

Community Titles Bill 2018

Second Reading Speech

I am excited to be delivering the second reading speech introducing the *Community Titles Bill 2018* as part of the package of strata reforms.

Together with the *Strata Titles Amendment Bill 2018*, these reforms will bring strata owners, residents, commercial occupiers, developers and managers a clear, modern, transparent and accountable legislative framework for creating and managing strata.

This Bill has been a long time coming, having been considered for development since the Community Titles Advisory Committee was established in 1997.

Other jurisdictions have had community schemes for many years and are considered a key part of modern strata legislation. New South Wales first introduced community schemes in 1989 and similarly exist in South Australia and Queensland as well as internationally, where they are used to great effect in building vibrant, sustainable, diverse communities.

Drawing on the experience of existing models and after extensive consultation on both this Bill and reforms for the *Strata Titles Act 1985*, I am confident this Bill creates an exciting model for community schemes in Western Australia. The principal purpose of the Bill is to provide for a new form of land title, a community title, based on new subdivision by a community scheme.

Community schemes can play an important part in delivering more vibrant communities, particularly in activity centres, urban corridors and around station precincts. Community schemes will provide for well planned, larger scale land subdivision and development projects by enabling a single freehold parcel of land, to be subdivided into as many as three tiers.

Community schemes are made up of individual community titles schemes which can be defined by land area, similar to existing survey-strata lots, or by cubic space, such as an apartment or unit. These two types of community titles schemes, community titles land schemes, and community titles building schemes, can exist within the same community schemes, providing for a mix of development types and building uses within the scheme.

A community scheme can subdivide a building into a maximum of three tiers, providing for improved management of common property and a mix of uses. The flexibility of these schemes will provide for better, more cohesive mixed used development, effectively incorporating shops and restaurants, offices and residential apartments. Each of these different uses would be governed by a separate set of by-laws, allowing them to be better tailored to the needs of that use.

A community scheme is effectively a culmination of individual community titles schemes, subdivided from a single parcel of land. Each community titles scheme will have its own community corporation established when the scheme documents are registered.

A community scheme can provide for shared ownership of common property by all owners, as well as common property that is owned only by the owners of a particular community titles scheme. It can provide for shared ownership of utility and sustainability infrastructure and amenities that may not be feasible for a single existing scheme to own and operate.

Community schemes don't have to be larger scale land developments, although they do lend themselves to ambitious plans. This legislation opens up the possibility of all sorts of innovative and creative spin-offs, leading to jobs and growth in the economy.

An integral component of a community scheme is the new planning instrument, a community development statement, that must be approved by the Western Australian Planning Commission before a subdivision approval for a community scheme can be given. The Commission must be satisfied that subdivision by a community scheme is appropriate for the site in question.

While the community development statement is in force, it provides the backdrop for the Commission and local government to approve subdivision and development applications for the subject land under the *Planning and Development Act 2005*.

It also provides certainty for developers, owners and buyers of community lots that the scheme will be developed as set out in the community development statement. The State Administrative Tribunal will become the one-stop shop for disputes in a community scheme that can't be resolved directly between the parties.

The Bill contains provisions that cover a community scheme's lifecycle – its creation, its management, and possibly, its termination. The Bill introduces regulation of scheme managers by requiring them to have a written contract with the community corporation and giving the community corporation power to terminate the contract in specified circumstances.

The Bill imposes general duties on scheme managers and controls what scheme managers must do with funds of the community corporation. A scheme manager must lodge a periodic return at Landgate, containing aggregated information about the community titles schemes they manage. Landgate may also publish a list of scheme managers, as well as use the information acquired from them to assist the development of policy and advise on matters related to scheme managers.

Community Titles will be a facilitator, an activator and a driver of change, improving the way strata is developed and managed throughout our State.

Pursuant to Standing Order 126(1), I advise that this Bill is not a uniform legislation Bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the Government of the State is a party. Nor does this Bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the Commonwealth.

I commend the Bill to the House and table an Explanatory Memorandum.