



Fair Trading NSW Section 60 Standard Form Strata Disclosures Feedback

Strata Community Association NSW Submission
29 September 2026

INTRODUCTION

1. Strata Community Association (NSW) Overview

Founded in 1980, Strata Community Association (NSW) was formerly known as the Institute of Strata Title Management. SCA NSW serves as the peak industry body for Strata and Community Title Management in New South Wales. The association proudly fulfils a dual role as both a professional institute and consumer advocate.

2. Membership

SCA NSW boasts a membership of over 3,000 members, including lot owners, suppliers, and professional strata managers who oversee, advise, and manage a combined property portfolio estimated to be worth over \$450 Billion.

3. Strata and Community Title Schemes in NSW

NSW is home to 91,346 Strata and Community Title Schemes. A significant 95 per cent of these schemes are comprised of residential lots. Altogether, the total number of Strata and Community Title lots in NSW stands at 1,073,277¹. 44% of these schemes have been registered since 2000.

4. NSW as a Leader in High-Density Living

According to the 2024 Australasian Strata Insights Report, there are 2,501,351 people residing in apartments across Australia. A majority of these apartment dwellers (51 per cent) are in NSW. ² NSW also leads the way in the trend to higher density living in Australia and boasts the highest proportion of apartment households relative to all occupied private dwellings, standing at 20 per cent.

5. Employment Impact

Strata is a significant employer, directly providing jobs to 1,259 managers throughout NSW, as well as an additional 854 other related employees. ³

6. Promoting Professionalism

1. SCA NSW is dedicated to fostering a high standard of professionalism in the strata industry with initiatives like the Professional Standards Scheme (PSS), which contributes to ensuring strong consumer outcomes for over 1 million strata residents in NSW.
2. SCA NSW membership encompasses a wide range of entities, from large corporate companies to small family businesses to dedicated volunteers. Members possess expertise in all aspects of strata management, service provision, and governance.

For further information about this consultation, please contact Andrew Jefferies, Senior Policy and Advocacy Advisor, SCA NSW. Andrew.Jefferies@strata.community

¹ Authored by Hazel Easthope, Yi Lu and Alejandra Rivera, [Australasian Strata Insights 2024](#), City Futures Research Centre, UNSW.

² Ibid, p.8-13

³ Ibid, p.8.

SECTION 60 – STANDARD FORM OF DISCLOSURE - INDUSTRY STAKEHOLDER FEEDBACK

Introduction

SCA NSW welcomes the opportunity to comment on the proposed Standard Form of Disclosure under section 60 of the *Strata Schemes Management Act 2015* (the Act).

Section 60 of the Act requires a strata managing agent to report specified information to the owners corporation at its annual general meeting, including:

- Commissions or training services received during the previous 12 months
- Commissions or training services expected during the next 12 months
- Whether, during the previous 12 months, the agent became connected with a supplier of goods or services or the strata scheme's original owner

We understand that Fair Trading wishes to improve transparency and support informed decision-making by owners corporations, while helping strata managers meet their statutory obligations through a clear, standardised process.

Earlier this month, SCA NSW provided feedback on proposed amendments to the Statement of Regulatory Intent (SORI) for strata disclosures. We ask that this response on the standard form be considered alongside our SORI submission.

SCA NSW has engaged extensively with the NSW Strata and Property Services Commissioner on this matter, and we understand that our views have been noted. Our response is set out below.

SCA NSW's Response

SCA (NSW) Feedback and Recommendations:

- **Commissions and Training Services – past 12 months – inclusion of additional services provided by the AFSL holder**

SCA (NSW) recommends an expansion of the clause relating to the exclusion of training services provided by Government agencies or those paid for by the Strata agency at full market rate, to include services provided by the AFSL holder, pursuant to their statutory obligation under *Section 912A (1)(f) of the Corporations Act*, to train strata managers as representatives to arrange insurance products.

While we don't believe that redisclosing training required by law adds any additional value to owners, especially when these arrangements are already embedded within the core management agreement, **SCA (NSW) suggests** that the following paragraphs, in points 2 and 3 of the draft standard form, be edited to the following:

"This does not include training services provided by government agencies (e.g. NSW Fair Trading) or professional or industry associations; training that a licensee is required by law, or by the conditions of an ASIC instrument, to provide to the agent as its representative or distributor (e.g. an AFSL holder's obligations in respect of insurance or deposit products); or training paid for by you or your agency at the provider's ordinary published price."

- **Declaration presupposes Approval**

The declaration requires the signatory to declare that every commission and training service disclosed "has been approved within the terms of appointment or has otherwise been approved by the owners corporation". Section 60 is a disclosure provision; approval is a Section 57 matter, and the form on page 1 states that it "cannot be used to approve commissions and training services".

An agent who has received something not yet approved (the exact case s60 exists to surface, and which s 57(3A) then sends to a general meeting resolution) could be left with a choice to make a false declaration or not using the form.

SCA (NSW) suggests that the approval section of the form be removed and replaced with an approval column with each table and three options:

- Approved in the agency agreement (clause reference)
- Approved by resolution (meeting date)
- Not yet approved – be put to an owners corporation

- **Incorrect Body listed**

The declaration on the draft form says the agent will notify "the owners corporation" of variations. Section 60(2) requires variations to be disclosed to the strata committee, as soon as practicable, with an explanation. Fair Trading's own disclosure guidance page also refers to the Strata Committee.

SCA (NSW) recommends that the form be amended to reflect the correct body.

- **Training exclusions are narrower than the SORI and are not legislated**

The draft form says the disclosure "does not include" training provided by government agencies or paid for by the agent at full market rate. The SORI (approved 13 October 2025) also states Fair Trading will not take enforcement action over training provided by professional or industry associations.

The draft form omits that category, so this could confuse an agent following the form to disclose SCA (NSW) training that the SORI treats as outside the enforcement focus, and an agent following the SORI might answer "No" where the form's wording says "Yes".

We also note two further issues – given these carve-outs are of an enforcement posture, rather than a statutory exemption, we don't believe that the form should present a change to the requirements for Section 60 (1), and as we pointed out in our earlier response to the SORI, the definition of full market rate remains undefined.

SCA (NSW) recommends that Fair Trading give the exclusions a legislative footing within the Regulations, and in the meantime, reword the form to state that "no enforcement action will be taken in respect to all three SORI categories" and replace the definition of "full market rate" with "at the provider's ordinary published price."

- **AGM timeframe challenges**

We note that the form instructs the Strata Manager to attach the completed form to the AGM agenda, so it is completed before notice issues, at least 14 days and in practice three to four weeks before the meeting.

However, the "time period covered" runs from the previous AGM to the upcoming AGM and the "Date of AGM" is treated as fixed. Section 60(1) speaks of "the preceding 12 months" and "the following 12 months", not AGM to AGM; the two diverge whenever AGMs are not held exactly a year apart, and the form should instead refer to the statutory period.

Anything received between preparation and the meeting falls outside the form; adjourned or rescheduled AGMs change the date on a signed declaration.

SCA NSW therefore recommends that the form adds a "Prepared as at" date and also defines the period as the 12 months ending on that date (or from the date of appointment, for the first AGM). Fair Trading should also confirm that the Section 60 obligation to report "at" the AGM, and the requirement that the disclosure be recorded in the minutes, are both met by circulating the form with the notice and annexing it to the minutes, with any later change captured through the Section 60(2) variation route. This matters where meetings proceed largely on pre-meeting electronic votes with nobody physically present to "report" to.

- **Agency-level training has no per-scheme place on the form**

Most training benefits are received by the agency, not "for the scheme" – e.g., a strata law firm running a CPD session for 100 staff or a conference sponsored by a supplier.

Section 60 asks about training "in connection with the exercise of functions for the scheme", and the draft's structure implies each scheme's form should carry an allocated item and dollar value. Across a portfolio of hundreds of schemes that produces either meaningless apportionment or hundreds of identical entries.

SCA (NSW) recommends that a standard agency-level training statement (provider, description, approximate value, who attended) to be annexed to every scheme's form, with the scheme-level tables reserved for scheme-specific commissions and benefits. Fair Trading should also state a valuation method for free training (provider's advertised price where one exists, otherwise a reasonable estimate, or "not ascertainable" with a description) rather than leaving the "Value" open.

- **Nil Returns**

Many schemes will answer "No" on the form, four times.

SCA (NSW) suggests a restructuring so that page 1 is a one-page summary carrying the scheme details, the four Yes/No answers and the declaration, with the tables and the connected-person examples following only where needed. We believe that is the simplest streamlining opportunity while assisting with answering Fair Trading's third question directly.

- **Who signs the declaration?**

The Section 60 obligation sits on the strata managing agent, which for most schemes is a licensed corporation. The declaration block asks for an individual's "Full Legal Name and Licence Number" and a "Registered Agency Name and Licence Number" without saying who is declaring for whom.

SCA (NSW) recommends that the declaration is made on behalf of the agent by the licensee in charge or a Class 1 or Class 2 licensee authorised by the agent; the portfolio strata manager may prepare the form. Furthermore, **SCA (NSW) requests** whether an electronic signature is acceptable for this declaration.

- **Insurance Commission Example**

The worked example ("one-off commission payment from ABC Insurance Brokerage... \$2,500") should show the basis of calculation (a percentage of base premium), the approval basis, and should not sit awkwardly beside the February 2025 prohibition on commissions where the owner's corporation arranged its own cover.

Insurance is the one commission stream where a fixed value is rarely known in advance, and we believe that the "next 12 months" table should allow an estimate expressed as a percentage plus an indicative amount. SCA (NSW) also believes that the form should also cross-reference the itemised insurance quote disclosure (base premium, commission, broker fee, GST) so the two disclosures reconcile rather than duplicate.

- **Original Owner Clarifications**

SCA (NSW) suggests that a "Not applicable" option, where the original owner no longer holds any lot, which is the position in most established schemes.

Secondly, **we believe that Fair Trading should clarify** whether an agent's arm's-length appointment to manage other schemes developed by the same original owner makes the agent "engaged by" the original owner for the purpose of Section 7. On the draft form's wording ("employed or engaged by the supplier/original owner, for example as an employee or contractor") a literal reading captures every agent with more than one scheme from the same developer. That is either intended, in which case, clearly suggest this so the sector can disclose this accordingly, or if not, the example should be better defined.

- **Continuing Connections**

Questions 4 and 5 ask only whether a supplier or original owner "became" connected in the last 12 months, which mirrors the section.

However, SCA (NSW) recommends that an optional line for connections previously disclosed (under Section 71 pre-appointment or an earlier AGM) that continue, so that a new committee reading one year's form, could not be misled by a "No".

- **Duplication with the in-year notices under Section 60 (2A) to (2D)**

Since the 2024 amendments, an agent must already give the owners corporation written notice before entering a contract that carries a commission or training service or involves a connected person (s 60(2A)–(2B)), and written notice as soon as practicable after a supplier or original owner becomes connected or the agent acquires a pecuniary interest in the scheme (s 60(2C)–(2D)).

Questions 4 and 5 of the form are therefore the annual roll-up of notices the owners corporation has usually already received. **SCA (NSW) believes** that the form should allow the agent to list and cross-reference those notices (date and recipient) rather than re-narrate each one, and Fair Trading should confirm that an accurate cross-reference satisfies Section 60(1)(d). This would streamline the form and keep the two records consistent.

- **Community Land Schemes**

The form references only the *Strata Schemes Management Act 2015*. **SCA (NSW) requests** that Fair Trading confirm whether an adapted form will be issued for association managing agents under the equivalent provisions of the Community Land Management Act 2021, or whether this form may be used with the references changed?

- **Form rollout and implementation**

SCA (NSW) recommends that the template be released as an editable Word file with defined form fields and repeating table rows, replace "Yes / No [delete as required]" with checkboxes, and state expressly that agents may reproduce the form's content in software-generated meeting documents and on their own letterhead provided the content and order are preserved ("in or to the effect of" the standard form).

Without that, a per-AGM manual six-page form across a large portfolio is a material cost with no transparency benefit. We also suggest that a lead-in time (at least one full AGM

cycle) be introduced before Fair Trading treats non-use of the form as a compliance indicator and consider allowing the form to double as the six-monthly Section 55 reporting attachment where the content overlaps.

- **Further edits for consideration**

- The Title is long. SCA NSW suggests "Section 60 Annual Disclosure Statement — Strata Managing Agent".
- Page 1 gift box should state the regulation threshold (\$60) rather than "the limit set by the regulations", and should say it summarises Section 57, not Section 60.
- Section 2 gives examples of commissions (insurance commissions, referral fees, product rebates); Section 3 does not. Align.
- Section 3 says "paid by your agency"; Section 2 says "paid by you or your agency". Align.
- "Strata plan number" field should also accept a community, precinct, or neighbourhood plan number if the form is extended.
- Add a "Scheme details" line for the agency agreement date since approval-in-agreement is the most common approval basis.
- Footer placeholders (Form FT#, [MONTH] 2026) to be resolved; add a version number so agents can identify the current form.
- note NSW Consultation, 12 January 2026.

For further information about this consultation, please contact Andrew Jefferies, Senior Policy and Advocacy Advisor, SCA NSW. Andrew.Jefferies@strata.community