

Topic 4 - Restrictions on the committee

As well as limiting or restricting the spending of the committee, other issues including the committee's decision making are also restricted (SM s42). The following restrictions apply:

The committee cannot:

- Fix or change a levy contribution. These decisions are reserved for the body corporate at general meeting. However, an exception exists in accordance with the provisions of Section 141(3) and (4) of the Standard Module. This section provides that the committee may issue an interim levy to cover any shortfall in the budget between the end of the body corporate's financial year and the time of the annual general meeting;
- Change the rights, privileges or obligations of owners, e.g. changing the by-laws;
- Make a decision the body corporate must make either by ordinary resolution, special resolution, resolution without dissent or majority resolution;
- Make a decision on a matter which the body corporate has previously decided by ordinary resolution that can only be made by the body corporate by an ordinary resolution;
- Start a proceeding, except for:
 - a proceeding to recover a debt from an owner (outstanding levies);
 - a counterclaim, third-party proceeding or other proceeding in which the body corporate is already a party;
 - a proceeding regarding a by-law contravention; or
 - a proceeding for the enforcement of an adjudicator's order.
- Pay its members remuneration, allowance or expenses unless:
 - the body corporate has authorised the expenditure by ordinary resolution and full disclosure about the remuneration etc has been disclosed and included in an explanatory schedule accompanying the voting paper.;
 - the expenses are for attending a committee meeting and are not more than \$50 and would not result in a member being reimbursed more than \$300 over a 12 month period (SM s43).

Body corporate authorisation of expenditure

Any motion seeking body corporate authorisation of committee members expenditure must state the full amount sought and the reasons the expenses were incurred. The motion must be accompanied by an explanatory schedule giving full details of the remuneration, allowances or expenses.