

# Petition to the Minister for Consumer Affairs



## *Recovery of outstanding fees and charges by an owners corporation*

Dear Minister,

I am concerned about the ability of my owners corporation to effectively recover money owing to the owners corporation by a lot owner. It has become increasingly difficult to enforce payment of outstanding levies, costs and charges due to the owners corporation and is/may lead my owners corporation into an unstable financial position.

The new laws governing strata title properties has left me as a lot owner out of pocket when seeking outstanding debts from neighbouring owners at VCAT. My owners corporation has or will be penalised when it is forced to act against other individual lot owners, say for non-payment of fees and charges.

As a result, responsible owners such as me, already subsidising non-paying neighbours, will be forced to pay more in fees and charges to pay for debt recovery. In some cases, my owners corporation has been forced to forgo property maintenance or amenities to cover outstanding debts and costs.

It is patently unfair for me, doing the right thing, to be penalised and bear the cost of debt recovery. By not awarding costs against the defaulting owner whose actions forced the matter before VCAT, lot owners such as me who pay on time and follow the rules are hit with a double whammy.

Practical compliance with the complex dispute resolution regime places significant administrative burden and expense in front of my owners corporation in recovering outstanding fees and responding to any complaint about failure to comply with the Rules the Act and the Regulations.

I feel aggrieved at having to shoulder the cost burden generated by those owners who fail to pay fees on time or comply with the rules of the owners corporation. It is inequitable that as an innocent owner I have to pay a share of the costs which are incurred in consequence of breaches by others of the Act and the Regulations or the Rules.

The application of penalty interest does not compensate my owners corporation for costs incurred.

I request your help in resolving this social justice issue.

Plan Number of Owners Corporation: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_