

Grenfell's wake: Perth unit owners forced to pay \$1m for cladding as builders fold



By [Sarah Brookes](#)

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It was a high rise death trap and a building industry failure that cost 72 people their lives.

On June 14, 2017 a fire started on the fourth floor of the Grenfell Tower in London where 300 residents lived. Within minutes, the fire had raced up the exterior of the building.



Flammable cladding was blamed for the rapid spread of the fire up the 24-storey Grenfell Tower. AP

In two hours the whole building was alight with the combustible cladding wrapped around its facade identified as a major contributor to the rapid spread of fire.

Five years on from the tragedy, [Building and Energy's March quarterly status update for private buildings](#) shows that cladding remedial works are yet to start at nine Perth buildings, including two deemed high risk. Four are in the City of Perth, two in the City of South Perth and one in Vincent.

[The locations are not disclosed](#) over concerns the buildings could be targeted by arsonists.

Australian Apartment Advocacy head Samantha Reece said it was unacceptable that flammable cladding was still looming over hundreds of residents' heads.

Reece said the closure or collapse of construction companies such as Diploma, Pindan, Psaros, Jaxon and Probuild had left many apartment owners with no insurance to cover defects such as the remediation of the dangerous cladding.



Samantha Reece. SHARON SMITH

“The fact that a number of WA apartment buildings are not offered protection or financial assistance to cover these cladding costs, which can be upward of \$900,000 for a development, is frankly not acceptable,” she said.

“The state government will apply a levy for carbon-neutral vehicles to pay for infrastructure but they won’t apply a one per cent levy to have an insurance pool for apartments where the builder has become insolvent and there is no protection under the six-year warranty period.”

Eric Soon lives in the Sundance by Psaros apartment complex in Scarborough which recently replaced the combustible cladding at a cost of nearly \$1 million, borne by individual apartment owners.



Eric Soon said apartment owners have nowhere to go when builders go bust. SHARON SMITH

He said a dedicated “hit squad” was needed to audit buildings once they were built.

“I’d like to see a state government fund to help apartment owners when builders go bust,” he said.

“At the moment if a development is three storeys or higher there’s nowhere to go to when things go wrong.”

Tara Amin owns an apartment at FLO in Rivervale, also constructed by collapsed builder Psaros.

She purchased the apartment in 2018 at the age of 24 and had to find more than \$10,000 to pay her share of removing dangerous cladding.

“I thought surely insurance or the builder Psaros would cover the cost of replacing it,” she said.

“But because the company was in liquidation and then the certifier went into liquidation we were left holding the bill.

“It’s wild to me that a builder can make a mistake that can endanger people’s lives and the apartment owners have to pay to fix it.”

A Department of Mines, Industry Regulation and Safety spokeswoman said it was the role of local government authorities to ensure flammable cladding was rectified on buildings identified as high or moderate risk in its audit after the Grenfell disaster.

“Building and Energy’s most recent quarterly status update for private buildings shows that cladding remedial works have been completed or compliance has been demonstrated at 38 of the 52 buildings,” she said.



Cladding is used to provide some insulation and weather resistance, and to make buildings look more attractive. SHARON SMITH

“Remedial works are in progress at five buildings and interim additional safety measures are in place at the remaining nine buildings where work is yet to commence.”

The spokeswoman said the building code of Australia was updated in March 2018 to remove any ambiguity around the use of combustible cladding on buildings in future developments.

“Any combustible cladding proposed to be used on those buildings needs to demonstrate it has passed the large-scale fire test required under Australian Standard AS 5113 or receive approval from the Building Commissioner,” she said.

But Reece said the regulatory authority should go further and independently test cladding products entering WA particularly given the unprecedented pressures in the construction industry due to increasing costs of materials, supply chain delays and labour shortages.

“Builders are turning to China for cheaper materials and over the last three years, we have seen substandard electrical cable installed that has led to appliance fires, substandard glass that has cracked, fallen out or shattered in apartment buildings and other cladding products that have included asbestos, all from China,” she said.