



Victoria welcome to join cladding class actions: IMF Bentham

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Victoria is welcome to join the existing combustible cladding class actions and would find it easier to recover costs by doing so, because these cases started before many insurers began imposing cladding-related exclusions into their policies, litigation funder IMF Bentham says.





Opening up a wider scope for claims: IMF Bentham says the Victorian government is welcome to join its cladding class actions. **Pat Scala**

Announcing the state's \$600 million fund to rectify combustible cladding on 500 privately owned buildings, Premier Daniel Andrews said on Tuesday the state government could potentially join the [two class actions IMF Bentham and William Roberts Lawyers have started](#) as a way to get back some of the costs of fixing the buildings.

IMF Bentham investment manager Gavin Beardsell said his firm would welcome the state government joining the Federal Court actions against suppliers and manufacturers of the Alucobond- and Vitrabond-branded aluminium composite panels, and by doing so, they would have an easier way to seek redress as many insurers of building industry consultants had already shut the door to cladding-related claims.

"One of the many benefits to the Victorian government of participating [in a class action] is it has already commenced," Mr Beardsell said.

"Any limitation period has been stopped. The claims were made before the general change in attitude by insurers to include cladding exclusions in their policies." In the two actions filed in the Federal Court this year, IMF Bentham and William Roberts argue on behalf of their lead applicants that both Alucobond and Vitrabond failed to meet standards required under Australian Consumer Law and the Trade Practices Act.

The cases matter. Judgments in favour of the apartment owners could give compensation to owners of potentially thousands of units across Australia, as well as owners of commercial and government buildings and even long-term leaseholders with the obligation to rectify defects.

Any government participation, in the place of owners corporations whose claims it had taken on, could also boost the actions themselves. On Tuesday, Mr Andrews said to do so would help the court cases that he said were struggling to get members to join.

"A number of private law firms have attempted to put together the requisite number of claimants for a class action," he said.

"They have found it very difficult to get through some of the legal hoo

ps, as it were. If the government assumed those rights, the right to sue, the right to seek damages, then that could potentially remedy the impediments to those class actions."

Mr Beardsell declined to disclose how many owners corporations have joined the actions, but said Mr Andrews point was not correct.

"We haven't had a problem getting enough people to join the class actions," he said.

"We've got several hundred buildings registered."

The term "registration" means a list of owners corporations that have both taken the decision to join the action or have simply expressed an interest in joining it.



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