

Cladding victims still in limbo following Victorian budget

Combustible cladding on apartments is one of the major safety issues for Victorians, whether they are owners, residents, potential buyers, regulators, or governments.

The Victorian Government has stated it is increasing action on a rectification program for government buildings with combustible cladding. This action includes \$160 million through the forward estimates “on public safety grounds”, ongoing assessments of private buildings impacted by combustible cladding. Also, 15 evaluation projects to manage and improve rectification outcomes, as stated in the May 27th budget papers.

Absolutely no funding has been provided to assist the unfortunate owners of private dwellings, victims of the cladding crisis. These people, however, are being instructed to rectify their buildings and improve their precariously unsafe situation within unreasonable timelines – all at their own cost.

Innocent apartment owners are being expected by the Victorian Government to ‘foot the bill’ to the tune of billions of dollars, for a problem in which they were not responsible. Many cannot understandably resource such an expectation; many simply cannot pay with some individual bills costing as much as a quarter of the value of their property. As a result, many people are now facing significant unexpected financial, mental and spatial burdens with little support from industry, governments or the regulator.

Owners of private dwellings with combustible cladding now find themselves with extremely limited, if any, legal options with respect to rectifying their unsafe properties. This is despite at the time of purchase, obtaining all the required compliance approvals from fire engineers, surveyors, builders, designers and state bodies.

It is unacceptable how the actions of the Victorian Building Authority (VBA) are exacerbating owners’ woes. The VBA is currently pursuing owners to personally rectify non-compliant cladding on hundreds of buildings installed by building professionals.

Costing estimates released by Builders Collective today state that of the buildings identified by the VBA, rectification is likely to be in the billions of dollars for private dwellings affected. This is based on dwelling density, scope of works, with actual quotes currently being received by owners at the direction of the VBA.

Most importantly owners and residents should not have to live in unsafe properties, having relied upon building industry professions to do their job, as well as governments and regulators to protect them when things go wrong.

We call on the Victorian Government to:

- Introduce laws, as per Queensland, to force building professionals who have designed, constructed, and approved buildings in non-compliant cladding to fix the problem, by ordering them to remove and replace the cladding at their cost;
- Provide direct funding for owners of affected property to replace non-compliant cladding, where the builder has failed to do so and/ or deregistered;
- Introduce statutory warranties against developers of high rise buildings so they too can be held accountable for non-compliant products and defects on their projects; and
- Empower the VBA to compel builders and developers to act on defective building works following the handover of buildings to owners

We await a considered Victorian Government response to these significant issues affecting tens of thousands of Victorians.

***For general media enquiries please contact:
Andy White through the Cladding Action Group website***

The Cladding Action Group (CAG) are a group of property owners affected by the combustible cladding crisis in Victoria, Australia. Their mission is to reach a solution to the crisis that involves support from government, regulators and industry, as it was policy, regulatory policing and industry practice failure through with which the crisis derived, not through any fault of owners affected.