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# 'Inevitable' for Australia to follow UK, fund cladding replacement

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The UK's decision to replace combustible cladding on privately owned apartments makes it inevitable that Australia's policy makers will do the same on the country's 1000-plus buildings with material similar to that behind the fires at Melbourne's Lacrosse and London's Grenfell Towers.

Prime Minister Theresa May's [announcement](#) that the government would pay £200 million (\$373 million) to remove and replace aluminium composite panels of the sort used on Grenfell prompted construction lawyer Bronwyn Weir to say Australian policy makers would have to do the same.

"Whilst there are meaningful differences between the UK and Australia on cladding I expect Australian governments will be subject to increased pressure to respond in a similar way here," Ms Weir told *The Australian Financial Review*.

"I think it's inevitable."

Ms Weir is co-author of a [key industry report](#) with recommendations that all states and territories have agreed to implement.

While Australia has so far suffered no fatalities from a [Grenfell-type fire, which killed 72 people in June 2017](#), the use of combustible cladding is more widespread in this country.

Victoria alone has 681 privately owned buildings with the material – more than four times the UK total – while the latest audited numbers show NSW has 447 such

buildings classed as "high risk".

The first stage of Queensland's audit process turned up 5026 buildings in need of further inspection. The UK has fewer such affected buildings and last week's announcement covers 170 high-rise buildings of 18 metres or higher.

Buildings of many different heights have the potentially dangerous 100 per cent polyethylene-core panels, but in Victoria, the most affected state, the education department is already replacing cladding on low- and medium-rise buildings at 13 secondary and primary schools.

## Difficult process

Determining responsibility is a legal and costly process to follow, however. Local councils often interpret the highly technical rules for remedies differently. In Victoria, where the state government is centralising the process in the hands of the Victorian Building Authority, builders and consultants say the process is slow and unwieldy.

The impasse saddles individual apartment owners with rectification bills they could not afford, and risks devaluing thousands of units in the long run.

"It's a massive problem," said Alisha Fisher, the chief executive of SCA Australasia, the peak body for strata managers.

"We're in a dangerous situation with current cladding."



The scorched facade of the Grenfell Tower in London after a massive fire raced through the 24-storey high-rise apartment building in west London in June 2017. **Frank Augstein**

The Greens last week called for a \$50 million federal government fund to reclad an initial 800 apartments nationally. Ms Fisher said more was needed and it would require both Commonwealth and state funding.

"If the government was going to fund all Australia's flammable cladding, it is around \$500 million, not \$50 million," she said.

All state and territory governments were aware of the dangers of combustible cladding as early as 2010, but did nothing to limit its use, the *Financial Review* has previously reported.

A week out from the federal election, Industry Minister Karen Andrews said compliance and enforcement was a matter for the states and the government was working with them.

"The Commonwealth does not have constitutional power to regulate buildings," she said.

## Calls to follow UK's lead

Opposition industry spokesman Kim Carr said a Labor government would also work with the states and territories.

"If elected a Shorten Labor government will place this issue on the agenda for the Building Ministers' Forum as part of Labor's building industry reform agenda," Mr Carr said.

The regulatory failure and neglect that has allowed combustible cladding to balloon into a multibillion-dollar national liability stretches across governments of both types.

"The Abbott/Turnbull/Morrison government has known about flammable cladding since 2014 and have done nothing to address it," said Victoria's Labor government planning minister Richard Wynne.

There was, however, no meeting of the state and territory Building Ministers Forum – a peak consultative body – from July 2010, when Senator Carr was industry minister until May 2014, the year after his Coalition successor Bob Baldwin took over the position.

Greens MP Adam Bandt said the UK move showed that national governments were in a position to fix the problem.

“The next federal government must follow the UK’s lead and take action to remove combustible cladding before we have a Grenfell-style disaster here,” he said.

The UK move, which industry players had long described as inevitable, came after the government said delaying tactics by building owners – companies that owned the land on which privately owned apartments sit – had forced it to remove the material.



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