



## MANAGERS & NEW REVENUE SOURCES

The Attorney General's amendments to the Strata & Community Titles Acts came into force on October 28th 2013.

The amendments oblige managers to reveal their associated parties such as maintenance firms, insurance brokers and others. More than this they must not use proxy votes to feather their own nests.

Recently we have become aware of one manager who has spawned a variety of businesses to which they are referring clients.

To date we are aware of a building maintenance business, a building compliance business and debt collection business, all with names that bear no relation to the strata management firm. We have yet to see evidence that their clients have been made aware of all these associated entities.

Clients of another manager advise us that its managers are advising their residential unit owners that new laws require them to have an asbestos register. This is not the case unless the place is a 'work place'. The cost of the register is quoted at \$90+/unit. See the bottom of Page 2 for more

details on workplace law.

One manager is re-invoicing all insurance renewals, and charging a \$100 brokers fee, despite them not being a registered and licensed insurance broker.

An officer in a self managed group rang us in December. She would like to have UnitCare appointed as their strata manager. She let us know that she could not muster the numbers as many other unit owners in her group reported bad experiences with strata managers over the years, and two of her friends from other unit groups, sold up as they were disgusted at the behaviour of their 'professional' strata managers.

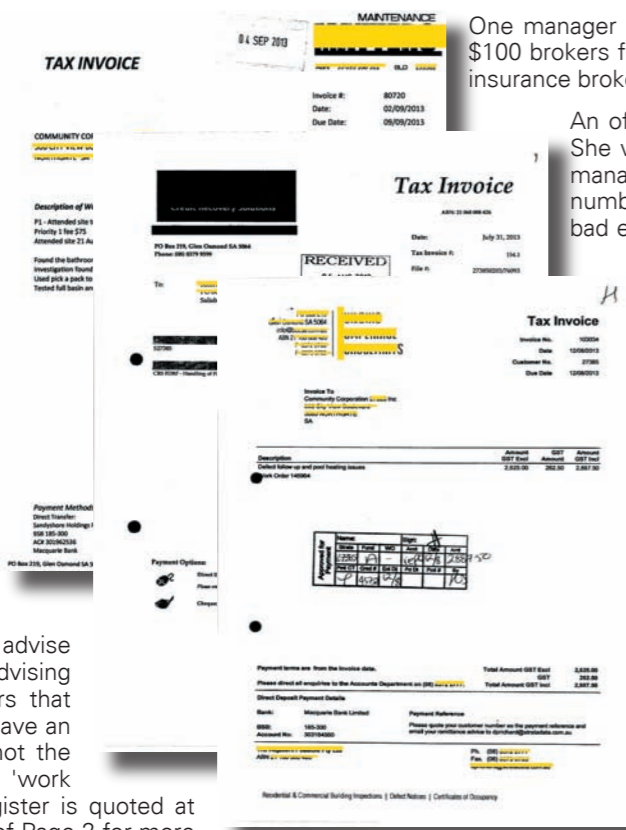
A large interstate body corporate management firm has bought Adelaide Strata & Community Management. We hope that some fresh competition will lift the industry standards, I am not holding my breath.

The new laws require transparency and reporting by managers. We hope that owners vigorously

Cheers

Gordon Russell

ps: Do you have any friends who need to read our newsletter? Ring and we will post one out or they can download it from our website ☐



## STRATA AND COMMUNITY TITLES THINGS ARE CHANGING

To make things fairer and clearer, important changes have been made to the laws governing strata and community titles units. These changes affect unit owners, tenants and managers.

### NEW STRATA AND COMMUNITY ADVICE SERVICE

For free advice and information call 1300 366 424 or visit [www.lawhandbook.sa.gov.au](http://www.lawhandbook.sa.gov.au)



## NEW ADVICE LINE FOR UNIT OWNERS

STRATA AND COMMUNITY ADVICE HELPLINE - 1300 366 424

Following the changes in South Australia to Strata Title and Community Title law the Legal Services Commission is currently responsible for providing the public with advice and information regarding these amendments. A new advertising campaign across South Australia was recently launched promoting the Strata and Community Advice Service provided by the Commission.

Information packs have been posted across South Australia to over 18,000 strata and community organisations informing them of the changes to Strata & Community Title as well as the information resources available.

The relevant updates regarding Strata and Community Titles can now be found online in the Law Handbook Online... <http://www.lawhandbook.sa.gov.au/ch23s08.php>

The public who have a specific query regarding recent changes to Strata & Community Title can now do so by simply calling 1300 366 424 Monday to Friday.

For resources and fact sheets provided by the Office of the Attorney General of South Australia detailing the changes to Strata Title and Community Title law in South Australia - click on ...

[http://www.lsc.sa.gov.au/cb\\_pages/news/Strata\\_Title\\_Amends\\_2013.php](http://www.lsc.sa.gov.au/cb_pages/news/Strata_Title_Amends_2013.php)

**Advice Line Number 1300 366 424**

## emergency numbers

Plumbing , Gas, Roof Leaks	8356 2750
Electrical	1300 130 229
Breakins & Glazing	0422 650 366
Police to attend - noise/robbery etc.	131 444
State Emergency Service storm/flood	132 500

## NEW TRIBUNAL FOR UNIT OWNERS

Legislation to establish a South Australian Civil and Administrative Tribunal (SACAT) was passed by the SA Parliament late in 2013.

The tribunal will become the first port of call for unit owners seeking adjudication of disputes.

The SA Attorney General John Rau said the SACAT is an important step towards access to efficient and fair justice and will take pressure off the court system.

The SACAT will provide a 'one stop shop' for the community on a broad range of civil and administrative matters including Strata & Community Title disputes.

The Tribunal will simplify access to justice for South Australian unit owners. It will replace the Magistrates Court as the 1st point of call for the arbitration of disputes for Strata & Community Corporations here in South Australia.

The SACAT will provide a similar service to that of the Victorian Civil & Administrative Tribunal (VCAT).

See [www.vcat.vic.gov.au/disputes/owners-corporations](http://www.vcat.vic.gov.au/disputes/owners-corporations)

The Tribunal initial legislation outlines provisions to establish the Tribunal, this will be followed up with further legislation, once consultation has been completed, to make necessary amendments to existing statutes, including the Strata & Community Titles Acts to confer jurisdiction on the Tribunal.

The Tribunal will:

- act with as little formality and legal technicality as possible;
- ensure efficient and cost effective processes for all parties involved;
- allow for streamlining of registry and administrative functions through a single organisation; and
- facilitate access to its services throughout the State by use of

technology.

"The Tribunal will have the power to obtain evidence, manage parties, make appropriate determinations and control its processes to suit the matter it is considering," Mr Rau said.

"It will also focus on alternative dispute resolution and assist parties reach agreement in their own way."

Mr Greg Parker of the Supreme Court of SA, has been appointed as the inaugural President of SACAT.

Greg Parker has been a legal practitioner since 1990 and has been the Crown Solicitor since February 2010. He was Managing Solicitor from 1997 to 2004 and has filled various Acting and Deputy roles since that time. Prior to these executive-level appointments, Mr Parker was a solicitor then senior solicitor in the Crown Solicitor's Office.

In 2013 he was awarded the Public Service Medal for outstanding public service in the provision of legal and industrial

advice. He has extensive management experience through his leadership roles within the Crown Solicitor's Office.

The 2013-14 State Budget has included \$6.4 million over four years to establish the SACAT.



Mr Parker handing out awards at the Adelaide University Law School in 2011

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**after hours emergencies - must phone 8333 5200 for up to date information.**



## FLOOD COVER FOR CHU CLIENTS

Australia's largest body corporate insurer, Corporate Home Unit Underwriters (CHU is a division of QBE Insurance) announced in December that it will automatically offer Flood as a standard cover for its Residential lines as part of its commitment to deliver product offerings that meet customer needs.

CHU has introduced Flood into its Residential Strata (HU) and Residential Community Association (CAH) including Lot Owner's Homes (LOH), Landlord's SafetyNet (LS), and Residential Mortgagee protection (MPH) policies.

Flood cover will apply to most existing policies as they renew effective from 13th January 2014, as well as eligible new business effective for CHU's standard product offering on HU, CAH including LOH policies, LS, and MPH. After this date, it will also be possible to endorse Flood cover on to a policy, for an additional premium, prior to the policy renewing.

Flood cover will automatically be included in most policies and will take

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Flood cover will automatically be included in most policies and will take effect as renewal or new business.

**Risk address rating and risk appetite**  
CHU & QBE is utilising a combination of the ICA's National Flood Identification Database and its own modelling to rate Flood at an address level. This will enable us to assess the specific level of Flood risk to which an individual property is exposed and to apply a risk based premium to each policy. It also means correct risk address records are essential.

CHU has introduced Address Validation Service software provided by QBE, and seeks your assistance to check accuracy of risk addresses. We may provide you with a list of all existing risk addresses that require validating.

**How will CHU introduce Flood cover on Strata properties?**  
Flood will be introduced on HU, CAH and LOH as per the below table at a policy level based on where the property is located in relation to the modelling outcomes.

Flood Risk to Property	CHU Coverage
Negligible to Very Low	Automatically included on all quotes and New Business and renewals
Low, Medium, High, Very High	Opt-in - all properties exposed up to a very high risk of flooding will be encouraged to obtain a quote and include flood cover.
Extreme	Flood not available

LS will automatically include flood for all quotes, New Business, and Renewals.

effect at renewal or new business.

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How will CHU introduce Flood cover on Strata properties?

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With the Brisbane floods still fresh in our minds we expect this new Flood cover to be a comfort for many of South Australia's 100,000+ unit owners

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UnitCare Services is an authorised representative of CHU Underwriting Agencies Pty Ltd and an agent for the insurers, QBE Insurance (Australia) Ltd

## KATHY JOINS OUR TEAM



We have a new member of staff.

Kathy joined us in November this year.

She is our latest body corporate manager, having worked for 11 years with an eastern suburbs real estate firm as their strata manager.

Kathy has successfully completed strata manager training at the Real Estate Institute of South Australia.

Kathy enjoys the beach, tennis & gardening

## MANAGERS & NEW REVENUE SOURCES

### WORK PLACE LAW (FROM PAGE 4)

The following is an extract from our article (Summer 2012/13) on new national work place laws.....

South Australia's new harmonised Work Health and Safety legislation will take effect on 1 January 2013, replacing the current Occupational Health, Safety and Welfare Act 1986.

How will this effect strata and community titled groups in South Australia? The following F.A.Q., is from Safe Work Australia and directly addresses the concerns of unit owners and the officers of their Corporations.

1. Are strata title bodies corporate of wholly residential strata schemes covered by the new work health and safety laws?

No, unless they directly employ a worker.

Under the new work health and safety laws duties apply to persons conducting a business or undertaking. Strata title bodies corporate are however exempt from coverage if:

- \* they do not engage any workers as employees, and
- \* the common areas the body corporate is responsible for are used only for residential purposes....

The full article can be read on our website

[www.unitcare.com.au/pdfs/summer\\_2012-13.pdf](http://www.unitcare.com.au/pdfs/summer_2012-13.pdf)

## ADELAIDE'S DENSITY BARELY CHANGED IN 30 YEARS

The following are extracts from an article that appeared in InDaily <http://indaily.com.au> in November 2013.

The state government is seeking to increase the density of the city.

To quote John Rau the planning minister - "looking for 70% new developments to be infill as greenfield housing field costs the public purse twice as much".

InDaily ... Adelaide's urban density has barely changed since 1981, according to a new analysis of urban development in Australian cities.

The analysis indicates the scale of the challenge facing Premier Jay Weatherill and his Government as they attempt to increase the number of people living in the inner city.

The number of people living in metropolitan Adelaide per hectare in 1981 was around 11.8, in Melbourne at that time, that number was closer to 20.

By 2012, Adelaide's density was up to around 11.9 people per square metre. At the same time, Melbourne was pushing 23.

Since 1996, Adelaide's total urban population density has increased only 7 per cent, a slower rate than any of the six largest Australian cities.

Adelaide's density has barely changed in the last three decades. See line chart. The calculations, using Australian Bureau of Statistics Data, were done by census data expert Chris Loader.

Loader says the data reflects a general Australia-wide trend toward density with Adelaide lagging behind.

"Adelaide started becoming more dense at a similar time to most other Australian cities, but its rate of densification is the slowest of the six largest Australian cities including Canberra". Loader told InDaily.

Densification is occurring much faster in Sydney, Melbourne, Brisbane, and more recently Perth.

"I expect these trends could be related to changes in housing/planning policy over time."

However, the data may not present a complete picture of what is going on in Adelaide, according to a local expert.

"By trying to take a general average of the entire city, the data missed important nuances especially the increasing density of the inner city in the last decade", according to George Giannakodakis, managing director of Infraplan and vice president of the Planning Institute of Australia, South Australian Chapter.

Adelaide continued to expand its metropolitan boundary, but at the same time density in the inner city was increasing, Giannakodakis said "a tale of two cities".

"When you take an average over the entire metro area you don't see that".

Executive director of Urban Development Institute of Australia (SA), Terry Walsh, told InDaily Loader's findings didn't surprise him.

It is no real surprise to us. The density in the last few years I imagine has started to increase. But over the last 30 years Adelaide's growth has largely been of the same type of traditional allotments, albeit that over the last decade particularly the allotments have started to decrease as serviced land has started to become scarcer ...- [and] the cost has increased.

"We retained a very traditional approach to our housing. It's only in the last few years, fewer than three years, where a larger number of people are saying Adelaide could be an attractive place with higher-density dwellings".

The State Government's planning and transport strategies are built around attracting more people into the inner city in medium and high-density accommodation, including apartments.

Higher residential densities are thought to reduce the cost of providing government services, such as public transport and infrastructure, because more people can be serviced in a smaller area.

But Loader's data shows that to do that, the State Government will have to turn around a trend that stretches back at least three decades.

Planning Minister John Rau said South Australians had to choose between greater density or urban sprawl.

"The State Government's recent changes to zoning around the city allow for a greater mix of housing options close to the CBD where services and infrastructure are already in place", Rau told InDaily.

"The alternative is urban sprawl. Everyone agrees this is not a desired outcome".

Loader's data uses a unique metric, population-weighted density, which is designed to be a better representation of how dense the average suburb in a city is.

Loader's figures are in line with those from the ABS, which found Adelaide's urban density actually fell 0.8 per cent between 1991 and 2001 due to an increasing suburban area.

According to the ABS, Adelaide's highest urban density was found in the city's inner rim - especially Unley, Parkside, Nailsworth and Broadview

