

ANNEX A: PROPOSED AREAS OF REVIEW FOR THE BUILDING (STRATA MANAGEMENT) ACT

GLOSSARY:

AGM means 'Annual General Meeting'

BCA means 'Building and Construction Authority'

BMSM Regulations means 'Building Maintenance (Strata Management) Regulations'

B(SM)A means 'Building (Strata Management) Act'

COB means 'Commissioner of Buildings'

MA means 'Managing Agent'

Council means 'Management Council'

MCST means 'Management Corporation Strata Title' which is a corporate entity comprising of all SPs of the strata-titled development, much like shareholders of a company

Sub MCST means 'Subsidiary Management Corporation Strata Title'

SP means 'Subsidiary Proprietor'

In this document, MCST refers to Sub-MCST where applicable.

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Part (A) – Help MCSTs work towards having adequate funds to maintain their estates

Background

BCA has observed that some MCSTs may not collect adequate sinking funds for essential facility upgrades (e.g. lift modernisation) and only impose special levies when urgent needs (e.g. major repairs and replacement of lift equipment) arise. However, motions to increase sinking funds and special levies may be defeated, for example, when upgrades benefit only specific blocks, resulting in delays to crucial upgrades that compromise estate liveability and safety.

Further, cost estimates for such works are usually formulated when MCSTs are first formed and are not updated subsequently, which contributes to funding shortfalls especially as the development ages. This highlights the importance of proper planning and budgeting to ensure sufficient funds are allocated for future major works.

BCA has also received feedback that SPs and prospective buyers do not have ready access to developments' financial health to guide decision making, including whether to support the budgeting of more sinking funds or to proceed with a property purchase.

To address these challenges, BCA is considering measures to help MCSTs work towards having adequate sinking funds.

1. Collection of Data and Publication of Information

Phase 1a: Data Collection and Improved Financial Planning

In the first phase, BCA is considering requiring MCSTs (inclusive of all SPs) to collectively review the supporting documents (e.g. the cost estimates, price quotations, vendor correspondence etc) for essential facility upgrades (e.g. lift modernisation) at regular intervals. This provides a clearer process and greater oversight for SPs in guiding their decisions of their estate's expenses and ensure that the budgeted amounts are updated.

BCA is also considering mandating MCSTs to submit financial information (e.g. annual budget tables/schedules, statement of audited accounts, management funds and sinking funds balance amounts) and records on essential facilities (e.g. supporting documents related to lift budget and age of lift) to BCA annually.

To support this, BCA is considering defining "essential facilities" as equipment or infrastructure that are important for the proper functioning of the estate and has impact on resident safety. Due to frequent feedback on lift-related issues stemming from insufficient sinking funds, we are exploring lifts to be prescribed as essential facilities for a start. This information will allow BCA to better analyse the scale of the sinking funds adequacy issue across developments and determine whether additional measures are necessary. Prescribed formats for the key financial information submission to BCA are being considered to ensure consistency across all MCSTs.

Phase 1b: Information Publication and Market Transparency

Next, BCA plans to make selected key financial information (e.g. management funds and sinking funds balances and required amounts) and age of lifts available to the public, subject to appropriate data safeguards. This would allow SPs and prospective buyers to make informed decisions about the development.

BCA is exploring two possible approaches: (a) make the key information (e.g. management funds & sinking funds balance¹, required management & sinking funds² and age of lifts) available on a publicly accessible platform that can be viewed without login credentials; or (b) require users to log in with credentials to access the information.

In addition, parties who require detailed financial information (i.e. audited statement³, annual budget tables/schedules⁴), will be allowed to purchase the information from BCA.

Hence, BCA is seeking views on the following:

- i. MCSTs (i.e. inclusive of all SPs) to regularly review supporting documents (e.g. the cost estimates, price quotations, vendor correspondence etc) for essential facility upgrades (e.g. lift modernisation) at regular intervals.

Q1: Do you think it is necessary for MCSTs (i.e. inclusive of all SPs) to regularly review supporting documents (e.g. the cost estimates, price quotations) for essential facility upgrades (e.g. lift modernisation) at AGMs?

- Yes
- No

Q2: If yes to Q1, how often should supporting documents on essential facilities be reviewed at AGMs?

- Once a year
- Once every 2 years
- Once every 5 years
- Others: ____

- ii. MCSTs to submit financial information (e.g. annual budget tables/schedules, statement of audited accounts, management funds & sinking funds balance and budgeted amounts) to BCA annually.

Q3: Do you think it is necessary for MCSTs to ensure collection of adequate sinking funds for prudent long term estate maintenance?

¹ Management funds & sinking funds balance amount (\$): Current available funds

² Required management & sinking funds amount (\$): Budget required to cover day-to-day operations and long-term future expenses

³ Audited statement: Prepared by MCST's appointed auditor and adopted at AGM

⁴ Annual budget tables/schedules: Breakdown of projected funds to support maintenance and improvement works in common property

- Yes
- No

Q4: Do you think MCSTs require guidance on financial planning such as annual budget preparation?

- Yes
- No

iii. MCSTs to submit “essential facilities” records (e.g. supporting documents related to lift budget obtained in recent years) and age of lift to BCA annually.

Q5: Which of the following “essential facilities” should be prioritised for improvement works to ensure resident safety? (Select options that apply)

- Lift (proposed to be prescribed)
- Fire safety system (e.g. fire alarms and sprinklers)
- Water tank and pumps
- Others: _____

Q6: What other information is necessary for MCSTs to submit as part of the essential facilities records to BCA?

iv. BCA to collect financial information and age of lifts and publish this information.

Q7: Would publishing management funds and sinking funds balances, required amounts, and the age of lifts be beneficial in (i) encouraging MCSTs to maintain adequate sinking funds, and (ii) helping prospective buyers make better informed decision before property purchase?

- Yes
- No

Q8: Which option is preferable to access the information?

- Publish the key information (i.e. management funds & sinking funds balances and required amounts, and the age of lifts) on a publicly accessible platform that can be viewed without login credentials
- Require users to log in with credentials to access the information.

Q9: Should requesting parties be able to purchase detailed financial information (i.e. statement of audited accounts and annual budget tables/schedules) from BCA?

- Yes
- No

2. Explore Establishing Minimum Sinking Fund Percentage and/or Create Ringfenced Fund

Phase 2: Structural Financial Requirements

BCA has received feedback suggesting that sinking fund amounts should be prescribed. This could entail establishing a minimum sinking fund percentage (whereby MCSTs would be required to set aside a minimum percentage of its sinking funds for maintenance and upgrades of essential facilities) or requiring MCSTs to create a ring-fenced fund for essential facilities (whereby a fixed amount of funds is to be set aside exclusively for maintenance and upgrades of essential facilities). BCA will need to study the following to assess whether these measures should be implemented:

- Types of development that would be affected by such requirements;
- Percentage of sinking fund to be prescribed if a minimum sinking fund percentage requirement were to be established;
- Types of essential facilities to ringfence funds for; and
- Duration required for developments to achieve the prescribed sinking fund levels/ring-fenced fund amount.

Hence, BCA is seeking views on the following:

- i. Setting aside minimum sinking funds for essential facilities.

i.

Q1: Is it necessary to have minimum sinking funds set aside for essential facilities?

- Yes
- No

Q2: If yes to Q1, what would be the appropriate modality that should be adopted?

- Minimum sinking fund percentage
- Ringfenced fund amount
- Others: _____

Q3: If a minimum sinking fund percentage is adopted, what would be the appropriate minimum percentage of the total budgeted sinking fund that should be set aside specifically for essential facilities? (E.g. if a minimum of 10% were prescribed, MCSTs would be required to contribute at least 10% of their budgeted sinking fund for essential facilities, regardless of their current practices.)

- Less than or equals to 5%
- 6 – 10%
- 11 – 20%
- 21 – 30%
- 31 – 40%
- Others: _____

Part (B) – Lower levels of resolutions to facilitate essential upgrades in strata developments

1. Lower Level of Resolution for Improvement Works to Essential Facilities and Senior-Friendly Fittings Outside the Unit and in the Common Property to Facilitate Upgrading and Support Ageing-in-place

Background

As buildings get older and Singapore's population ages, older buildings will require regular maintenance and upgrades, especially for essential facilities like lifts, which are big-ticket items. There is also an urgent need for senior-friendly features for elderly residents.

Such features include grab bars, handrails, and ramps that help seniors move around safely and continue living independently. The [EASE \(Private\)](#) programme helps private property owners install these features (**see photos below**), including areas just outside their units on common property.



Additionally, MCSTs may also wish to enhance their estates by installing senior-friendly fittings in the common property (**see photos below**). MCSTs will have to use their own funds for the improvement works and could consider leveraging the Accessibility Fund offered by BCA to co-fund these installations.



BCA has received feedback that the current level of resolution required may be too high.

- Essential facilities upgrades require special resolution (75%) before commencement of work.
- For senior-friendly installations by SPs outside their units which is a common property, SPs must pass special resolutions (75%) for periods of more than 1 year

but less than 3 years, and a 90% resolution for installation periods exceeding 3 years for exclusive use of the common property.

- Senior-friendly improvements funded by MCSTs in common property also require special resolutions (75%).

The current required level of resolutions can be difficult to achieve because some SPs may feel the work only benefits certain groups of people. For example, SPs may be unwilling to fund lift modernisation for another block in the estate, or SPs may be reluctant to approve senior-friendly installations if they do not have seniors at home.

Stakeholders have provided feedback that lowering the level of resolution will facilitate SPs and MCSTs in implementing the installation of essential facilities and senior-friendly modifications.

Hence, BCA is seeking views on the following:

- i. To lower the level of resolution from special resolution (75%) to ordinary resolution (50%) for improvement works to essential facilities.

Q1: To support essential facilities improvement works for MCSTs, do you think lowering the level of resolution to ordinary resolution (50%) is useful?

- Yes
- No

- ii. To remove the resolution requirement for SPs installing EASE (Private) programme-approved senior-friendly fittings on common property directly outside their units.

Q2: What types of senior-friendly fittings located immediately outside the unit can support our seniors to age-in-place safely? (Select options that applies)

- Ramp
- Grab bar
- Handrail
- Others: _____

Q3: To support the installation of senior-friendly fittings located immediately outside the unit, do you think the removal of resolutions is useful?

- Yes
- No

- iii. To lower the level of resolution from special resolution (75%) to ordinary resolution (50%) for improvement works related to the installation of senior-friendly fittings by the MCST at the common property of the estate.

Q4: To support installation of senior-friendly fittings in the common areas of the estate using MCST funds, do you think lowering the level of resolution to ordinary resolution (50%) is useful?

- Yes
- No

2. Lower Level of Resolution for Installation of Solar Panels to Promote Sustainability

Background

Solar panels offer benefits to strata developments, including reduced electricity bills through lowered grid dependency. However, adoption remains low, with less than 2% of MCSTs having solar panels installed. The most common business model in the Singapore market is the solar Power Purchase Agreement (PPA), sometimes also referred as solar leasing model, where the solar developer finances, installs, owns and maintains the system on the building owner's property. Such business models eliminate the need for any upfront capital cost by the MCST, who only pays for the solar electricity consumed, typically at a discounted rate.

There are two main types of models adopted by MCSTs.

A. Direct Ownership Model	B. Third-party Solar Ownership Models	
<p><u>Direct Ownership</u></p> <ul style="list-style-type: none"> MCST purchases solar PV panels and generate electricity for own use 	<p><u>Power Purchase Agreement</u> (commonly referred to as Solar Leasing)</p> <ul style="list-style-type: none"> Zero Capital Cost MCST leases the solar PV panels from a solar developer and pays for the generated electricity at a discounted rate 	<p><u>Rooftop Leasing</u></p> <ul style="list-style-type: none"> Zero Capital Cost MCST leases out the rooftop to a solar company for solar PV installation Generated electricity is sold to other consumers and MCST receives revenue in return

As the solar panels will be installed on common property, currently, special resolution (75%) must be passed, which may be difficult for MCSTs to meet.

BCA is exploring reducing the resolution requirement to facilitate MCSTs' installation of solar panels through third-party arrangements. This could help reduce electricity costs for MCSTs without upfront investment from sinking funds.

Hence, BCA is seeking views on the following:

- i. To lower the resolution requirement for third-party solar ownership models (e.g. solar leasing and rooftop leasing) from special resolution (75%) to ordinary resolution (50%).

Q1: Which solar ownership model is more acceptable to you?

- Direct ownership model
- Third-party solar ownership models (e.g. solar leasing and rooftop leasing)

Q2: To allow MCST to enjoy lower electricity bills, do you think lowering the level of resolution to ordinary resolution (50%) for third-party solar ownership models is useful?

- Yes
- No

Part (C) – Equip MCSTs to run their estates better

1. Prevent Concentration of Voting Power at General Meetings

Background

BCA has received feedback on potential issues with the concentration of voting power at general meetings that may undermine fair and representative decision-making.

Today, an SP that is a company may appoint any person to attend general meetings. This makes it possible for a single individual to represent multiple companies at the same general meeting. Such arrangements may also result in company representation that is not aligned with each company's specific interests, as external parties may have other agendas.

Similarly, while SPs may appoint proxies to represent them at general meetings, with each proxy currently able to represent a maximum of 2 lots or 2% of the total number of lots in the development (whichever is higher), there has been feedback concerning proxy accumulation patterns. For example, multiple proxies may be held by individuals from the same household sharing the same registered address, enabling one household to accumulate significant voting power, as each member of a single household can hold up to 2% proxies and collectively form a substantial voting bloc. This situation may be compounded by door-to-door proxy canvassing by some SPs.

To address these concerns, BCA is considering two measures to ensure more balanced representation at MCST general meetings. For company SPs, BCA is exploring for only employees (including directors and board members) to attend general meetings, on the premise that employees will be better placed to understand and vote in the company's interest. BCA is also considering introducing a cap per household to limit the accumulation of voting power through proxy collection. As for company SPs whose appointed representative is unable to attend the general meeting, they may appoint a proxy to attend and would be subject to the existing maximum of 2 lots or 2% of the total lots in the development (whichever is higher).

Hence, BCA is seeking views on the following:

- i. To specify that an SP that is a company can only appoint an employee, including board members and directors, of the company to attend general meetings.

Q1: For SP that is a company, should only employees (including board members and directors) be eligible to represent the company at a general meeting?

- Yes
- No

Note: For company SPs whose appointed representative is unable to attend the general meeting, they may appoint a proxy to attend and would be subject to the existing maximum of 2 lots or 2% of the total lots in the development (whichever is higher).

- ii. To restrict the number of proxies held by individuals residing in the same household to not more than 2% of the total number of lots.

Q2: Do you think it is necessary to tighten the proxy system to per household basis?

- Yes
- No

Q3: If yes, what is an appropriate limit per household?

- 2 lots or 2% of lots, whichever is higher
- Others: ____

2. Restrict Eligibility for Council Elections to SPs only

Background

The B(SM)A promotes self-governance by encouraging SPs with direct ownership stakes to actively participate in governing their own community. However, the current eligibility criteria for council elections have created situations where non-SPs (e.g. family members of SPs) have been elected as council members. This creates a disconnect between decision-makers on the MCST council and SPs who bear the long-term consequences of those decisions.

To address these concerns, BCA is considering restricting council eligibility to SPs only. This proposal would ensure that decision-making authority rests exclusively with property owners, strengthening authentic community participation and preventing external parties from influencing decisions that affect the property and the SPs.

Hence, BCA is seeking views on the following:

- i. To restrict eligibility for council elections to SPs only.

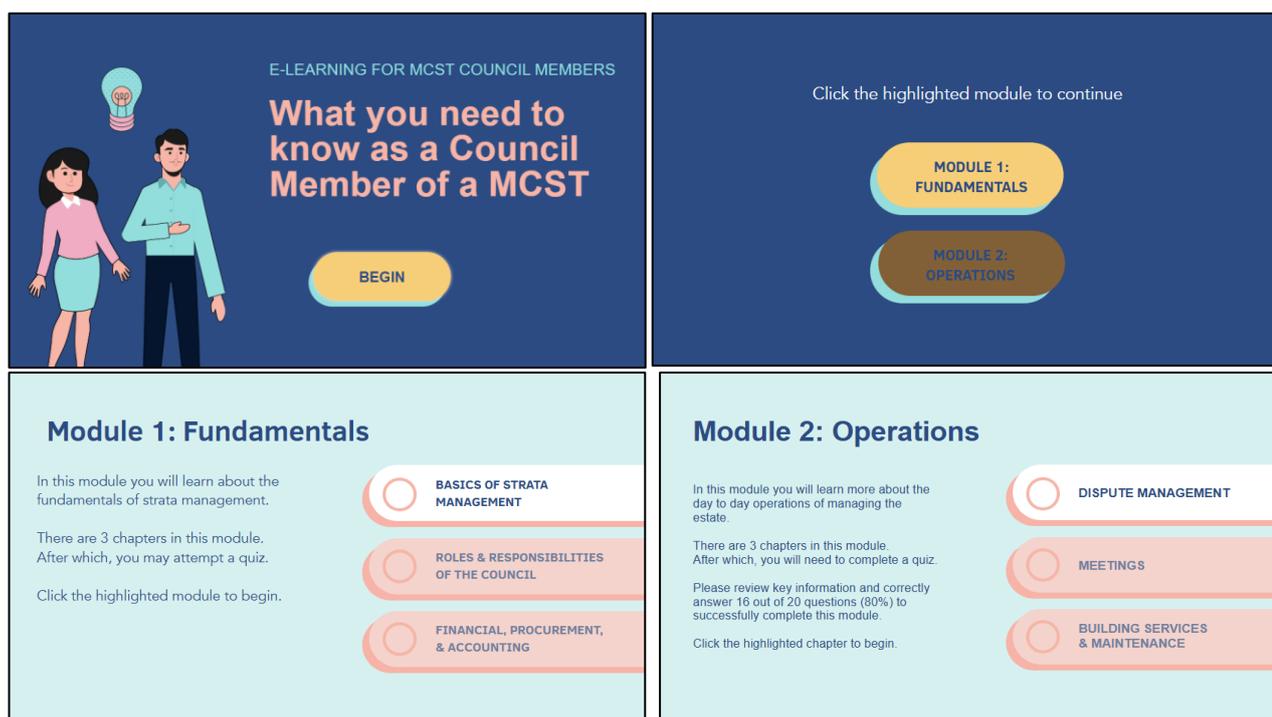
Q1: Do you think restricting council member eligibility to SPs will enhance SP representation in the council?

- Yes
- No

3. Require Council Members to Undergo Mandatory Training

Background

The e-learning course for council members was first launched in 2024 to equip them with knowledge of their roles and responsibilities in managing and maintaining their estates. The course is offered at no cost and on a voluntary basis, but the take-up rate has been low.



Many elected council members are lay people who may lack the necessary knowledge to manage estates effectively or are overly reliant on the MA without understanding their responsibilities. Proper training could support council members in acquiring fundamental knowledge of estate management, legal responsibilities, and best practices to better govern their estate.

BCA is therefore exploring whether to make training for council members mandatory and impose consequences for non-compliance such as ineligibility to stand for future council elections.

Hence, BCA is seeking views on the following:

- i. Council members to undergo mandatory training. Failure to complete the training would constitute non-compliance, which may result in ineligibility to stand for election in subsequent council terms or other regulatory measures deemed appropriate by BCA.

Q1: Do you agree that it is useful for council members to undergo mandatory training?

- Yes

- No

4. Require MCSTs to Set Performance Indicators and Determine Appropriate Review Interval for MAs

Background

Currently, MCSTs must review the termination or continuation of the MA for the subsequent year as part of the agenda of every AGM, even though an MA can be appointed for up to a maximum of three years.

However, BCA has received feedback from MAs that the mandatory annual AGM agenda creates uncertainties in managing estates beyond one year, as their contracts could be terminated prematurely without clear performance-based justification. MAs have also highlighted that the current structure lacks fair and transparent evaluation mechanisms for assessing MA performance by MCSTs.

This has led to unintended consequences, where MAs generally prefer to offer traditional short-term headcount-based contracts and limit themselves to providing basic ad-hoc repairs and maintenance services. They also may be reluctant to build capability, invest in technology for estate improvements, or enter into more innovative contractual arrangements such as outcome-based procurement, as the annual review cycle does not provide sufficient certainty for longer-term investments. Consequently, MCSTs are also constrained in their options, as they are unable to access potentially more effective and innovative estate management solutions that could deliver better long-term value and outcomes for their developments.

To address these challenges, BCA is exploring measures that would require MCSTs to establish performance indicators for MAs to ensure transparent and objective evaluation of MA performance. This could include implementing corrective measures when MAs fall short of performance expectations or providing recognition and incentives when performance targets are met or exceeded. This would create a structured evaluation framework based on predetermined criteria agreed upon by the broader MCST community, moving away from subjective assessments by individual council members.

In addition, BCA is considering allowing MCSTs to determine their own appropriate review intervals for MA appointment based on their specific needs and circumstances.

Hence, BCA is seeking views on the following:

- i. MCSTs to establish performance indicators for MAs, and council to take appropriate action on behalf of the MCST based on these indicators.
- ii. To remove the mandatory yearly review of MA appointment by allowing MCSTs to decide the appropriate review interval (e.g. annually or biennially).

Q1: Do you think it is necessary for general body to evaluate MA's performance and vote on its appointment at the AGM?

- Yes
- No

Q2: If yes to Q1, how often do you think the evaluation of MA's performance should be done?

- Once a year
- Once every 2 years
- Others: _____

Q3: If no to Q1, how should MA appointment and termination matters be decided?

Q4: What are some suitable performance indicators for MAs?

Q5: What are your views on allowing the Council to decide on the MA's appointment term for up to 3 years as permitted today?

5. Allow MCSTs to Lodge By-Laws and Submit Information of Council and General Meetings Electronically to BCA

Background

Currently, MCSTs must lodge by-laws as physical documents bearing their common seal with BCA, which requires in-person or postal delivery of hard copies. This process creates administrative burden and operational inefficiencies for both MCSTs and BCA. Further, while the Act is silent on the mode of information submission regarding council members and general meetings to BCA, all MCSTs have already transitioned to providing this required information electronically.

BCA is considering measures that would eliminate the need for in-person delivery or postal services and enhance operational efficiency for all parties. Given that MCSTs have already adopted electronic submission for information related to council members and general meetings, extending this approach to by-laws would create consistency and streamline administrative processes across all MCST submissions to BCA.

Hence, BCA is seeking views on the following:

- i. MCSTs to lodge by-laws electronically with BCA through a secured webpage.

Q1: Do you think MCSTs should be allowed to electronically lodge by-laws with BCA?

- Yes
- No

- ii. MCSTs to fully transition to electronic submission of information related to council members and general meetings, through a secured webpage, to BCA.

Q2: Do you support the proposal to fully transit to electronic submission of all MCST information (including council member details and general meeting information) to BCA through a secured webpage?

- Yes
- No

6. Allow MCSTs to Send Electronic Notices to SPs

Background

Under the current provisions, every notice specified under the B(SM)A served electronically to SPs by the MCST must be followed by a hard copy sent to the SP's address. This dual requirement applies to notices such as general meeting notices, contributions payable by SPs, notices for the MCST seeking remedy or rectification works from SPs, and notices to SPs regarding changes to the MCST's address.

Electronic service of notices aligns with Singapore's ongoing digitalisation efforts and offers significant operational advantages as it allows timely dissemination of information to SPs.

BCA is hence considering allowing purely electronic service to enhance operational efficiency and maintain effective communication between MCSTs and SPs.

Hence, BCA is seeking views on the following:

- i. To allow notices specified under the B(SM)A to be served electronically to SPs and deemed validly served, provided that the SP has electronic access. SPs would retain the option to request notices in hard copy from the MCST when needed.

Q1: Do you think MCSTs should be allowed to use electronic means to serve notices to SPs?

- Yes
- No

7. Disallow Outstanding Fees as “Reasonable Excuse” for withholding MCST Documents

Background

BCA has received feedback that service providers may withhold MCST documents to compel the MCST to make outstanding unpaid payments. This typically occurs when there are disputes over payment or when service provider contracts are terminated while outstanding amounts remain unpaid.

The withholding of MCST documents creates significant operational challenges as these documents are essential for the continued management and operations of the estate. When these documents are withheld, it can disrupt essential services, delay decision-making processes, and potentially compromise the safety and maintenance standards of the development.

Service providers have the option to pursue outstanding payments through alternative means such as mediation, legal action, or other contractual remedies. These approaches would allow for proper resolution of payment disputes, without interrupting estate operations.

Hence, BCA is seeking views on the following:

- i. To exclude outstanding unpaid fees as a "reasonable excuse" for failure to hand over MCST property after a notice is served.

Q1: Upon notification of the end of its appointment, do you think the service providers should be obligated to hand over the MCST's documents irrespective of unpaid fees?

- Yes
- No

8. Specify Type of Permitted Investment for MCSTs

Background

Presently, the Act is drafted broadly to allow MCSTs to invest any monies in their management funds or sinking funds in any manner permitted by law for the investment of trust funds. The legislation does not prescribe the types of investment tools or products.

Today, while most MCSTs invest in fixed deposits, some MCSTs may interpret the broad definition of permissible investments to include higher risk products, which may pose a risk of capital loss due to volatile market conditions.

MCST funds are a shared pool of monies contributed by SPs and the MCSTs' role is to act as responsible custodians to manage and safeguard the common funds. To safeguard the prudent use of MCST funds for investment, BCA is considering improving the clarity on the types of permitted investments and introducing appropriate safeguards for higher-risk products. These refinements will not affect investments that MCSTs have already made.

Hence, BCA is seeking views on the following:

- i. To specify the types of investment tools or products MCSTs can invest using their funds.

Q1: What types of investments are your MCST considering investing in?

Q2: Besides fixed deposits and principal-guaranteed investments, do you think MCST funds should be used for other riskier investments?

- Yes
- No

- ii. To introduce safeguards for higher-risk investment products.

Q3: If yes to Q1, what safeguards should be in place for other riskier investments? (Refer to Annex B for the types of resolution.)

- 90% resolution
- Comprehensive resolution
- Others: _____

9. Require MCSTs to Table Mode of Subsequent AGM for Decisions by SPs

Background

With effect from 1 July 2023, MCSTs have the option to conduct general meetings physically, virtually or by hybrid means. Typically, the council will decide on the mode of general meetings for their development.

However, BCA has received feedback that some councils may deliberately organise AGMs in their preferred format, such as virtual meetings, which could potentially limit participation from certain segments of the SP community. AGMs serve as annual official platforms for all SPs to come together, discuss estate matters, and raise concerns about their shared living environment. Given that SPs may have varying preferences regarding meeting modes based on their personal circumstances, work schedules, accessibility needs, or comfort with technology, the current approach of allowing councils to determine meeting formats may not adequately reflect the broader community's preferences.

To address these concerns, BCA is considering requiring the general body to vote on the mode of the subsequent AGM during each annual meeting. This approach would ensure that the meeting format reflects the collective preference of the SP community rather than solely the council's decision. Additionally, this would provide SPs with advance notice of the subsequent AGM format, allowing them to make appropriate arrangements and ensure they can participate effectively in the governance of their estate.

Hence, BCA is seeking views on the following:

- i. To require the MCST to table a motion at every AGM for the general body to decide on the mode of the subsequent AGM.

Q1: Do you think it is necessary for the general body to collectively decide on the mode of the subsequent AGM (physical, virtual, or hybrid)?

- Yes
- No

10. Specify Scope of Data that MCSTs are Required to Disclose Upon Request

Background

Section 47 of B(SM)A governs the supply of information by MCSTs, including information such as books of account, copies of statement of accounts, and any other record or document in custody or under the control of the MCST.

However, the broad phrase "any other record or document" creates ambiguity, potentially suggesting unlimited access to any MCST documents. Due to the broad scope, BCA received feedback that the current provision could enable unrestricted access to sensitive information beyond what would be considered reasonably appropriate. There have been concerns that the information disclosed by MCSTs may contain sensitive personal data of SPs, such as CCTV footage and email correspondence.

BCA is exploring ways to clarify what information MCSTs should provide to requestors, ensuring transparency while protecting sensitive personal data.

Hence, BCA is seeking views on the following:

- i. To specify the types of records and documents that MCST can disclose to the requestor.

Q1: What are the types of MCST records or documents that you think can be made available for inspection and for making copies by the MCSTs? (Select options that apply)

- Annual Budget
- Statement of Audited Accounts
- Strata Roll
- General Meeting Minutes
- Council Meeting Minutes
- Others: ____

Q2: Prospective purchasers are permitted to request MCST records. How would you define prospective purchasers?

Q3: What supporting documents are necessary to prove that they are prospective purchasers such that they can obtain the necessary financial information of a property prior to making any financial commitment on the property?

11. Mandate Parties with Prolonged Disputes to Approach STB

Background

The dispute landscape within MCSTs has evolved, with conflicts becoming increasingly complex and, in some cases, potentially requiring mediation or adjudication. The Strata Titles Boards (STB) is a quasi-judicial tribunal established to hear and resolve disputes in MCST developments, and will make orders based on the merits of each case brought before the Board. The decision of the STB is final and binding on the parties.

While BCA has facilitated discussions between aggrieved parties and provided guidance on bringing their disputes to the STB, some aggrieved parties have chosen not to file applications with the STB. This situation may result in disputes remaining unresolved, which could lead to ongoing concerns and frustrations for parties involved.

In view of these observations, BCA is exploring whether a referral mechanism could be beneficial, whereby parties with prolonged disputes would be directed to bring their matters to the STB. This approach could help ensure that the STB hears from all parties and works towards a resolution. BCA is also considering whether non-compliance with such a directive might need to be addressed through appropriate measures to ensure the mechanism's effectiveness.

Hence, BCA is seeking views on the following:

- i. To establish a referral mechanism to direct parties with prolonged disputes to approach STB. Non-compliance to the order constitutes an offence.

Q1: Do you think directing disputing parties to STB would help with dispute resolutions?

- Yes
- No

12. Submission of Contact Information to BCA

Background

Currently, MCSTs are not obliged to provide contact information to BCA. This gap in communication channels became particularly evident during COVID-19 pandemic, when there were difficulties in communicating and disseminating important information to MCSTs and their council members.

The absence of MCSTs' and council members' contact details, such as email addresses and phone numbers, means that MCSTs may not receive important communications from BCA in a timely manner, especially during emergencies or when urgent regulatory updates need to be disseminated. Critical notices may fail to reach the relevant parties promptly, potentially compromising their ability to implement necessary safety measures and maintain effective estate management practices. This communication gap is particularly challenging for MCSTs without appointed MAs, as there may be no reliable intermediary to facilitate information flow.

Hence, BCA is seeking views on the following:

- i. MCSTs to submit contact information (e.g. email address and phone number) of the MCSTs and the council members to BCA annually.

Q1: To support effective communication, do you agree that it is necessary to provide contact information of MCSTs and council members to BCA?

- Yes
- No

13. Increase Maximum Penalties for Non-Compliance by MCSTs for Critical Obligations

Background

The existing BSM Regulations establish critical obligations for MCSTs, including submission of council member information and general meeting details to BCA. Current maximum penalties of \$3,000 for non-compliance have remained unchanged since the regulations came into force in 2005.

BCA is exploring a review of the penalty structure to ensure enforcement mechanisms remain effective and proportionate, particularly as the obligations of MCSTs may be expanded as part of the broader B(SM)A review. Enhanced penalties will support compliance with these additional obligations, which are essential for regulatory oversight and early intervention. BCA is considering increasing the maximum penalties to \$5,000.

Hence, BCA is seeking views on the following:

- i. To increase maximum penalties for non-compliance by MCSTs and individual office holders for critical obligations to ensure that penalties are up to date and proportionate.

Q1: Do you agree that maximum penalties for non-compliance by MCSTs and individual office holders for critical obligations should be increased?

- Yes
- No

Q2: If yes to Q1, what would be an appropriate maximum penalty amount?

- \$4,000
- \$5,000
- Others: ____

Part (D) – Improve clarity of existing provisions

For the proposed areas of review under Part D, you may consolidate your feedback and submit as a single response at the end of the FormSG.

1. Clarify Eligibility to Obtain Copies of MCST Records Without Prior Viewing

Background

Section 47 of B(SM)A allows eligible persons to make copies of records with MCST consent. BCA received feedback that it is unclear in the current provision whether applicants must first conduct and pay for an inspection (i.e. viewing) before requesting copies. This procedural uncertainty may create unnecessary barriers to accessing information and lead to inefficiencies, as some applicants may already be familiar with the documents they require, making the viewing step and its associated fees unnecessary.

Hence, BCA is seeking views on the following:

- i. To provide clarity that an eligible person can obtain copies of records with MCST's consent without prior viewing of these documents under Section 47 of B(SM)A.

2. Specify Cut-off Period for (i) Establishment of Maintenance Funds and (ii) Obligation of Developer to Pay Maintenance Funds

Background

Section 16 of B(SM)A does not specify a cut-off date, by which maintenance funds should be established by a developer.

Section 17 of the B(SM)A sets out the duties of the developer to pay all maintenance charges as an “authorisation” as opposed to an “obligation”. Also, there is no specified cut-off date for the developer's obligation to pay these maintenance charges.

Hence, BCA is seeking views on the following:

- i. To specify cut-off dates of 30 days from the issuance of TOP for (i) the establishment of maintenance funds and (ii) the payment of maintenance funds by the developer under Section 16 and 17 of the B(SM)A, and clarify it is an obligation of the developer to pay maintenance charges.

3. Clarify Reserved Council Seat for Mixed-Use Developments

Background

Section 53A of B(SM)A stipulates that each building class in a mixed-use development should have a reserved seat in the council with reference to the Planning Act 1998. However, it was discovered that the term “mixed-use development” in the context of the Planning Act 1998 was ambiguous.

Hence, BCA is seeking views on the following:

- i. To provide clarity by establishing a clearer reference for mixed-use developments, ensuring consistent and unambiguous application of the reserved council seat requirements.

ANNEX B: Types of Resolution

1. Resolution by consensus

This is the most difficult type of resolution to obtain. After a general meeting has been held to consider the motion, a period of 12 weeks has to be given for SPs to cast their votes. At the end of the 12 weeks, all SPs in the MC must agree in writing in order for the motion to be passed. The motion cannot be supported even if one SP abstains from voting or does not agree.

2. Comprehensive resolution

Unlike resolution by consensus, this resolution does not require the consent of all the SPs. The resolution can be passed if the SPs in favour of the motion make up at least 90% of the total share values in the estate. However, a period of 12 weeks has to be given for SPs to cast their votes as well.

3. Unanimous resolution

This type of resolution is decided on the day of the general meeting by SPs who are present at the meeting. They can be physically present at the meeting to cast their votes or they can vote through proxy. A motion can be passed if all the valid votes cast at the meeting are in favour of it. However, the motion cannot be carried even if there is one SP who disagrees with it.

4. 90% resolution

The 90% resolution is also decided on the day of the general meeting by SPs who are present at the meeting. In this case, a motion can be passed when the SPs who vote for the resolution constitute at least 90% of the share value of all the valid votes cast at the meeting.

5. Special resolution

This resolution is also decided by the SPs who are present at the meeting. The resolution is passed when the SPs who vote for the resolution constitute at least 75% of the share value of all the valid votes cast at the meeting.

6. Ordinary resolution

This type of resolution is the least difficult to obtain. It only requires a simple majority of those at the meeting to pass the resolution.