## The Office of the Commissioner for Body Corporate and Community Management

The new<br>Standard Module Regulation 2020

'Committee membership'


## Regulation changes

The BCCM regulations were remade on 29 September 2020 and will come into effect on 1 March 2021

## Committee membership

Co-owners and representatives
Deeming committee membership
Electronic voting on ballot
Calling from the floor
Chapter 3 Part 5 engagement
Receiving benefits
Removing committee members

## expiring

Co-owners can be on the committee depending on how they are nominated

## Example - expiring module



Bill and Rachel Brown Co-owners Lot 3


Bill nominates Rachel as Rachel is his family member


Both Bill and Rachel are elected to the committee even though they own only one lot


Joan Smith
Owner Lot 4

Joan doesn't want to be on the committee, but nominates Bill as he is
the owner of lot 3

## new

Co-owners, family members of owners and a power of attorney given by an owner can only be elected to the committee in 2 situations:

- the minimum number of committee members (3) has not been reached
- they own more than one lot


## Example - new module



Bill and Rachel Brown
Co-owners of Lot 3


Bill nominates himself as chair person based on ownership of lot 3



Bill and Rachel Brown Co-owners of Lot 5

Rachel nominates herself as secretary based on ownership of lot 5


Both Bill and Rachel are elected to the committee as they own 2 lots in the scheme

## expiring

There is no clarity about committee membership in a scheme of 3 or more lots with only
3 owners. An
election would have occurred at the AGM

When there are 3 or more lots in the scheme and only 3 owners, the committee consists of the 3 individuals who decide which of the executive positions they wish to hold.

If they can't decide they are held jointly

## NEW Minor committee

A committee formed under section 13, subsection 4,5 and 6 (schemes of 3 or less owners)

## expiring

## new

No provision to
vote electronically
for a committee ballot including a secret ballot

The body corporate can by ordinary resolution approve electronic voting for a secret ballot and open ballot.
More clarification has been provided on the system for electronic voting

## NEW Maximum number

- if the community titles scheme includes 7 or more lots then the maximum number is 7
- if the community titles scheme includes fewer than 7 lots-the maximum number equals the number of lots
- if the scheme includes 7 or more lots, and it is a principal scheme in a layered arrangement of community title schemes, and the body corporate decides by ordinary resolution that the number of members of the committee must be greater than 7 but not more than 12-the number decided by the body corporate


## expiring

## new

There is no compulsion to call from the floor when the committee has reached the 'minimum' number of 3

The chairperson must call from the floor to attempt to make up committee membership to the 'maximum number'

## expiring

## new

A secret ballot is required to engage a body corporate manager under Chapter 3 Part 5

The body corporate may vote by ordinary resolution to have an open ballot to appoint a body corporate manager under Chapter 3 Part 5 instead of a secret ballot

## expiring

# There is no provision that deals with committee members receiving benefits 

Committee members are prohibited from receiving a direct or indirect benefit from a caretaking service contractor or service contractor unless authorised by ordinary resolution or unless the benefit is the supply of, or payment for:

- a letting agent business service conducted by the contractor, or
- a service the body corporate has engaged the contractor to provide or
- a service the owner of a lot has engaged the contractor to provide at market price.


## Removing committee members

Clarification has been provided about the removal of committee members. The module provides clear distinction between removal by ordinary resolution and removal for a breach of the code of conduct.

## Contact us

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Body Corporate and Community Management

