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Attention Queensland Media

\$25 MILLION FLAMMABLE CLADDING FUND IN VICTORIAN STATE BUDGET PROMPTS QUESTIONS OVER QLD FUNDING FOR OWNERS

PEAK STRATA BODY SAYS _____ OWNERS MUST BE SPARED FINANCIAL BURDEN

The Queensland Treasurer _____, is being urged to allocate vital funding to assist apartment owners in next week's State Budget by matching a flammable cladding package announced by State counterparts in Victoria.

The peak strata body, overseeing 1.1 million Queenslanders living in apartments and units says a \$25 million fund in Victoria's state budget is exactly the approach it wants to see in QLD, where hundreds of residential buildings are suspected of housing potentially dangerous aluminum cladding.

Strata Community Association (Qld) says flammable cladding carries a finders fee no apartment owner wants, with the cost to strip and replace unsafe materials estimated between \$30,000 - \$60,000 per apartment – so many are eager to see the Government open up their own wallet.

“ The Non-Conforming Building Products Audit taskforce is still gathering and analyzing data but soon enough we will see some evaluation of the cost of this issue to Queensland strata scheme owners,” Mr Barnard said.

“Thanks to the expense of inspecting and replacing cladding, this is as much a dollars and cents issue as it is safety, and we're eager to see the State Government treat it accordingly”

“We're all too aware of owners in some residential buildings nationwide being served with multi-million dollar bills to strip and replace cladding, so it's of critical importance that funding is the next box ticked by the State Government on this issue.”

The recent Building Minister's Forum addressed the funding issue, referring it to its Senior Officers Group to “report on existing responsibilities of parties to meet the cost of rectification of non-compliant combustible cladding and

remedies, including the rights of parties to recover costs from those responsible.”¹

“It is encouraging to see that the Housing Ministers are acknowledging the burden on strata owners if there is a mandatory inspection and rectification requirement introduced,” Mr Barnard said.

NSW has introduced regulation mandating inspections are undertaken. The Victorian Government’s announcement for the \$25 million funding package indicates that it will be split up with \$16.5 million going to the continuation of a state-wide audit, another \$4.3 million to tackle non-compliance in the sector, and the final \$5 million for tighter compliance at a major project set to house 80,000 by 2050.

It’s the kind of investment Strata Community Association (Qld) wants to see immediately, and they believe the Treasurer must match it.

“Last year’s audits and the promise of greater construction watchdog powers were positive signs, but the next step is the State Government making an investment to stop this issue in its tracks.”

“Identifying where the cladding has been used on apartment buildings is only half the job, and money must be allocated for the removal from buildings, or be modified to be safe for the occupants.”

“The QBCC is now permitted to investigate and shut down active sites. As a watchdog they will hopefully prevent further building material issues into the future.”

Mr Barnard says the strata sector in Queensland is made up properties worth a collective \$110 billion and funding the safety of owners within these buildings is crucial to seeing that economic driver push forward.

ENDS

¹ <https://industry.gov.au/industry/IndustrySectors/buildingandconstruction/Documents/BMF-Communique---27-April-2018.pdf>