

COVID-19: NSW introduces temporary strata and community scheme changes from 5 June 2020

Source: [NSW legislation](#) and [NSW Fair Trading](#)

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Abstract:

The NSW government has introduced temporary measures to help owners corporations and community associations manage the running of their strata and community schemes during the COVID-19 pandemic.

On 5 June 2020, the NSW government published:

- the [Strata Schemes Management Amendment \(COVID-19\) Regulation 2020 \(NSW\)](#)(**strata schemes regulation**); and
- the [Community Land Management Amendment \(COVID-19\) Regulation 2020 \(NSW\)](#)(**community schemes regulation**).

Strata scheme changes

The strata schemes regulation amends the *Strata Schemes Management Regulation 2016* (NSW) to allow:

- notice of (or any document relating to) a strata meeting to be given by email;
- an owners corporation or a strata committee to vote:
 - by teleconference, video-conferencing, email or other electronic means while participating in a meeting from a remote location; or
 - by email or other electronic means before the meeting,

even if the owners corporation or the strata committee has not, by resolution, adopted the above means of voting; however, pre-meeting electronic voting cannot be used for an election;

- an instrument or document to be signed by the persons referred to in s273 of the *Strata Schemes Management Act 2015* (NSW) (each of whom is a signatory and a witness) instead of having to affix the seal of the owners corporation in the presence of those persons. An instrument or document can be so signed and witnessed by audio-visual link. A signature does not need to be witnessed if it is the signature of a strata managing agent (but the agent's licence number is required) or if the owners corporation only has 1 owner;
- a first AGM (of a new strata scheme) to be held not later than 6 months after the end of the initial period (before 5 June 2020, it was 2 months); and
- an owners corporation to determine the amount to be levied (to reimburse the amount(s) paid from the administrative fund or the capital works fund in the manner referred to in s76 of the Act) not later than 6 months after paying the amount(s)(before 5 June 2020, it was 3 months).

Community/neighbourhood/precinct scheme changes

The community schemes regulation amends the *Strata Schemes Management Regulation 2016* (NSW) to allow:

- notice of (or any document relating to) a meeting of an association (which includes a community, precinct or neighbourhood association) to be given by email;
- an association or its executive committee to vote:

- by teleconference, video-conferencing, email or other electronic means while participating in a meeting from a remote location; or
- by email or other electronic means before the meeting,

but pre-meeting electronic voting cannot be used for an election;

- an instrument to be signed by the persons referred to in s8 of the *Community Land Management Act 1989* (NSW)(each of whom is a signatory and a witness) instead of having to affix the seal of the association in the presence of those persons. An instrument or document can be so signed and witnessed by audio-visual link. A signature does not need to be witnessed if it is the signature of a managing agent (but the agent's licence number is required) or if the association only has 1 member;
- a first general meeting of the association to be held within 6 months after the expiration of the initial period (before 5 June 2020, it was 2 months); and
- an association to estimate how much money it will need to credit to its administrative fund or sinking fund (if it transfers money between its funds or makes a payment from one fund that should have been made from the other) within 6 months after the transfer or payment (before 5 June 2020, it was 3 months);

How long will the temporary changes be in place?

The above changes take effect from 5 June 2020 and will be in place for 6 months, i.e. until 5 December 2020 (or earlier, if decided by the NSW parliament).

Keys takeaways

From 5 June 2020 until 5 December 2020, owners corporations and community, precinct and neighbourhood associations can:

- organise meetings electronically;
- vote electronically before or at meetings;
- execute documents electronically without a seal having to be affixed to the documents; and
- hold a first general meeting at a later date.

For more information about the above changes and for general COVID-19 guidance for strata and community schemes (including guidance to owners who are experiencing financial hardship and cannot pay levy contributions as a result of COVID-19), see the [NSW Fair Trading](#) website.