



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES
Ms Jo Clay MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Mr Mark Parton MLA

Submission Cover Sheet

Inquiry into Property Developers Bill 2023

Submission Number: 15

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From: [Scott Lambert](#)
To: [LA Committee - PTCS](#)
Subject: SUBMISSION TO THE INQUIRY INTO THE PROPERTY DEVELOPERS BILL 2023
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Dear Members of the Standing Committee on Planning, Transport and City Services

I refer to the ACT Legislative Assembly' Standing Committee on Planning, Transport and City Services' Inquiry into the *Property Developers Bill 2023*.

I am presenting this submission to the Committee to express my longstanding concern at the unfettered ability of property developers, who continue to own a substantial number of units in strata complexes they have built, to exercise controlling voting powers; often against the wishes of ordinary owner occupiers who live in those complexes.

I live in a mixed residential-commercial apartment complex of approximately 50 units, in which around eighty percent of those units are residential.

The complex was built nearly 15 years ago. The property developer responsible for the construction of the complex continues to own of the order of forty percent of the unit entitlements.

There have been repeated occasions on which the developer has overridden the wishes of the great majority of owner occupiers - for example, by using their block votes to stymie the installation of shade blinds to protect owners from hot sun on their balconies, and the installation of a shade cloth over the pool at the complex.

The voting entitlements of developers who continue to own large numbers of units in a complex should be time-limited and greatly diminished after a reasonable period; say, two years.

The NSW *Strata Legislation Amendment Act 2023* introduced restrictions along those lines in that jurisdiction.

Under the NSW legislation, where the original owner (the developer) owns lots accounting for fifty percent or more of the total unit entitlements for a complex with at least two lots (units), for specific motions the value of their vote in respect of their units is reduced by two-thirds. Thus, for example, the value of the unit entitlements of a developer holding fifty percent of unit entitlements is reduced by two-thirds to be sixteen percent (ignoring fractions).

In my strong view, a similar, but strengthened, legislated provision should be introduced to the ACT.

I propose that, two years after the completion of a development, the total unit entitlements of a developer holding twenty percent or more of the unit entitlements of a complex with at least two units be reduced by two-thirds - in respect of all motions presented to the body corporate.

Such a provision would also have the desirable effect of alerting developers to their inability indefinitely to maintain control over complexes, and encouraging them to sell more of the units in a complex at an early stage.

It is inimical to the reasonable rights of ordinary owners to have body corporate affairs skewed by the commercial self-interests and whims of developers long after complexes have been built.

The *Property Developers Bill 2023* or *Unit Titles (Management) Act 2011* therefore must be amended to time limit and curtail property developers' strata voting entitlements.

Faithfully

Scott LAMBERT