relates or a party to mediation, if the order gives effect to any agreement or arrangement arising out of a mediation session. **Schedule 1[13]** inserts a note about civil penalties for breaches of orders.

Schedule 1[14] permits a person who owns more than 1 lot in a strata scheme to appoint a single proxy in respect of all the lots. It also provides that an instrument appointing a proxy for a meeting is not rendered invalid merely because the meeting is adjourned to a later date.

Schedule 1[15] includes a number of savings and transitional provisions consequent on the other amendments made to the principal Act by the proposed Act.