

Body Corporate and Community Management and Other Legislation Amendment Bill 2023

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As an owner occupier of an apartment in a community title scheme in Brisbane, the Chairperson of a Body Corporate Committee in Brisbane, the onsite manager of a community titles scheme in Brisbane and as an owner of investment apartments on the Gold Coast that are rented out to tenants permanently, I have reviewed the proposed amendments in the Body Corporate and Community Management and Other Legislation Bill 2023.

I have the following concerns regarding the amendments to terminate a community titles scheme for economic reasons:

1. How is the termination of potentially numerous community titles schemes going to provide public benefit ?

The explanation provided for this amendment is that it will provide *'public benefit'* that *'the easier termination of uneconomic community titles schemes will enable scheme land to be redeveloped to provide increased housing opportunities'*.

However, there is no requirement for evidence to be provided of what is to be built in place of a terminated scheme.

If the true intent of this legislation is to be effected, then evidence should be provided to lot owners of what will get built in place of a terminated scheme, the timeframe for construction and development of new housing to replace a terminated scheme.

How will a new development provide a greater benefit to the community than the terminated scheme ? . A cost benefit analysis to determine the benefit should be carried out.

In areas such as the Gold Coast has a detailed analysis been done of how many community titles schemes could be terminated using these provisions ?

Thousands more people could as a result be in need of immediate housing, with no new or alternate housing available as construction of the new developments in their place is going to take years if not decades due to rising construction costs, a labour shortage and an Olympic Games Construction Program that will further impact the ability of the whole of Queensland to undertake new construction.

To quote Scott Hutchinson of Hutchinson Builders, the largest privately owned construction company in Queensland (Source: Courier Mail 29 May 2023):

Hutchinson Builders chairman Scott Hutchinson said there was too much work in the industry right now and not enough people to do it.

“Queensland is the worst place. That’s the busiest. South East Queensland is absolutely booming especially the Gold Coast,” Mr Hutchinson said.

“The real effect it will have on development is most of the proposed private work won’t go ahead because the construction prices are too high and they can’t sell them at the prices set.”

Mr Hutchinson went on to say:

“What’s got to happen is a whole lot of projects won’t go ahead and that will reduce the demand.”

In summary, the proposed provisions that enable the easier termination of schemes are not going to benefit the public when we have a development and construction industry that are not going to be able to build new housing in its place.

It has the real potential to create even more homeless people in Queensland which is entirely the opposite effect of the legislative intent.

2. Completely Inadequate Conflict of Interest Provisions for Pre-termination Reports

The amendments require a Body Corporate to prepare a pre-termination report before it considers a motion to terminate a scheme for economic reasons.

The report is to include reports from a valuer, a structural engineer, a quantity surveyor etc

These consultants are not to be appointed by the Body Corporate if they have a conflict of interest and if they do have a conflict then they are to take no further action unless authorised by the Body Corporate.

In effect the amendments enable a Body Corporate to self-authorise reports to be obtained from consultants with a conflict of interest ie they work for interested developers or other parties.

These conflict of interest provisions are wholly inadequate and are actually non-existent.

They provide no protection to lot owners from developers who are intent on a Body Corporate using the developer’s consultants to ensure that they get a pre-termination report that favours their interests and not those of the Body Corporate.

The preparation of pre-termination reports for a Body Corporate should be provided by completely independent consultants.

A certification process for these consultants should be considered by the Government to ensure that schemes that are in reality perfectly viable are not terminated.

3 Lack of Community Consultation

There has been no community consultation with the people that actually own and live in community titles schemes.

A Housing Summit was held but this did not extend to inviting people who actually own, live and sit on the Body Corporate Committees of these schemes that are to be affected by this legislation.

We are the community that you are legislating to affect and yet we were not consulted.

Yours sincerely,

A black rectangular redaction box covering the signature of Bardi Hudson.

Bardi Hudson

Mob: 

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