



Building Services Authority

MEDIA RELEASE

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Don't let your building project turn into a nightmare: use written contracts for building work

The Queensland Building Services Authority (BSA) in Brisbane is concerned that some homeowners are leaving themselves open to dodgy contractors because they are having building or renovating work performed on their home without a written contract in place.

BSA's Acting General Manager Col Wright said BSA had found that some homeowners in the Brisbane region were undertaking considerable renovations or alterations, but had no written contracts with their tradespeople, or signed contracts only after work was completed.

"If you lodge a complaint with BSA about defective work performed by a contractor, without the correct documentation it can be very difficult to resolve the problem," he said.

"If there are variations to a plan, these changes must be written into the contract so that costs and expectations are agreed upon before work commences," he said.

"BSA offers Queenslanders the best Home Warranty Insurance in Australia, which insures work valued in excess of \$3,300 when it is performed by a BSA licensee. Without thorough documentation, however, making a claim on this insurance can be very difficult."

BSA produces contract packs that are free to download off the website www.bsa.qld.gov.au under "Products and Services". The packs can also be purchased from BSA shopfronts for between \$5 and \$10. These contract packs include BSA approved Information Statements and forms needed to simplify the process of documenting all aspects of your agreement including progress payments and variations.

It is also important that builders have written contracts with their sub-contractors. BSA publishes a fact book with information about contractors' contractual obligations that can be picked up from BSA shopfronts.

If you are engaging contractors to do work on your home, BSA offers the following advice:

When choosing a contractor you should follow five simple steps.

1. Using the Yellow Pages, newspaper ads and referrals from friends and family, find local contractors that are willing and able to do the job.
2. Make sure the contractor is licensed by asking to see their BSA licence card.

299 Montague Rd, SOUTH BRISBANE Q 4101

POSTAL ADDRESS: Private Mail Bag 84, COORPAROO D.C. QLD 4151

MEDIA CONTACTS: Justin Coomber 3404 3027, 0407 130 287, Justin.Coomber@bsa.qld.gov.au
Heidi Jones 3225 2996, Heidi.Jones@bsa.qld.gov.au

3. Write down the contractor's licence details and double-check them with BSA (call 1300 BSA BSA, or visit www.bsa.qld.gov.au) to make sure the licence is current and appropriate for the work you want performed.
4. Get at least three written quotes from contractors and remember that the cheapest is not always the best.
5. Ask the contractor for details of past work they have done and speak with their previous clients.

Once you have chosen a contractor you should:

- Ensure all details of your agreement with the contractor are *written down* in a contract (or in a detailed written quote if a small job) and that you have a copy.
- Make sure the contractor gives you copies of all documents supporting the contract, including plans and specifications, soil tests etc.
- Monitor the contractor's work carefully and advise the contractor immediately of problems, both verbally and in writing.
- Don't pay too big a deposit, don't pre-pay or over-pay the agreed progress payments and never pay for incomplete work.
- Always check the work fully before making your final payment.
- Don't rush into a decision. Take time and seek advice. The *Domestic Building Contracts Act 2000* gives you a "cooling-off" period of five business days to consider your decision and change your mind.

"Your home is likely to be your greatest investment so be very careful who you hire to work on it as this decision can determine whether the project runs like a dream or a nightmare."

"If you have any questions about building or renovating, or find yourself in dispute with a contractor, please contact BSA on 1300 272 272 or visit www.bsa.qld.gov.au."

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