

**Submission
No 158**

**INQUIRY INTO REGULATION OF BUILDING
STANDARDS, BUILDING QUALITY AND BUILDING
DISPUTES**

Organisation: Liverpool City Council

Date Received: 8 August 2019

Local Government NSW
Public.accountability@parliament.nsw.gov.au

Dear Sir/Madam

Re: Submission on Building Reform

Please find below a submission from Liverpool City Council to the NSW Legislative Council Public Accountability Committee inquiry into the regulation of building standards, building quality and building disputes.

The submission responds to the following terms of reference.

(a) Role of private certification

- Lack of independence in the private certification industry – which is inherent with private certification, as PCA appointments are still being made by developers, through simple consent letters signed by owners with no real understanding of what they are signing. If we are to prevent unsuitable relationships we need to prevent developers from choosing their own private certifier. A system should be designed for government to appoint a private certifier when Council is not chosen. This could be from a list of private certifiers registered to work in an area or region and would bring some independence to these appointments.
- Pressure on certifiers from developers to cut corners or lose future certification work. The system as mentioned above would reduce this pressure.
- Clarification of the role of certifiers through changes in the legislation so that it is clear to the consumer and everyone involved. As present the roles of certifiers are not clear and often issues end up being referred to Council for resolution. Clarifying the role will improve accountability.

(b) Consumer Protection

- Building insurance provisions and requirements should be the same for all multi dwelling residential developments irrespective of the number of storeys. Currently insurance is only required for residential building up to three storeys.
- Reforms needed to ensure proper accountabilities for building practitioners.



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- Lack of mandatory critical stage inspections for the most significant forms of development – Class 2-9 structures. This has led to a breakdown in construction practices as thorough independent inspections are no longer being carried out during the building process, as happened when councils were certifying authority.

(c) Flammable Cladding

- The State Government needs to establish a common approach to assessing cladding to reduce or eliminate inconsistencies. Currently, two buildings with the same cladding type and arrangement may be deemed acceptable on one building yet not acceptable on the other, due to differences in assessment by fire engineers.
- A lack of guidance from the State Government on the handling of combustible cladding issues has resulted in inconsistencies in how buildings are remediated across the state. This will ultimately lead to a further lack of confidence by apartment owners and buyers. The State Government should provide guidance for issuing notices and orders.
- There is a serious shortage of fire safety regulatory officers across the state which impacts the timeframe taken by Council to expedite combustible cladding issues. The State Government should offer training and scholarships.
- The revised Environmental Planning & Assessment Regulation requires the listing of affected buildings only. That is, buildings with banned product, 30% PE mass or more. The Insurance Council of Australia deems that a PE mass of less than 30% is also combustible. Subsequently, these buildings are still considered unsafe due to combustible cladding and will be subject to significant rectification works and costs, however under the new legislation they are not considered 'affected buildings' and will not be listed on planning certificates. This is misleading to potential purchasers who will not be made aware of rectification works required under the Environmental Planning & Assessment Act. The legislation needs to be revised to encompass any building subject to an Order due to unsafe combustible cladding.

For any further information on this matter, please contact Manager Community Standards,

Yours sincerely

Tim Moore
A/Chief Executive Officer