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## **Committee's role**

The body corporate must elect a committee at each annual general meeting. The committee is made up of lot owners or people who act for them.

The committee is in charge of:

- the administrative and day-to-day running of the body corporate
- making decisions on behalf of the body corporate
- putting the lawful decisions of the body corporate into place.

The committee can make decisions by calling a committee meeting or by voting outside a committee meeting.

Unless otherwise stated, the following information applies to schemes under the:

- Standard Module
- Accommodation Module
- Commercial Module

### **Committee members**

A committee must have at least 3 members.

The maximum number of committee members for schemes with 7 or more lots is 7. If there are less than 7 lots, the maximum is the same as the number of lots.

This is called the 'required number of committee members'.

The committee will usually include a chairperson, secretary and treasurer (known as the executive positions). A person may hold all or any 2 executive positions.

For schemes under the **Small Schemes Module**, the committee consists of a maximum of 2 members. It will only include a secretary and treasurer.

A person may hold both positions at the same time.

For schemes under the Specified Two-lot Schemes Module there is no committee.

Learn more about <u>forming a body corporate committee (https://www.qld.gov.au/law/housing-and-neighbours/body-corporate/committees-meetings/form-change-committee)</u>.

#### Chairperson

The chairperson must chair all general meetings and committee meetings they attend. If the chairperson is not at a meeting, the voters who are there can choose another person to chair that meeting.

When chairing a <u>general meeting (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/committees-meetings/general-meetings)</u>, the chairperson's duties include:

- ruling a motion out of order if
  - it is unlawful or unenforceable
  - it conflicts with a by-law
  - the substance of the motion was not included in the agenda for the meeting
- declaring the results of votes on motions at the meeting
- confirming that each ballot paper is the vote of a person who has the right to vote in the election (where a ballot for a committee position is needed)
- declaring the result of an election for a committee position.

If the chairperson rules a motion out of order they must give reasons, and give the meeting the chance to overturn their decision.

The chairperson does not have more authority than anyone else on the committee.

#### Secretary

The secretary's duties include:

- sending out notices for meetings
- asking for and receiving nominations for committee positions before an annual general meeting. If a notice inviting nominations is forwarded to lot owners, the secretary must also invite owners to submit motions for the meeting
- making the ballot papers for the committee election, and sending them and the other material with the meeting notices
- having all of the following available for viewing by voters at a general meeting
  - the roll
  - a list of the persons who have the right to vote at the meeting
  - all proxy forms and voting papers
- receiving the completed voting papers for a general meeting
- receiving the completed proxy forms for general and committee meetings.

The secretary often takes minutes of meetings, although the legislation does not require them to.

#### Treasurer

The treasurer's duties under the legislation are limited.

If there is no body corporate manager, the committee may ask the treasurer to create a reconciliation statement.

If the body corporate passes an ordinary resolution requesting a statement, it must be prepared within 21 days of the last day of each month and—for each account kept for the administrative and sinking fund—show the reconciliation of:

- a statement from the financial institution(s) showing the amounts going in and out of the account during the month
- invoices and other documents for payments into and out of the account during the month.

A treasurer may prepare budgets, manage funds and prepare levy notices, although the legislation does not require them to.

#### **Body corporate manager**

If the body corporate has engaged a body corporate manager, it may authorise the manager to carry out some or all of the powers of the committee .

#### Non-voting members of the committee

If the body corporate engages a body corporate manager or a caretaking service contractor, they are automatically non-voting members of the committee. A non-voting member does not have a right to vote on committee decisions.

## **Restrictions on committee decisions**

The committee cannot make decisions about:

- setting or changing a body corporate levy
- changing the rights, privileges or obligations of lot owners
- decisions that have to be made by ordinary resolution, special resolution, resolution without dissent or majority resolution
- starting a legal proceeding, unless it is
  - to recover a liquidated debt against the owner of a lot
  - related to a proceeding where the body corporate is already a party
  - for an offence under the by-law contravention provisions of the <u>Body Corporate and</u> <u>Community Management Act 1997</u> (<u>https://www.legislation.gld.gov.au/view/html/asmade/act-1997-028</u>)
  - a dispute resolution application lodged with us
- paying money to committee members unless it is
  - less than \$50 incurred by a committee member attending a committee meeting
  - not more than \$300 reimbursed to a committee member in a 12 month period.

See sections 42 and 43 of the Standard Module

(<u>https://www.legislation.qld.gov.au/view/html/inforce/current/sl-2008-0273#ch.3-pt.3)</u> for more information.

## **Committee spending limit**

<u>Committee spending (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/finance-insurance/spending-limits/committee)</u> is restricted and money must be available in the budget before they can spend it.

If there is not enough money in the funds, the committee would have to call a general meeting to amend the budget or to raise a special levy.

Read about how to <u>remove a committee member (https://www.qld.gov.au/law/housing-and-neighbours/body-corporate/committees-meetings/form-change-committee/removing-members)</u>from the committee for a breach of code of conduct or other reasons.

## **More information**

Find out more about:

- <u>committee voting (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/committees-meetings/committee-meetings/voting)</u>
- <u>running a committee meeting (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/committees-meetings/committee-meetings/running)</u>
- <u>calling a committee meeting (https://www.qld.gov.au/law/housing-and-neighbours/body-corporate/committees-meetings/committee-meetings/calling)</u>

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# **C** Further questions?

If you have further body corporate questions you can <u>submit an enquiry</u> (<u>https://www.qld.gov.au/law/housing-and-neighbours/body-corporate/legislation-and-bccm/services/enquire</u>) or phone the information service on <u>1800 060 119 (freecall) (tel:1800060119)</u>.

We cannot give legal advice or rulings—we can only give you general information on body corporate legislation.



• <u>committee meetings ()</u>

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- <u>forming a committee (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/committees-meetings/form-change-committee)</u>
- <u>committee spending (https://www.qld.gov.au/law/housing-and-neighbours/body-</u> <u>corporate/finance-insurance/spending-limits/committee)</u>

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