bcsystems



BOUNDARY FENCES IN A BODY CORPORATE

boundary FENCES

Body corporate developments, like most properties, share a boundary fence with one or more neighbours.

These neighbours can include:

- One or more private houses
- Commercial land
- Another body corporate development
- A park or nature reserve
- A footpath or council land

For the purpose of this document, it's important to distinguish between an exterior perimeter fence, which surrounds the entire body corporate property, and internal fences, which separate an individual lot or lots from common property. This e-book focuses exclusively on **exterior perimeter fencing**, which is almost always the responsibility of the body corporate. Retaining walls are not covered here and are a separate topic.

We will discuss the **key aspects of boundary fences** and the processes specific to body corporate properties. For more information on the legislation, please visit the Queensland Government website.

Note: In Queensland, under the Neighbourhood Disputes (Dividing Fences and Trees) Act 2011, a body corporate for a community titles scheme is considered the "owner" of the land on which the body corporate development is constructed.



ARE SHARED

The boundary fence of a body corporate development typically **encircles the entire site**, including all individual lots, shared facilities and common property.

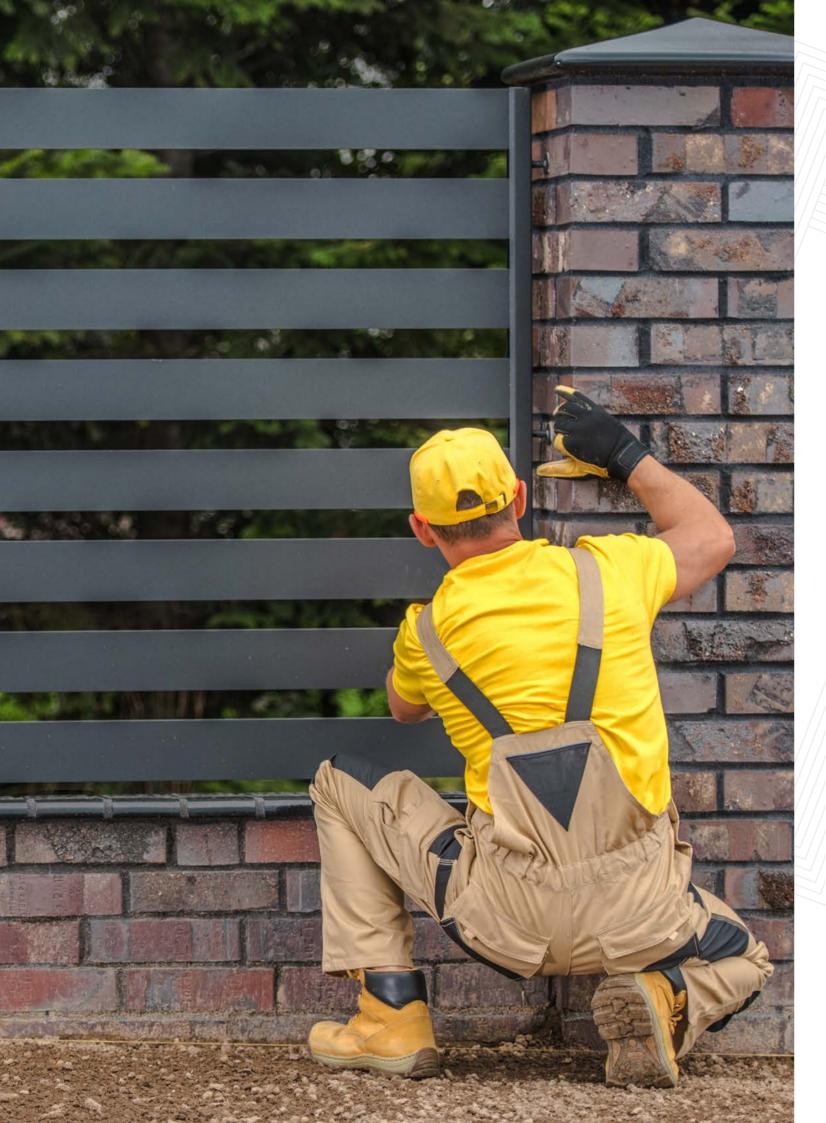
Depending on their location within the scheme, this fence may form the back of some lots but not others. As a result, the repair or replacement of a boundary fence may have a greater impact or direct benefit for some lots more than others.

Under the relevant body corporate legislation, the body corporate is considered the 'owner' of the land and is responsible for calculating and paying any costs associated with the perimeter fence.

These costs are divided into two categories:

- Minor repairs and maintenance. This is considered an administrative fund expense
- Replacement of part or all of the fence. This is considered a sinking fund expense

In both cases, all lot owners in the scheme contribute to boundary perimeter fencing costs through their levies.



how to begin THE REPAIR PROCESS

If a body corporate boundary fence needs repair or replacement, one neighbour - being one side of the fence, must initiate the process. Before any work can begin, both parties must agree on the extent of the work and the associated costs. In this section, we assume the body corporate committee is initiating the work.

To start the quoting process, the committee should **ask its caretaking contractor or on-site manager** to arrange, typically two quotes for the repair or replacement of the fence. The cost will determine the level of spending approval required by the body corporate.

Here are our tips for arranging fencing quotes:

- **Use a map:** Download a screenshot from Google Maps and mark the specific fence sections needing repair or replacement
- **Segment the quote:** Each applicable neighbour will need itemised costs for their section of the shared fence
- **Double-check measurements:** Some fence contractors base their quotes on Google Maps or similar 'virtual' measuring tools. Ensure the measurements are accurate by comparing them to the actual fence sections
- Quote to replace like-for-like: If there is an existing 6-foot pine fence with overlap palings, the quote should reflect this as the replacement. Queensland fencing legislation requires a default like-for-like replacement unless all parties approve an upgrade
- Quote separately for upgrade options: If the body corporate is considering upgrades over the current fence standard, such as replacing a timber fence with Colorbond, have this quoted separately. Often, the contractor can provide a simple upgrade cost per lineal meter
- Only use QBCC licensed contractors: As this process usually involves negotiation with one or more neighbours, it is important to provide quotes representing market value from a licensed and reputable contractor









deciding to PROCEED

Like any project a body corporate undertakes, the repair or replacement of a boundary or perimeter fence is subject to spending rules.

After receiving the quotes, the body corporate can **calculate the amount required to repair or replace the fence**. The committee should consider this against the major and improvement spending limits, which will also determine the level of approval required by the body corporate to initiate the project.

Read our article on body corporate spending limits.

Note: If the boundary fence is shared with a land-owning neighbour, the like-for-like cost is generally split 50/50.

issuing a notice to NEIGHBOURS

If the body corporate shares part, or all of the boundary fence with a neighbour, and is entitled to a financial contribution from that neighbour, the **Queensland** fence legislation sets out a process to reach an agreement.

We recommend the committee take a consultative approach and, where possible, try to speak directly with the owners of the neighbouring land. This way you can discuss the fence and its condition on-site together.

The party initiating the repair or replacement must issue the other neighbour or neighbours with a 'Notice to Contribute to Fencing Work'.

The notice is in a prescribed format, and:

- Must be correctly served to the owner of the neighbouring land. This may require a land title search on each neighbour to identify the ownership and contact address
- Must include at least one quotation for the work, however two is recommended
- Must detail the work and explain the reasons for the request

If the body corporate is issuing the notice to a neighbour, it should only be **done after the spending has been correctly approved** at either a committee or general meeting. If it is not done in this order, the neighbour may enter into an agreement to complete work that is not yet approved by the lot owners.



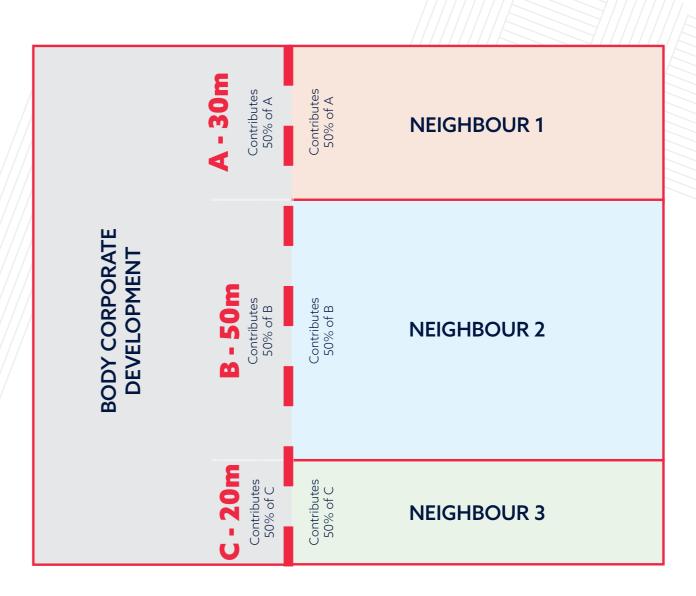


preparing THE QUOTES

Often, larger body corporate developments have multiple neighbours along their perimeter. When providing quotes with a 'Notice to Contribute to Fencing Work,' it is important to apportion the cost of repair or replacement based on the length of the boundary fence shared with each neighbour.

For example, if a body corporate shares its boundary fence with three properties:

- The body corporate will contribute 50% of the total cost.
- The remaining 50% will be divided among the three adjoining properties.
- Each adjoining property will contribute a percentage of the 50% based on the length of their shared boundary fence.





working with your NEIGHBOURS

Working with multiple neighbours can be challenging. Some may not agree to the proposed work or may prefer replacing a boundary fence with a like-for-like option instead of an upgrade.

When negotiating the repair or replacement of a dividing fence, the body corporate must first understand each neighbour's position and how it impacts the total repair or replacement cost.

If all parties cannot reach an agreement, the body corporate has two options to proceed:

- Self-funding the work: Depending on its spending powers and capacity, the body corporate can decide to fund a full or partial upgrade or replacement of the fence. This is usually done to ensure the consistency of materials or to maintain the aesthetics of the body corporate development.
- Seeking tribunal assistance: If a neighbour either does not respond to the notice, disagrees with the necessity of the repair or replacement, or disputes the associated cost, the body corporate can apply to the Queensland Civil and Administrative Tribunal (QCAT) for assistance in reaching a resolution.









reaching a regolution THROUGH QCAT

If the body corporate issues a 'Notice to Contribute to Fencing Work', and the neighbouring landowner either disagrees or does not respond, the body corporate may make an application to the Queensland Civil and Administrative Tribunal (QCAT) for a resolution on the matter.

While this type of QCAT application is usually straightforward, it is a legal proceeding and can only be initiated by the body corporate if it has received approval by a special resolution at a general meeting (AGM or EGM). For this reason, many bodies corporate will include the motion to commence QCAT proceedings in the same AGM or EGM as the fence approval. This way the motion is pre-approved if later needed.

It is important to note that a QCAT case must be fully resolved before any fencing work can commence. If the body corporate repairs or replaces any part of the fence before the matter is settled with all neighbours, it risks losing the right to contributions from those neighbours who have not yet agreed.

QCAT can be a lengthy process, often taking several months before fence repair or replacement can begin. Consequently, a body corporate may **choose to proceed once 80% of neighbours have agreed**, even if it means forgoing the remaining contributions to expedite the project.

This is an economic decision for the committee and will depend on:

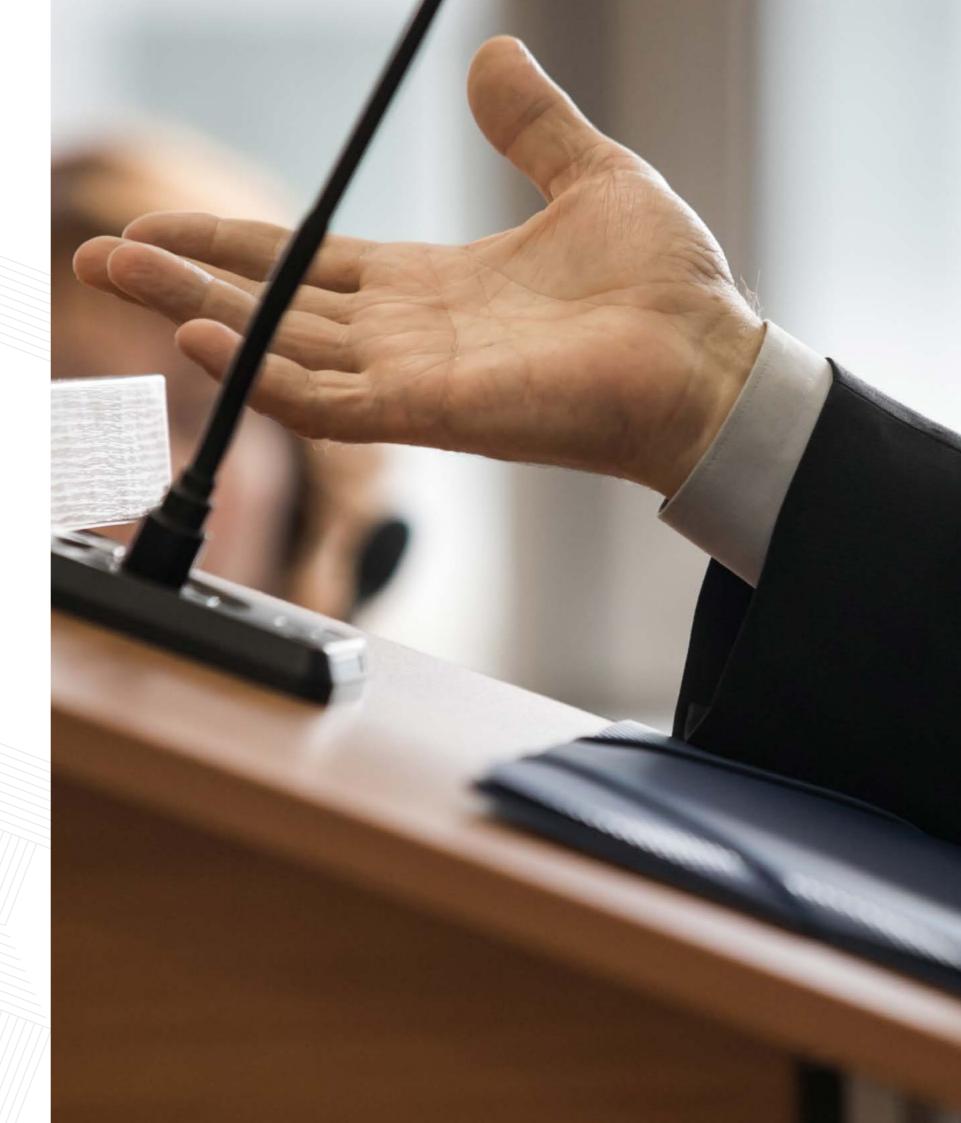
- How much the remaining contributions are worth versus the cost of a OCAT process
- The possible cost of further delaying the fence repair or replacement











replace LIKE FOR LIKE OR UPGRADE?

One common consideration for committees planning a fence project is whether to replace the fence like-for-like or invest in an upgrade. While appearance is subjective, materials like Colorbond are generally more durable than timber and incur lower ongoing repair and maintenance costs.

Unlike other body corporate upgrades, which can be decided by owners at a general meeting, choosing a fence upgrade requires input and agreement from multiple stakeholders.

If the body corporate is considering an upgrade, we recommend obtaining itemised quotes for both like-for-like and upgrade options. This will facilitate easier cost comparisons for committee members and neighbours.

Another important consideration is whether the additional expense of an upgrade will trigger a special levy contribution from lot owners. While the sinking fund should allow for fence replacements, the allocated amount might only cover like-for-like materials.

responding to a 'NOTICE' FROM A NEIGHBOUR

While this article primarily discusses fencing projects initiated by the body corporate, it is equally possible for a neighbour to issue a contribution notice to the body corporate for their portion of a shared fence.

If the body corporate receives a 'Notice to Contribute to Fencing Works,' it has 30 days to respond to the issuing neighbour. Typically, the committee can respond and agree to an individual notice unless the contribution sought by the neighbour exceeds its spending limit.

If the neighbour's requested contribution exceeds the committee's spending limit, the committee may need to respond to the notice provisionally and seek to ratify the expenditure through an Extraordinary General Meeting (EGM).

Failure to respond to the neighbour within the specified timeframe, whether due to spending limits or other reasons, may result in the body corporate receiving a QCAT application from the neighbour.





when there is no NEIGHBOUR

Generally, no neighbour contribution is available if a boundary fence adjoins public land, including:

- Nature reserves
- Council footpath
- Major roads or road reserves
- Council parks

If the committee is unsure about the ownership of neighbouring land, title searches can be undertaken for a relatively low cost.

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Like most projects involving a body corporate, fencing repair and replacement can be quite complicated.

To ensure you follow the correct procedures, it is important to:

- Discuss the situation with your body corporate manager prior to making any decisions
- Be prepared that it may not be a quick process and the correct administrative steps are important to protect the body corporate's rights and interests
- Discuss the progress, challenges and complicated nature with each stakeholder.

This is a project which, whilst relatively simple in theory, requires a skilled hand to navigate the red tape and the cost-sharing mechanisms with each neighbour.

Resources

Queensland Government - Your responsibilities as a fence owner
Queensland Government forms - Notice to contribute to fencing work
Queensland Civil and Administrative Tribunal - Dividing fence disputes
information

