

**PAC Inquiry- further Inquiry into the regulation of building standards**

Hearing November 22 2021

**Responses to Questions taken on Notice**

**Department of Customer Service - Better Regulation Division**

Question	Division
<p><b>Privium Group – home building compensation</b></p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Thank you very much for your time, everyone, this afternoon. Mr Chandler, you would be aware that the <b>Privium Group</b> stopped work on their building sites on Friday 4 November and has now appointed administrators?</p> <p><b>Mr CHANDLER:</b> Yes.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> When were you made aware of this?</p> <p><b>Mr CHANDLER:</b> It is not something that I have particular coverage of. It was handled through Fair Trading. I was aware of it, but it is not a matter that I directly deal with.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Can you explain why you do not directly deal with that?</p> <p><b>Mr CHANDLER:</b> It is a class 1 building. My remit is principally on class 2 buildings. So that was a matter that was handled and responded to directly by BRD. I was aware of the response.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> BRD being—</p> <p><b>Mr CHANDLER:</b> The building regulation division.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Mr Tansey, are you better placed to be answering questions?</p> <p><b>Mr TANSEY:</b> I have not been directly involved in it either. I am aware of the events and became aware—I think it was in last week or the end of the week before. I am aware, I think, of responses too, I think, by the State Insurance Regulatory Authority [SIRA] and I care in terms of impacted home owners who might be covered by the Home Building Compensation Fund.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Mr Chandler, are you aware of how many homes they are currently building in New South Wales</p> <p><b>Mr CHANDLER:</b> No. I have not been handling this matter directly. I am happy to take the questions on notice and come back to you.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Mr Tansey, are you aware of how many buildings?</p> <p><b>Mr TANSEY:</b> No, similarly.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> SIRA has said that homebuyers may have access to home building compensation. What would stop homebuyers having access to home building compensation? Mr Chandler?</p> <p><b>Mr CHANDLER:</b> I think that question would be best directed to SIRA. They have written a statement. I am not directly involved in the matter. I am not trying to be difficult, but I really cannot add anything more to your question. I can take a question on notice and refer it and get somebody to get back to you with the answer. But it is not something that is in my direct remit.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> I understand that. But, Mr Chandler, I am asking you a question about home building compensation. You are the Building Commissioner of New South Wales. <b>What would be the situation where homebuyers would not have access to home building compensation?</b></p> <p><b>The Hon. TREVOR KHAN:</b> This is really outside his expertise. We know what Mr Chandler does. Ask him about—</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Trevor, do you have a point of order?</p> <p><b>The Hon. TREVOR KHAN:</b> Point of order: This is really outside the terms of reference.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> To the point of order: It is not outside the terms of reference. This is an inquiry into building regulation and standards.</p> <p><b>The CHAIR:</b> I do not think there is any question that it is within the terms of reference. Mr Chandler, I think, is in a position to indicate whether he has something he can add to it or it is within his remit.</p>	<p><b>BRD</b></p> <p><b>P49-50</b></p>

<p><b>The Hon. TREVOR KHAN:</b> He has already indicated what the answer to that is.</p> <p><b>The CHAIR:</b> I think there was a separate question asked by Ms Houssos. But Mr Chandler is able to handle himself.</p> <p><b>Mr CHANDLER:</b> It is not a subject that is in my direct remit—the class 1 buildings or the Home Building Act. I am really looking after the reforms in class 2 buildings as the priority of the work that I have been set. I am very happy to take a question on notice from you and get the right answer put back to you.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> We are here for several hours this afternoon. Perhaps, Mr Tansey, you can make some inquiries and find out how many complaints have been lodged with Fair Trading to date.</p> <p><b>Mr TANSEY:</b> Yes. I am happy to endeavour to do that.</p> <p><b>The Hon. TREVOR KHAN:</b> Noting they have 21 days in which to provide answers, as I understand.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Yes, but I am asking whether, this afternoon, we can ascertain—</p> <p><b>The Hon. TREVOR KHAN:</b> Noting that they have 21 days in which to answer</p> <p><b>Mr TANSEY:</b> I can ask. If it helps the Committee, just in the interest of being clear—the Home Building Compensation Fund and that part of the Home Building Act is not within the allocation of the Minister for Better Regulation and Innovation. So it is, honestly, outside of our portfolio's administration now because responsibility is shared between SIRA and the Minister responsible for SIRA and icare and the Minister responsible for icare. Just so nobody thinks we are trying to be unhelpful. It is, honestly, not something that Fair Trading directly deals in and administers.</p>	
<p><b>ANSWER</b></p> <p>NSW Fair Trading does not hold information on numbers of homes being built by Privium in NSW.</p> <p>Questions regarding the Home Building Compensation Fund, including Certificates of Insurance issued and claims, should be directed to the Treasurer (icare).</p>	
<p><b>The Hon. COURTNEY HOUSSOS:</b> Mr Tansey, I am asking you specifically about which complaints have been lodged with Fair Trading. I understand that someone who works under Mr Chandler, Mr Whitton, gave comments to Channel 7 last week and encouraged people to lodge a complaint with Fair Trading. I am interested to know <b>how many of those complaints have been lodged, how many homebuyers in New South Wales are currently affected by this collapse.</b> Mr Tansey or Mr Chandler, how are you coordinating with SIRA? How is Fair Trading coordinating with SIRA? You have just outlined that there could be some bureaucratic issues here.</p> <p><b>Mr TANSEY:</b> I can take that on notice. But, to be candid, I was not expecting this nature of issue to come up this afternoon. So I am not across those issues. I am happy to take questions on notice and find out about how it is being balanced between our complaints intake and SIRA that actually oversees the insurance scheme. Of course, there might be a distinction between the people who would come to Fair Trading with a complaint generally about building or the completeness of building or incompleteness of building. But, once there is a trigger event like this and the builder goes into some form of administration, as your question rightly points out, it will trigger the potential for coverage by the compensation fund, which, as I said, is not something that we administer or are close up to. There is a distinction there between how we would or would not become directly involved in the matter.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> That goes to the heart of my question, Mr Tansey, which is: How are the two agencies coordinating? How are you making sure that people are not falling through the cracks? Last week they were being told to lodge a complaint with Fair Trading. This week, now that a trigger event happened on Friday, they are likely to be going to SIRA. We need to make sure that these people are not falling through the cracks and are being actually assisted by the New South Wales Government. Can you tell us how that is occurring.</p>	<p><b>P51 transcript</b></p>

<p><b>The Hon. SCOTT FARLOW:</b> Point of order: I think that Mr Tansey indicated pretty much to the same question of the Hon. Courtney Houssos before that he would take the answer on notice and he did not have the information at hand.</p> <p><b>The CHAIR:</b> I think, to be fair to Ms Houssos, this question is about the coordination between the two agencies. Mr Tansey may be able to speak to it. Then Mr Chandler may be able to add something.</p> <p><b>Mr TANSEY:</b> I am trying to make some urgent inquiries, but I do not have information on hand.</p> <p><b>Mr CHANDLER:</b> I have just sent a message to Mr Whitton to ask him exactly the answer to your question. Hopefully, that will come back quickly. But we do have some discussions between SIRA and my office, mainly with interest looking at some of the work that we are doing in terms of risk management. But they are different Ministers. Therefore, there would be no normal role for me in the dealings with SIRA.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> That was actually where my original question came from, Mr Tansey. In that statement it says they may have access to the Home Building Compensation Fund. I am interested to know whether they do or not and what would be the reasons why they would not. The—</p> <p><b>The Hon. TREVOR KHAN:</b> That is a matter not for this witness, as you know.</p>	
<p><b>ANSWER</b></p> <p>NSW Fair Trading received 75 complaints about Privium Group between 1 November 2021 and 6 December 2021.</p> <p>Questions regarding the Home Building Compensation Fund, including Certificates of Insurance issued and claims, should be directed to the Treasurer (icare).</p>	
<p><b>Privium – conditions on licence</b></p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Mr Chandler, I would like to turn to a slightly different part of the collapse. Privium Group had conditions placed on its licence. We have established in previous inquiries that you do have responsibility for licensing of builders. Is that correct?</p> <p><b>Mr CHANDLER:</b> I have powers under the Home Building Act, yes.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> We have established previously—</p> <p><b>Mr CHANDLER:</b> I do not administer that part of the Act. That is administered directly by the department. It is not an area that flows to me. I have powers there, but they were just general powers provided to me before, in fact, I was benefited with the powers that came under the Residential Apartment Buildings [RAB] Act and subsequent legislation.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Conditions on building licences should be directed where?</p> <p><b>Mr CHANDLER:</b> We will take it back to BRD. I will come back to you with an answer. I am going to take that question on notice, if I may.</p> <p><b>The CHAIR:</b> You may want to ask Mr Tansey.</p>	<p><b>P52 of transcript</b></p>
<p><b>ANSWER</b></p> <p>This question was answered at page 52-53 of the transcript.</p>	
<p><b>NSW Fair Trading resources</b></p> <p><b>The CHAIR:</b> I will rephrase the question. If this was an apartment building, we may have had Mr Chandler seeing the warning signs months ago with a failure to get finances in place. Significant warning signs were in place months ago. If it was a class 2 building, Mr Chandler may have picked it up. What resources are there in Fair Trading to pick up the same kinds of warning signs, which in this case could affect 700 home owners in the class 1 industry, Mr Tansey?</p> <p><b>Mr TANSEY:</b> There are practices in place between Fair Trading and SIRA on coordination and collaboration on issues. We have regular meetings. There may well be greater knowledge in the agency than I personally have today about any pre-indicators of concerns about the builder or previous inquiries or complaints we would have received from home owners. Any other dealing and investigation into it—to be frank, I had not thought that this might be the focus of the inquiry today. I thought we would be talking about cladding and certification and engineer</p>	<p><b>P54 transcript</b></p>

<p>registration, so I have not come as prepared as I might have liked to be if I had known this was going to be the line of inquiry. But I am happy to <b>take on notice greater questions about complaints or inquiries or, indeed, investigations underway</b></p> <p><b>The CHAIR:</b> The media reports say that Fair Trading was aware from at least early November. I suppose I am going to ask you, Mr Tansey, what are the resources in place in Fair Trading to respond and protect home owners when those kinds of early warning signs happen? What are the resources? Where do we look to in Fair Trading for this kind of protection?</p> <p><b>Mr TANSEY:</b> Complaints on, as you know, the broad remit of Fair Trading—complaints or inquiries on any matters will come through both our call centres and our complaint handling units, which can triage complaints according to different areas. Complaints about problems with building can be referred off to either building investigators or the building inspectors within the organisation. We will sometimes proactively get intel from inspectors or investigators when they are out and about dealing with people about any concerns or early indicators of builders not performing. They come through our front door and they can come straight through our operational people and they can be turned into profiling of the activities of builders.</p> <p><b>The CHAIR:</b> Mr Tansey, I do not think there is any issue that complaints were coming in. The question is, though: What resources and powers are there in Fair Trading to protect people in that? <b>What was the response?</b> Everyone knows complaints went in. The question is about what happened in response.</p> <p><b>Mr TANSEY:</b> Mr Shoebridge, I do not want to get into a place where through well-intentioned ignorance I give you poor information—</p> <p><b>The CHAIR:</b> I am not asking you to speculate.</p> <p><b>Mr TANSEY:</b> —so I would really prefer to take on notice questions about the complaints received and in particular how they were dealt with.</p>	
<p><b>ANSWER</b></p> <p>SIRA, NSW Fair Trading and icare are maintaining intensive oversight of this matter to ensure impacted homeowners are aware of their entitlements and can access guidance about assistance. Any investigation by NSW Fair Trading will focus on potential breaches of the <i>Home Building Act 1989</i>, and potentially the Australian Consumer Law.</p> <p>SIRA is in regular contact with NSW Fair Trading, SafeWork NSW, icare, the Queensland Building and Construction Commission, and Australian Securities and Investment Commission to ensure we maintain visibility of the situation with a cross-agency approach and oversight.</p> <p>Anyone impacted by the Privium situation is encouraged to contact NSW Fair Trading, icare or SIRA for guidance and support.</p> <p>On receipt of a complaint, NSW Fair Trading is writing to consumers to provide contact details of the administrator to be listed as an unsecured creditor. Consumers are also being advised to check for a policy and lodge a claim under the insurance policy provided under the Home Building Compensation Fund (HBCF). 75 complaints were received by NSW Fair Trading between 1 November 2021 and 6 December 2021. Only one other complaint was received about Privium Group in 2021. This complaint was unrelated to the current issues and did not give any indication that Privium Group would enter into administration.</p>	
<p><b>Building Licences</b></p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Can I just ask, Mr Chandler, what monitoring do you have of builders' licences in class 2 buildings? If conditions were placed on a licence holder for a builder who was building class 2 buildings, what oversight do you have or what communication do you have within Fair Trading to red flag these builders with you?</p> <p><b>Mr CHANDLER:</b> I would report to you that red flagging and attention has been substantially improving over the last year as the intelligence capabilities of the regulator have improved. There are no red flags that I am aware of at the moment. The difference between a class 2 delivery and a class 1 delivery is that in class 1 you make progress payments, whereas in class 2 you do not have to settle until the project is finished. The safety valve there is that if the builder did not get to the end, then the consumers would not be required to settle.</p>	<p><b>P54-55 transcript</b></p>

**The Hon. COURTNEY HOUSSOS:** Mr Chandler, what we are actually talking about here is that there is a builder who has had licence restrictions over many years, and we now have—

**The Hon. TREVOR KHAN:** You are talking about class 1, which has not got a line of sight.

**The CHAIR:** We will wait till the end of the question.

**The Hon. COURTNEY HOUSSOS:** There is a licence holder here who has had red flags on their licence over a course of years and has now collapsed. What is in place to ensure—would you normally be notified if those kinds of licence restrictions were on a builder in the class 2 space?

**Mr CHANDLER:** Not normally, no.

**The Hon. COURTNEY HOUSSOS:** Can you tell us—and I am happy for either Mr Chandler or Mr Tansey to take it on notice—**how many building licence holders have conditions on their licence at the moment?**

**Mr CHANDLER:** For class 2?

**The Hon. COURTNEY HOUSSOS:** No, they are regulated by Fair Trading. How many builders?

**The CHAIR:** I think that is question for Mr Tansey.

**Mr TANSEY:** Yes, I will take that on notice. You are talking about tens of thousands of licences.

**The Hon. COURTNEY HOUSSOS:** Can you provide us with **the total number of licences and the number of them with conditions on them, please?**

**Mr TANSEY:** Yes, I will take that on notice

#### ANSWER

Total number of Contractor Licences where category of work in Building:

##### Licence Number with BLD class

Licence Type	Licence Status	Class Category	Display Name	# Licences	Applicant Type
Contractor Licence	Current	Builder	BLD	22,904	Individual
Contractor Licence	Current	Builder	BLD	15,360	Organisation
Contractor Licence	Current	Builder	BLD	1,285	Partnership
Contractor Licence	Current	Builder	BLD	3	Unqualified Individual
				39,552	Total

Total number of Contractor Licences (where category of work is Building) and conditions apply:

##### Total Current BLD Class (Per Licence Holder, not Per Condition)

Licence Type	Licence Status	Licence Class	# Licences	Applicant Type
Contractor Licence	Current	BLD	4,647	Individual

Contractor Licence	Current	BLD	3,820	Organisation
Contractor Licence	Current	BLD	243	Partnership
Contractor Licence	Current	BLD	2	Unqualified Individual
Total Current BLD Class			8,712	Total

The reasons that a contractor licence in the category of building may have a condition attached include, but are not limited to, the following :

- If the builder does not meet HBCF eligibility requirements – a condition will be published that they are not to enter into contracts requiring HBCF insurance;
- Under 33 (C) of the *Home Building Act 1989* the Secretary can impose a condition that a licence holder must not enter into contracts that exceed \$20,000 (inclusive of GST);
- Historical amalgamation of licence classes – some older licences have conditions attached so that they align with a current licence class;
- Mutual Recognition – under the Mutual Recognition Act 1992 there are instances where conditions are placed on a licence to achieve ‘equivalence’;
- Company licences – conditions may be imposed on a company licence that align with any conditions imposed on the Nominated Qualified Supervisor;
- Outcomes of disciplinary action.

**The Hon. COURTNEY HOUSSOS:** Mr Tansey, perhaps you will need to take these questions on notice. I am interested in the scope of the investigation. Are you able to provide on notice, about the **investigation into Privium Homes**, when it was established, how many people are going to be working on the investigation, whether it will be headed by Fair Trading or by SIRA, what the scope of the investigation is and what the reporting date is?

**Mr TANSEY:** I am happy to take that on notice.

**The Hon. COURTNEY HOUSSOS:** Thank you. In the letter from the administrators to the home owners, they were told that some of the contracts have been transferred or are in the process of being transferred to a different construction company. Is Fair Trading playing any role in supporting the home owners to find new construction companies to complete their builds?

**Mr TANSEY:** I would have to take that on notice.

**The Hon. COURTNEY HOUSSOS:** If you can also tell us how many of those have been assisted.

**Mr TANSEY:** If I can, in case it helps us later, emphasise the point again that when it comes to administering the claims of home owners and some aspects of the orderly management of claims, that is going to be done by the insurance regulator—SIRA—not by Fair Trading. There may be an important demarcation point there. But I am happy to take as much as we can on notice.

**ANSWER**

On 17 November 2021, Privium Pty Ltd and associated companies were placed under voluntary administration. Mr John Park, Ms Kelly Trenfield and Ms Joanne Dunn of FTI Consulting Pty Ltd have been appointed as voluntary administrators.

NSW Fair Trading contacted the external administrators and obtained copies of documents confirming their appointment. NSW Fair Trading made requests that the following contractor licences be surrendered: Privium, Impact Homes Pty Ltd (an associated entity to Privium) and Mr Robert John Harder (former director and Qualified Supervisor of Privium). All three parties have surrendered their contractor licences.

**P56 transcript**

<p>NSW Fair Trading is currently investigating Privium for potential breaches of the <i>Home Building Act 1989</i> (the Act) and the Australian Consumer Law. NSW Fair Trading will consider taking appropriate compliance action if the investigation determines that there has been a breach of the Act.</p> <p>The potential compliance actions available to Fair Trading include education, warnings, penalty notices, prosecution, or disciplinary action. Under the Act, the maximum penalties for prosecution matters are fines of up to \$110,000 per offence for a corporation and fines of up to \$22,000 per offences for an individual. Certain offences also carry a term of imprisonment for repeat offences. Under the Act, disciplinary action available to NSW Fair Trading include taking no further action, cautions/reprimands, imposing conditions on a licence, or suspending or cancelling the licence, or disqualifying a licence holder from holding an authority or being an officer of a corporation that holds an authority.</p> <p>NSW Fair Trading does not have data on Privium customers and is encouraging customers to lodge a complaint. On receipt of a consumer complaint, NSW Fair Trading is writing to consumers to provide contact details of the administrator to be listed as an unsecured creditor. Consumers are also being advised to check for a policy and lodge a claim under the insurance policy provided under the Home Building Compensation Fund (HBCF). 75 complaints were received between 1 November 2021 and 6 December 2021.</p>	
<p><b>The CHAIR:</b> That is the Foreign Investment Review Board.</p> <p><b>Mr CHANDLER:</b> Yes. Then the next area that we will go is subject to if we see any particular inappropriate behaviour of the two directors who were both directors of the Icon old co and the Icon new co— that is Mr Julian Doyle and Mr Nicholas Brown. If we find any inappropriate actions by either of those two gentlemen then it would be my intention to refer them to the appropriate regulator.</p> <p><b>The CHAIR:</b> Which brings me to a question, Mr Chandler. Are you in a position to table the deed that they sought to have you sign?</p> <p><b>Mr CHANDLER:</b> Yes, I am happy to table that. The moment I got this I just looked at it and said, "You are joking." This really should be on the front page of The Sydney Morning Herald.</p> <p><b>The CHAIR:</b> Did it come with some correspondence?</p> <p><b>Mr CHANDLER:</b> It came with a covering letter outlining that unless I agreed to enter into this they would take the matter to the Supreme Court the following Tuesday at five o'clock</p> <p><b>The CHAIR:</b> Would you be in a position to <b>table both of those documents?</b></p> <p><b>Mr CHANDLER:</b> I will take that on notice and provide that extra document. I will pull that together to provide to the Committee.</p> <p><b>The Hon. TREVOR KHAN:</b> That will be gratefully received.</p>	<p><b>P58-59 transcript</b></p>
<p><b>ANSWER:</b></p> <p>Document tendered to the Committee and published 22 November 2021.</p>	
<p><b>The Hon. ANTHONY D'ADAM:</b> I had a question that arose from a question that I asked the Owners Corporation Network. It arose in the discussion around providing training for body corporates for strata committees. I wanted to ask—and perhaps, Mr Tansey, you can take this on notice—about whether the strata legislation, the Strata Scheme Management Act, at the moment actually constrains <b>the capacity of strata committees to pay for the training</b> that is necessary to support the governance functions of the strata committee, and adjunct to that is whether the legislation actually constrains the expenditure of administration funds around supporting the work of the Owners Corporation Network—so that systemic advocacy that is clearly necessary from the owners' perspective but, in fact, the current statutory arrangements actually inhibit those kind of payments. Perhaps you could take that on notice.</p> <p><b>Mr TANSEY:</b> Yes, happy to take that on notice. For completeness, that nest of issues—and I did hear some of that evidence this morning too, around the training and skilling of people and, yes, the vicious circle of it being a disincentive to people taking on the role. Those issues arose and have been considered at length in the strata legislation review. When that is tabled shortly, we will have another platform for discussing all that as well.</p> <p><b>The Hon. COURTNEY HOUSSOS:</b> Do you have a timetable for that?</p>	<p><b>P70 transcript</b></p>

<p><b>Mr TANSEY:</b> I am hoping in the next couple of weeks of sitting. It is due to be tabled by the end of this year, if memory serves. So it could be this week or next week.</p>	
<p><b>ANSWER:</b>  <b>Owners' corporation – capacity to pay for training relevant to governance functions</b></p> <p>Section 73(4) of the <i>Strata Schemes Management Act 2015</i> (the Act) sets out the purposes for which an owners corporation may pay money from its administrative fund, including:</p> <ul style="list-style-type: none"> <li>• payments to a member of the strata committee in accordance with the Act</li> <li>• other payments in connection with exercising its functions under the Act or the by-laws or the <i>Strata Schemes Development Act 2015</i>.</li> </ul> <p>The strata committee exercises functions under the Act on behalf of the owners' corporation. A strata committee member has a duty under s 37 of the Act to carry out his or her functions for the benefit, so far as practicable, of the owners' corporation and with due care and diligence.</p> <p>The Act does not prevent owners' corporations paying for relevant training of strata committee members if that training is connected to the exercise of the owners' corporation's functions, so long as the owners corporation has approved the proposed budget that includes this expenditure.</p> <p><b>Constraints on expenditure of owners' corporation's administrative funds on supporting the work of the Owners Corporation Network</b></p> <p>Section 73(4) of the Act also includes as relevant expenditure from its administrative fund:</p> <ul style="list-style-type: none"> <li>• payments of the kind for which estimates have been made at the annual general meeting under s 79(1) – these include 'other recurrent expenses', which is not defined.</li> </ul> <p>The Act does not prevent owners' corporations from paying a membership fee to the Owners Corporation Network as a recurrent expense, so long as the owners' corporation has approved the proposed budget that includes this expenditure.</p>	
<p><b>Mr TANSEY:</b> As I said, we have got obviously intense scrutiny on those projects within Project Remediate for a range of reasons. We are then provided additional guidance out. I think, if I am right, in recent days or the last couple of weeks the Minister has written to every mayor of every council to make sure that from the top down they are aware of the Design and Building Practitioners-related scrutiny of all of those projects, whether or not they are in Project Remediate. Things beyond that are going to be in the control of the local councils, as the consent authorities, and are going to have to meet the varying requirements of the National Construction Code, which I know you are well aware of. Depending on whether or not you go a performance solution or a deemed-to-satisfy [DTS] solution will require cavity barriers on occasion but not as the only measure.</p> <p>As I think you are also aware, the next edition of the National Construction Code has been the subject of consultation and is being finalised literally this week through the technical committees. Within that consideration of improvements or enhancements to the code, New South Wales has specifically advocated in its administration submission to that process that cavity barriers be required in a greater range of circumstances than they have been in the past.</p> <p><b>The CHAIR:</b> Perhaps you could <b>give us some details on what the precise submission is from New South Wales</b> in that regard, if you could take that on notice, Mr Tansey.</p> <p><b>Mr TANSEY:</b> Yes</p>	<p><b>P73-74 transcript</b></p>
<p><b>ANSWER:</b></p> <p>The Department of Customer Service (DCS) lodged a submission in relation to Stage 1 of the public comment draft of the National Construction Code 2022.</p> <p>As part of this submission, DCS recommended that the relevant provision be amended to require cavity barriers to all external wall systems that incorporate a cavity. This could be</p>	



achieved through the expansion of the application of ‘Specification 9 – Cavity barriers for fire protected timber’.	
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