

Action List:

Prepare for the NSW strata legislation changes on 1 July 2025

LookUpStrata has developed an action list to help NSW strata committees and owners get ready for the new strata laws. Strata schemes should begin preparing now to ensure compliance with the laws when they take effect on 1 July 2025.

NSW Changes commencing 1 July 2025

Review and update your by-laws.

Check for any by-laws that ban sustainability infrastructure solely based on appearance, unless the property is heritage-listed or in a heritage conservation area. ☐

Check that by-laws regarding assistance animals align with the new requirement for only one form of evidence to be provided if requested. ☐

Generally, review by-laws to ensure they don't conflict with any of the new laws. ☐

Review and update the process for handling minor renovation requests.

If the committee decide on minor renovation requests, ensure they are prepared to provide written reasons for refusal (if required) within three months of receiving a request, as failure to do so means the renovation is automatically approved. ☐

Establish a system to keep records of approved minor renovations for 10 years. Consider keeping a renovation register. ☐

Update the Annual General Meeting (AGM) agenda.

Include an item on the agenda to discuss environmental sustainability within the scheme, including reviewing energy and water consumption and expenditure. ☐

Ensure that costs for sustainability infrastructure (installation, replacement, repair) are on the agenda to consider each year. ☐

Understand the new process and voting threshold for accessibility infrastructure requests.

Be aware that installing accessibility infrastructure in common property now only requires a majority vote (down from a special resolution). ☐

Review and update fees for strata records inspections.

Update the fees charged to persons other than owners (e.g., prospective buyers) to comply with the new rates: \$60 for the first hour and \$30 for each half hour after the first hour. ☐

Ensure that electronic access to records is provided through secured means. ☐

Inform strata committee members about their new duties.

Ensure members understand the requirement to behave honestly and fairly, avoid unreasonably affecting others, comply with strata laws, and only use and disclose information appropriately. ☐

Ensure the chairperson understands their duties, such as following the agenda and maintaining order. Committee members should stay informed of their new obligations. ☐

Understand the changes related to repairs and maintenance.

Be aware that owners corporations cannot delay common property repairs that affect a person's access or use, or pose a safety risk, solely because legal action has been taken against someone for the damage.

☐

Note the extended timeframe for owners to bring damages claims against the owners corporation for failure to maintain common property (up from two to six years).

☐

Review strata management contracts.

For any contracts signed or renewed on or after 1 July 2025, check that they do not contain banned terms, such as those requiring the owners corporation to pay for the agent's professional indemnity liabilities or limiting the agent's liability (unless covered by an approved professional standards scheme).

☐

Be aware that strata managing agents will be required to report to the owners corporation every six months (instead of 12 months). Owners corporations can ask for this report if it has not been received.

☐

Understand the changes to utility contracts and embedded networks.

Be aware of the term limits for electricity embedded network agreements (expire at first AGM if made before, or after three years otherwise). These limits apply to other utility agreements, too.

☐

Check the terms and duration of any new utility contracts, particularly embedded networks, signed after the new laws start.

☐

Familiarise yourself with other changes.

Understand the clarifications regarding the approval of legal services.

☐

Note that the owners corporation needs the owner's consent before removing uncollected goods from their lot.

☐

Understand the extended requirement for benefiting owner's consent (which cannot be unreasonably refused) for amending or revoking common property rights by-laws.

☐

Upcoming changes beginning later 2025 (TBA)

Be aware of changes starting later in 2025 (date to be announced).

While not immediate actions, understanding these now is part of preparation:

Increased NSW Fair Trading powers regarding owners corporations' duty to maintain buildings, including compliance notices, and agreements that are legally binding for schemes.

☐

Specified standard form for the 10-year capital works fund plan and for new scheme's initial maintenance schedules.

☐

Introduction of training requirements for strata committee members.

☐

New measures to assist owners in financial hardship, including information on levy notices, payment plans (which committees can enter into and schemes must consider/enter unless refused for permitted reasons), increased notice before debt recovery, and a fairer debt payment process.

☐

Requirement for independent certification of the initial maintenance schedule and levy estimates for new schemes by developers, with increased penalties for non-compliance.

☐

New duties for building managers, including a duty to act in the best interests of the owners corporation.

☐

New disclosure requirements about embedded networks at the point of sale for strata properties.

☐