

**Office of the Commissioner for
Body Corporate and Community Management**

Practice Direction 17

ADMINISTRATOR APPOINTMENTS

This Practice Direction is issued pursuant to *section 233* of the *Body Corporate and Community Management Act 1997*. Its purpose is to provide further information on the policies and procedures applying to dispute resolution applications lodged with the Commissioner's Office. Nothing in this Practice Direction supersedes or overrides the requirements of the legislation and the Commissioner retains the discretion provided for in the legislation in the case management of dispute resolution applications.

1. An adjudicator may make an order appointing an administrator to perform the obligations of the body corporate, the committee or a member of a committee [Act, *section 178* and *301*].
2. An administrator has the powers given to them under the order.
3. An administrator's remuneration is to be paid by the body corporate.
4. Owners should not lodge an application for the appointment of an administrator simply to enable the engagement of a body corporate manager. If an owner seeks the engagement of a body corporate manager they should submit an appropriate motion to a general meeting in accordance with the legislative processes provided for that purpose [see the Factsheet: *Body Corporate Manager*].

Short term appointments

5. Administrators are often appointed for a period of up to three months to enable them to call and convene a general meeting for a body corporate.
6. Such orders may be appropriate where a body corporate has failed to hold its annual general meeting within three months of the end of the financial year applying to the scheme. In some cases a body corporate may not have held an annual general meeting for many years or at all.
7. In these circumstances there is no person within the scheme who is authorised to convene a general meeting and an adjudicator's order is necessary to authorise a person to convene the meeting.

Longer term appointments

8. In certain circumstances, an adjudicator may consider it appropriate to appoint an administrator to take responsibility of the administration of a scheme for a longer period of time.
9. There is no limit on an adjudicator's discretion in this regard, but such an appointment may be made where there is a significant break down in the administration of the scheme, particularly in decision-making.

Requirements for nomination

10. An applicant who seeks an order to appoint an administrator must nominate a person who they seek to have appointed as administrator. The applicant may choose to nominate multiple alternative administrators.
11. The person nominated may be a member of the body corporate or an external person, as appropriate. Often administrators are professional body corporate managers.
12. A nomination should include the following information:
 - a. The name and contact details of the nominee;
 - b. A statement from the nominee consenting to the appointment;
 - c. Details of the nominee's qualifications, experience or other basis for appointment;
 - d. Details of any possible or perceived conflict of interest;
 - e. If the nominee will seek remuneration from the body corporate for the appointment, full details of the remuneration sought; and
 - f. Any other terms and conditions which the nominee may have in relation to the appointment (such as an administration agreement).
13. Respondents and other affected parties may raise reasonable objections to the nominee in their submission. If they oppose the applicant's nominee they may nominate one or more preferred alternatives.
14. If an applicant seeks an appointment by consent, they may include the signed agreement of other owners in their application. If all owners consent in writing, an application may be able to be expedited.



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