



CITY FUTURES RESEARCH CENTRE

MANAGING DISAGREEMENTS AND DISPUTES

To reduce the likelihood of disagreements and disputes, make sure that you are [communicating effectively](#) and see the tips on managing relationships in the [Managing Defect Rectification Works guide](#). Given the various needs and agendas of the different people involved, disagreements and disputes may be difficult to avoid entirely. The information below suggests actions to take as an owner or strata committee member if you need to resolve a dispute or need to make a complaint.

Disagreements with Building Professionals

Disputes with the builder and other building professionals can arise, including over timelines, incomplete or defective work or damage caused by work. If there is an issue or dispute regarding building work, NSW Fair Trading suggests [five steps](#) that may help to resolve building disputes, summarised below (CC BY 4.0):

1. Discuss the issue – Contact the project manager, strata committee or your strata manager. The strata committee or your strata manager should address any concerns with the builder or as soon as they become aware of them, as the matter may be a simple issue that can be resolved instantly.
2. Have correspondence in writing – send a letter via registered post or email to the builder containing the date, what was agreed and when, and keep a copy as proof of correspondence.
3. Contact NSW Fair Trading – if the dispute remains unresolved, [NSW Fair Trading](#) can assist with dispute resolution.
4. Notify insurers – notify the insurer of your scheme, the [Home Building Compensation Fund](#) and the builder's insurer (if known) about the nature and circumstances of the issue as soon as possible. Your strata manager can contact insurers on your behalf.
5. Building inspections – a [Fair Trading Building Inspector](#) can help resolve disputes by meeting both parties on-site to inspect the nature of the dispute.

For more information go to the [NSW Fair Trading website](#).

Disagreements with Lawyers

If you feel that your legal representation has acted unfairly regarding costs, delays, communication, mishandling of documents or more serious matters of professional misconduct or negligence, you can seek advice from the [Office of the Legal Services Commissioner](#). This may lead to making a formal complaint or initiating mediation and/or disciplinary action.

Disagreements with Strata and Building Managers

If you have complaints about the conduct of your strata or building manager, first consider whether you have made attempts to communicate appropriately first, and then consider filing a complaint with the strata/building management company or contact [NSW Fair Trading](#). A strata manager can only have their role modified or be dismissed by vote at a general meeting of the owners corporation. The NSW Civil and Administrative Tribunal can also terminate the strata management agreement, vary it, require the strata manager to undertake specific steps or order compensation to be paid. For more information, see [NSW Fair Trading](#).

Disagreements with Residents and Owners

If you are a strata committee member, your responsibility is to represent the owners corporation and enact what the majority of owners decide after a vote. The strata committee should not exercise any power beyond what is outlined in the legislation and relevant by-laws. However, the strata committee can play a vital role in facilitating good communication between disagreeing owners. For disputes that cannot be resolved informally, [NSW Fair Trading](#) offers a mediation service.

If you are an owner who does not believe that the strata committee has been working in your best interests, that rectification work has adversely affected your property, or defect rectification has not been sufficient, you may put an action on the agenda of the next general meeting to raise the strata committee's awareness of the issue. You might even consider legal action (below) if you believe there has been a breach of the owners corporation's statutory duty.

For any disputes involving tenants, they can contact their landlord or property manager to raise concerns, the [NSW Tenants Union](#) for advice and [NSW Fair Trading](#) for more information or assistance with dispute resolution if necessary.

Legal Action

Many disputes are resolved through mediation or dispute resolution, but occasionally disputes might go to the [NSW Civil and Administrative Tribunal](#) or the [Supreme Court](#) for a hearing. Before considering legal challenge, you should seek advice from an experienced strata lawyer, and [consider what legal action involves](#). If you are an owner with a claim against the owners corporation for loss suffered as a result of the owners corporation's failure to maintain and repair the common property, your claim must be made within 2 years. You should also be aware that the owners corporation is made up of your neighbours, and consider how this action might affect your relationship with others in the building.

ADDITIONAL RESOURCES:

- [Your Home, Australian Government](#)
- [Resolving Building Disputes, NSW Fair Trading](#)
- [Strata Managing Agents, NSW Fair Trading](#)
- [Building Managers, NSW Fair Trading](#)

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Strata Community Association (NSW) is the peak industry body for Strata and Community Title Management in New South Wales. Membership includes strata managers, support staff, committee members and suppliers of products and services to the industry. SCA (NSW) has in excess of 3,000 members who represent over 75% of strata lots in NSW by way of helping to oversee, advise or manage a combined property portfolio with an estimated replacement value of over \$400 Billion. SCA (NSW) proudly fulfils the dual roles of a professional institute and consumer advocate. Contact: (02) 9492 8200 | enquiries.nsw@strata.community | <https://nsw.strata.community/>