

New Strata Laws for 2025 – Overview Guide

The reforms relate to the Strata Schemes Legislation Amendment Bill 2024, which is not yet law, but was introduced into Parliament on 18 November 2024.

[Bill](#)

The bill follows a consultation process, in the course of which many possible measures were proposed, leading to considerable anxiety within the sector as to certain measures being adopted, which were not in fact adopted.

[Report](#)

The measures which have been adopted are nevertheless significant. Focus areas:

- Developer accountability, including information for first AGM such as initial maintenance schedule and levy estimates.
- Strata manager accountability, including application of Commonwealth unfair contract terms legislation.
- Building manager accountability, including enhanced duties and application of Commonwealth unfair contract terms legislation.
- Embedded networks, including measures protecting owners corporations and purchasers of strata lots "off the plan".
- Accessibility infrastructure, including measures to facilitate implementation of accessibility infrastructure.
- Sustainable infrastructure, including measures facilitating implementation and ongoing assessment of sustainable infrastructure.
- Common property repair and maintenance, including changes to the owners corporation's statutory duty to repair and maintain common property and owners' rights regarding strata committee approval of minor renovations.
- Levy recovery, including measures assisting owners and financial hardship.
- Strata committee accountability, including enhanced duties and training requirements.

- New South Wales Fair Trading investigative and enforcement powers.

Digest [Changes are to Strata Schemes Management Act 2015 unless otherwise indicated]:

- Strata managers:
 - Section 55. Agents exercising functions of the OC or officers must provide a copy of the records made about exercise of those functions to the OC every six months.
 - Section 57. Agents given a defence against breach of duty if the breach was caused by the OC and the agent took all reasonable steps to prevent the breach.
 - Section 72. Tribunal power to terminate or vary an agreement for appointment of a strata manager if the strata manager is carrying on a business involving supply of services contrary to law.
 - **[Property and Stock Agents Regulation 2022]** Amended to prohibit the following provisions in strata manager and community manager agency agreements:
 - A requirement that the owners corporation or community association pay the agent's professional indemnity liabilities, including insurance excess.
 - Unless the agreement is covered by a professional standards scheme, that the agent's liability is limited to a specified monetary amount.
- Building managers:
 - Section 66. Redefined so as to exclude a strata committee member or other prescribed person.
 - Section 70A. Imposition of duty to act in the best interests of the OC and to comply with any other duties prescribed by regulation.
 - Section 72. Tribunal power to terminate or vary an agreement for appointment of a building manager if the building manager is carrying on a business involving supply of services contrary to law.
- Strata committees:
 - Section 37(2). Requirement that strata committee members complete training, under penalty of their office being vacated.
 - Section 37(1). Expansion of strata committee members duties, including what are essentially fiduciary obligations, as well as obligations to comply with the strata management legislation, not to misuse information and to act reasonably regarding owners' use of lots and common property.

- Section 42. Expansion of chairperson's duties regarding conduct of meetings.
- Section 45. Lowering of threshold to vacate the office of the strata committee member by general meeting resolution, an ordinary resolution now being sufficient.
- **Unfair Contract Terms | [Fair Trading Act 1987] Amended by:**
 - inserting a Section 32A to apply the Australian Consumer Law Part 2 – 3 (unfair contract terms) and Part 5 – 2 (remedies) as a law of New South Wales in relation to contracts with owners corporations and community associations.
 - amending Schedule 5 savings and transitional provisions to the following effect:
 - Section 32A does not extend to contracts in force prior to its commencement.
 - Section 32A does extend to contracts renewed after the date of its commencement, but only in relation to conduct occurring after the renewal.
 - Section 32A does extend to provisions of a contract inserted or varied after its commencement, but only in relation to conduct occurring after the variation or insertion.
- **Accessibility infrastructure:**
 - Section 108 and Section 5 amended to lower threshold for passing a sustainability infrastructure resolution, an ordinary resolution being sufficient. See definitions in section 4. Essentially, this involves resolutions dealing with alteration of common property to facilitate access by persons with disabilities, including resolutions dealing with alteration of common property and associated by-laws and financing arrangements.
 - New section 132C specifying matters to be considered before an OC approves an accessibility infrastructure resolution.
- **Sustainability infrastructure:**
 - Section 79. Sustainability infrastructure added to the list of items for which an OC must estimate expenditure at each AGM, i.e. take into account in determining required levy contributions.
 - Schedule 1 Clause 6. Sustainability infrastructure now a required agenda item for each AGM, extending to consideration of energy and water consumption and expenditure.

- New Section 139B prohibiting by-laws preventing installation of sustainability infrastructure for the sole purpose of preserving external appearance unless the property is heritage listed.
- Capital works fund plan:
 - Section 80. Requirement that the OC consider the initial maintenance schedule provided by the original owner when preparing the first 10 year capital works fund plan.
 - Section 80. First 10 year capital works fund plan must be in the form prescribed by regulations.
- Levy contributions:
 - Section 83 amended to require the OC to provide additional information with notices of levy contributions.
 - Section 85 amended to give the OC greater flexibility regarding payment plans, but also tribunal power to order entry into a payment plan if satisfied that the OC acted unreasonably.
 - Section 86 amended regarding recovery of unpaid contributions and interest, including increasing the wait period before commencing recovery action from 21 days to 30 days.
- First AGM:
 - Section 14 amended to increased penalties for failure to convene first AGM.
 - Section 15 amended to require that First AGM agenda be set by original owner or lessor in the case of a leasehold strata scheme.
 - Section 16 amended to increase penalties for failure to deliver specified documents 14 days prior to 1st AGM.
 - Section 16 amended to create an offence by original owner of a scheme with three stories or more of failing to deliver, at least 14 days prior to 1st AGM, evidence of initial maintenance schedule, estimates of levies and certification of those by an appropriate prescribed person.
 - Section 115. Requirements for initial maintenance schedule, which must be in the form prescribed by the regulations and for schemes with three stories or more be reviewed and certified by an appropriate prescribed person.

- Additions and alterations to common property:
 - Section 108(3). Requirement that a special resolution authorising the OC or a lot owner to add to or alter common property must specify whether the OC or owner will be responsible for ongoing maintenance of the relevant area.
 - Section 110. Strata committee required to give written reasons for refusing to approve minor renovations.
 - Section 110. Strata committee deemed to have approved minor renovations if written reasons for refusal are not provided within three months.

- Common Property/Repairs and Maintenance:
 - Section 106. Amendment permitting OC to defer compliance with statutory duty to maintain and repair common property in the event that the OC is taking action against another person in relation to the damage and the deferment will not adversely affect safety of or access to lots and common property.
 - Section 106. Extension of time limit for owners to pursue breach of statutory duty from 2 years to 6 years.
 - **[Uncollected Goods Act 1995]** Amended to allow goods to be dealt with under that act as uncollected goods if abandoned on a lot in a strata scheme and the lot owner consents.

- Supply agreements:
 - Section 132A. Provisions capping the term of agreements for supply of utilities to the OC extended to include communication services and domestic services.

- By-laws:
 - Section 143. Extension of requirement that an owner granted rights under a common property rights by-law consent to the making of the by-law, that owners consent now also being required to amendment or repeal of the by-law.
 - Section 143. The relevant owner must not unreasonably withhold consent to amendment or repeal of the by-law.
 - **[Strata Schemes Management Regulation 2016]**. Amended to specify evidence required to demonstrate that an animal is an assistance animal.

- Exclusive supply networks, a.k.a. embedded networks:

- Section 184. Strata information certificates must contain details of exclusive supply networks.
- **[Conveyancing Act 1919 and Conveyancing (Sale of Land) Regulation 2022]** Amended regarding disclosure of exclusive supply networks in "off the plan" contracts, including rescission rights.
- Voting rights:
 - Schedule 1 Clause 25A. Vote as company nominee no longer counted towards maximum number of votes which may be exercised on behalf of other owners at an AGM.
- Legal costs:
 - Section 103. Approval of legal services by an OC or strata committee must be for either unlimited costs or costs capped to a maximum amount for the relevant services.
 - Section 103 amended to permit an OC or strata committee to obtain specified nonurgent legal services without approval of a GM resolution.
- Enforcement:
 - New part 10A implementing enhanced powers to investigate, monitor and enforce compliance with section 106, including power to enter premises, seize property and issue compliance notices.
 - **[Law Enforcement (Powers and Responsibilities) Act 2002]** Amended to extend provisions of that act to warrants of entry issued under the Strata Schemes Management Act 2015 and Community Land Management Act 2021.

Community Land Management Act 2021

Corresponding amendments.

Significant Proposed amendments not made

- Strata managers:
 - Complete prohibition of limitation of liability.
 - Prohibition of indemnity in relation to performance of functions.
 - More extensive powers of tribunal to terminate or vary agreements, particularly in relation to nondisclosure.

- Building managers:
 - Further restrictions including more extensive duties, disclosure requirements, maximum term and prohibition of receipt of gifts and benefits.
 - More extensive powers of tribunal to terminate or vary agreements, particularly in relation to nondisclosure.
- Common property contractors:
 - Proposed new role with associated restrictions such as requirement of appointment by written agreement approved by GM resolution and maximum term.
- Unfair contract terms:
 - Implementation of a scheme parallel to the Commonwealth scheme, now instead implemented by applying the Commonwealth scheme.

Related articles

[***New Strata Laws for 2025 | In Parliament***](#)

[***New Strata Laws for 2024***](#)

[***New Laws for Community and Strata Schemes for 2023!***](#)

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