

RESIDENTIAL BUILDING WORK CONTRACTS AND DISPUTE RESOLUTION ACT 2016

Senior Audit and Compliance Officer
Steve Collins

Purpose of ACT

- To regulate certain residential building contracts
- To provide for the resolution of disputes arising under or related to such contracts for residential building work for a contract price of \$20,000 or more.
- Designed to help you avoid disputes and common pitfalls, by explaining your rights and obligations under the Act.

Residential Building Work

- New houses
- Renovations
- Alterations
- Extensions
- Improvements
- Repairs and conversions of non-habitable buildings into residential buildings (for example a barn or shipping container into a house).



Certain contracts taken to be one contract

If a building contractor and an owner enter into 2 or more separate contracts that –

- The separate contracts are taken to be a single contract for which the contract price is the sum of the contract prices

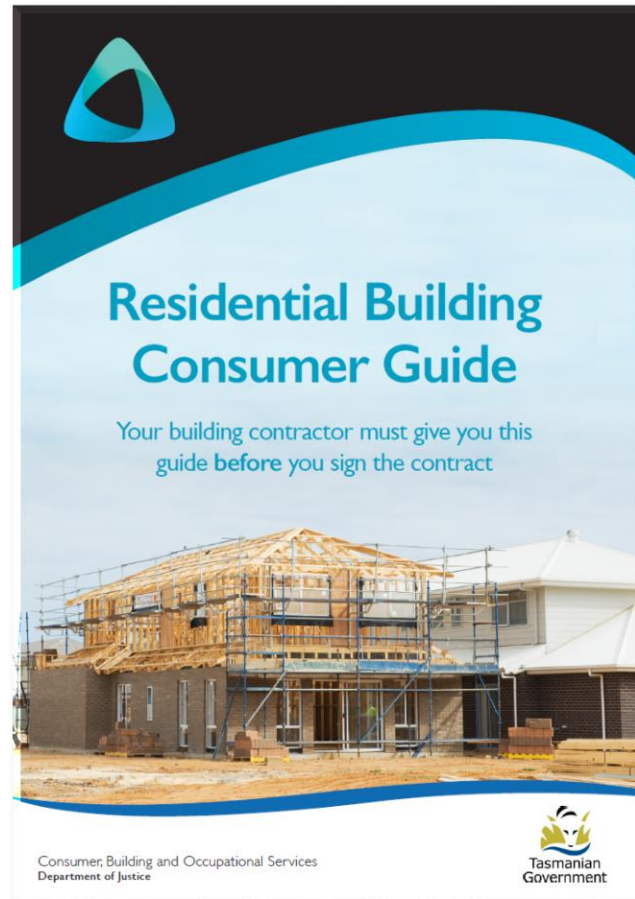


Contracts

- sets out in full all the terms of the contract
- specifies the names of the parties
- licence holders name
- description of plans
- the contract price
- specifies the date of practical completion
- sets out the warranties
- include the required checklist
- Attached the residential building consumer guide



- A copy of the Residential Building Consumer Guide is to be provided to the owner as part of the contract



Which can be located at www.cbos.tas.gov.au .

Contracts must be in writing

- Contract to be in written form
- Signed
- Copy must be provided to the owner



Variations

- Variation must be in written form
- Describe the variations
- State the reason for variation
- Detail the cost
- Signed by builder and owner
- Variations should not commence before signing
- Copy must be provided to the owner



Obligations of Building Contractor

- Must, within 10 business days after work begins to be performed, give to the owner a commencement notice.
- Must, within 10 business days after the date of practical completion give a notice of practical completion to the owner.
- As soon as practicable, but in any case within 6 months, after giving to an owner a defects document in relation to a minor defect or minor omission, must take all reasonable steps to correct the defect or the omission.

Cooling-off Period

Owner

- Within 5 days of receiving the contract.
- Within 7 days of becoming aware the owner should have received the residential building consumer guide.



Restrictions affecting cooling-off period (5 days Section 33)

An owner may not withdraw from the contract if –
the owner and building contractor previously entered into a previous
contract and the terms are substantially the same.

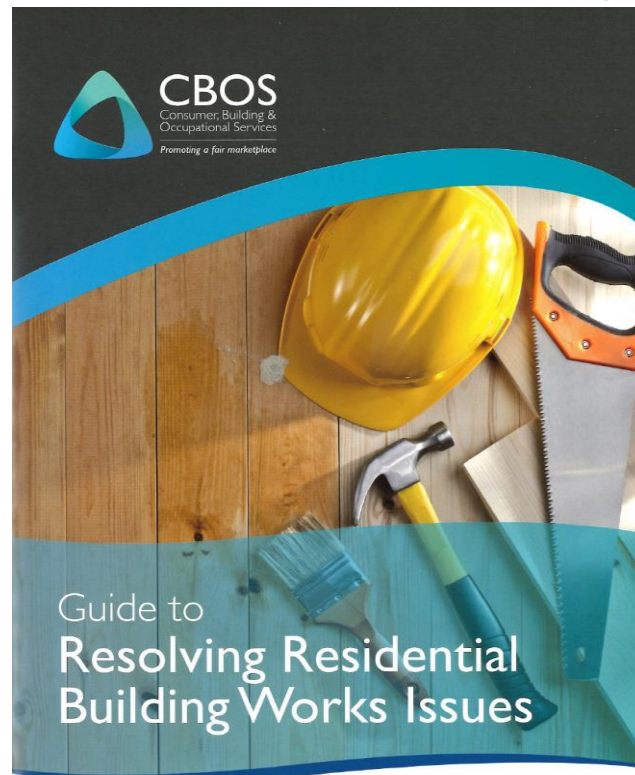
An owner may not withdraw the contract if before entering into the contract,
the owner received formal legal advice about the contract.

When, or after, the contract is entered into, the owner tells the building
contractor that the owner received formal legal advice about the contract
before entering into the contract.

Mediation

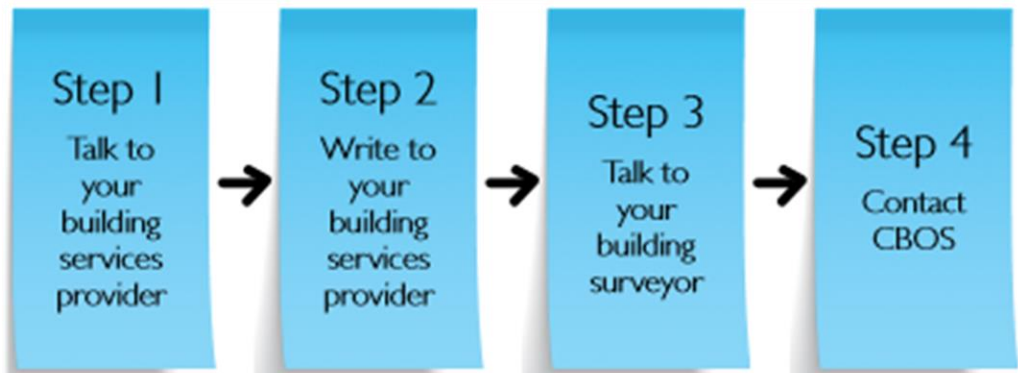
- A builder or an owner may lodge a notice of dispute
- A copy must be served on the other party (building contractor or owner).
- The notice must specify the grounds of the dispute.

Guide to Resolving Residential Building Works Issues



Guide to Resolving Residential Building Works Issues

Resolving Issues –
all building work



Resolving Issues –
defective building work

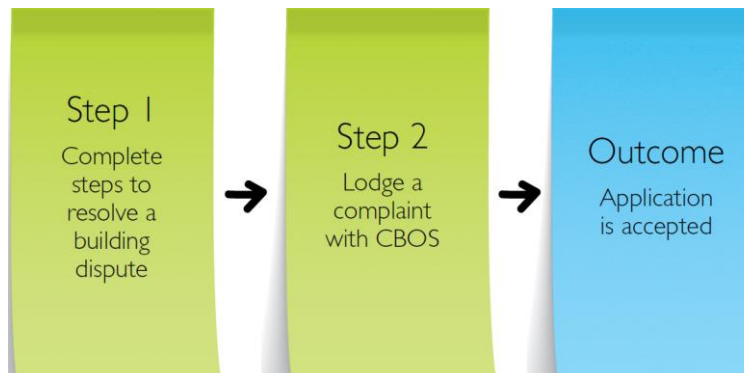


Guide to Resolving Residential Building Works Issues

Resolving issues – Contracts



Formal Complaints



Where can I find out more?

- New CBOS website with enquiry form: www.cbos.tas.gov.au
- Facebook: www.facebook.com/TasBuildingStandards/
- Helpline: 1300 654 499
- Email: cbos.info@justice.tas.gov.au





Tasmanian
Government