



**To Office of the Attorney General
GPO Box 464
Adelaide 5001**

November 26, 2018

Sent by Fax & Email

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Submission - Consultation on Draft Community & Strata Titles Legislation

Dear Attorney General,

Thank you for your prompt response to the ERDC report of March this year; and consulting with interested parties.

We are heartened by your Government's acceptance of most of the recommendations as these provide increased consumer protection.

Our only substantial concern is in regard to Inquorate meetings. Please find attached our response.

Yours sincerely,


Gordon Russell
Managing Director

Recommendation 8: *the Committee recommends that the Attorney General amend the legislation to allow for inquorate meeting subject to ratification at a reconvened meeting.*

Government response: The Government does not accept this recommendation.

We are confused as to why your Government does not accept the Committee's recommendation.

The following are our observations over 30 years:

- the vast majority of AGMs are held after 5pm to meet the needs of owners and the requirements of the legislation.
- achieving quorums will only get worse with the increase in investors both local and interstate buying into units and apartments.
- owners very rarely (count on 2 hands) take advantage of Telephone attendance and more recently our Skype facility.
- owners often fail to lodge a proxy despite postal, email reminders and penalties applied by their body corporates.
- the owners who turn up to the 1st meeting have honoured their commitment to good governance of their body corporate but are punished through having to come back at another time that may not be convenient.
- attendance at the reconvened meeting is very poor, often no one comes to the meeting.
- additional after hours staff time – time away from family and friends

Advantages of amending Legislation:

- regularises current body corporate manager practices.
- rewards those owners who turn up to the 1st meeting so encouraging them to turn up at future meetings.
- All owners get to view the draft decisions, with an opportunity to challenge them, rather than just those attending as would be the case with a quorate meeting.

Safeguards:

- inquorate draft minutes to all owners by priority post and/or email within 2 working days of the meeting.
- proxy form with draft minutes providing opportunity to agree or disagree with some or all decisions.
- minutes to clearly state on page 1 that all decisions are subject to ratification at the reconvened meeting.
- advise all owners that they can attend the reconvened meeting.
- all proxies lodged with 1st meeting apply to reconvened meeting. (may already apply)

We humbly ask that you take into account our reasoning and reconsider your Government's position on this matter.