## **PICA Group**

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## 16 February 2018

Department of Planning & Environment Reforms for buildings with combustible cladding

## Via portal

Prudential Investment Company of Australia Pty Ltd (PICA) is a national property and financial services company, focused on the property services industry. PICA was established over 69 years ago with its core industry in strata management where it is the market leader.

PICA group currently manages over 200,000 lots in over 11,000 properties across Victoria, Queensland and New South Wales with an asset value of over \$72 billion.

Our experts have reviewed the proposed Regulation and how it may impact on our customers and thank the Department for this opportunity to make a submission. Where possible we have also offered possible solutions to the concerns raised. For ease of reference we have used the same numbering below as in the draft Regulation.

Reference	Concern	Solution
Division 7C	The information required for a property to identify its class (eg occupation certificate) is not readily available, especially for older properties	Local or state government have ready access to this information and should be able to make it available via a portal where property owners can use their address or other identifying information to obtain the property's class details
186S	Given the varieties of cladding available in the market finding out if a property has cladding is not easy, many types of cladding have the external appearance of stone or other material  Where a property does have cladding, without the manufacturing details it is not possible to know if the cladding is	For newer buildings (say less than 10 years old) original owners/developers should be required to write to the current owner/s and provide this information
	combustible	
186T	It is not clear who is responsible to do this for new properties	Where a building is strata subdivided the obligation should sit



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Reference	Concern	Solution
		with the original owner to do this
		and provide a copy to the owners
		corporation
186V (2)	"Properly qualified person" is not defined	A clear definition is required
186V (7)	Access to document by future owners of strata and community title properties	The cladding statement should be added to the documents that an original owner is required to provide to the owners corporation as per section 16 of the Strata Schemes Management Act 2015 or an original proprietor is required to provide to an association as per section 9(3) of the Community Land Management Act 1989
Schedule 5	Penalty amounts insufficient. These amounts are less than what it will cost to put together a cladding statement so serve no disincentive for breaching of the requirements	Penalty amount should serve as a genuine disincentive for breaches of the requirements.

If clarification is required on any points made in this submission, please contact Matthew Byrne on 02 8216 3124 or by email to <a href="matthew.byrne@picagroup.com.au">matthew.byrne@picagroup.com.au</a>.

