

12 July 2021

Committee Secretary
Community Support and Services Committee
Parliament House George Street
Brisbane Qld 4000

Dear Secretary,

SCA (Qld) is the peak association supporting Queensland's strata sector, with more than 1,200 individual and corporate members who help oversee, advise and manage assets worth tens of billions of dollars. As the peak body for the strata industry, SCA (Qld) is in the unique position to understand the sector from all angles.

SCA (Qld) is in an enviable position to understand the sector from a broad array of viewpoints owing to its diverse membership. SCA (Qld) represents strata managers and service providers, meaning we are able to advocate from a "whole of industry" perspective.

There are over 50,000 community titles schemes and over 500,000 individual lots in Queensland. Lot owners are part of the body corporate and a committee is responsible for the day-to-day management of the scheme, such as maintaining common property. Under body corporate legislation, a tenant is known as an 'occupier' and occupiers have significant rights and responsibilities in relation to the body corporate. For example, occupiers:

- Must comply with by-laws (these are distinct from any obligations imposed by the lease);
- Are entitled to use common property and request it be maintained;
- May be entitled to a copy of the roll and other body corporate records; and
- Occupiers with a lease of more than six-months are required to have their details entered on the body corporate roll.

These rights and obligations are separate to any rights and obligations under tenancy law and this sometimes results in confusion and dispute. For example, a tenant will generally need approval from both their landlord and the body corporate to keep a pet in a body corporate. Body corporate decision-making is subject to legislated timeframes and processes and, significantly, is about group decision-making based on a legislated responsibility to act reasonably. This might mean that a request a tenant makes (or their landlord or agent makes on their behalf) would also be subject to these timeframes and group decision-making processes. Sound understanding of these principles by all parties involved in tenancy transactions contributes to a more harmonious living arrangement in a body corporate.

Strata properties make up a large portion of dwellings which are part of the rental market and therefore the legislative and regulatory framework for residential tenancies substantially impacts how strata communities operate. With projected increases in both strata development and the rates of renting there is an important intersect in the regulation of these matters.

Despite changing modes of accommodation as outlined above, culturally, Queenslanders will still desire autonomy within their "own homes." Part of this in the strata sense is enhanced community autonomy around matters such as by-laws, and this includes how by-laws intersect with the rights of renters. We

are pleased therefore that these reforms include a restrictive by-law in a strata community on the keeping of pets as a valid reason for the refusal of approval for a pet for a tenant.

We are pleased with the nature of these reforms in that they do not unfairly prejudice the property rights of strata property owners whilst also ensuring that there is enhanced protection to tenants. Strata communities will be best able to function in an environment where there is consistency of regulation across all types of occupancy, where by-laws are designed to apply equally to tenants and owner occupiers.

Under current legislation, it is very difficult for a strata scheme to place a ban on pets and for this not to be challenged by a determined pet owner. We are of the position that schemes should have the autonomy to ban pets, whilst noting that there is likely to be minimal uptake of this.

With respect of reform of the *Body Corporate and Community Management Act (1997)* SCA (Qld) believe the banning of pets in a scheme should require a special resolution to be passed as a threshold. We acknowledge reasonable exceptions of course for registered guide and assistance dogs where there is a proven need for them. We are cautious of elements of retrospectivity in this regard and agree that any power should be explicitly defined in the legislation to be not retrospective- we do not believe it is fair or reasonable to force previously approved pets to be removed. We believe that whilst there will be extremely limited uptake by schemes of this provision given the ever increasing popularity of pets, the rights of communities to define themselves within reasonable parameters should take primacy. Whilst we understand that this is outside of the scope of the *Housing Legislation Amendment Bill 2021*, we believe this is an overall important part of housing policy that should inform how all legislation operates.

The ability for persons living in strata to have commensurate autonomy to those in detached housing must be a housing policy priority for government. Queenslanders will not tolerate the diminution of their rights when compared with those of their parents.

It is also pleasing to see the government acknowledge that pet damage is to be considered separate from fair wear and tear, acknowledging that fair wear and tear is related to human and not animal use of a property. This demonstrates that the keeping of pet is more of a rebuttable presumption for tenants, not an automatic right.

We are pleased with the balance reached by the government in these reforms and the acknowledgment of strata by-laws and their importance to strata communities. We would welcome an opportunity to be a witness as an organization at the public hearing on July 20, we believe as a critical and growing player in the housing sector, we have a role to play in ensuring this reform is passed with the best community consent.

Sincerely



Peter Crogan
Executive Officer