

PLANNING

Question on Notice 1

Mr RIORDAN: Okay. How much did you and the department spend in the budget on legal representations at VCAT hearings and Supreme Court hearings, and what is the combined total cost since the Corkman saga began in 2016 on legal representation for you and your department?

As at 22 December 2020, the Minister and the Department of Environment, Land, Water and Planning have incurred approximately \$390,000 (excluding GST) in legal fees relating to the Corkman Hotel. This is made up of costs relating to the enforcement actions and contempt proceedings in the Victorian Civil and Administrative Tribunal, and challenges to planning decisions in the Supreme Court.

Costs of \$340,000 payable to the Minister and the council have been awarded, and the Minister's share of these costs orders is \$170,000.

Question on Notice 2

Mr RIORDAN: On 21 June 2019 Kingston Council wrote that an inspection of the property at Johnson Avenue, Seaford, had identified combustible cladding on the townhouse complex and external walls that did not meet building code requirements.

I am of the view that the building is a danger to the life, safety and health of any member of the public or any person using the building - Acting municipal building surveyor Justin Bayard.

Since then, Cladding Safety Victoria inspected and then reclassified the Seaford property down to a class 2, type C, which means only minimal rectification work is required at the southern boundary. CSV has offered \$50 000 for the four units. Why has this property's classification been downgraded, and how many other properties have been similarly downgraded?

Cladding Safety Victoria (CSV) was established to deliver \$600 million the Private Residential Cladding Rectification Program and to prioritise the rectification of private buildings based on risk and efficiently distribute funding to owners of the highest risk buildings.

CSV has a defined scope for funding eligibility, which includes the requirement for buildings to be three or more storeys. As part of CSV's rectification process, technical inspections are carried out in the due diligence phase. This includes clarification of the building class and type, as well as determining a rectification solution.

CSV assessed the Seaford property against the requirements of the Building Code of Australia (BCA) and determined that it is a two-storey building. As a result, CSV determined that the building was not eligible for funding. The determining factor was that the car park is less than one metre above the ground level, and in line with the BCA, this is not considered a storey. Each of the four units in this building have direct road access. There are no common property areas and there is a continuous fire wall separating units one and two from units three and four.

At this point in time, there are 102 buildings referred to CSV by the Victorian Building Authority that have been reviewed and discharged from the program. Buildings are discharged for a number of reasons, one of which is if the building is less than three storeys.

Question on Notice 3

Mr HIBBINS: Thanks, Chair. I would actually like to get an update in terms of the cladding rectification program and how much money has been expended to date.

Mr HIBBINS: Okay. If you could provide, on notice if possible, how much has been expended and then your expected expenditure on that particular program over the forward estimates, that would be appreciated.

To date, the total expenditure for the Private Residential Cladding Rectification Program is \$36.12 million. This will increase substantially in the coming months, as rectification works on 200 buildings is anticipated to be underway by the end of the 2020-21 financial year. The remainder of the \$600 million committed to this program is expected to be spent over the forward estimates.

As at 23 December 2020, rectification works on nine private residential projects has been completed, noting one of those projects has three joined buildings. Rectification works on a further 70 buildings are underway.

For the Government Buildings Cladding Rectification Program, as at the end of November 2020, almost \$17 million has been released to departments to rectify their buildings with 48 buildings having completed cladding rectification works. The remainder of the \$150 million committed to this program is expected to be spent over the forward estimates.

Question on Notice 4

Ms VALLENCE: Just back on what Mr Riordan was asking before about cladding, how many properties have been charged a planning permit cladding levy more than once on the same property?

Mr WYNNE: Charged the cladding levy more than once?

Ms VALLENCE: Yes. We understand that there are developers that have been charged for both a permit for the exterior and a permit for the interior. So how many? On notice, if you do not have it available now.

The building permit levy is payable in relation to any proposed building work where a building permit is required. A component of the building permit levy was introduced to help fund the cladding rectification program – the cladding rectification levy. But the cladding rectification levy is only payable where certain criteria are met – the value of the building work is \$800,000 or more; it is not located in regional Victoria; and the building work must relate to a class 2 – 8 building.

There have been no circumstances where the cladding levy has been charged more than once for the same building permit. There may be cases where a building project on one site is carried out in stages and a building permit may be required and issued for each stage of that building work. The value of the building works to be undertaken (and the levy payment applied) are correspondingly smaller where the permits are progressed in stages, as they are subsets of the total building work value. The building permit levy, and the cladding rectification levy where it applies, will be calculated and payable for each building permit.