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# New Zealand's cladding-affected buildings aren't a secret

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Litigation funder IMF Bentham is drumming up clients for a combustible cladding class action in New Zealand, a task made easier by the fact that the two largest cities across the Tasman publicly list all buildings affected by the flammable polyethylene core panels.

There are an estimated 300 buildings in New Zealand with aluminium composite panels of varying types, including Alucobond and Vitrabond panels that are the subject of the intended class action, IMF Bentham investment manager Gavin Beardsell said.



Auckland City Council has a public list of 116 buildings affected by combustible cladding. **Alamy**

While the number is fewer than the thousands of such buildings in Australia, lists published by the councils of [Auckland](#) – which includes the SkyCity Grand Hotel – and [Wellington](#) show a combined total of 228 buildings is affected.

The lists show the addresses and extent of cladding and mitigation measures, where known, of each building.

The public availability of this information casts further doubt on claims by Australian state and territory governments that to identify such buildings in this country would expose them to risks of arson or terrorism.

The information made it easier to approach claimants for the class action that IMF Bentham hopes to commence in the courts before the end of this year, Mr Beardsell said.

"It certainly makes it easier in terms of identifying the buildings and communicating with the owners," he told *The Australian Financial Review*.

"We've identified a number of potential representative plaintiffs and so we have to investigate whether they're suitable."

In New Zealand, where there is a central government and local councils but no states or provinces, councils oversee building issues.

However, not every council has made public its list of buildings. Christchurch City Council last year compiled a list of 46 cladding-affected buildings [but did not make the full details publicly available](#), Radio New Zealand last year reported.

While New Zealand's class action regime was not as established as it was in Australia, previous court judgments had set a precedent for such actions to be fought, Mr Beardsell said.

Alucobond supplier Halifax Vogel Group and Vitrabond supplier Fairview Architectural were contacted for comment.

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## Fostering uncertainty

Secrecy over the presence of cladding creates as much uncertainty for banks as it does for residents and owners.

In 2017, Westpac said it [was asking developers of all current and planned projects](#) to confirm the compliance of cladding they were using with building regulations. Earlier this year, the country's largest mortgage lender, [CBA, said it backed the creation of a publicly searchable register](#).

In Australia, where IMF Bentham has already launched class actions against the manufacturers and suppliers of the Alucobond and Vitrabond products, the numbers of affected buildings are much greater.

The Australian cladding class actions are against [Alucobond suppliers Halifax Vogel Group and Germany's 3A Composites GmbH](#) and [Vitrabond supplier Fairview Architectural](#). The matter will next month go to an interlocutory hearing in the Federal Court in NSW for a judge to determine the common questions to be heard and determined in the cases.

Assuming no prior settlement is reached, a full case is unlikely to begin before the end of 2021, Mr Beardsell said.

Victoria's [statewide cladding audit](#) has so far identified 1221 buildings affected with combustible cladding, with the highest number of buildings in the inner-northern council of Moreland (173), Melbourne CBD (134) and Port Phillip (104).

Latest [figures from the NSW cladding taskforce](#) show 553 buildings – 154 of them residential high-rise – are at higher risk due to the presence of combustible cladding.

Queensland is [assessing some 4300 private buildings](#) in the second phase of its state-wide audit, 2300 of them in Brisbane.