

SCA (ACT) FACTSHEET – ACT PRIVATE BUILDING CLADDING SCHEME

2 August 2021

Summary

On 21 July 2021, the ACT Government announced the establishment of the ACT Private Building Cladding Scheme, to assist eligible building owners in testing for the presence of combustible cladding on their property.

Under the scheme, building owners are able to apply for a rebate covering 50% of the costs associated with testing and assessment for each building, and a maximum rebate of \$20,000 (exc. GST).

Eligible buildings under the scheme are categorised as:

- An apartment building with a rise of three storeys or more, or a cluster of residential buildings close to each other that represents a high fire risk;
- A building or buildings that contains residential apartments or have a mix of uses such as residential apartments with ground floor shops or offices, and/or
- A building judged to contain combustible cladding based on reasonable grounds by the Owners Corporation.

If a building is judged to require cladding rectification work to be undertaken, concessional loans are available to eligible owners under the scheme.

Further details about rectification funding under the second phase of the scheme will be made available once the results of the first phase are known.

SCA Advocacy

Following the release of the scheme details, SCA (ACT) has written to The Hon. Rebecca Vassarotti MLA, Minister for Sustainable Building and Construction seeking clarification on the following:

- If testing costs to owners corporations exceed the \$20,000 cap for testing reimbursement and they are subsequently still unable to immediately cover these costs, is there any scope for further support in these instances?
- If owners corporations have proactively sought testing for combustible cladding prior to the announcement of the scheme, will requisite support be available under the scheme to retrospectively cover at least some of the accrued costs?
- If an owners corporation claims reimbursement for combustible cladding under the scheme, identified an issue and reported this to their insurance provider, will support in the event that insurance coverage is revoked or invalidated be made available by the ACT Government?

Frequently Asked Questions (FAQs)

Q. When does the program start and what are the full details?

Full details about the scheme guidelines can be found here:

- [Grant guidelines](#)
- [Scheme details](#)
- [Register of Potential Suppliers](#)

Q. How do owners make a claim under the ACT Private Building Cladding Scheme?

A. The ACT Government have published written resources concerning the Cladding Program, including procedural and factsheets available to owners, managing agents, tenants and strata managers, located [here](#).

Q. Does the scheme cover retrospective applications by owners for testing for combustible cladding, given the costs involved?

A. The scheme announcement did not detail whether applications for testing made by owners prior to the scheme announcement would be paid retrospectively. SCA (ACT) has written to Minister Vassarotti to request additional information on this aspect of the scheme, arguing that an equitable solution would be retrospective payment to buildings who have been proactive in having their building assessed.

Q. Has the ACT Government mandated a Dedicated Inspector and/or Project Manager function as a part of the scheme?

A. SCA (ACT) is working with the ACT Government to identify personnel appointed to the project and how it will function on a day-to-day basis. We will be advising members as soon as we have more information.

Q. Has the ACT Government indicated any intention of subsidising legal support for owners, or alternatively, offered government-funded legal representation to owners in the event that combustible cladding is discovered?

A. The ACT Government has not offered that support at this stage.

Q. Is financial support available from the ACT Government to owners in the event of invalidation or revocation of insurance due to mandatory notification of insurance providers upon claiming under the scheme?

A. SCA (ACT) has made representations to the ACT Government on this point and is working with stakeholders in the insurance and finance industries to understand these challenges as the scheme will unfold.

Q. Are there alternative support options available to owners if the \$20,000 cap pertaining to testing claims under the scheme is exceeded?

A. So far only the \$20,000 cap announcement has been made.

Where can I find additional resources and factsheets?

Visit the ACT Government website [here](#).

Additional resources: