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BCS Strata Management (and its parent company Pica Group) questionable customer services

2/2/22, 12:24 1 of 15

PPpov3 Mar '21

Common problems in many strata complexes run by BCS Strata Management (its parent company is Pica Group). The evidence that we found amounts to over 30,000 files so far.

Some of the sources we collected:

a) 128 reviews gave one out of five stars at ProductReview (total reviews are 1088 as of early April 2021):



BCS Strata Management

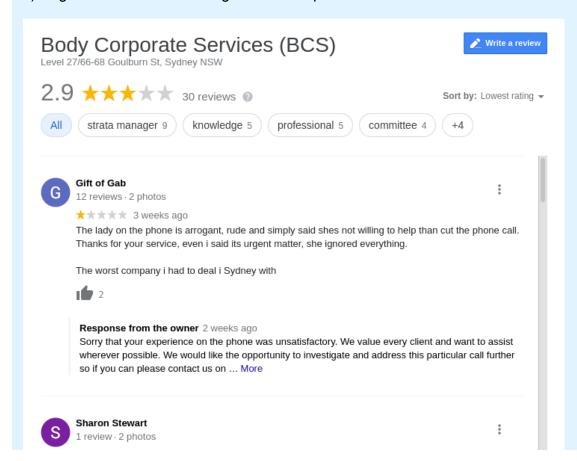
BCS Strata Management (Strata & Property Management Service): 4.2 out of 5 stars from 1,111 genuine reviews on Australia's largest opinion site ProductReview.com.au.

In 2016, in period of around two months, ratings suddenly increased from average of 1.8 to 4.0. Many viewers voiced concerns about validity of flood of good reviews and eventually ProductReview, based on customers' inputs, introduced special method to verify that same person does not provide multiple ratings...

b) 128 reviews gave one out of five stars at IEatWords (total reviews are 1057 as of early April 2021):

https://ieatwords.com/listings/bcs-strata-management

c) Negative comments at Google. For example:



2 of 15 2/2/22, 12:24



Body Corporate Services and the strata scheme from hell (Part 1)

Dr Evan Jones examines an instance of "buyer beware" strata title ownership which highlights the shortcomings of legal rights



Body Corporate Services and the strata scheme from hell (Part 2)

Dr Evan Jones continues his examination into an instance of "buyer beware" strata title ownership, which highlights the

shortcomings of legal rights for owners.

e) NSW Minister Matt Kean displeased as strata giant slugs more than 200,000 unit owners with fees:

NSW Minister Matt Kean displeased as strata giant slugs more than 200,000...

More than 200,000 unit owners have been slugged with compulsory "compliance fees" potentially totalling millions of dollars, that critics have branded "gouging".

f) Multiple complaints with ACCC:

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ACCC normally takes action when enough customers complain.

g) Strata Inspector Mr. Allison McKnight from Strata Property Inspections Pty Ltd wrote the following to Minister for Fair Trading NSW in 2013:



McKnight-Allison-Strata-Inspector-submission-sent-to-Fair-Trading-NSW-including-unflattering-comments-about-BCS-Strata-Management-2013.pdf

475.24 KB

3 of 15 2/2/22, 12:24 i) BCS Strata Management vs Robinson, 2004. In the legal 2004 case of BCS Strata Management vs Robinson the strata manager attempted to defend their actions by claiming protection under indemnity.

BCS failed to claim protection under their managing agent's agreement in 2004:

Indemnity No Barrier to Suit

For centuries solicitors have been placing "non liability" or "indemnity" clauses in agreements. Comparatively, strata managing agency agreements indemnify strata managers for a whole range of fact...

The Court of Appeal found that there was no breach of statutory duty.

The Court held that a strata manager could not claim protection under indemnity where the strata manager was sued in their own capacity for their own negligence.

j) Published in Openforum and presented here without comments:

In one complex, compulsory Strata Manager BCS, as appointed by CTTT, applied a loan of amount \$110,000.00 on behalf of the owners corporation without the consent of the owners. Each owner-occupier was forced to pay \$5,500.00 per quarter for one year in 2010.

Strata Manager then resigned and appointed his colleague to replace his position with the approval by CTTT.

BCS failed to act in the best interests of the majority of owners, spent \$4,000.00 from the Owners Corporations fund to M.G Lawyers (the owners corporation's lawyer) to draft the application for their extension period.

After the appointment of the compulsory Strata Manager, Mr. B. J. of BCS, he engaged an engineering firm Esk Partners who proposed that the entire perimeter of the building be underpinned. He then convened a meeting of the executive committee (which consisted only of himself) and resolved to enter into an agreement with the accompany B. Tuffy Developments for the purpose of the complete perimeter underpinning on incomplete information, never actually investigated the existing footing.

4 of 15 2/2/22, 12:24

Australian depate

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k) SP52098 v Khalil [2014] NSWLC:

BCS unlawfully extracting 'recovery expenses' from lot owners in strata plans that it managed:



stratafee.pdf

161.92 KB

Local Court matter of Khalil.

The Strata Manager, Body Corporate Services, engaged an associated law firm, Kemps Petersons, to recover outstanding contributions.

Both BCS and KP are members of the Pica Group. So, BCS were paying a related entity to provide legal services and then charging the 'recovery expenses' to Ms Khalil's strata ledger. Assessor Olischlager held that the contribution itself was a statutory debt but that recovery expenses had to be proved in court. He held:

There is no basis upon which the plaintiff is entitled to treat these expenses as a debt due and owing by the defendant... There is no provision within the Strata Scheme Management Act 1996 that gives expenses the characteristic of being a debt immediately due and payable upon being incurred by an owners corporation.

Olischlager concluded that Ms Khalil had brought her contributions up to date and the proceedings were maintained only for the purpose of recovering section 80 expenses.

He found that those expenses were not reasonably incurred and entered a verdict in favour of the defendant.

5 of 15 2/2/22, 12:24