



25 September 2018

Hon Dr Sally Talbot MLC  
Chair, Inquiry into the Strata Titles Amendment Bill 2018  
Standing Committee on Legislation  
Legislative Council Committee Office  
18-32 Parliament Place  
WEST PERTH WA 6005

Via email: [lclc@parliament.wa.gov.au](mailto:lclc@parliament.wa.gov.au)

Dear Dr Talbot

### **Strata Titles Amendment Bill 2018**

As the peak body representing the urban development industry in Western Australia, the Urban Development Institute of Australia (UDIA) WA writes to express support for Strata Titles Amendment Bill and its position on the proposed amendments to Part 12.

WA's changing demographics, technological advances and evolving built and natural environment challenges mean our existing strata titles legislation is out of date and no longer fit for purpose. Indeed, the need for strata reform has long been recognised, with the strata reform process initiated by the Liberal-National State Government many years ago and further advanced by the McGowan government.

The consultation approach adopted by Landgate in the preparation of the Strata Titles Amendment Bill and Community Titles Bill has been exemplary, with the engagement of a wide range of stakeholders throughout enabling both industry and community to provide detailed input. As a result of this consultation, the Institute congratulates Landgate for preparing two highly considered and comprehensive Bills.

UDIA understands that the proposed legislation has been referred to the Standing Committee to review Part 12 of the Strata Titles Amendment Bill, 'Termination of Strata Titles Scheme' and that amendments to this section are limited to changing the threshold required for the termination of schemes with five or more lots to 80% of owners and for schemes of less than five lots to 100% or all owners.

Whilst UDIA was and remains supportive of the original requirements for termination of strata title schemes as drafted by Landgate (ie at least 75% of the total number of lots supporting



termination for schemes greater than three lots), **we have no objection** to an amendment to raise the termination of scheme thresholds to 80% of lots supporting termination of schemes with five or more lots and all lots supporting for schemes of less than five lots termination thresholds, so that the Bill can proceed.

However, it is important to note that in addition to the specific clauses regarding scheme termination thresholds, Part 12 includes a wide of range of other measures that will provide robust protections to strata property owners. This includes requiring the Tribunal to assess terminations and ensuring that owners of lots who do not support a termination *“receive fair market value for the lot or a like for like exchange for the lot”*. In determining this, the Tribunal must consider *“how the location, facilities and amenity of what is offered in exchange compares to that of the lot.”*

Given these robust protections, the proposed strata scheme termination process will provide appropriate protections as well as a well-balanced and sensible solution that will help to overcome the existing barriers preventing the redevelopment of strata schemes, despite the often overwhelming support for termination by lot owners.

Enabling and unlocking redevelopment opportunities for existing strata schemes is vital to achieving a number of State Government objectives, such as increasing infill development, ensuring well serviced land is used efficiently to support housing affordability and advancing the development of the METRONET precincts.

Whilst the termination of strata schemes will remain a considerable challenge under the new provisions, UDIA is keen to ensure that this opportunity to resolve the existing legislative shortfalls is not missed.

Given the wide ranging benefits and the opportunities that the proposed Strata Amendment Bill provides, UDIA encourages the Committee and all political parties to support the expedient passage of the Strata Titles Amendment Bill.

Should have any queries regarding the content of this submission, UDIA would welcome the opportunity to meet with you to discuss these in more detail. Please do not hesitate to contact my office on 9215 3400.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Allison Hailes', is positioned below the text 'Yours sincerely'.

**Allison Hailes**  
**Chief Executive Officer**