

## **Compliance with a Fire Order from North Sydney Council**

**Dear Unit Owner,**

Unfortunately, soon every unit owner will need to pay significantly more than currently is the case over at least the next 2 years, in addition to the usual strata levies. An early estimate is a total shared among all 162-unit owners is \$2M but with a wide potential range depending on quotations obtained for each required task that meets the NS Council's orders.

### **What's this for?**

This amount is based on a conservative estimate of the cost of upgrade works that the North Sydney Council would force us to carry out, as it has now issued the order that it proposed to issue to us earlier this year. You were advised of this via the agenda material that was sent to you for the strata's last AGM in January 2023. A copy of the actual order is attached. We have been given 2 years to complete the upgrade works in this order.

### **Why should I care or pay? I've got nothing to do with this.**

Such orders are enforceable by law, and the costs to comply with them are recoverable against each unit owner according to their relative proportion of ownership. This is regardless of whether the need to upgrade existed before they bought their unit.

Also, until Council is satisfied that we have fully complied with the order they have issued, any unit owner who plans to sell their unit needs to disclose the existence of this order to prospective purchasers.

Furthermore, when we sought quotes for building insurance recently, only one insurer offered insurance and did so at double the usual premium - all other insurers declined to offer insurance because of Council's intention to issue a fire order to us which they now have now done.

### **Why did Council issue the order?**

North Sydney Council believes that it has a reasonable basis to treat our building as non-compliant with the current fire safety requirements that are applicable to our type of building. This is largely due to a report that a registered building surveyor gave the Council in December 2022. It itemised our building's non-compliance with the fire safety requirements in the 2019 National Construction Code. That report also recommended an itemised schedule of remedial work that would address this non-compliance. Council has relied on that report in drafting its proposed order. Note that the building was certified for occupancy in 1994 as being compliant with the 1990 National Construction Code. Furthermore, we have provided Council annual statements attesting to our compliance with the applicable 1990 code.

### **Is the 2019 Code the right one to use? Shouldn't our building be assessed against the Code that existed when our building was first approved by Council, which was 1994?**

Unfortunately, the 2019 Code is the correct code to use (until a newer code is implemented). Council can legally require remedial work on a building that was built years ago in order to address non-compliance with fire safety requirements that are in force now. This is regardless of whether Council approved a building's compliance with any requirements that existed earlier.

**What if we don't do all the remedial work that the council orders? Can't we do the cheaper work now and delay the more expensive work for a few years?**

We must complete all works that the Council orders us to do if we want to avoid penalties as well as reduce the risk of loss of life and property damage in the event of a fire.

No, we can't delay the expensive work. Council has set a 2-year deadline for us to complete all the remedial work to their satisfaction.

It is true that some of the proposed remedial work seems easy and cheaper to complete (e.g. putting exit signs up in all fire exit stairwells). However, some of the proposed remedial work will be complex and very costly (e.g. Installing a second fire exit stairwell in every tower, or engaging recognised fire safety specialists to design and certify implementation of an alternative - i.e. a "performance solution" ). The likely most disruptive and expensive task is the installation of sprinklers in each apartment, car park, and common areas.

**This can't be right! It sounds too excessive, unfair, and unnecessarily expensive! What has been done to check the basis for all this?**

The strata committee and other concerned unit holders have voluntarily taken a number of steps to independently test the basis for the remedial works that the Council proposes. These steps are outlined in the attachment.

**What further steps are being taken?**

There are more steps to take to see if we can reduce the expected scope of this order and resulting costs as well as the impact that paying additional special levies will have on owners. Council delayed issuing its order until mid-May 2023. This gives us some time to test our concerns with the basis for the more costly works in the order.

The cost of these further steps, however, has not yet been sufficiently budgeted for. So we intend to call an extraordinary meeting for all unit owners to vote on the budget to fund these steps once we have obtained and short-listed the relevant quotes.

**What can I do to help reduce the costs and risks?**

You can help by supporting a vote to fund these further steps, as they give us the best chance of eliminating unwarranted remedial works and costs.

You can also help if you have experience in dealing with fire safety practitioners or related Council orders or can productively assist the committee in other ways on this issue. If so, please contact Fire Order Sub committee at the following email [Fireorder@pacificpark.org](mailto:Fireorder@pacificpark.org).

We will give further updates in due course via the Strata Committee minutes (7 March, 18 April, and 30 May 2023) and they will also be available on our website [www.pacificpark.org](http://www.pacificpark.org).

## **Summary**

**AED Consulting has been engaged by us, the Owners of Strata Plan 47991, as their superintendent for the fire safety upgrade project for the existing residential building. They reviewed the basis of the 'intention to issue a fire order', making several changes to the original requirements in their recommendations to NS Council on 2 June 2023. Council responded on 16 June, accepting the requested amendments, excluding the timeframe, which remains at 2 years rather than the 3 years requested by AED.**