

New Queensland body corporate laws explained

Key changes to the new Body Corporate and Community Management (BCCM) Regulations clarified for committee members and owners

Following seven years of consultation and property law review, the Queensland Government's updates to the Body Corporate and Community Management (BCCM) regulations are now finally released into law.

Effective across the state for all new matters arising after 1 March 2021, the changes highlighted in Body and Community Management (Standard Module) Regulation 2020 provide bodies corporate with more options than ever before.

What does the legislation cover?

This update to Body Corporate and Community Management legislation covers four key areas:



Committee members



Committee meetings



General meetings



Administrative matters





Committee members: do the updates affect them?

- Co-owners of more than one lot or unit can both be elected as voting committee members if they represent different lots
- A "minor committee" can be elected outside of an AGM
 if the property has three or more lots and no more than
 three owners. If members cannot decide who holds each
 mandatory executive committee position, they must hold
 the positions jointly
- Committee members can now be elected through electronic voting via open and secret ballots
- There are two ways to go about the removal of a committee member: 1) by passing an ordinary resolution, or 2) following the process required to remove a voting member for breaching the Code of Conduct for Voting Members.

Committee meetings: will the updates change how they are held?

- Committees are able to hold meetings electronically
- Owners, who are not committee members, can submit motions to be considered at committee meetings
- If a motion is received from a non-committee member, the committee must decide on the outcome within six weeks
- If an owner has submitted a motion about the same issue or submitted more than six motions over a period of 12 months, the committee is not obligated to consider it
- Committee members will have 21 days to vote on motions outside of committee meetings
- A representative of an owner may now attend committee meetings on behalf of an owner
- "Debtor members", who have outstanding body corporate debt, are ineligible to vote as themselves or as a proxy at committee meetings. However, attendance will still count towards quorum.

General meetings: will they be impacted by this update?

- Owners are able to submit a motion for a first AGM
- A defect assessment motion needs to be included after the first AGM
- The developer must present a range of documents at the first AGM, including the development approval, building warranties, community management statement, insurance policy claims, fire and evacuation plans, utility services agreements, and proxy and representative forms
- Motions dealing with the same issue must be grouped together. In such instances, the motion that receives the most votes will qualify as a body corporate decision

- If the person chairing the meeting deems a motion is out of order, their reason for this ruling needs to be recorded in the minutes
- · General meeting notices can be sent electronically
- A quorum can be set by special resolution at between 10 per cent and 25 per cent of voters
- A representative can only act as Power of Attorney on behalf of one owner
- Owners can cast live <u>electronic votes</u> during meetings or withdraw their votes before the result is called
- Electronic voting systems must have the capability to reject votes cast by ineligible voters and ensure only the secretary can receive the votes
- Secret ballot voting can be done electronically or via hard copy
- Voting papers and similar documents can be given to the body corporate manager instead of the secretary, if authorised to do so
- A committee can resolve to engage a body corporate manager to take on the functions of a committee.
 An open ballot vote may be completed to do this, if approved prior via another general meeting motion.

Administrative matters: which updates are important to understand?

- Unless authorised by the body corporate in advance, a committee member cannot receive any form of benefit (i.e. payment, commission etc) from a caretaking or service contractor
- Body corporate managers and caretaking/service contractors must be transparent regarding the exact monetary amount for any benefits or commissions, payments or benefits they receive, before a body corporate enters into a contract
- When required, committees can spend above their set limit when they need to obtain insurance
- The body corporate roll needs to be updated within 14 days of receiving new information
- If an owner gains permission to install a device that provides a personal utility (including but not limited to air conditioners, solar panels, and tv antennas) on common property, the owner is responsible for its maintenance, upkeep and repairs
- The body corporate must be notified within one month if a lot or unit is sold, rented out for a period longer than six months, a letting agent is appointed or terminated, or a mortgagee is entered into possession.

If you would like to read through the Queensland Government's summary of the legislative updates, you can do so <u>here.</u>

Contact us



