



Proposal to amend service contract engagement and/or letting agent authorisation

Body Corporate and Community Management Act 1997, section 122

This form is effective from 1 July 2025

Why are you receiving this form?

The legislation requires this explanatory note to be given to owners when the body corporate is considering amending:

- a person's engagement as a service contractor, and/or
- a person's authorisation as a letting agent

to include a right or option of extension or renewal. It must accompany the material circulated for the relevant general meeting.

You should consider this information before voting on the motion to amend an engagement or authorisation.

Accommodation Module, Commercial Module and Standard Module

The body corporate may only amend a person's engagement as a service contractor or a person's authorisation as a letting agent to include a right or option of extension or renewal if:

- the subsequent right or option is for a period which is not longer than 5 years

and

- the unexpired term of the engagement or authorisation (calculated from the day the resolution approving the subsequent right or option is passed by the body corporate) is not more than:
 - 25 years for schemes under the Accommodation Module or Commercial Module
 - 10 years for schemes under the Standard Module.

The motion approving the amendment must be passed by ordinary resolution and decided by secret ballot, with no votes exercised by proxy. A body corporate cannot consider a motion of this type more than once during each financial year of the body corporate.

For more information about extending contracts and authorisations, see:

- [sections 125-131](#) of the *Body Corporate and Community Management (Accommodation Module) Regulation 2020* (the Accommodation Module).
- [sections 91-97](#) of the *Body Corporate and Community Management (Commercial Module) Regulation 2020* (the Commercial Module).
- [sections 135-141](#) of the *Body Corporate and Community Management (Standard Module) Regulation 2020* (the Standard Module).

For more information about motions that can only be considered once per financial year, see:

- [section 76](#) of the Accommodation Module
- [section 44](#) of the Commercial Module
- [section 86](#) of the Standard Module.

Small Schemes Module

The body corporate may only amend a person's engagement as a service contractor to include a right or option of extension or renewal if the total term of engagement will be 1 year or less. A new engagement will be required after 1 year.

The motion approving the amendment must be passed by ordinary resolution.

There is no provision for the body corporate to authorise a letting agent for a scheme under the Small Schemes Module.

For more information about extending contracts and authorisations, see [sections 66-69](#) of the *Body Corporate and Community Management (Small Schemes Module) Regulation 2020* (the Small Schemes Module).

The following details must be provided about the service contract and/or the letting authorisation subject to the proposed amendment.

Service contract	
<p>The meaning of a service contractor can be found in section 15 of the Act.</p>	<p>Name of service contractor:</p> <p>Current contract expiry date:</p> <p>Length of proposed right or option of extension or renewal:</p> <p>Proposed new expiry date:</p> <p>Current annual remuneration:</p> <p>Does the service contractor carry out general caretaking and cleaning duties?</p> <p>Yes No</p> <p>Does the service contractor supervise employees or contractors?</p> <p>Yes No</p> <p>Who pays for the equipment required to carry out general caretaking and cleaning duties?</p> <p>Body corporate Service contractor Both</p> <p>Who pays for the materials required to carry out general caretaking and cleaning duties?</p> <p>Body corporate Service contractor Both</p> <p>Details of any areas of common property, the use of which is granted to the service contractor by way of an occupation authority:</p>
Letting agent	
<p>The meaning of a letting agent can be found in section 16 of the Act.</p>	<p>Name of letting agent:</p> <p>Current contract expiry date:</p> <p>Length of proposed right or option of extension or renewal:</p> <p>Proposed new expiry date:</p> <p>Details of any restrictions on the type of letting (permanent, short term, holiday, etc.) imposed in the letting authorisation:</p> <p>Details of any areas of common property, the use of which is granted to the letting agent by way of an occupation authority:</p>

A **caretaking service contractor** is a service contractor who is also authorised to be a letting agent for the scheme. A single contract can combine both the engagement as a service contractor and the authorisation as a letting agent ([section 117](#) of the Act).