

COMMUNITY TITLE SCHEME FACT SHEET

1. What is a Community Title Scheme?

Community Title Schemes fall into 3 types, namely:

Community Plan/Scheme

This is the primary plan in a development. Lots in a community plan may be subdivided by:

- a community plan of subdivision to create further community development lots
- a precinct plan to create a subsidiary scheme
- a neighbourhood plan to create a subsidiary scheme
- a strata plan to create a subsidiary scheme.

Precinct Plan/Scheme

This plan subdivides a lot or lots in a community plan and is used to create a second tier of a development. Lots in a precinct plan may be subdivided by:

- a precinct plan of subdivision to create further precinct development lots
- a neighbourhood plan to create a subsidiary scheme
- a strata plan to create a subsidiary scheme.

Neighbourhood Plan/Scheme

This plan may subdivide lots in a community plan, a precinct plan or lots in conventional subdivisions.

The differences between the types are primarily to assist developer's structure their developments in such a way as to allow them to continue the future development of the parcel(s) of land without unfair, complex and costly restrictions. It is up to the applicant/developer to nominate at DA stage what type of scheme they anticipate to undertake and register. All this would have little impact on the individual lot owner in a community-type scheme. A more detailed description of these Community Title types is provided under section 3 below.

2. What is a management statement and development contract and when is it required?

Management Statements

All community schemes must have management statements. The document contains various by-laws to facilitate the management of the scheme. The management statement may also include plans to create access ways and or statutory easements as defined under Section 36 of the Community Land Development Act 1989. As the management statement needs to be endorsed by the consent authority, and needs to be registered when the relevant plan is registered, it is appropriate that the management plan is provided at subdivision certificate stage. However, the provision of the management statement is not a precondition to the issue of the subdivision certificate under the EPA Act, unless the provision of the statement before the issue of the subdivision certificate is a condition of the relevant development consent.

Development contracts

All development under the banner of neighbourhood plans must have a development contract which must be submitted at Development Application stage. Section 26 of the *Community Land Development Act 1989*, states that Council cannot grant consent for a subdivision of a development consisting of a neighbourhood plan where a Development Contract has not been provided. A Development Contract is optional for a Community or Precinct plan but must be lodged with a Neighbourhood plan. The contract includes:

- details of the amenities to be provided
- details of the basic architectural design and landscaping
- details of any theme on which the scheme is based
- a plan depicting the anticipated appearance of the completed scheme and
- particulars regarding the building zone, hours of work, means of access and rights of storage of building equipment etc.

If a proposed development contract is submitted with a development application involving a community plan/scheme (development contracts are optional for community plan/scheme) or precinct plan/scheme, consent cannot be granted unless the proposed development contract complies with the requirements under Schedule 2 of the *Community Land Development Act 1989* and is approved by the Council.

Quick reference of when management statements and/or development contracts are required.

Type of Community Scheme nominated by applicant/developer	Title by	Management Statement	Development contract
Community Plan/Scheme		Required at SC stage	Optional (may be provided at DA stage)
Precinct Plan /Scheme		Required at SC stage	Optional(may be provided at DA stage)
Neighbourhood Plan/Scheme		Required at SC stage	Required at DA stage

3. Types of Community Titles explained-

Community Plan - A Community Plan is defined under the **Community** Land Development Act 1989 as follows:

'Community plan' means a plan for the subdivision of land into 2 or more community development lots and 1 other lot that is community property, whether or not the plan includes land that, on registration of the plan, would be dedicated as a public road, a public reserve or a drainage reserve.

A Community Plan is necessary where the developer proposes to subdivide a parcel of land to create lots that includes a lot reserved for common property (known a lot 1). A community plan must always include a lot which is community property.

A Community Plan may include a lot for future development which some developers use for large staged developments. The 'community development lot' is not community property or a public reserve, and is not subject to any subsidiary scheme.

The newly created lots are owned by individual owners, and the community property is owned by the association of those owners.

Within a Community Plan there can be Precincts, Neighbourhoods and Strata schemes.

Most dual occupancy development applications in Wagga Wagga propose the registration of a Community Plan (consisting of two lots and a community lot).

Precinct Plan – is defined under the **Community** Land Development Act 1989 as follows:

'precinct plan' means a plan for the subdivision of the land in a 'community development lot' into 2 or more precinct development lots and 1 other lot that is precinct property, whether or not the plan includes land that, on registration of the plan, would be dedicated as a public road, a public reserve or a drainage reserve.

A Precinct plan, like a Community plan, is necessary only where a development is developed in stages and requires a multi-tiered management structure. It subdivides the 'community development lot' (or lots) to create precinct property and lots proposed for further development.

A Precinct Plan can only be registered in respect of land within a community plan (i.e. it cannot be an independently registered scheme).

The plan subdivides land into development lots (which may be intended to be further subdivided into further precinct and/or neighbourhood lots) and precinct property (common property).

The development lots are owned by individuals and the precinct property is owned by a combination of the individuals.

Precinct Plans are not usually used since essentially the same result (with less development restrictions) can be achieved through the use of a combination of Community Plans, Neighbourhood Plans and Strata Plans.

Neighbourhood Plan – is defined under the **Community** Land Development Act 1989 as follows:

'Neighbourhood Plan' means a plan (other than a community plan, a precinct plan or a strata plan) for the subdivision of land into 2 or more lots for separate occupation or disposition and 1 other lot that is neighbourhood property, whether or not the plan includes land that, on registration of the plan, would be dedicated as a public road, a reserve or a drainage reserve.

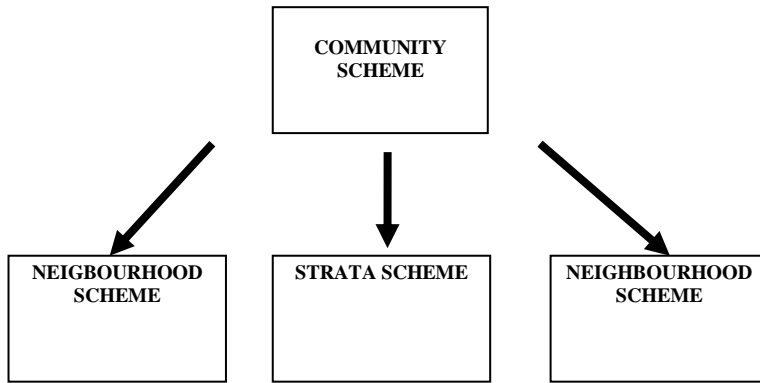
A Neighbourhood Plan may be used in tiered, stand-alone and staged developments. In a tiered or staged development, a Neighbourhood Plan can subdivide Community or Precinct development lots and can also contain a number of Strata Plans within its structure.

A Neighbourhood Plan can be registered in respect of land within a Community or Precinct Plan or be an independently registered scheme (much like Strata).

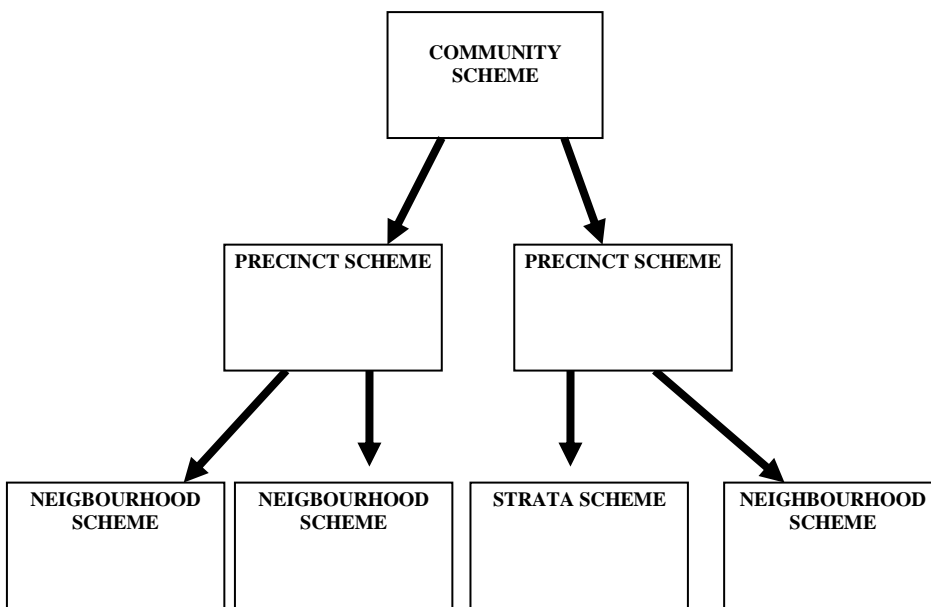
The plan subdivides land into lots for separate occupation or disposition and neighbourhood lots (common property). The newly created lots are owned by individual owners, and the neighbourhood lot is owned by an association comprised of those owners.

Note: These diagrams represent only one potential structure for each of a 2, 3, 2 & 3 and single tiered development.

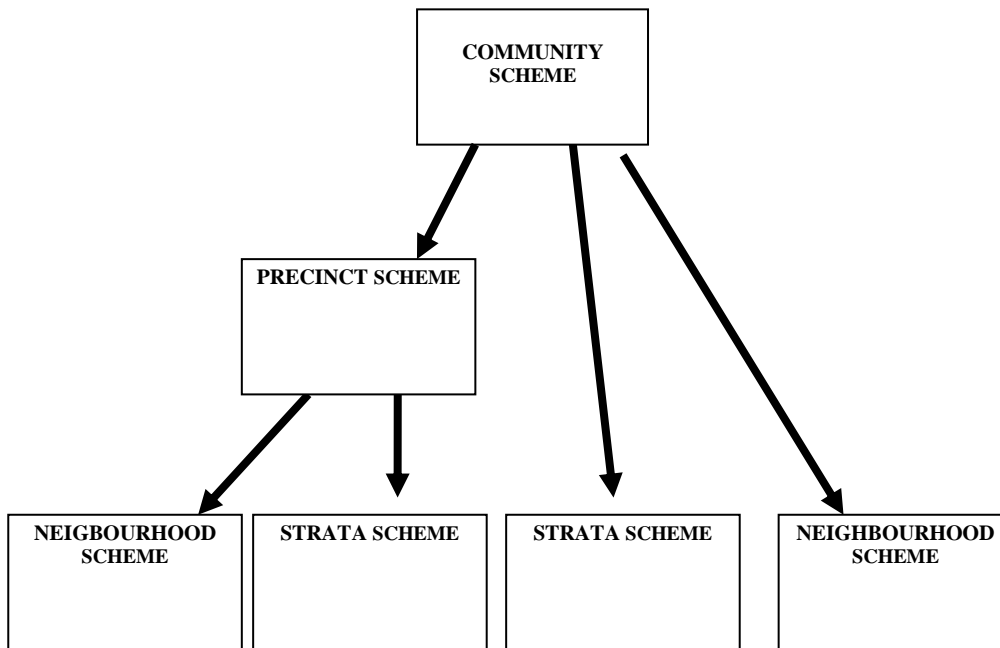
2 Tiered Development



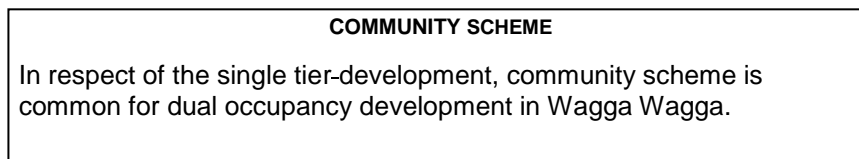
3 Tiered Development



2 & 3 Tiered Development



Single Tiered Development



4. Difference between Strata and Community:

- Community Title comprises of lots which are parcels of land. Strata comprises of lots which are parcels of cubic space within a parcel of land or a building.
- Strata Title can exist (be registered) on its own. So can a Community Scheme and Neighbourhood Scheme however a Precinct Scheme is a creature of its parent Community Title and so cannot be set up independently of the Community Scheme.
- Neighbourhood Schemes are special in that they can exist (be registered) as part of a Community/Precinct and independently. Strata Title can exist within a Community/Precinct Scheme in the same way (as permitted under the CLDA).
- Community title association property (common property) is registered as a separate parcel of land (always Lot 1) defined by bearings and measurements whereas in a strata scheme the common property is all of the land covered by the scheme which is not within a defined lot.

A key difference between community and strata title is that a strata scheme can be established without any common property. Common property in a strata plan is identified as "Common Property".