



The Honourable Kevin Anderson MP
Minister for Better Regulation and Innovation

Mr Fred Tuckwell
Chair and Treasurer
Karen Stiles
Executive Officer
Owners' Corporation Network
Email: eo@ocn.org.au

Dear Mr Tuckwell and Ms Stiles

Re: NSW State Budget announcement - Project Remediate

Today in the 2020-21 NSW Budget, the Government announced a landmark three-year program to help remove combustible cladding on hundreds of the most at-risk residential buildings across the State.

As a key stakeholder in our journey to date, I would firstly like to thank you.

The centrepiece of Project Remediate is a commitment to pay the interest on loans by commercial lenders to Class 2 residential building owners and owners corporations to help them fast-track the removal of unsafe cladding.

The NSW Government has also allocated up to \$139 million to co-ordinate the remediation process for affected buildings through an assurance service that will oversee remediation work at each affected property. This service will ensure that rectification is completed to a high standard and that every building will then be eligible for insurance without caveats around cladding.

Today's announcement is the culmination of a lot of hard work. Over the past year the NSW Government has worked closely with councils as the consent authority for many residential apartments, through the Cladding Support Unit. This work has reconciled the status of identified buildings, to prioritise and support the assessment and investigation of buildings with potentially unsafe cladding.

We have heard from councils and building owners about the challenges of this process, including the complexity of assessing fire safety provisions and solutions and the limited capacity of owners' corporations to manage and fund the work required.

Over the next few months, the NSW Government will be setting up the assurance program, finalising the loans model and engaging a financial provider. The program design and loan scheme will be announced mid-December and applications are expected to open around March 2021.

I will keep you informed of progress.

I have enclosed a copy of the budget announcement. You can also go to nsw.gov.au/project-remediate for further information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Anderson', followed by a long horizontal flourish.

Kevin Anderson MP
Minister for Better Regulation and Innovation

Date: 16 November 2020

Encl. Budget media release 'Support for owners to remove high-risk cladding'