

2016

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

UNIT TITLES (MANAGEMENT) AMENDMENT BILL 2016

EXPLANATORY STATEMENT

Presented by

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UNIT TITLES (MANAGEMENT) AMENDMENT BILL 2016

Introduction

This explanatory statement relates to the *Unit Titles (Management) Amendment Bill 2016* as presented by Mr Alistair Coe MLA to the Legislative Assembly. It has been prepared in order to assist the reader of the bill and to help inform debate on it. It does not form part of the bill and has not been endorsed by the Assembly.

The statement must be read in conjunction with the bill. It is not, and is not meant to be, a comprehensive description of the bill. What is said about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

Overview of the Bill

This Bill will allow individual owners of units in unit complexes to install their own water meter (“sub-meter”) for their unit. This will allow owners of individual units to pay for the water they actually use in their unit rather than paying a proportion of the total water usage for all units. Unit owners will still be required to pay their proportion of the water usage for the common property. Those owners who decide not to install an individual meter will still be charged a proportion of the water used for the common property as well as a proportion of the total remaining water usage.

Owners of units are currently able to install individual water meters but only after the passage of an unopposed resolution. This requirement has proven nearly impossible to meet in cases where individual owners would like to install their own meter. Reducing the threshold to require a simple majority will allow more owners the choice to install an individual meter while still giving the majority of unit owners in a complex the power to reject such a proposal.

The Bill makes it possible to force a unit owner to install a sub-meter where a special resolution is passed. The owners corporation may recover the cost of installing the sub-meter where the unit owner fails to install one within 12 months.

The Bill also allows the owners corporation to recover administration costs.

Clause Notes

Clause 1 Name of Act

This clause provides that the name of the Act is the *Unit Titles (Management) Amendment Bill 2016*.

Clause 2 Commencement

This clause provides for the commencement of the Act on the day after its notification day.

Clause 3 Legislation Amended

This clause provides that the legislation mentioned in the clause is amended by the Act.

Clause 4 Section 28 (1), new note

A new note for Section 28 (1) clarifies that an owners corporation may enter a unit to install a sub-meter.

Clause 5 New sections 33A to 33C

This clause allows an owners corporation to permit installation of a sub-meter in an individual unit at the owner's expense. The owners corporation will have authority to allow the installation after an ordinary resolution has been passed to allow it. This ordinary resolution will also set out the way to determine each owner's share of the owners corporation's water usage. The resolution will also set out a process to refund or make an additional payment if contribution is determined by an estimate and this turns out to be inaccurate.

The clause also allows an owners corporation to require the installation of a sub-meter in a unit at the owner's expense. The owners corporation will have authority to require the installation after a special resolution has been passed to require it. If the owner does not install a sub-meter 12 months then the owners corporation will be able to install the meter and recover the cost from the owner.

Those owners who do install a sub-meter will be required to pay the owners corporation for their actual water usage as well as their contribution to the owners corporation's water usage.

The owners corporation will also be able to recover administration costs related to operating a sub-meter from owners.

Clause 6 Section 78 (2)

This clause amends the current legislation to clarify the general fund contribution payable by owners.

Clause 7 New section 78 (2A)

This clause inserts the provisions setting out the general fund contribution payable by owners of units with an individual water meter.

Clause 8 Section 79 (1)

This clause inserts the requirement for the owners corporation to give the owner of a unit with a sub-meter a determination of their contribution based on the requirements included in Section 33A.

Clause 9 New section 79 (2) (da)

This clause sets out the information that must be provided to a unit owner about their payment for their share of the contribution to the owners corporation's water usage, their general fund contribution, their actual water usage and the owners corporation's administration costs.

Clause 10 Dictionary, new definition of *sub-meter*

This clause inserts a definition of a sub-meter.