Judith Little
Margaret Chandler

19th June 2020

Craig Pursell

Submission to the *Review of the Strata Titles Act* 1998

We are the owners of villa units, two on a normal-size block, built in the '70s. We each have our own separate building and some land, and share a driveway and some garden beds, fences and part of a retaining wall, as well as water, waste and power infrastructure.

We are able to live separately, each treating our own property just like any other kind of landholding, and are able to agree about shared areas and infrastructure. We choose to each have our own insurance for common areas. We do not have to spend a lot of time or money. We do not want to spend a lot of time or money unnecessarily, on increasing 'red tape' which does nothing to help anyone. We want to live autonomously, even if we are good neighbours to each other, too.

One of us happened to see the Consultation paper, by chance, in a work context, only 2 days before the end of the consultation period. But for that, we would not have been aware of the consultation at all. Perhaps an invitation to consult should be sent to all strata title owners (after all, they must be able to be identified by the Land Titles Office, and/or by Councils)?

We believe that rather than starting to enforce little-known laws or providing for penalties or the like, the priority should be to decide on these reforms and then assist and support people in strata title properties to understand and to carry out any necessary responsibilities, and that the Act and supporting regulations should provide for responsibility – perhaps to the Land Titles Office, perhaps to the relevant Councils, perhaps the Department – to actively contact and inform strata title owners and occupiers when:

a) people rent or buy into a new or existing strata title property; and
b) these reforms are made and implemented.

We regard it as very important that people not at present be penalised when the requirements were poorly understood and administered, and are so reliant on compliance by developers when the properties were built.

We are very concerned that requirements only be imposed retrospectively where they are actually needed and do not cause costs and impositions disproportionate to the benefit they produce.

In relation to the consultation questions specifically:

<u>Area 3</u>

Yes, we believe that there should be different rules for strata units where they are able to be independent of each other to a large degree. The criteria would seem to be:

- That the residence can exist separately (not multi-storey);
- That common areas have only basic infrastructure – driveways, gardens, utilities;
- Small numbers.

This is because these strata titles can be treated like our own 'castles' – we are not dependent on one another for much at all. It is pretty clear what needs to happen with any common items. It's not like having shared walls, shared interiors or shared buildings, or even shared outbuildings.

It is not clear that there is a good reason for imposing additional requirements and costs for this kind of property – there does not seem to be a good reason why people in these kinds of properties should have greater responsibilities and costs and exposure to potential penalties than people on larger blocks of land. It could be expected that if such regulation were to occur or be continued, it would have a disproportionately large effect on low- to middle-income earners, on people experiencing social isolation or lack of support, on women and on the elderly, as they may be less likely to own a large house.

At the same time, there should be a 'backup' system of regulation provided for where two-unit developments want or need it. This may not be the same as for much larger developments, because the likely issues are different.

Area 7

We would suggest that developers should be responsible for telling the purchaser about the nature and requirements of strata title, and that thereafter that be a required role of the Land Titles Office, or the local Council, as both are notified when ownership of property is transferred.

We say that 2-lot 'independent' strata units should not be required to have a body corporate or AGMs or the like at all, nor be required to continually hold funds.

In relation to insurance, it is not clear why – for independent units – there should be a higher requirement than exists for other private property. It also seems unfair to penalise those under older schemes. It is not clear why individually-held insurance is inferior? We believe that 2-lot units should be exempt.

Consideration may need to be given also to the regulation of the insurance industry to make sure that reasonably-priced and sufficient insurance is available.

If tasks and requirements are imposed upon existing owners, then practical support to assist compliance should be provided. That could sit with the Land Titles Office, or – as they are possibly more familiar to the community and have more local offices – Councils. There should be review of this, to ensure that it is provided on an ongoing basis and is effective in assisting compliance. This

is also even more important because, as identified above and although it does not affect either of us – people resident in strata title units may be more likely to be suffering either disadvantage or other challenges, including challenges with accessing technology.

Area 13
We feel that for 2-unit titles there is no need to require a method of dispute resolution, rather if there are disagreements and problems, and people cannot agree a dispute resolution pathway, then one should be provided: this avoids the up-front imposition of unnecessary work, but allows a 'last resort' should it ever be needed.

Area 15
Likewise, the restriction on animals ought not apply for 2-unit titles: again, where independent of one another, is there any reason to have greater restriction on people in this form of land ownership than of others?

It is noted that recent developments and research into human-animal relationships, including social and health benefits, would suggest a blanket prohibition-without-agreement is out-of-date.

Area 16
For 2-unit titles, we would say that future maintenance schedules should be opt-in, rather than compulsory. Particularly where there is almost nothing requiring major work, the ratio of onerousness-to-benefit simply does not add up.

Area 17
For 2-villa units, we would say that administration ought not require day-to-day action at all, nor should it have costs, unless it is really needed to achieve a specific aim. This should be opt-in rather than a requirement.

Thank you for your time & consideration,

Yours sincerely,

Judith Little Margaret Chandler.