

STRATA & COMMUNITY LIVING

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External cladding: all you need to know right now

It's been almost a year since the devastating fire which took lives and shattered many others in the Grenfell Tower fire in London. The spread of the fire and the intensity of it was caused by the combustible exterior cladding on the building. Since then governments around the world, including Australia have undertaken to find ways to prevent this sort of tragedy from ever occurring again.

In NSW the government released a draft regulation which was on exhibition and open for comment until mid-February this year. The draft regulation proposed to make building checks for combustible cladding compulsory and then sets down the requirements for buildings identified as containing combustible external wall cladding to register. Once this is done, building owners will be required to undertake a fire safety assessment within set deadlines.

NSW Fair Trading has been advising strata managing agents on its website to undertake a check to see if any buildings under their management contain aluminium cladding; ensure each buildings' annual fire safety statements are up-to-date; engage a fire safety professional to review and inspect the cladding as well as to advise on any steps that might need to be taken to improve fire safety; and immediately take any action required.

Fire safety professionals can undertake this assessment but before engaging a professional make sure they are members of one of the industry professional bodies such as the Fire Protection Association Australia, the National Fire Industry Association or Engineers Australia.

Most recently, the government released the *Home Building Amendment (Cladding) Regulation 2018*, which covers what happens with a major defect in a building that relates to external cladding.

It provides that where external cladding of a building causes or is likely to cause a threat to the safety of any occupants of the building if a fire occurs in the building, that defect is regarded as a major defect in residential building work and the extended warranty period under the *Home Building Act 1989* applies.

Under the new Regulation, it will no longer be necessary to establish that the cladding concerned is a major element of the building.

What this all means is that strata owners who identify that their property has unsafe external cladding has the right to seek repairs by the responsible builder for up to six years after the building is completed.

According to the Minister for Better Regulation, Matt Kean, MP, the changes to the Home Building Regulation to extend the definition of major defect to include external cladding "is the latest step in a series of ongoing reforms regarding the use of cladding across the state."

The NSW Government is also working to ensure that combustible external cladding is not used in future developments. The Department of Planning and Environment has released an Explanation of Intended Effects with the Cladding Amendment, which outlines a proposal to amend various State Environmental Planning Policies (SEPPs) to reduce the risk of non-compliant combustible cladding being installed on high risk buildings as exempt development. These amendments turn on the new definition of 'combustible cladding' which is introduced by the Cladding Amendment.

The issues around external cladding are not over yet and this change is the first of many. SCA (NSW) will provide further updates and post information on its website.



Our sustainable future

High rise buildings have, for some time, been subject to energy star ratings. This is much like the energy star ratings on household appliances. These tell consumers how energy efficient a device is and encourages us to consider our purchase against the cost of our electricity bills.

If you've seen the acronym NABERS but wondered what it meant we can tell you that it stands for the National Australian Built Environment Rating System. It measures the energy efficiency, water usage, waste management and indoor environmental quality of buildings, tenancies and homes and its resulting impact on the environment.

The NABERS scheme is managed by the Federal Government through the Office of Environment and Heritage and covers all Federal, State and Territory governments.

NABERS has been well embraced in the commercial sector with a large majority of Australian commercial buildings undertaking and adopting the scheme. Since legislation was introduced in 2010 to require office buildings to disclose the energy efficiency of the building to prospect tenants or buyers, most have undertaken the assessment and been awarded a star rating.

And now from June this year, NABERS will launch a new tool for apartments so buildings across Australia will be able to get an energy and water star rating that indicates how efficiently their building's common property is performing.

Owners corporations, apartment owners, investors, residents, strata managing agents, and building managers can all use this information to easily understand and improve the performance and value of their building.

The new tool will assess the energy performance of the buildings central services and encourage retrofits of inefficient systems such as lighting, HVAC systems, pool pumps, hot water systems, sensors and building management systems.

Previous stories in Strata and Community Living have shown how these changes can make a large difference on the operating costs and over time save money, which means that strata schemes can invest owners monies into maintaining the building and perhaps delay fee increases.

In a recent story about past CHU Strata Community Awards winners of the Strata Community Environmental and Engagement Award, one strata scheme estimated that it would save around \$44,000 on water bills by improving water efficiency. While another is saving \$10,000 a month by installing LED lighting in the common areas.

Apartments that can prove their green credentials are also attractive to buyers and tenants alike. A story in the Sydney Morning Herald in September 2017, showcased a new development in the Inner West stating that properties with features which cut down on electricity bills, such as solar and airflow maximising designs, would be much more attractive to renters. That surely makes them also attractive to owner occupiers too.

The Federal Government has not as yet mandated that apartment buildings have a NABERS rating but evidence suggests that taking the time to use this tool or engage in assessment programs can save owners money and increase energy efficiency.

To find out further information go to the NABERS site www.nabers.gov.au

Scam aware

At the end of May this year the Australian Competition and Consumer Commission (ACCC) ran a Scams Awareness Week in which it asked consumers to take a moment and 'Stop and check: is this for real?'

According to the ACCC last year Australians lost \$340 million to scammers, which they say is a record, but the figure could be much higher. Many people don't report this crime as they are embarrassed, or they think it was such a small amount that they will cut their losses and learn from the experience.

The ACCC say many of the scammers pretend they are from a government agency such as the Australian Taxation Office, the Police or a well-known company such as an electricity provider. The scammers prey on our insecurities and using these agencies or companies, scare people into paying money or handing over personal information.

In 2017 there were five threat-based levels of impersonation. From the ACCC website they are listed below:

Threats to life, arrest or other

Threats to life, arrest or other involve demands by scammers to pay money that you supposedly owe and threats if you do not cooperate.

Remote access scams

Remote access scams try to convince you that you have a computer or internet problem and that you need to buy new software to fix the problem.

Phishing

Phishing scams are attempts by scammers to trick you into giving out your personal information such as your bank account numbers, passwords and credit card numbers.

Identity theft

Identity theft is a type of fraud that involves using someone else's identity to steal money or gain other benefits.

False billing

False billing scams request you or your business to pay fake invoices for directory listings, advertising, domain name renewals or office supplies that you did not order.

If you do find yourself in one of these situations are unsure what to do, the ACCC has provided some useful tips.

- If you're contacted unexpectedly and threatened by someone who says they're from a government agency or trusted business, always consider the possibility that it may be a scam – then stop and check if it's for real.
- Don't be pressured by a threatening caller and don't respond to threatening emails or voicemail messages asking you to call someone back. If you do, the scammers may increase their intimidation and attempts to get your money.
- If you're unsure whether a call or email is genuine, verify the identity of the contact through an independent source, such as a phone book or online search, then get in touch with them to ask if they contacted you. Don't use the contact details provided by the caller or in the message they sent to you.
- If you're still unsure, speak to a family member or friend about what's happened.
- Never give money, bank account or credit card details or other personal information to anyone you don't know or trust – and never by email or over the phone.
- A government agency or trusted business will never ask you to pay by unusual methods such as with gift or store cards, iTunes cards, wire transfers or bitcoin.
- Don't open suspicious texts, pop-up windows or emails and don't click on links or open attachments – just delete them.
- Never give anyone remote access to your computer if you're contacted out of the blue – whether through a phone call, pop up window or email – and even if they claim to be from a well-known company like Telstra.

To report a scam or suspected scam head to the ACCC website and fill in a 'report a scam web form'. Additional information is also available on the ACCC website www.scamwatch.gov.au

Don't be embarrassed if you do find yourself the victim of a scam. These people are master manipulators and can be threatening. Do report it and let the authorities deal with the situation for you.

Strata slices

Here we bring you the latest information about the strata industry in NSW.

Window locks now compulsory

All strata schemes in NSW were required by 13 March 2018 to have fitted external windows with safety devices where the internal floor is more than 2 metres above the external surface outside and within a child's reach (less than 1.7 metres above the internal floor). When the safety device is engaged, it must restrict the window opening to be less than 12.5cm and the device must be able to withstand a force of 250 newtons (which is equal to 25 kilograms of force).

If a strata scheme does not have devices installed, the owners corporation can be fined up to \$550 for non-compliance if convicted by a court. Owners who obstruct an owners' corporation can also be fined.

If your scheme hasn't yet done this get to it quick after all it's about protecting the smallest people in our community.

To report a strata scheme that is not complying with the window safety device requirements, send an email to windowsafety@finance.nsw.gov.au along with the following information:

- your name and contact details
- the address of the strata scheme
- the managing strata agent's name and contact details (or Secretary's details, if there is no managing agent).

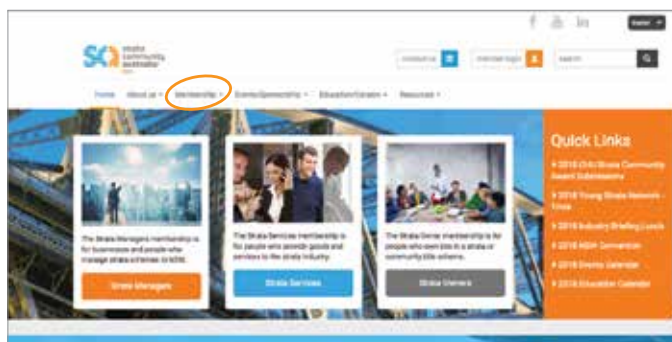
For more information, visit the window safety device requirements page on the NSW Fair Trading website.



SCA (NSW) membership

Membership renewals for 2018/2019 are due soon. SCA (NSW) encourages all owners to join and benefit from a regular strata owner e-newsletter, and invitations to events such as strata owner seminars, the annual Strata Owners Day, Strata Committee Training and the opportunity to enter your strata scheme into the annual awards.

For more information go to the SCA (NSW) website and click on the members tab. It is a very worthwhile investment.



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Strata & Community Living is a joint initiative brought to you by SCA (NSW); the peak industry body representing strata managing agents and others committed to the continual improvement in standards of strata management practice in NSW and your strata managing agent.



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