



MONTHLY NEWS


FROM NOWRA & WOLLONGONG



JULY- SEPTEMBER 2023 VOLUME 28

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STAFF NEWS



Dear Owner,

I hope this email finds you well. After careful consideration and reflection, I have made the decision to retire from Integrity Strata. It is with a mixture of excitement and nostalgia that I announce my retirement, effective 1st July 2023.

My tenure at Integrity Strata has been nothing short of extraordinary. Over the years, I have had the opportunity to work alongside remarkable clients and Colleagues, tackle challenging projects, and contribute to the growth and success of the company and Strata Industry. The experiences and memories I have gathered during my time here will be cherished forever.

As I embark on this new chapter in my life, I look forward to spending more time with my family, pursuing personal interests, and embracing the joys of retirement. I am excited about the possibilities that lie ahead and the chance to explore new horizons.

I will retain my Directorship and Shareholding in the Company and will still oversee the financial and operations of the two offices. David Paternoster will be Licensee in Charge of the Corporation and Wollongong Office and Claire Clarke will be Licensee in Charge of the Nowra Branch from 1st July 2023.

Thank you once again for everything. I will always cherish the time spent at Integrity Strata and the relationships I have formed with clients and the staff.

I am sure that the Company will continue its success and growth.

With warm regards,

Yours faithfully,

Leo Paternoster

Fire Orders and Cost Recovery By-laws



An owners corporation is only responsible for the common property in its strata scheme. So how does an owners corporation deal with a fire order that requires it to

do work to lot property? Can a Council issue a fire order against an owners corporation to do work to lot property? If so, can the owners corporation make a by-law to recover from owners the costs it incurs doing fire safety work in their lots? The answers might surprise you.

Strata Law

An owners corporation is the owner of the common property it is strata scheme. The owners corporation is responsible for managing and controlling the use of the common property and maintaining and repairing the common property. Those obligations arise under the *Strata Schemes Management Act 2015* (**Strata Act**) .

An owners corporation does not own the lots in its strata scheme, and under that Act, the owners corporation has virtually no responsibility in relation to any of the lots. This is because the lots are privately owned and the owners and occupiers of the lots are generally responsible for managing and maintaining them. So, under the Strata Act, the owners corporation is generally not responsible for maintaining and repairing lot property. Further, in general, the owners corporation is only able to adopt budgets and raise levies to cover expenses associated with the common property, not lot property.

Fire Orders

But what happens when a Local Council issues a fire order that requires an owners corporation to carry out work to both common property and lot property. Does the Council have power to issue that order? And does the owners corporation have power to comply with the order and do work that affects lot property?

Planning Laws

The *Environmental Planning and Assessment Act 1979* (**EPA Act**) gives a Local Council power to order the owner of premises to do things that are specified in the order in order to promote adequate fire safety in a building when provisions for fire safety in the building are inadequate to prevent, suppress or prevent the spread of fire. The EPA Act says that premises include a building and that an owner includes, in the case of land that is the subject of a strata scheme, an owners corporation. Therefore, the EPA Act gives a Local Council power to order an owners corporation to carry out work to improve fire safety to both common property and lot property.

Case Law

This was confirmed by the NSW Court of Appeal as long ago as 1985. In 1985, the Court decided the case of *Proprietors of Strata Plan 159 v Parramatta City Council*. In that case, the Council had issued a fire safety order to the owners corporation of a strata building which required the owners corporation to carry out fire safety upgrades principally in two lots which were to be used as a restaurant. The owners corporation challenged the order and argued that the order unfairly burdened other owners with the costs of carrying out fire safety upgrades predominately to those two lots. However, the Court concluded that the statutory language was clear in permitting a Council to issue a fire order against an owners corporation that required work to be done to lot property. The Court acknowledged that this meant that sometimes the costs of complying with a fire order would be shared by all of the owners even when the need for fire safety upgrades was confined exclusively to the lots of some of the owners which may seem inequitable.

But the Court considered that there were two answers to this problem. First, if the legislation clearly allowed a fire order to require an owners corporation to do work to lot property the mere fact that might produce a sense of injustice between owners was not a reason for the Court frustrating the clearly expressed intention of the legislature and it was a matter for the Parliament to change the legislation to overcome any unfairness if it saw fit to do so. Second, fire is a phenomenon which endangers all owners and occupiers of lots meaning all owners have a common interest in fire prevention and fire safety. This meant that it made sense for the legislation to allow the Council to issue one fire order against the owners corporation rather than have to issue and monitor compliance with multiple fire orders against numerous parties. Ultimately, the Court considered that it was in the common interest of all owners for the Council to have the power to issue the fire order against the owners corporation. The Court's decision has recently been referred to with approval by NCAT.

Recovery of Costs

If a Council can require an owners corporation to carry out fire safety upgrades to lot property, can the owners corporation recover the cost of performing those upgrades from the relevant owners? There is no clear answer to that question. Many owners corporations have introduced cost recovery type by-laws that purport to allow them to recover costs from owners in a variety of circumstances. There have been

several recent cases in which NCAT has invalidated cost recovery type by-laws. But there are also cases where NCAT has upheld cost recovery type by-laws. Ultimately, if an owners corporation wants to seek to recover from certain owners the costs it incurs carrying out fire safety upgrades in their lots, a cost recovery type by-law will need to be put in place but there may be difficulty enforcing the by-law.

Conclusion

A Council is entitled to issue a fire order against an owners corporation that requires fire safety upgrades to be carried out to lot property. Where that occurs, the Strata Act gives the owners corporation the right to enter the lots in order the do the work required by the fire order. If an owners corporation wants to recover the costs it incurs carrying out fire safety upgrades in a particular lot, a cost recovery type by-law will need to be put in place for that purpose. However, NCAT has recently raised question marks over the validity of cost recovery type by-laws so the recovery of those costs cannot be guaranteed.

Reference: This article was taken from J S Mueller newsletter



Integrity Strata are proud to be sponsors of the Jamberoo Superoos Junior Rugby League team! Our director Leo Paternoster had a great time over the weekend cheering the kids on as they played their home-game. ❤️❤️



Director:	Leo Paternoster - Licensed Strata Manager
Director:	David Paternoster - Licensed Strata Manager (Wollongong)
General Manager:	Katrina Longmore - Licensed Strata Manager (Wollongong)
Operations Manager:	Claire Clarke - Licensed Strata Manager

Donna Morice	Licensed Strata Manager - Wollongong
Ruby Foster	Licensed Strata Manager - Wollongong
Michelle Parker	Licensed Strata Manager - Wollongong
Erin Williams	Licensed Strata Manager - Wollongong
Amanda Hay-Hansen	Licensed Strata Manager - Wollongong
Margaret Carlotto	Licensed Strata Manager - Wollongong
Tanya Chapman	Licensed Strata Manager – Nowra
Simone Montgomery	Licensed Strata Manager – Nowra
Oxana Rozdolovskaia	Licensed Strata Manager – Nowra

Personal Assistants

Rahul Rahul	Wollongong
Catrin De Jong	Wollongong
Jeevan Hetti	Nowra
Tori Longmore	Wollongong
Ella Ruiz	Receptionist/Administration

To avoid disappointment in seeing your Strata Manager who often may be away from their desk, please call their Personal Assistant 1300 154 797 and book an appointment.

FOLLOW US ON OUR SOCIAL MEDIA



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NOWRA

WOLLONGONG

CONTACT US!

Phone number: 1300 154 797

Email: enquiries@integritystrata.com

Website: www.integritystrata.com

All correspondence: P O Box W81 West Wollongong NSW 2500

TRADES & SERVICES DIRECTORY

Homestead

Concreting & Property Maintenance Pty Ltd

Trading as: Homestead Property Maintenance Pty Ltd

ACN: 099 723 654 ABN 35 174 173 224

We specialise in:

Building /Carpentry works, Maintenance repairs,
Bathroom Renovations and waterproofing,
Termite repairs, Concreting, Plastering & Painting

Ph: (02) 4285 3986

Geoff & Vicki Meehan (Directors)

(BL No. R93683)

8 Francis Street, Corrimal NSW 2518

Ph: (02) 4285 3986 Mobile: 0414 453 986 Fax: (02) 4283 6411

HOMESTEAD

Homestead Concrete and Property Maintenance is a family run business and has been providing a range of strata services to the Illawarra residents for over 20 years.

The majority of our qualified tradesman has been with us for over 10 years allowing us to provide our clients with the highest quality service.

For more information contact the following:

- Paul - 0499 988 394
- Craig - 0414 505 365
- Geoff - 0414 453 986
- Office - 02 4283 5797

Welcome to All Trade Services Illawarra

All Trades Services Illawarra provides a maintenance management service for strata management and real estate agents from Helensburgh in the north to Ulladulla down south. All Trades Services Illawarra work with you and your clients to provide the best service, tradesmen and quality of work assuring you and your clients have a hassle-free experience while we maintain your properties.



All Trades Services Illawarra will work with your tradesmen you have on file or we also have our own tradesmen we use if needed. The benefit in using All Trades Services Illawarra is you and your staff only need to contact one tradesmen for all maintenance issues, quotes and reports while we deal with all trades to ensure the job is completed to the highest of standards. All Trades Services Illawarra is on call 24/7 for all emergencies and after hour services needed.

ALL TRADES ILLAWARRA

For more information:

Contact: 0431 147 746

Website: www.alltradesillawarra.com.au



STRATA INSURANCE

CRM Brokers' Strata division engages specialist strata brokers whose main function is to deal solely with all things strata. Our in-house Claims team ensures we provide accurate assessments when discussing claims and potential issues with insurers.

We are mindful of the fact that the Owners Corporations' premium is one of the major expenses for strata, however, this should not be isolated as a sole factor when considering the placement of cover with an insurer. The importance of having claims paid when most needed; i.e. the speed at which a claim is assessed and approved; the policy wording to accompany a claim, are additional factors that must be taken into account during the broking process.

Loz Electrical is licenced and insured to carry out Electrical, Security & Air Conditioning work, servicing areas from South Sydney to Huskisson. Our diversity in the industry allows us to be your one-stop-shop.

Contact Peter - Loz Electrical
Phone: 0414794753
Email: peter@lozelectrical.com.au

LOZ 
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Loz Electrical holds a current Master Licence in Security which permits us to carry out all aspects of security installations.

Our licenced staff are trained in all areas of the services we provide, including current WH&S practices and Customer Service. Loz Electrical is a 24hr / 7days Emergency Service.

Loz Electrical provides the following services at the highest standard:
All Electrical work:

- All Domestic & Commercial ranging from a single house to a multi-development construction
- Patient areas
- Strata maintenance
- Real Estate maintenance
- Emergency Lighting installation and testing
- Smoke Alarm installation and testing
- Electrical installation – Periodic Verifications
- Test & Tagging
- Data
- TV
- Air Conditioning
- Security Alarms
- CCTV
- Intercom Systems (House and Apartments)

Contact Peter - Loz Electrical
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