# Builders’ administrative quality assurance checklist

*Building Services (Compliant Resolution and Administration) Act 2011* (CRA Act)

*Building Act 2011* (Building Act)

*Building Services (Registration) Act 2011* (BSR Act)

Building Services (Registrations) Regulations 2011 (BSR Regs)

*Home Building Contracts Act 1991* (HBC Act)

## Regulatory compliance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Registration number shown on all  advertising (eg website, radio, TV, cars,  newspapers, office, display homes) |  |  | BSR Act s8 |  |
| Provided written notice of a change  in nominated supervisor |  |  | BSR Act s22 |  |
| Provided written notice of a change of  contractor address |  |  | BSR Act s32 |  |
| Provided written notice of changes to  registration eligibility |  |  | BSR Act s33 |  |
| Provided written notice of financial  difficulty and insolvency |  |  | BSR Act s34 |  |
| Capacity to meet debts as and when  they fall due |  |  | BSR Act  s53(1)(b) & s18(1) |  |
| Construction site sign:   * Is in a prominent position able to be read from members of the public  from outside the site * Reasonable dimensions and  written in clearly legible letters  and numerals * Contains name (in full and as  registered) and registration number  of contractor ‘BCXXXXX’ * Contains the contractor’s  telephone number * Contains the name and  registration number of  nominated supervisor “BPXXXXX’ |  |  | BSR Regs r21 |  |
| Building surveyor, painter and plumber’s names and registration/licence numbers  are current on the Building Commission  register |  |  | BSR Act  s53(1)(e) |  |
| Home Indemnity Insurance (HII) furnished to owners where a deposit has been  demanded but the building permit hasn’t  been issued |  |  | HBC Act s25C(2) |  |

## Management and supervision – BSR Act s53(1)(f) & (g)

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| --- | --- |
| Number of nominated supervisors |  |
| Number of site supervisors |  |
| Number of other construction supervisors |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Checklist** | **Yes** | **No** | **Comment** |
| 20 or fewer projects assigned per site  supervisor |  |  |  |
| Site management structure in place |  |  |  |
| Contractor has systems in place to ensure  proper management and supervision |  |  |  |
| Nominated supervisor has systems to  ensure proper management and  supervision |  |  |  |
| Manuals or standards guide specifying  the minimum standards of work available |  |  |  |
| Checklist for inspections of critical stages  of construction in place (eg compaction,  concrete, waterproofing, roof tie down) |  |  |  |
| Random audits/inspections of the building work to check compliance |  |  |  |
| Internal or external training provided for  site supervisors |  |  |  |
| Process in place for assessing the skill  level of supervisors |  |  |  |
| Conducted building skills training for staff  in the last 12 months |  |  |  |
| Supervisors have access to building  codes and standards |  |  |  |
| Critical details are provided to the  tradesperson |  |  |  |

## Which building elements create the most issues for you as a builder?

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## Completed building project(s)

|  |  |
| --- | --- |
| Owner’s name |  |
| Project site address |  |
| Type of home building work |  |
| Contract value |  |

## Contractual

Applies to home building work projects between the prescribed amount   
(Currently $7,500 - $500,000)

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| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Preparation of Plans Agreement – does not contain a term that binds the owner to  enter into a Home Building Work Contract |  |  | HBC Act s4(1) |  |
| Lump sum contract – Written contract  containing all terms, conditions, provisions dated and signed by both parties |  |  | HBC Act s4(1) |  |
| Prescribed notice provided to owner  prior to signing contract |  |  | HBC Act s4(2) |  |
| Owner given copy of contract as soon as  practicable and before work commences |  |  | HBC Act s5(1) |  |
| Proof of receipt of documents (prescribed notice and building contract) |  |  | HBC Act s6 |  |
| Deposit less than or equal to 6.5% |  |  | HBC Act  s10(1)(a)(i) |  |
| Genuine progress payments made |  |  | HBC Act  s10(1)(b)(i) |  |
| Variations contain all terms, costs, dated  and signed by both parties |  |  | HBC Act s7(1) |  |
| Variations given to owner prior to  variation works being carried out |  |  | HBC Act s7(2) |  |
| Provisional sums and prime cost items  not understated |  |  | HBC Act s12(1) |  |
| Claimed the PS/PC in accordance with  the contract terms |  |  | BSR Act s53(1)(e) |  |
| Does not include a rise and fall clause |  |  | HBC Act s13(1) |  |
| Does not prevent the owner or  representative from inspecting the works |  |  | HBC Act s26(1) |  |
| Does not contract out of HBC Act |  |  | HBC Act s28(3) |  |
| Home Indemnity Insurance (HII) certificate provided to the owner before  requesting the deposit |  |  | HBC Act s25C(2) |  |
| Cost plus contract – written contract  containing a heading ‘Cost plus contract’  at the beginning and acknowledgement  that the HBC Act provisions do not apply,  except for Part 3A – HII |  |  | HBC Act s14(1) |  |

## Home indemnity insurance

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| Policy value |  |

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| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| HII value is the  same as the building permit and building  contract (must not be undervalued) |  |  | BSR Act  s53(1)(e) or (j) |  |
| Policy issued in contractor’s name |  |  | BSR Act  s53(1)(e) or (j) |  |
| Policy beneficiary is the contracted  homeowner |  |  | BSR Act  s53(1)(e) or (j) |  |

## Building permit

|  |  |
| --- | --- |
| Date the building permit was issued |  |
| Name of the building permit authority |  |
| Building permit number |  |
| Building permit value |  |
| Date work commenced on site |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Building permit value is the same as the  building contract and HII policy  (must not be undervalued) |  |  | BSR Act  s53(1)(e) or (j) |  |
| Building permit issued in the contractor’s  name |  |  | BSR Act  s53(1)(e) or (j) |  |
| Building permit issued prior to work  commencing on site |  |  | BSR Act  s53(1)(e) or (j) |  |
| Notice of completion submitted to the  permit authority |  |  | BSR Act  s53(1)(e) |  |

## Building and Construction Training Fund

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| --- | --- |
| Construction value |  |

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| --- | --- | --- | --- | --- |
| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Construction value is the same value as the building permit, building contract and  HII policy (must not be undervalued) |  |  | BSR Act  s53(1)(e) or (j) |  |
| Final value adjusted to the Building and  Construction Training Fund if more  than the prescribed amount  (currently $25,000) |  |  | BSR Act  s53(1)(e) or (j) |  |

## Building services levy

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| Building services levy value |  |

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| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Building services levy value is the same  as the building permit, building contract  and HII policy (must not be undervalued) |  |  | BSR Act  s53(1)(e) or (j) |  |

## Termite management

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| --- | --- | --- | --- | --- |
| **Requirement** | **Compliant** | | **Reference** | **Comment** |
| **Yes** | **No** |
| Termite management been carried out  (i.e. if spray, both Parts A and B, etc) |  |  | BSR Act s53(1)(e) |  |

Disclaimer: The above is a risk based approach to auditing taking into consideration obligations and responsibilities under the building service Acts. It is not an exhaustive tool that ensures full compliance with the building service Acts and should not be relied upon as legal advice. The Building Commission and its officers do not accept any liability for action taken in reliance on this audit checklist and disclaim all liability arising from any errors or omissions contained in this checklist.