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RE: Economics and Industry Committee: Inquiry into Ironbridge Holdings Pty Ltd and Other Matters Regarding Residential Land and Property Developments

## Submission for Standing Parliamentary Committee

My partner and I purchased land from Ironbridge Holdings Pty Ltd in July 2009 in the Dalyellup Estate, "The Tuarts". Included in our package was fencing around the property and \$3150 worth of landscaping to the front of the house on the condition that we finished building our home within 20 months from the purchase of the land. We did not have our fencing completed for 19 months after purchasing the land, and we are yet to have our landscaping, or fence painting completed, as per our contract with Ironbridge Holdings Pty Ltd. We have now owned the property at

We believe that the state government is constrained by current laws to intervene in a civil matter such as this one. My partner and I firmly believe that the Department of Commerce (Consumer Protection) is lacking in its capacity to resolve consumer complaints against a company or corporation such as Ironbridge Pty Ltd. While they were sympathetic to our issue of lacking fencing around our home, they were unable to resolve our complaint against Ironbridge Holdings Pty Ltd. The government needs to review the powers of the Consumer Protection Division of the Department of Commerce, and provide them with the ability to legally assist consumers in the restitution of funds or services promised in civil contracts.

The Magistrates Court was our next recourse and whist we were awarded a default judgement against Ironbridge Pty Ltd, to recover the cost of fence painting and landscaping, we are yet to receive any monies owed to us. The Bailiff's Office (Baycorp) also seems unable to recover the money we are owed, even after paying \$180 to the Magistrates Court for them to do so in April 2011. We are currently owed close to \$5000 and are yet to receive any payments.

My partner and I are both Secondary Teachers in the Bunbury District, and we are both first homebuyers. We believe that the current system does not protect people like ourselves from companies such as Ironbridge Holdings Pty Ltd. They have acted dishonestly in their dealings with us, for example lying to us in writing about the date of fence instalments, or not returning any of our written or verbal requests to install the fencing, fence painting or landscaping to our property. There does not seem to be any body or institution to protect us, or force Ironbridge Pty Ltd to honour their legally binding contract with us. The government needs to provide assurances to homebuyers that upon purchase of land and that the conditions stipulated in a contract between the buyer and developer will be honoured. Our suggestion to the committee, is that the government compel property developers such as Ironbridge Holdings Pty. Ltd., to place funding for any packages sold with land, in a

government controlled account. This we believe would ensure that the homebuyer does not lose their entitlements such as fencing and landscaping should the developer experience financial difficultly.

The government must also consider that property developers are responsible for future urban areas in Western Australia. It is imperative to ensure that companies such as Ironbridge Holdings are monitored in their development of urban areas. The company has not ensured the sustainability of 'The Tuarts' as little to no vegetation has been planted in the estate by the company. Also included in their advertised brochure was a point stating that:

"Within the estate there are over 7 hectares of public open spaces made up of 4 recreational areas."

To date, only one recreational area has been provided by Ironbridge which is located on Murtin Road, and does not include a children's play area or any other facilities. The promise that the area would eventually be of a 'high quality', has not be fulfilled, as the general aesthetics of the area are woeful. I have written to the Capel Shire on three occasions requesting information regarding their role in the provision of key facilities in this urban area, such as a children's play area, and they maintained that the responsibility remained with Ironbridge Holdings. My suggestion for the committee would be that the government ensure that funding is secured from property developers for maintenance and landscaping of the general area to ensure not only sustainability of an urban area, but also economic viability for the homebuyer.

In conclusion I believe that the government needs to provide homebuyers like ourselves assurance that they are protected from companies such as Ironbridge Holdings through legislation. The government needs to investigate the financial position of property developers prior to them purchasing and selling large areas of land for urban development. I would also like to reiterate that the government should introduce legislation to compel property developers to act in a sustainable manner in the development of an urban area, including the landscaping of the natural environment. Unfortunately for my partner and I, we feel that we have been 'ripped off' by Ironbridge Holdings and the system does not appear to have the power to protect or compensate us. We believe legislation to give more power to Consumer Protection and the Magistrates Court to compel a company to fulfil the terms of a civil contract is necessary.

We are both wish to appear before the committee to present our case if required.

Yours Sincerely

Ciara Lyons and Jason Schuttloffel