

What you need to know about

## Domestic building advice and dispute resolution

### How do you avoid building disputes?

Use a Registered Building Practitioner



Every building project, no matter how big or small, carries some sort of risk. By using a Registered Building Practitioner you are engaging a qualified, knowledgeable and experienced professional. If you are undertaking building work of a structural nature or value over \$5,000, the first question you should ask is: "Are you a Registered Building Practitioner?"

You can check if your builder is registered by calling **1300 360 320** or use the 'Finding an RBP' menu at [www.buildingcommission.com.au](http://www.buildingcommission.com.au).

#### Tips for avoiding building disputes

- Be clear and consistent in describing the building work you want.
- Discuss the importance of builders' registration and warranty insurance.
- Ensure the full scope of work and accurate costs and estimation of time are included in the building contract.
- Seek expert advice about the contract before signing, if there are aspects you don't understand.
- Discuss important aspects of the contract, such as cooling-off periods, progress payments and start and finish dates.
- If you agree to changes or variations in the contract after building has started, make sure these are placed in writing and signed by both parties as part of your contract.
- Talk with your builder regularly about the progress of the building project and discuss any concerns you have as soon as they arise.
- Keep a diary of progress and meetings relating to the building project, including photographs with dates.
- Keep the building surveyor in the communication loop.
- Ensure you receive all trade certificates and an Occupancy Permit or Certificate of Final Inspection on completion of building work.

#### Need more information?

Building Advice and Conciliation Victoria  
Level 3/452 Flinders Street  
Melbourne 3000

Telephone **1300 557 559**

[www.consumer.vic.gov.au](http://www.consumer.vic.gov.au)  
[www.buildingcommission.com.au](http://www.buildingcommission.com.au)

Printed December 2005



Every year thousands of Victorians build or renovate their homes. Research shows that the vast majority, 78 per cent, of domestic building projects are completed successfully without issue. However, the remaining 22 per cent of projects experience difficulties ranging from minor concerns to serious disputes in a small percentage of cases.

Your relationship with your builder is like any other business relationship. It carries certain roles and responsibilities and, as a consumer, it is important to know where to go if problems arise. There is a range of services available to advise and assist you to resolve issues or disputes, should they arise.

## How do you resolve building issues?

If an issue occurs, good communication is the first step towards finding a resolution. Make a point of writing to your builder with your concerns, and confirm your verbal agreements by letter. If you cannot resolve your issue with your builder, you can access an advisory service called Building Advice and Conciliation Victoria (BACV).

BACV is a one-stop-shop for consumers and builders, providing advice and assistance to resolve domestic building disputes. BACV is managed and delivered jointly by Consumer Affairs Victoria and the Building Commission. Possible services include advice, conciliation and technical inspections of building work.

**Your relationship with your builder is like any other business relationship.**

The steps of the BACV process are designed to assist you to resolve your building dispute without the need for costly legal services.

### Step 1: Contact BACV

Contact BACV's customer service centre, located at Consumer Affairs Victoria, on **1300 557 559** for free advice from trained staff.

### Step 2: Written complaint

If your query can't be addressed over the telephone, send a written complaint to BACV together with supporting documents. BACV conciliators will attempt to resolve the dispute by telephone conciliation with the parties. This conciliation is very effective, resolving around 90 per cent of complaints.

Written complaints are usually concerned with the scope of a contract, the quality of building work, contract variations, and payment or timing issues. BACV is able to assist with these and other concerns.

If necessary to resolve your complaint, Consumer Affairs Victoria may refer the matter to the Building Commission for an independent inspection report and an on-site conciliation.

### Step 3: Inspection

The independent inspection, organised by the Building Commission, will report on those aspects of the building that you consider to be defective. It will determine which of these items is defective. The report will recommend what should be done to rectify any defects and will estimate the time required to complete rectification work. Both you and your builder will receive a copy of the report to help resolve your dispute.

### Step 4: Conciliation

When requested by Consumer Affairs Victoria, the Building Commission's trained conciliator will facilitate an on-site meeting intended to assist you and the builder to agree on steps to conclude your dispute. In excess of 80 per cent of on-site conciliations are concluded with realistic and achievable agreements by both parties.

### Step 5: Enforcement

The Building Commission and Consumer Affairs Victoria may investigate building practitioners as a result of written complaints received through BACV. Builders who refuse to follow recommendations in an inspection report or carry out their responsibilities under the domestic building contract may also be referred to the Building Practitioners Board for possible disciplinary action.

### Step 6: No resolution

If you or the builder are not satisfied with the free BACV service, either party can take the issue to the Victorian Civil and Administrative Tribunal (VCAT) at any time, at their own cost.

## Domestic building insurance

Domestic building insurance protects homeowners (where the building contract is signed after 1 July 2002) from incomplete work in cases where the builder:

- Has died
- Is insolvent
- Has disappeared.

In situations where the builder could rectify or complete, defective or incomplete work the builder should do so. BACV can assist if you have a dispute with your builder about rectification or completion.

If your building contract was signed before 1 July 2002 and you have a dispute with your builder, you should also contact your domestic building insurance provider identified in your contract documents.

