

# Welcome

## **Demand Ethics:** An SEQ Owner's Path to a Better Body Corporate

Together, we can create change and a better future for SEQ strata communities.



Brought to you by LookUpStrata and Owners Corporation Network



Introducing:



# **Nathan Francey and Tim Goulding**

Office of the Commissioner for Body  
Corporate and Community Management

Brought to you by LookUpStrata and Owners Corporation Network



Department of Justice

# Office of the Commissioner for Body Corporate and Community Management

**The BCCM Office**

Nathan and Tim



**Queensland**  
Government

# Our office

## Information and Community Education Service



- website: Google BCCM QLD
- Information call-back service
- Written response to inquiries

## Dispute Resolution Service



### Two-stage resolution process:

- conciliation
- adjudication

We do not handle complaints, advocacy, or investigative / compliance matters.

# CTS fast facts



**Schemes**  
**52,589**



**ICEU Annual  
phone calls**  
**16,500**

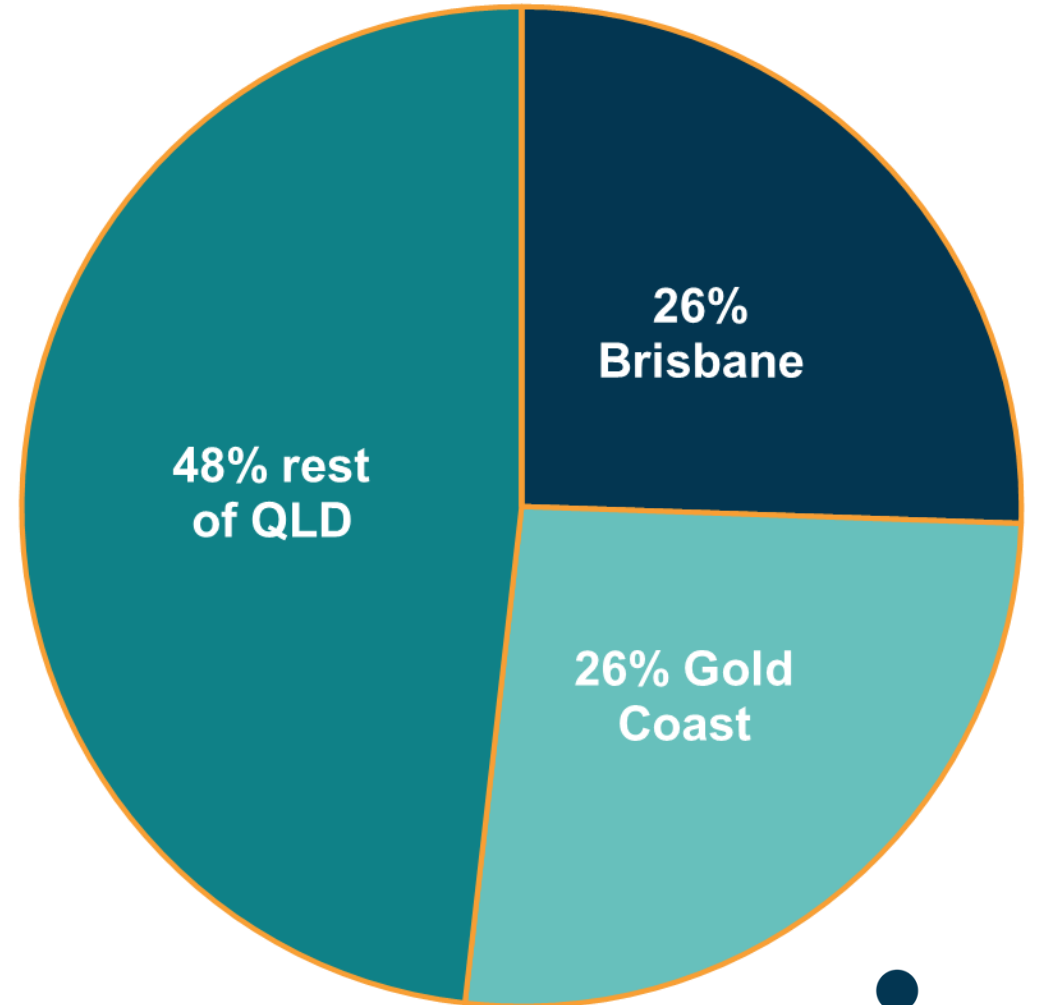


**Individual lots**  
**534,958**

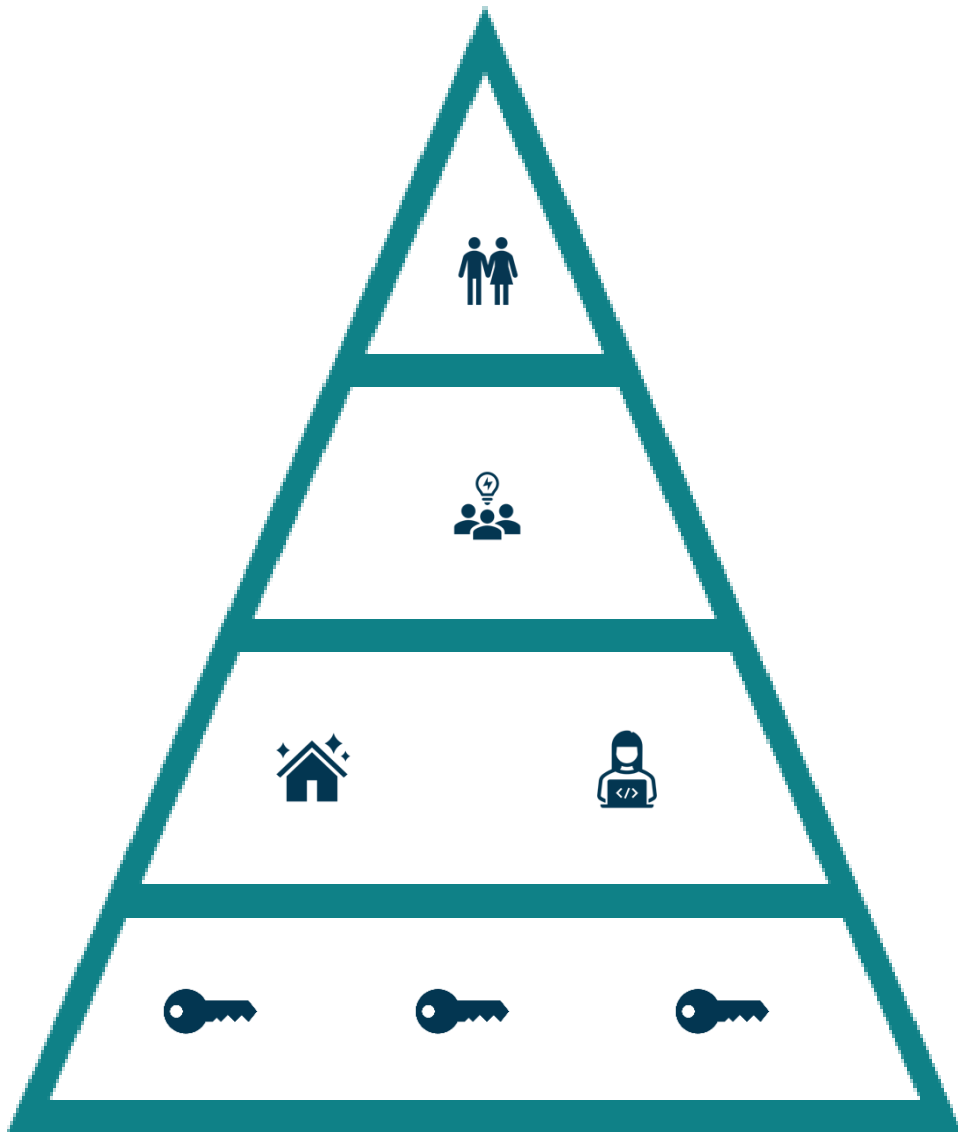


**Annual dispute  
applications**  
**1,489**

**QLD CTS Locations**



# Who is a body corporate?



## **Body corporate (Owners)**

Each owner automatically becomes a member of the body corporate upon purchasing a lot they cannot choose to opt out.



## **Committee**

Required to be elected annually. The committee is usually made up of lot owners. Tasked with making decisions on behalf of the body corporate.



## **Caretaker**

Can be engaged to perform specific duties outlined within in agreement that help a body corporate meet its legal obligations.



## **Body Corporate Manager**

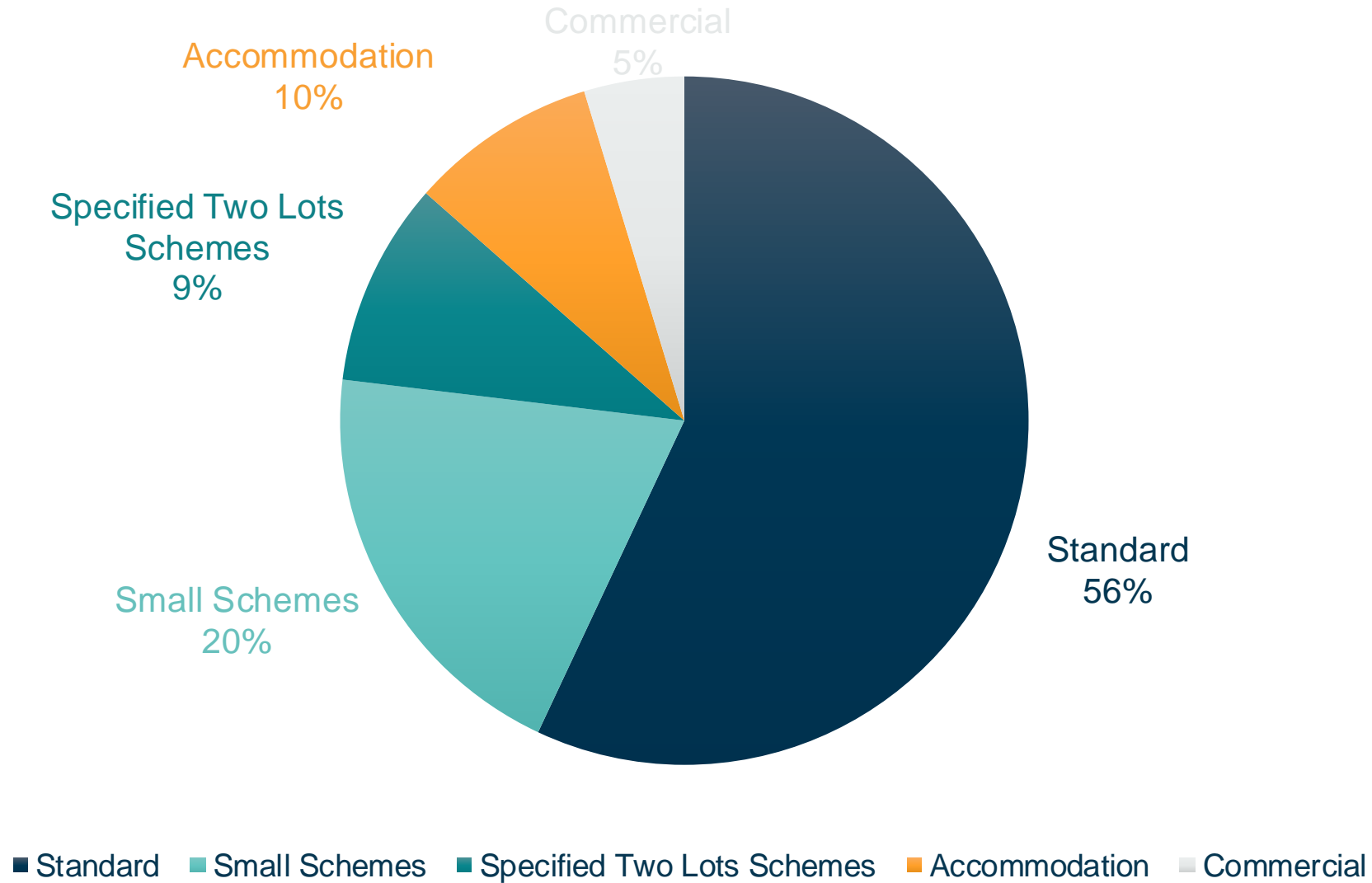
Can be engaged to supply administrative services to the body corporate to act on behalf of the committee.



## **Tenant**

Is an occupier within the scheme.

# Regulation Modules





# By-laws



Outline the rules and regulations regarding the use and enjoyment of the lots and common property.



Cover a range of issues: noise, pets, parking and appearance of lots.



Every scheme has its own specific set.



Must be attached to a tenancy agreement.

## Need a copy?

- By-laws
- CMS
- Survey plans



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**Titles**  
QUEENSLAND



# Dispute resolution - Conciliation

## Who are we?

- The (not so) famous five

## What is conciliation

- “We look forward to your decision/ruling.”
- “You’re biased 😞 ”
- “Tell me what to do!”

# Key dispute stats



# Online training

Training: Google - BCCM training

Learn more about disputes

Learn what bodies corporate do

Learn more about our services

## Subscribe for updates

Stay up to date with body corporate news, events and issues by [subscribing to our newsletter](#), or [view past editions](#).



## Upcoming events

- [Body corporate seminars](#)
- [Online body corporate training](#)

## Contact us

[Ask a body corporate question](#) or call the Information and Community Education Unit on [1800 060 119 \(freecall\)](#).

Bottom of our  
webpage

# Additional resources



Quarterly body corporate newsletter

## Common Ground

Stay up to date with body corporate news, events and issues by subscribing to our newsletter, or view past editions.

# Contact us

## Information service

We provide a **FREE** information service for those who live, work or invest in Queensland body corporate properties.

## Have a question?

**Telephone information service:** 1800 060 119

**Online enquiry form:** Google - BCCM enquiry





# Reflections/Questions





# What Good Looks Like

*The Importance of Advocacy*

**Shari Driver - CEO**

Owners Corporation Network  
of Australia Ltd



**och**

THE INDEPENDENT  
VOICE OF STRATA  
OWNERS

Celebrating Over  
**20**  
YEARS  
Est 2002



# OCN – UGLY (immoral and/or illegal)

## Advocacy for Strata Ethics

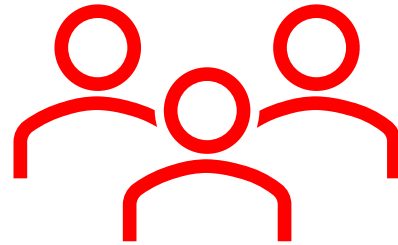
Connections

Commissions

Contracts

Good looks like :

- Banning conflicted payments to strata managing agents
- Removing opaque strata insurance arrangements
- Model contracts with consumer protections



**UGLY - Managers and caretakers that receive gifts or other benefits\***

**NOT acting in the owners corporation best interests**

\* Subject to disclosures and owner approvals NSW

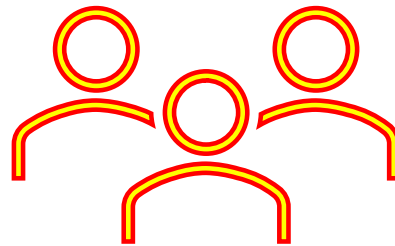
# OCN – The BAD (some illegal, some unethical)

## Advocacy for Strata Ethics

Competency

Conduct

Accountability



Good looks like :

- Competency, education & ethics for owners, managers and caretakers related to their roles
- Compliance consequences for bad conduct
- Resourced Commissioners across Australia

**BAD - A manager or caretaker that engages in conduct\* that is:**

- fraudulent
- misleading
- unconscionable

\* BCCM Act - QLD

# OCN – Good (ethical behaviour – honest, fair & professional)

## Advocacy for Strata Ethics

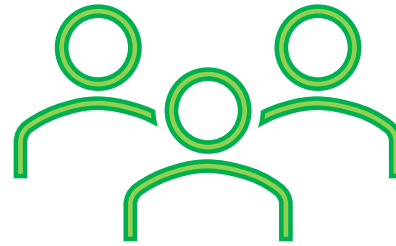
Collaboration

Competition

Community

Good looks like :

- A strong strata management industry & corporation
- Transparency in insurance and other arrangements
- Reform that rewards good operators



NSW Example:  
“Principles for  
Reforming the  
Strata Industry”  
*OCN Submission  
to Government:*  
[https://ocn.org.au/  
ocn-submissions/](https://ocn.org.au/ocn-submissions/)



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# **‘Take Back Control! How Owners Can Better Control Their Strata Destiny’**

**Chris Irons**  
Strata Solve



# You are not powerless

# You do have options



You cannot wait for  
government to change  
things...

...and you cannot rely  
on someone else to do  
it for you

# 1.OPTING-IN TO RECEIVING INFORMATION

## 2. RIGHT TO SUBMIT MOTIONS

# 3. RIGHT TO A DECISION

## **4. LOBBYING – ENGAGING WITH YOUR FELLOW OWNERS**

# 5. CAMPAIGNS AND COMMUNICATIONS



## 6. RIGHT TO CHALLENGE

# 7. REMOVE COMMITTEE MEMBERS

# Best Practice Tips

1. Always Remember: There Is Always A Constructive Solution
2. Take The Initiative
3. Be Methodical
4. Have Patience And Resilience
5. Seek Qualified, Meaningful Advice

# Questions?

# Comments?



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# Six Questions to Ask Your Body Corporate Manager About Their Contract

**William Marquand**  
Tower Body Corporate



**Good body corporate  
managers aren't cheap,  
but bad ones are very  
expensive.**



# Understand your Contract

Most management contracts charge customers in three key areas:

- Fixed fees for agreed services.
- Variable fees for additional services.
- Fess for insurance management.

# What is the Total of the Fixed Fees?

Ask your manager to provide you with an itemised total of all fixed fees they will definitely be charging you.

**Fixed fees include:**

- Disbursement fee
- Tax/BAS fees
- Software fee, communication fee, WHS fee, compliance fee, archive storage – everything you will definitely pay.

# How are Professional Service Fees Charged

- If you are talking to your current manager, they should be able to provide you with a total of all costs for the previous year.
- Prospective managers won't know what your professional service fees will be – it depends on how much assistance you require.
- Find out how your manager charges for variable costs and be realistic about the amount of help your scheme needs.

# How Is Insurance Managed and How Are Fees Calculated?

The true costs of insurance are often hidden.

Commissions are a payment from the scheme to the manager. They do not appear on your balance sheet, but you should add them to your calculations when considering costs.

# Total COST of MANAGEMENT

The total costs of management is the sum of:

- Fixed Costs +
- Additional Services Fees +
- Insurance Commission/Management Fees

# Other Revenue

## Does the Company Receive Any Other Referral Fees or Commissions?

Body corporate managers should be working only for the owners who appointed them.

The more commissions a manager receives and the more affiliated companies they work with, the more compromised they become and the less they will work for the customer.

# How Long is The Contract For?

If you only want a 12 month contract, ask for that.

# How Easy Is It to Communicate with the Person Who Can Resolve Your Issue?

- If you can't contact your manager directly, you are going to spend a lot of time dealing with people who can't help you.
- Multiple departments and contact points tend to slow resolution down.



# Value your Manager

When you ask how much you paid your manager,  
you also need to ask how much they helped you.



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# The Strata Insurance Shake-Up: Ethics, Emerging Trends, and What Owners Must Know

**Tyrone Shandiman**

ACIL & Strata Insurance Solutions



# The Power of Consumers

## Consumers Have the Power to Drive Change

- Strata owners are no longer silent spectators.
- Collective action is reshaping the industry.
- Regulatory bodies & businesses must listen when consumers demand fair treatment.
- Consumer-led advocacy has already triggered major discussions—change is coming!

# What ACIL Requested

## What We Asked For: A Fair, Transparent, and Ethical System

- Informed Consent on Appointments
- Transparent Disclosure of Remuneration Changes (Appointments)
- Timely Information Facilitation When OC Seeking Alternate Quotes
- Clear & Accurate Information About Strata Managers' Role
- Present Alternate Proposals Fairly
- Removal of Contract Conditions That Limit Choice
- Best Practice Needs to Apply to All Strata Managers

# The Industry's Response

## The Sound of Silence

- **Polite but dismissive:** They acknowledged concerns but failed to act.
- **No genuine engagement, no real solutions:** Consumer issues were sidelined.
- **Window Dressing** – Superficial changes that allowed bad practices to continue.
- **Personal tactics:** Accusations that I was using my ACIL position for personal gain and unethical business practices.

# Consumer Fight Back

## The Industry Underestimated the Power of Consumers

- **ACIL** reporting 146 issues of misconduct to **ASIC & ACCC**
- **ACIL Mailchimp** Distributing to over 700 strata managers.
- **ABC Investigations:** 7:30 Report & Four Corners exposés, plus follow-up stories - over 2,000 reports of bad practices
- **Other Media:** Sydney Morning Herald, Insurance News, Insurance Business.
- **ACIL Survey & Industry Report**

# Recognising the Good Actors

Thank you!

- **Most Strata Managers Act in Good Faith**
- **Many Strata Managers Support Fair Practices**
- **Strong Industry Allies**
- **Thank You to Those Who Put Owners First!**





# Industry Outcomes

## The Impact on the Industry is Clear

- Significant Reputational Damage
- SCA forced to bring forward Best Practice disclosure requirements
- NSW Government investigating a ban on commissions
- SCA NSW & National Presidents resign
- Increased regulatory investigations & scrutiny
- Strata managers who resisted ethical reforms are now adopting them
- Greater focus on ethics within the industry
- Bad actors facing business consequences
- Continued silence from key industry players

# Consumer Outcomes

## A Win for Consumers

- **Greater awareness** among impacted consumers
- **Increased transparency** – disclosure of commissions & fees
- **Improvements in ethical practices** by strata managers
- **More to come...**

# What To Expect

## The Next Phase of Change

- **Legislative reform** to strengthen consumer protections
- **Industry reform** forcing better standards and accountability
- **Regulatory actions** targeting misconduct
- **Potential class actions** against bad industry practices

# The Personal Cost of Advocacy

## Standing Up for Change Comes at a Price

- **Accusations of Personal Gain** – Unfounded suggestions that ACIL's advocacy was for my own benefit.
- **Scrutinising My Business** – Claims of unethical practices at Strata Insurance Solutions
- **Backlash at Events** – Some strata managers were abusive to staff at industry events
- **Whistleblower Protections**

*Challenging the status quo isn't easy—but real change never is.*

# Exercise

## Transparency Matters

- **Step 1:** Obtain insurance invoices for the last **10 years** (if available).
- **Step 2:** Check if there were any **changes in brokers or insurers** during this period.
- **Step 3:** If there were changes, review whether **remuneration increased** (e.g., from **20% commission to 20% commission + high fees**).
- **Step 4:** Any issues, identify **who made the decision** – was there a **committee resolution** approving the changes?
- **Step 5:** If decisions don't appear to be in the best interests of the Body Corporate, or if something seems unusual or unclear, seek clarification and **reach out for further guidance**.

# Market Conditions

## Strata Insurance Market is Improving

- More Competition
- Stronger Competition for Buildings Under \$50M
- Premiums Are Decreasing
- No Broad Discounting Yet
- Market Check is Key



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Introducing: The panel

# What can the strata industry do to restore its reputation?



Brought to you by LookUpStrata and Owners Corporation Network





# Thank you for joining us

We would like to thank  
all attendees, speakers,  
sponsors, and our MC  
Dr Nicole Johnston

