



**Building and
renovating in the NT**
A consumer guide

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1. Introduction

Building or renovating your home can be a rewarding experience, but the process can be complex. This guide will help you get started.

This guide outlines the choices and processes that you need to know about when building or renovating a stand-alone home, or detached single dwelling.

At the end of this guide there is specific information about buying or renovating apartments or units and minor building work such as adding carports, sheds and shade structures to your home.

The National Construction Code (NCC) is a performance based code that sets the minimum requirements in relation to structure, fire safety, access and egress, accessibility, health and amenity and sustainability. All new buildings, new building work, and new plumbing and drainage systems must comply with the NCC.

Are you building a new home?

If you are building a new home you can choose to:

- buy a house and land package
- build a house based on a display home, on your own land
- use a designer and a separate building company to build on your own land
- use a company that will both design and build a home on your own land
- become an owner-builder
- buy a home being constructed off the plan
- use a prefabricated/transportable house
- relocate an existing house to a new site.

Are you extending or renovating your home?

The level of involvement you have in the project will vary according to the option you choose. If you are extending or renovating your home you can:

- use a company that manages your plans, building permits and construction
- use a designer and a smaller building company
- use a small design and build company
- engage a builder to supervise the entire project and coordinate subcontractors for you
- become an owner-builder.

Building terms

There are particular words and terms used when talking about building and the building certification process.

You can avoid some problems during the building process if everyone involved understands each other.

There is a glossary at the end of this guide to help you understand some of these words and terms.

If you don't understand something a builder, designer, building certifier or someone else involved in the build tells you, make sure you ask them to explain it to you.

2. Building in the NT – roles and responsibilities

If you have lived or worked in another state or country you might be used to local councils being involved in building certification. This is not the case in the Northern Territory (NT).

Building certification in the NT is the role of registered private building certifiers rather than local councils or the NT Government.

What does Government do?

The NT Government is not directly involved in building certification in the NT, but it does have an important role in the building control system. It manages building control to make sure that that building work meets minimum structural, fire, safety, health, and amenity standards.

Government, through the Building Advisory Services branch of the Department of Lands, Planning and Environment does all of the following:

- administers the building control laws including the *Building Act 1993* and Building Regulations
- gives advice and information about technical standards and building control laws
- makes sure that building certifiers and other building practitioners are complying with building control laws – this is done through audits as well as investigating complaints which can lead to prosecutions
- keeps records of building certification documents.

Building Advisory Services can be contacted via bas@nt.gov.au or (08) 8999 8985.

What does a building certifier do?

In the NT, building certification is done by registered private building certifiers. Building certifiers (known as building surveyors in some parts of Australia) are highly skilled professionals who need to meet strict registration requirements before being able to work. Building certifiers will charge you a fee for the work that they do.

A building certifier's role includes:

- assessing building permit applications against the law and technical standards
- granting building permits
- doing site inspections of buildings and building work
- issuing occupancy certification when the work is finished and meets the standards and laws.

Only one building certifier can be appointed to a building project.

Building certifiers must be independent from your builder. You should make sure you:

- understand how and when the building certifier is going to be paid
- check that the building certifier's registration is current.

Building certifiers also have an enforcement role and if needed can:

- issue building notices and building orders - including orders to evacuate, stop building work, or comply with other directions
- issue directions to ensure building works are carried out with the relevant approvals and in accordance with relevant laws.

A building certifier is not a site supervisor. Their inspections do not replace day-to-day supervision of the work.

You should also talk to your building certifier about other services they might offer. Some certifiers can:

- arrange for plans to be drawn for your project
- help you to arrange engineering services
- make other applications for you, for example development applications under planning laws.

You must use a building certifier for building works that require a building permit. Read more about what works require a building permit further on in this guide.

The list of NT registered building certifiers can be accessed through the Building Practitioners Board who issue licences via ntlis.nt.gov.au/building-practitioners/

What does a builder do?

A builder, or building contractor, is the person in charge of the actual building work. The builder must make sure that any person doing work on the build is qualified for that job.

Many builders do not actually do building work themselves. They:

- manage and coordinate building or renovation projects
- manage the purchase and delivery of materials for the job
- subcontract the work of tradespeople such as electricians, plumbers, bricklayers, painters and carpenters during the build.

You must use a registered building contractor for some types of work, these works are called prescribed building works. Read more about the types of work that needs a registered building contractor further on in this guide.

To know if your builder is licensed or to find an NT-registered builder you can go to ntlis.nt.gov.au/building-practitioners/

How is a builder different to a tradesperson?

A builder looks after the whole building job. A tradesperson works only in a particular field in the building industry.

Examples of tradespeople include all of the following:

- concreters
- bricklayers
- carpenters
- electricians
- plumbers
- plasterers
- tilers
- painters
- fencers
- gasfitters.

Some tradespeople need to be registered to do their work. You can find out more information about licensing from the Building Practitioners Board at bpb.nt.gov.au/home or bpb@nt.gov.au or 1800 193 111.

What does a plumber do?

A plumber and drainer installs plumbing systems including the installation, alteration, removing or repairing of fixtures, fittings and pipes designed to receive and carry sewage or water. This also includes the ventilation of those fixtures, fittings and pipes, and the installation, altering, repairing, maintaining, removing or connecting of a hot and cold water service to land. Some plumbers may also be qualified to install fire hydrants and fire hose reels.

Not all plumbing works require a certifying or registered plumber and drainer and not all works require certification by a plumber and a building permit.

To know if your plumber is licensed or to find an NT-registered plumber you can go to ntlis.nt.gov.au/building-practitioners/

THINGS TO REMEMBER TO ASK YOUR PLUMBER:

- Do these plumbing works require a licence plumber and drainer?
- What is your licence number?
- Do these works require a certificate and building permit?

Did you know?

A Journeyman is not a licensed plumber and must be supervised by an Advanced Tradesman to talk to you and/or undertake any plumbing work.

What do you need to do as an owner?

Whether you are building a new home or undertaking a renovation or extension on an existing home, there are a number of things you will need to do.

Researching your needs, options and the building process will help you navigate through the building process and what to do if things don't go to plan.

Before you start:

- Plan your finances.
- Develop your wishlist, consider your needs now and in the future.
- Research your land and house options.
- Understand any restrictions on your block, such as covenants, easements and setbacks.
- Get professional advice about design, planning, building, registered practitioners, certification and warranties.
- Check if you need planning approval.

Building 101

- Research building processes, what works need a building permit, prescribed works, registered practitioners and the building certification process.
- Understand building costs and contracts.
- Understand warranties and insurance.
- Research and find a registered builder (if required).
- Engage a building certifier.
- Plan your project timeline, include any contingency options.

Before construction

- Get legal advice before you sign any contracts, make sure you understand your contract.
- Organise any insurances you will need.
- Check what other approvals you may need.
- Apply for a building permit.

During construction

- Understand building legislation and requirements.
- Understand how the building industry is regulated.
- Communicate with your builder.
- If changes need to be made to your build you may need an amendment to your building permit.
- Get any variations in writing.
- Keep all relevant records as you build or renovate.
- Get tips for avoiding or resolving disputes.
- Closely inspect the finished product and list any concerns and discuss these with your builder.
- Apply for occupancy certification.

After construction – maintain your home

- Keep all relevant records.
- Regularly check for any changes in the conditions of your home, inside and outside.
- Regularly clean exhaust fans.
- Regularly clean gutters.
- Keep your home clean and ventilated to avoid mould.
- Maintain your termite barrier.
- Maintain metal and timber elements.
- Maintain doors and windows.
- Maintain fixings, including smoke detectors.
- Trim trees and maintain garden beds.

3. What can you afford to build?

Budget

Shop around and work out how much you think your home building project will cost.

Your budget should include all of the following:

- cost of land
- cost of having the land valued
- legal fees, including conveyancing
- loan establishment fees
- fees for independent legal and technical advice throughout the project
- insurance – mortgage, building and contents
- stamp duty
- settlement agent's fees
- rates
- design costs, including engineering
- building costs
- site works, including levelling the land, removing or breaking up rocks, extra drainage if needed
- connection to services such as power, water and sewer; or installing on-site systems such as bores, rainwater tanks and septic systems
- certification costs including building permit, inspections and occupancy certification
- costs of other approvals if needed
- furnishing costs
- landscaping
- fencing
- moving expenses.

Finance

Most people will need a home loan—a mortgage—to be able to afford to build a home.

Home loans are available from banks, credit unions, building societies and finance companies. These are known as lenders.

You could also go to a mortgage broker or an independent financial adviser – they can arrange home loans for you.

You can use a mortgage simulator or calculator and comparison rates to help make an informed choice.

Don't be tempted to borrow more than you need, or more than you can afford. If your situation changes and you cannot meet the repayments, you could end up struggling to manage your debts.

Things you should do when choosing a lender and loan:

- Shop around. Ask the lender for a key facts sheet for each loan you are considering, and compare interest rates and fees.
- Think about the total, long-term package not just how much you need to pay each fortnight/month.
- Check flexibility and fees, ongoing charges and penalties.
- Work out which product suits your needs.

Finance for owner-builders

Lenders will often have different criteria for owner-builders.

If you are thinking about becoming an owner-builder, make sure you ask about policies the lender has for loans to owner-builders, the amount available as a loan, the equity needed and any other special conditions.

GOVERNMENT ASSISTANCE

You may be eligible for financial assistance from the Government. To know if you are eligible go to nt.gov.au/property/home-owner-assistance

4. Choosing the land

Things you should think about when choosing land.

Fitting your house on the land

- Make sure you can fit your planned home on the land. Remember to include the required distances between buildings and boundaries of the land (in most of the NT, setbacks from boundaries are set by the requirements of the NT Planning Scheme).
- Know your site boundaries. If in doubt a licensed surveyor can position survey pegs to show where the boundaries of the block are.
- Orientating your homes to make the most of seasonal variations in the sun's path and breezes can help reduce your running costs. Check the orientation of your house on the block.
- Remember to check for any easements, encumbrances or covenants on the title of the land that could restrict what or where you can build.

Rules that might impact on your choices

- The zoning of the land might limit what you can do, such as whether you can run a business from your home or put a second dwelling or an independent unit on the land. Check if you need planning approval: nt.gov.au/property/land-planning-and-development/planning-applications-and-processes/check-if-you-need-planning-approval
- The zoning of the land is shown on the land title or a zoning map, research what you can do on the land. The NT Planning Scheme lists the land uses that are allowed (permitted) in each zone and the rules about those land uses. Find out more about your site: nt.gov.au/property/land-planning-and-development/our-planning-system/nt-planning-scheme
- You may need to install boundary fences. Check if fences will be included as part of your building package and if there are any rules about fence types in your location.
- Consider what the council rates will be for the land.

Land constraints

- Check if the land is in a storm surge zone or flood area. This could affect your finance and insurance. It could also affect the design of the home you are planning to build. Find out more: depws.nt.gov.au/water/water-resources/flooding-reports-maps
- Think about stormwater runoff from surrounding areas as well as sub-surface run-off. Check if the block is well drained or if extra drainage will be needed.
- Find out about your sites slope, soil types and stability, including if there is any fill material on the site. Soil tests can be done to find out if the land can be built on, the type of footing or slab needed, and the number of storeys that could be built.
- Your site may have trees that need to be removed or a slope that needs to be levelled which may impact on your building costs. Also you may need to build retaining walls, removing clay or rocks.
- Check if town water, power and sewer systems are already available. If not, check if you need to connect to these services and what the cost will be. Alternatives such as bore or tank water, on-site waste disposal may be options that you will need to research.
- If on-site waste disposal is needed (not connecting to a sewer system), check if a standard septic system can be used and where on the land can it be placed. Soil testing might be needed to see what type of on-site waste disposal system can be used.

Future impacts

- Think about your future needs and if the house and land you are considering will meet those needs.
- Consider if the area or neighbourhood meet your current and future needs. Think about things like access to transport services, schools, childcare, shops, medical facilities and places of worship.
- The area might have major works planned for the area in the future. For example there might be a major highway planned in 10 years' time or a nearby area may be zoned to be a large commercial development in the future. Consider how these future plans may impact on your future needs.

5. Building options

You should visit a few display homes by project builders and also individual homes built by non-project builders. That can help you to see and understand the different options that are available.

Display homes

Many project builders use furnished display homes to show some of their house designs.

This allows you to see the features of the home as a finished product but it is important that you realise that some of the fittings and design features may not be included in the standard version of the home.

It is important to find out exactly what you will get if you decide to contract with the builder. Remember to check the contract and specifications.

Some of the following items will **NOT** normally be included in your contract, even though they may be seen in the display home:

- loose furniture
- security systems
- floor coverings
- dishwashers, washing machines and loose electrical appliances
- curtains, blinds, light shades, wallpaper, and fixed mirrors
- garages/carports
- security and fly screens
- concrete or tiled floors under the entry porch or verandah
- driveways, paths, landscaping and gardens
- garden sheds, and outdoor furniture
- fences
- pergolas
- letterbox
- clothes line
- pools and spas.

The standard price of the home will usually only allow for a limited choice of building materials. Check if other building materials are available and if they will cost more.

The price of a display home is usually based on construction on a fairly flat block with a stable soil type and little or no underground rock. It may cost a lot more if you have a steep slope, unstable soil or rock beneath the surface.

Project homes

Project homes can cover a wide range of prices, styles, sizes, specifications and standards of fittings and inclusions.

Project home builders usually have a selection of 'standard' plans that you can choose from.

Other services and packages including help with mortgage finance and a variety of combined house and land packages might be offered by project home builders.

Packages with a project home builder can also include extras such as driveways, landscaping, appliances etc.

The advantages of project homes include:

- the designs have been used by previous clients
- some of the designs may be on display giving you the chance to view the finished product
- there may be cost savings (especially compared to a custom design)
- not having to develop a detailed design specification.

Some changes to standard project home designs (e.g. in design detail, room size, standard of fittings/inclusions) will usually be allowed, but there may be some limitations about what you are able to do.

Ask the project builder to what extent the plans can be varied and at what cost.

Make sure to also check and be clear about any special offers that are being offered.

Individually designed homes

A home can be designed by anyone or you can engage a design professional to do the work.

A design professional can provide plans and specifications that match your needs, preferences, budget and/or the aspect and shape of your land.

Design services can be provided by:

- architects
- builders
- building designers
- engineers.

Choosing design services

When choosing design services you should:

- Be clear about what your needs are and the extent of work you require to be done.
- Make a list of designers using information from relevant professional organisations; advertisements; trade and business directories; and personal recommendations.
- Make a time to meet on-site and determine if you can work together.
- Obtain comparable quotes which clearly state what work and services they cover.
- Look for value for money but not necessarily the cheapest quote.
- Check the past performance by contacting previous clients (ask the designer for a client list).

Your role in the design process

Before your designer starts any work you should work out and talk to them about the following:

- your budget for the construction or renovation work you are seeking to be designed
- the design features and facilities e.g. overall size and shape of the home; number and location of the bedrooms; ceiling height; window sizes and details. It would be helpful to show the designer any photographs, sketches, magazines etc. of the things you like
- the specifications, fittings and materials to be used
- time constraints and expectations – when do you need the final plans to be ready for approval?
- if you want exclusive copyright ownership to the house plans you and the designer will develop – be sure to document this in your written agreement.

The designer's role in the design process

Design professionals are expected to keep up to date with legislation, information and trends relating to the building process and can help you to clearly define your needs and preferences. The designer can also advise you on environmental and energy considerations including ventilation, insulation, choice of building materials, feasibility of solar power, and the most appropriate orientation with regard to sun and prevailing winds, landscaping etc.

Questions to ask the designer in your first meeting

The following list of questions to ask at the initial discussions can help you assess the designer and determine exactly their role in your project:

- In addition to preparing the design and working drawings (full technical plans drawn to scale showing internal and external dimensions), ask if the designer provides other services, such as:
 - site inspections (to ensure characteristics of the block and its environment are fully considered)
 - sketches of the elevations (i.e. side views of the house as it will look when the work is completed)
 - preparation of tender documents (if the job goes to tender)
 - preparation and lodgement of documents (including plans) for approval.
- Does the designer know the area in which you intend to build?
- Does the designer check for easements and the location of utilities (e.g. sewerage pipes) which could affect the siting and design of the house?
- Will the designer liaise with the Government town planners to ensure any special planning requirements are included in the plans before they are submitted for approval?
- Will the designer liaise with the building certifier or is this something you will have to arrange and pay for?
- What upfront deposit does the designer require before they start work? Be sure you get receipts for all payments and do not make the final payment until all work has been completed.
- How is the designer's fee calculated (e.g. a percentage or fixed sum)?

- What additional information or assistance does the designer require from you?
- What procedures and/or costs apply if you wish to vary the plans after they are completed?
- When will the design be ready?
- Who will own the design copyright and how could this affect the design cost?

Copyright laws apply to building plans. These laws prohibit (and penalise) any unauthorised copying or use of plans belonging to someone else (e.g. plans obtained from another designer or project builder).

If in doubt, check with the Australian Copyright Council on info@copyright.org.au or (02) 9101 2377.

The price of your home

Check what is and is not included in the price of your new home. If the following features are to be included in the price of your home make sure you have this in writing, preferably in the contract that you sign:

- paths and driveways
- crossover (is located between the road edge and the property line to allow access to your property)
- carport floor
- garage doors
- fencing
- retaining walls
- landscaping
- hot water service (including details of type and size)
- light fittings
- quantity and location of power points
- television antenna and outlet
- garden taps
- window locks
- flyscreens
- roof insulation
- vanity cupboards
- shelving to cupboards and robes
- wall painting (specify how many coats of paint)
- floor tiling (including the laundry).

Prefabricated, transportable and relocated houses

Prefabricated or transportable houses

Prefabricated buildings are structures that may be used temporarily, or may be intended for use as permanent structures. Such buildings may be simple and inexpensive or elaborate and similar to on-site constructed large residences. They are also referred to as demountables, transportables, manufactured homes, moveable dwellings, or dongas.

A building permit **MUST** be issued by a building certifier prior to the relocation of the prefabricated or transportable house to cover the new building work for the footing, including plumbing and electrical. The footings and fixture work must comply with the NCC at the time the building permit is issued.

A fidelity certificate covering the new building work must be obtained and provided to the building certifier to enable the building permit to be issued.

Relocated house

A relocated house is considered to be a house that was built on a site and then moved to a new location. A building permit **MUST** be issued by a building certifier prior to the relocation of the house and unless specifically exempt as outlined below, the work must comply with the NCC at the time the building permit is issued.

A fidelity certificate covering the new building work must be obtained and provided to the building certifier to enable the building permit to be issued.

Requirement to upgrade to the NCC

If you are relocating a house, in most cases you need to upgrade the house to comply with the current NCC on relocation. You will need to talk to your building certifier about what will be required to help you decide if you will be using a relocated house.

Upgrading exemption

The following areas as defined under the NT Planning Scheme are exempt from the upgrading requirement (except for footings and fixture work), these are blocks zoned:

- R (Rural)
- RL (Rural Living)
- A (Agriculture)
- H (Horticulture)

For the upgrading exemption to apply, all of the following conditions must also be met:

- The house either has an occupancy certificate or was built by, or for, the Commonwealth Crown.
- The house was built entirely after Cyclone Tracy (post 1 January 1975).
- The house was built on a site that has an equal or greater design wind speed than the site it is to be relocated to.
- The house was built on land in the Territory where building regulation applied at the time of erection (within a building control area).

Apartments and units

Apartments and units including townhouses are a popular housing choice in the Northern Territory. See Section 16 for specific information about purchasing and renovating these types of dwellings.



6. Extending and renovating your home

The process of extending and renovating is similar to building a new home. However, the key difference is the need to consider and match up existing materials and finishes.

Renovating refers to upgrading or remodelling a home, which does not add additional floor area to the home.

It's important to assess the impact of the completed renovations or extensions on the capital value of the property. Doing so should deal with the risk of over-capitalising. To assist you with this exercise you need to establish the current value of your home. Local real estate agents are usually happy to give advice on values and prices in your area.

Planning your work

Depending on the legal responsibilities and involvement you want, you can choose to extend or renovate your home in any of the following ways:

- use a company that manages your plans, building permits and construction
- use a separate designer and building company
- use a design and build company
- engage a builder to supervise your project and coordinate subcontractors
- become an owner-builder.

Things that you will need to consider include:

- ensure the existing home is structurally sound and has the required building approvals
- find out what permits and approvals you need
- before you get design and plans done, check for any covenants, building envelopes and easements
- assess the space that you want and can afford
- make a detailed list of your specific requirements and desires.

Some homeowners move out for the duration of the renovation. Remember to factor the cost of rent into your budget and liquidated damages (penalties stated in your contract that the builder is required to pay you if building goes beyond the contracted completion date).

Access your building file

To access your building file you must provide photographic identification to prove you are the registered owner of the property.

A registered owner can provide an authority to access building records form, authorising another person to view your building file. For example you may authorise your plumber, builder or building certifier to access your building file.

Building files are either in hardcopy paper form or digital. If your building file is a hardcopy, you will need to visit the Building Advisory Services office in your area. In the Darwin office, hardcopy files are not stored on site and need to be ordered in. It is important to note that when viewing a file, it cannot be removed from the government office and pages cannot be removed, but you can take copies of the documents on the file.

If your building file is digital you can access your file online from your computer after paying the required fee.

There are minimal costs involved to access your building file which can be paid in person or online.

If you have any questions about accessing your building file you may email bas.files@nt.gov.au or call (08) 8999 6435.

Demolition

Your extension or renovation plans may affect other structures on your property, for example you may wish to remove a carport to extend your verandah or a garden shed to extend your house.

If this situation applies you may need to get a demolition permit as part of your planned building works. Talk to your building certifier about what is required specific to your plan.

7. Converting a shed to a house

The difference between a shed and a house is not about appearance. Sheds are generally classified as non-habitable or class 10 buildings under the NCC. A house is classified as a habitable building, or class 1a building, under the code.

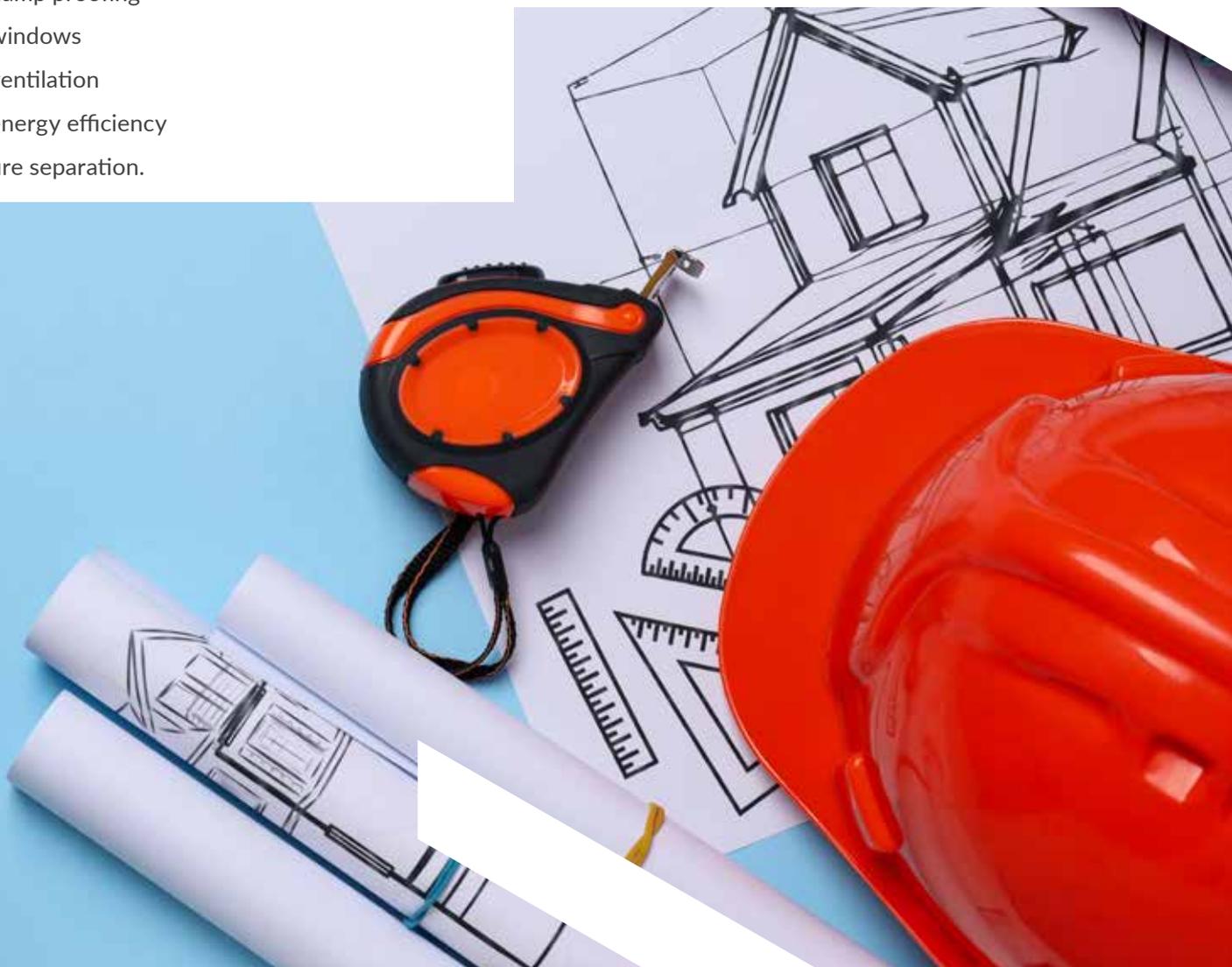
You cannot occupy a shed as a house. You must engage a building certifier to determine the building work required for your conversion and to issue building approval and occupancy certification for the work.

Your building work may involve inspection, replacement or installation of any of the following:

- a concrete slab or footings
- termite risk management systems
- ceiling heights
- glazing
- damp proofing
- windows
- ventilation
- energy efficiency
- fire separation.

The building certifier will need plans to be drawn up to detail the building work to be done.

You may also need planning approval if converting your shed into a house. For more information about meeting the NT Planning Scheme requirements, contact Development Assessment Services via das.ntg@nt.gov.au on (08) 8999 6046.



8. The building process – permits and paperwork

It is important that you understand the building process and what documents are required by the NT building laws as these documents are designed to protect you.

Building control areas

The NT has a two-tier building control area system recognising the distances and costs involved in engaging building practitioners. Where your property is located will determine what building requirements (if any) you will require, if residential building insurance is applicable and the standard of building work to meet the NCC and Building Regulations. Check your building control area: ntlis.nt.gov.au/building-control/

An overview of the different building control areas are as follows:

TIER 1

Darwin, Lake Bennett and Alice Springs

Talk to your builder and/or building certifier to determine if you need a registered builder for your project, a building contract; a building permit, insurance or fidelity certificate cover and planning permit.

You require a registered builder or be an approved owner-builder for prescribed building works as full certification is required. This includes a building permit before works commence, mandatory inspections, builders' declaration and an occupancy permit prior to the building being occupied.

All work will need to comply in full with the NCC and technical regulations.

Residential Building Cover must be obtained for work that requires the cover.

TIER 2

Adelaide River, Batchelor, Borroloola, Brewer Estate, Elliott, Jabiru, Katherine, Katherine Gorge, Kings Canyon, Larrimah, Mataranka, Namarada, Pine Creek, Tennant Creek, Timber Creek, Ti Tree and Yulara

Talk to your builder and/or building certifier to determine if you need a registered builder for your project, a building contract; a building permit, insurance or fidelity certificate cover and planning permit.

You require a registered builder or be an approved owner-builder for prescribed building works as part certification is required. This includes a building permit before works commence, at the completion of the build, instead of an occupancy permit issued by a building certifier, the builder can issue a builder's declaration (hence the name part certification).

All work will need to comply in full with the NCC and technical regulations.

Residential Building Cover must be obtained for work that requires the cover.

Non-building control areas may include

Freehold land, most Indigenous communities, pastoral properties, some mining towns, mining sites and resorts in remote locations.

You don't need to engage a registered builder outside of a building control area, but you may do so.

Funding, grants loans or land leases may have conditions written into the building contract that the building is to be built to the NCC or by a registered builder.

Works requiring a building permit

Building permits are only required in building control areas of the NT.

A building permit sets conditions on the construction, demolition or alteration of a building.

It details your building work and states that your plans are lawful before construction begins. Check the table below to see if you need a building permit for your project.

For a residential building or associated structure you may also need a building contract and fidelity fund certificate.

BUILDING WORK	BUILDING PERMIT
New house	Required
New units, townhouses or apartments	Required
Shop or office fit-out	Required
Warehouse	Required
Relocating an existing house to a new location	Required
Renovating a bathroom in a house – changing walls, fixtures or plumbing	Required
Renovating a bathroom in a house – no change to walls, fixtures or plumbing	Not required
Alterations or extensions to an existing house – increase to floor area	Required
Alterations or extensions to an existing house – no increase in floor area	Required
Existing house – changing windows, reroofing or replacing sheeting	Required
Additions to an existing house – skylight, roof vents or satellite dish	Required – some exemptions apply
Solar hot-water system	Required
Solar photovoltaic installation	Required
Carport or verandah addition to an existing house	Required – some exemptions apply
Garden shed or workshop	Required – some exemptions apply
Pergola or shade structure	Required – some exemptions apply
New fence or renovating an existing fence	Required – some exemptions apply
New retaining wall – supporting building work	Required
New retaining wall – not supporting building work	Required if over 600mm in height
Swimming pools	Not required

A planning permit is needed if your project is either of the following:

- a building type or land use that requires consent under the NT Planning Scheme
- or permitted by the NT Planning Scheme but does not meet the scheme requirements.

If you need a development permit, you must have it **BEFORE** applying for a building permit and a development permit does not remove the need for a building permit. For more information about meeting the NT Planning Scheme requirements, contact Development Assessment Services via das.ntg@nt.gov.au on (08) 8999 6046.

Prescribed building works

Certain residential building works are prescribed in the Building Regulations 1993 so that they must be undertaken by a registered builder or contractor. This means you must enter into a residential building contract with a builder for the work.

The building works prescribed in the Building Regulations 1993 for these purposes are those worth more than \$12 000 and involving one of the following buildings:

- a class 1a building, for example a single dwelling, a detached house or attached townhouses or duplexes
- a class 2 building, for example attached units or flats
- extensions and renovations to class 1a or class 2 buildings where the floor area is increased
- a class 10 building, for example a garage, carport or shed – attached to and built at the same time as a class 1a or class 2 building
- a retaining wall – whenever built – that is not attached to a class 1a or class 2 building but on which the integrity of such a building depends
- the relocation of an existing building.

Residential Building Cover – Fidelity Certificate

In the NT, owners of new homes must have residential building cover as protection from defective or incomplete work. Residential Building Cover is a reference to Residential Building Insurance or cover through a Fidelity Fund Scheme.

A fidelity certificate covers owners against the following costs if a builder becomes bankrupt, dies, disappears or has their registration cancelled by the Building Practitioners Board:

- costs associated with transitioning to a new builder to complete the work
- costs of rectifying non-structural defects in the first year after completion
- costs of rectifying structural defects for six years after completion.

Fidelity certificates give consumer protection rights to owners. This includes new homes, including duplexes, units in complexes up to three storeys in height excluding undercroft or underground parking levels, and extensions or renovations where the floor area is increased.

NOTE:

Residential Building Cover does not apply to unit complexes above three storeys.

A claim under a fidelity certificate may be made for financial losses incurred in relation to the following:

- the cost of removal, and of alternative accommodation and storage for a period not exceeding 60 calendar days, reasonably incurred as a result of the defective guaranteed work or non-completion of works
- the loss of a deposit or progress payment under a contract relating to the guaranteed work unless the payment of the deposit or progress payment exceeds the amount specified in the contract for the building work
- legal or other reasonable costs involved in seeking to have a builder rectify or complete the work
- an increase in costs of rectification of the work caused by the passage of time
- any acts or omissions of persons engaged as contractors by the builder in relation to the work
- any additional reasonable costs associated with engaging another builder to rectify or complete the work (excluding the costs associated with the work carried out by that builder).

Claims cannot exceed the limits of the amount covered by a fidelity certificate, which are:

- The total sum covered under the certificate for the guaranteed work must be an amount of not less than \$200,000.
- The amount of cover available for non-completion of the guaranteed work must be an amount not less than 20% of the total contracted price for the work.
- The amount of cover available for defective guaranteed work must be the total sum covered under a certificate less any amount that may have been paid for non-completion of the guaranteed work.

It is an offence for a builder to demand or receive payment (whether as a deposit or otherwise) under a residential building contract unless a fidelity certificate has been issued to the builder and a copy has been provided to the owner.

Preparing plans

You must prepare plans for the structure you want to build. It is a good idea to seek the help of a building professional who knows the NT building system. This will ensure finished drawings are accurate, clear and complete.

Drawings should include an accurate and to scale site plan, floor plans, elevations and structural detail. A structural engineer must approve the structural details.

If a planning permit is required, it must be obtained **BEFORE** a building permit can be issued.

Checking your building plans

- Have you checked all your plans and specifications thoroughly? Make sure you fully understand the plans and all of the symbols used
- If you selected from a display home, have you taken the plans along and checked the features and the measurements of the rooms and fixtures installed?
- Have any changes or any extras that may have been offered or agreed to by the builder's sales consultant been included on the plans or in the specifications?
- Have all of your selected materials and design changes been included in the drawings and/or specifications?
- Are the locations of power points, taps, light fittings, and TV fittings where you want them?
- Have you checked the total cost of any changes you have made to the original plans?
- Are you still certain that you are able to meet the total financial commitment?

Applying for a building permit

You must engage an NT registered building certifier to issue a building permit before you start building work.

A building permit ensures:

- the required builders are registered in the NT and carry insurance or fidelity certificate (if applicable)
- adequate documentation is prepared to enable proper and compliant construction of the proposed building
- an independent review of building documentation occurs

- key stages of the work are independently inspected
- your building is independently assessed as suitable for occupation
- the certainty of compliance with the building legislation prior to building work commencing.

A list of NT registered building certifiers can be obtained from ntlis.nt.gov.au/building-practitioners/

You will need to give your building certifier a completed 'Application for building permit' and detail:

- details of the proposed structure (including drawings)
- structural engineer's certification for the structural design
- certified plumbing design (for any plumbing work)
- a statement describing the purpose of the building
- proof that the relevant insurance/fidelity certificate has been obtained (if applicable)
- any relevant planning consents and approvals (if applicable)
- owner-builder certificate (if applicable)
- details of the registered builder by providing evidence of a building contract (if applicable).

Assessment by a building certifier

Your building certifier will assess your application for a building permit to make sure that the proposed work complies with the *Building Act 1993*, Regulations and the NCC. The NCC covers issues such as structural safety, and health and fire protection, but does not address the quality of the work or finish.

Building permit

Your building certifier will issue a building permit, which is valid for two years from the date of issue. This period can be extended by applying to your building certifier before the expiry date.

The permit will state at what stages inspections will need to occur.

Amendments/variations to the approved design must be approved by the building certifier before any work commences

Before construction starts

Before construction starts, your building certifier must have:

- approved all plans
- issued the building permit
- lodged a copy of the permit and plans to the Regulator (Director of Building Control), Building Advisory Services through Building Approvals Online
- checked that a copy of the building insurance/fidelity certificate is with the application for the building permit (if applicable)
- informed the builder of the appropriate notification stages (inspections).

Inspections

Inspections are an important part of the permit process. It is vital that you ensure that your builder arranges for these inspections to occur. If they have not taken place, you may not be allowed to live in your building once the work is completed.

If you are an owner-builder, you will need to contact your building certifier and organise these inspections yourself.

Please note that the plumber or drainer carrying out drainage works has to notify Building Advisory Services of the completion of the drainage works prior to covering up the works.

Completion

On completion of building work, the builder must sign a declaration stating the building works have been carried out in accordance with the permit.

This must be given to your building certifier before occupancy certification is granted.

Occupancy certification

Occupancy certification is a document that shows the building certifier is satisfied and has approved your building as being suitable for occupation.

It will only be issued when items affecting health and safety are in place and fully operational (e.g. water supply, safety glass, handrails, etc). It does not mean that all the painting is done, the carpet is laid or that all the fittings are in place. The relationship between the occupancy certification and your contract should be clear to you before signing the document. If you have any doubts or do not understand the relationship you should obtain legal advice.

Occupancy permit

An occupancy permit is the highest level of occupancy certification.

An occupancy permit shows the work covered by the permit was constructed to fully comply with all of the following:

- the requirements of the building permit
- the *Building Act 1993* and Regulations
- the technical standards and codes that
- applied at the time of the building permit.

This level of occupancy certification can be granted by a building certifier for any class of building.

An occupancy permit can be granted by a building certifier against an expired building permit, but only for works that were carried out while the building permit was valid.

Certificate of substantial compliance

A certificate of substantial compliance shows the building work covered by the certificate:

- was constructed under a valid building permit
- meets the technical standards and codes that applied at the time the building permit was granted
- has minor departures from the legislated construction and certification processes.

This category of certification cannot be granted where there is any non-compliance with the technical standards and codes that applied at the time the building permit was granted.

This level of certification can be granted by a building certifier for any class of building.

A certificate of substantial compliance can be granted by a building certifier against an expired building permit, but only for works that were carried out while the building permit was valid.

Minor departures may include works not constructed precisely in accordance with approved plans, missing required inspections or missing documentation. Missing documentation may include for example, a glazing certificate or plumbing certificate.

Applying for occupancy certification

When the building is constructed in compliance with the building permit and approved plans, you must apply to your building certifier for occupancy certification.

The building certifier will tell you what documents need to be lodged with your application. For example, you may need to obtain certificates from tradesmen on the project, for building work such as:

- plumbing
- glazing
- electrical
- termite treatment
- prefabricated roof trusses
- wet area sealing products
- prefabricated window and door frames
- fire safety products or installations.

The building certifier must decide the application within 20 working days – and can refuse an application if all the documentation has not been provided or if it is not correct. A building cannot be occupied unless occupancy certification has been issued, this includes moving in furniture.

The building certifier must forward a copy of the occupancy certification to the Regulator (Director of Building Control), Building Advisory Services within seven days of issue.

It is essential that you obtain a copy of the occupancy certification as this shows that you can legally occupy the building. You should keep this certificate in case you are ever asked for it.

What happens if the building permit lapses?

If a building permit lapses but building work continues, that building work may have been required to be inspected at one of the mandatory inspection stages. It is difficult to confirm the compliance of building work after it has been completed. The building certifier who originally issued the building permit may refuse to approve the work or may require a part of the building to be exposed to be satisfied that the work is appropriate before issuing occupancy certification.

It is an offence to continue building work without a valid building permit and it may impact on the fidelity cover.

If a building permit lapses and building work is not complete, a new building permit will be required to be issued to enable completion of the unfinished building work. This would require a new application for the issue of a building permit for the unfinished building work. The building certifier will require plans that show the work yet to be completed as well as the payment of the appropriate fees. The application must be made to the same building certifier who issued the original building permit unless a termination of their appointment has been obtained from the Regulator (Director of Building Control), Building Advisory Services.



9. Owner-builder

If you decide to be an owner-builder you take on the role of the principal builder and are fully responsible for the supervision and quality of building work as well as payment of tradespeople and suppliers.

As an owner-builder you are responsible for a range of tasks which may include insurance, occupational health and safety of workers on-site, arranging permits and inspections, and ensuring tradesmen have appropriate registration and insurance.

Owner-builders may:

- undertake all or part of the building works themselves, except in areas that require licensed tradespeople (e.g. electricians, plumbers and gasfitters)
- contract out all or part of the work to appropriate tradespeople
- engage a building consultant to check the quality of the work.

Advantages of being an owner-builder include:

- increased control over the whole project
- saving the cost of the builder's margin
- more flexibility.

Disadvantages of being an owner-builder include:

- legal responsibilities for ensuring the site is a safe work environment
- you are not able to claim on the fidelity certificate, although subsequent owners can.

To check if you have the skills and knowledge to be an owner-builder, ask yourself the following questions:

- Can you interpret detailed plans and specifications?
- Are you able to supervise all construction works?
- Do you have the ability to coordinate the flow of work by sub-contractors to enable you to complete the home within your time schedule and budget?
- Are you able to handle financial or contractual disputes with sub-contractors and suppliers?
- Can you be available on site to receive materials and ensure that they comply with specifications, required quantity and quality?
- Do you have the ability to distinguish technically what is bad building work?

- Do you have the experience to establish the value of work completed to enable you to make accurate progress payments to sub-contractors?
- Do you know how to account for potential material and labour cost increases that may occur during construction?
- Do you know how to organise insurance with your insurance company or broker to cover liability for personal injury and adequate insurance to cover the work against hazards such as fire, storm, damage, theft, public risk and accidents? Have you budgeted for this cost?
- Are you able to estimate the time needed to complete the work?

An owner-builder is restricted to building or extending a house and associated building work on a single parcel of land in any six-year period. If you intend to carry out building work that is valued over \$12,000 and extends the floor area you must obtain an Owner-Builder Certificate from the Building Practitioners Board. The Certificate remains valid for three years from the date it is granted and can be extended for a further three years.

If the land is owned by more than one person, all the owners must apply for the Owner-Builder Certificate.

The owner-builder must provide the Owner-Builder Certificate to a registered building certifier in order to obtain a building permit **PRIOR** to commencing the building work.

To obtain an Owner-Builder application form and a copy of the Owner-Builder Manual, please go to the following website: bpb.nt.gov.au/registration

Additional information can also be given by the Building Practitioners Board on telephone 1800 193 111 or email bpb@nt.gov.au

SOME TIPS ARE:

- Clearly plan and define the scope of works you want completed by the tradespeople.
- An owner-builder must, no later than 14 days after completion of the building work, make a legally binding declaration that the building work has been carried out in accordance with the building permit, and this is known as a builder's declaration.

Mandatory Residential Building Cover requirements

Before obtaining a building permit and starting work, an owner-builder must obtain a fidelity certificate to cover the work. The cover can be taken out with the Master Builders NT Fidelity Fund. Contact the Master Builders Association on (08) 8922 9666 for details about how to apply and the cost for the cover.

Because you are taking out cover for the benefit of a potential subsequent owner your level of cover is only for defective works (not for non-completion of works) and the contribution (like a premium) that you are required to pay is discounted.

You must keep a copy of the fidelity certificate and provide a copy to the building certifier.

If you sell the building within six years of completion of the building works you should provide a copy of the fidelity certificate to the purchaser.

If the subsequent owner discovers defective work, they may be able to bring an application before the Commissioner of Residential Building Disputes and you may be ordered to rectify the work or pay compensation.

Other insurances that should be considered by the owner-builder include:

- general insurance
- workers compensation
- construction insurance
- key person insurance loan
- mortgage insurance.

As a minimum, the following insurances are recommended:

- construction insurance
- public liability insurance
- key person insurance
- workers insurance (also called contractors all risk insurance).

For information on the above and to consider what key questions you should ask when contacting insurance brokers or insurance companies, please refer to the Owner-Builder Manual.

Tradespeople

In the NT there is no occupational licensing of trades people in the building industry (except electricians, plumbers and gasfitters). For more information on choosing and hiring trades people; coordinating sub-contractors and occupational health and safety considerations, please refer to the Owner-Builder Manual.



10. Choosing a builder or contractor

There are many ways you can find a builder, including:

- contacting building associations, such as the Master Builders' Association (08) 8922 9666 and/or the Housing Industry Association (08) 8995 6300
- asking recommendations from family and friends
- asking building professionals for a recommendation
- searching the internet.

Research potential builders

Thoroughly research the builder you are considering using. You should check:

- If they registered as an individual or as a company. Visit ntlis.nt.gov.au/building-practitioners/
- Confirm that they are registered before and during construction.
- If they have been involved in any inquiries into their conduct. Visit bpb.nt.gov.au/inquiries
- How long have they been in business? If they have traded under another name, research that name.

You can get information about companies and individuals from the Australian Securities and Investments Commission:

- by searching its free registers on its website at asic.gov.au/search
- learn more about dealing with business and companies to avoid dubious operators at asic.gov.au/for-business/small-business/protecting-your-small-business/dealing-with-businesses-and-companies/

Ask for references

Ask the builder to provide you with contact referees and a list of addresses for building work they have carried out in the past 12 months.

It is important that you are able to communicate well verbally and in writing with your builder. The quality of your relationship with your builder will affect the quality of your building experience. If you have any doubts, keep looking.

Ask past clients:

- Did the builder provide documents that clearly detailed and priced the work to be done?

- Did the builder provide good customer service?
- Did the builder stick to the agreed costs and timings?
- Would you engage that builder again?

Getting quotes

It is good practice to obtain three written quotes from different builders using the same scope of works. Always ask the builder to provide you with an itemised quote. This will allow you to compare prices and also to detail any prime cost items such as sanitary ware, tiles, whitegoods or carpets.

Remember that quotes and estimates are different. An estimate is a reasonable guess of the costs involved without knowledge of the exact extent of the work to be done or the exact costs and standard of materials. An estimate, even if written, will not bind the person providing it to you and you can end up paying more or paying for work you did not specifically authorise.

A quote will become a legally binding contract once the builder offers the consumer work for a fixed price, and the consumer accepts the offer and any conditions. The quote should detail all the work to be done and materials to be used. It should have a time limit for which the quote is valid. The quote should always be fixed and state how long it is fixed for.

Make sure you fully understand what is and what is not included in the price of the house. Check with the builder whether the cost of fixtures and fittings shown on the plans and specifications is included in the price. Make sure the quotes you receive itemise the GST payable.

The builder should visit your building site to clarify what extras may be required to address the particular site conditions. Such extras may include:

- a surcharge for building outside the builder's normal geographical area
- site access problems for delivery of materials
- unusual footings
- extra long connections to drainage, water or electricity
- engineering fees
- rock excavation
- drilling under roads for service connections.

11. Building contracts

Building contracts for residential building works

While you only need a building contract under NT law for some residential building work, written contracts for all your building work may be useful if you need to review your builder's work later on.

A residential building contract must include specific requirements under the *Building Act 1993*. These requirements are outlined below.

The building contractor's details and registration number

Make sure that the person or entity who you are contracting with is the same as the person or entity who/which is registered as a building contractor and check their registration number.

For example, if you are negotiating with John Smith to build your house check whether John Smith is a registered builder. When you review the contract make sure that John Smith is specified as the building contractor. If, for instance, the contract says that the builder is John Smith Building Company you will need to check that the company is a registered building contractor and that John Smith is authorised to sign the contract on behalf of the Company.

The extent of the work to be undertaken and the contracted price

The extent of the work may be detailed by reference to plans and specifications as well as a description in writing. Consider whether the plans and specifications are clearly detailed and checked. You should consider speaking with someone with knowledge of construction matters who may be able to advise you whether there is sufficient detail.

The total contracted price is subject to change due to things such as prime cost items/ provisional sums and if variations occur. Those variations are different from cost-plus contracts, which are prohibited by this provision. Read your contract carefully to understand how the total contracted price may be affected.

The applicable building standards of work – if higher than the NCC and Australian Standards.

The NCC is a performance-based code that sets the minimum requirements in relation to structure, fire safety, access and egress, accessibility, health and amenity, and sustainability. All new buildings, new building work, and new plumbing and drainage systems must comply with the NCC.

If you wish for your build to go above the minimum requirements set in the NCC and the Australia Standards, this should be detailed in your contract.

The schedule of progress payments

The schedule of progress payments will either follow the standard schedule or an alternative schedule.

Carefully consider whether your project requires an alternative payment schedule before agreeing on any changes with your building contractor.

A varied progress payment agreement may vary both the stages of work and the percentages payable for the work except for the mandatory limits on the deposit and the final payment. If agreed between you and the builder, this must be documented as a formal agreement on the appropriate forms.

A standard schedule for progress payments for a residential building contract should look like the following:

- deposit before commencement – no more than 5% of the total contracted price
- on completion of base stage – no more than 10% of the total contracted price
- on completion of frame stage – no more than 20% of the total contracted price
- on completion of enclosed stage – no more than 25% of the total contracted price
- on completion of fixing stage – no more than 30% of the total contracted price
- at practical completion – no more than 7% of the total contracted price
- final completion – at least 3% of the total contracted price after issue of occupancy certification, or a builder's declaration in a Tier 2 area.

For example, based on a build of \$500,000, the standard progress stages and percentage of total contracted price for each stage would be:

PROGRESS STAGE	% OF CONTRACT PRICE	VALUE
Deposit	No more than 5%	\$25,000
Base stage – on completion	No more than 10%	\$50,000
Frame stage – on completion	No more than 20%	\$100,000
Enclosed stage – on completion	No more than 25%	\$125,000
Fixing stage – on completion	No more than 30%	\$150,000
Practical completion – when reached	No more than 7%	\$35,000
Final completion – after issue of OP or BC	At least 3% Total 100%	\$15,000 \$500,000

A provision about dispute resolution

A contract must include a provision in relation to dispute resolution. Such a provision is of no effect if it claims to restrict or remove a person's right to access a dispute resolution process available under a law in force in the Territory.

Such a provision is of no effect if it requires a dispute to be referred to a third party for a final and binding decision.

This does not prevent the parties from agreeing, once a dispute has arisen, to appoint a third person to determine the dispute (expert determination, arbitration, and mediation) or referring the matter to the Commissioner of Residential Building Disputes if the matter concerns a consumer guarantee dispute.

The following paragraphs comprise a suggested clause which complies with the *Building Act 1993*. You need to check the dispute resolution clause in your contract and ensure that it does not require you from the outset of a dispute to take the matter to a third party for binding resolution.

If the owner or builder considers that a dispute has arisen in relation to any matter covered by this contract, during the progress of the work, that person must promptly write to the other party and give notice of the matters in dispute.

Upon notification of a dispute the parties are to attempt to resolve the dispute informally.

If the parties cannot resolve the matter informally, and the matter relates to residential building work associated with a consumer guarantee, and a dispute about that work, the owner or builder may make an application to the Commissioner of Residential Building Disputes for Mediation or Conciliation.

In addition to an application to the Commissioner of Residential Building Disputes for Mediation or Conciliation, if the dispute relates to residential building work that is alleged to be defective residential building work, the owner or builder may apply to the Commissioner of Residential Building Disputes for a technical inspection and report.

If the dispute does not relate to residential building work and an associated consumer guarantee, and the parties cannot resolve the matter themselves, they may agree to mutually refer the dispute to a third party with the ability to mediate the matter, arbitrate the matter or give an expert determination.

If the parties are unable to resolve the dispute, either party may pursue other legal avenues available to them.

Notwithstanding the existence of a dispute, the parties must continue to perform their obligations under the contract unless they lawfully cease to perform in accordance with a specific provision in this contract.

The consumer guarantees required by the *Building Act 1993*

It is an offence under the *Building Act 1993* not to include the consumer guarantees in the contract and any provision attempting to restrict or remove a person's rights in relation to the consumer guarantees has no effect. The consumer guarantees are:

- The builder will carry out the building work in a proper and workmanlike manner and in accordance with the plans and specifications specified in the building permit for the work and specified in this contract.
- All materials supplied by the building will be good and suitable for the purpose for which they are to be used.
- All materials supplied by the builder will be new unless there is a special condition in this contract specifying otherwise.
- The builder will carry out the building work in accordance with the *Building Act 1993*, the Building Regulations, the National Construction Code and other laws in force in the Northern Territory.
- The builder will carry out the building work with reasonable care and skill.
- The builder will complete the building work by the date or within the period specified in this contract or if no date or period is specified, within a reasonable period.

It is also an offence under the *Building Act 1993* for a builder to demand or receive any payment (whether a deposit or otherwise) under a residential building contract, **BEFORE** Residential Building Cover has been taken out, and a copy of the policy or certificate has been provided to the owner.

Before you sign a contract

Your residential building contract is a binding legal document. It details how you and your builder will share rights and responsibilities for the project.

Before you sign the contract, check that the requirements described above are in your contract. You need to be aware of what is in your contract. You should understand the construction process for your project, the steps along the way, the variables that can occur and how to resolve issues if they arise.

If there are any changes or variations to the project during construction, make sure these are in writing and the contract is changed as needed.

If you are unsure about a contract, get legal advice before you sign it.

Make sure you understand the following from your contract:

- the term 'lock up stage'
- the start and finish dates for the contract
- the impact of any lengthy delays
- any compensation for any costs/losses if the work isn't completed on time
- the impact of you making a late progress payment
- your rights to visit the building site for the purpose of inspecting and viewing the works
- that any special requirements and finishes, are clearly written in the contract
- the standard of work that will occur
- if you or the builder are able to make any changes/ variations under the contract once the project has started
- how such variations will be managed and recorded
- if you need to include provisions in your contract that are required by your lending institution such as stages for progress payments, inspections of the work and turn around for payments.
- is clear about who is supplying what – for instance, are you responsible for purchasing and supplying appliances or fittings such as tapware. Make sure you understand how 'prime cost' items and 'provisional' items are dealt with under the contract.
- how to bring disputes to each other's attention and how to resolve disputes. If you don't follow the method set down in your contract you may jeopardise your position and inadvertently breach your contract.

Work not subject to the requirements in the *Building Act 1993* and Regulations

If your proposed building work is not of the type subject to the requirements in the *Building Act 1993* and Regulations discussed above, regardless of the size and price, NT Consumer Affairs still recommends that you have a written contract or agreement.

The contract or agreement should include plans and specifications for the work, items to be supplied, the amount agreed upon, and full details of the trader including an address and an Australian Business Number (ABN).



A building contract outlines the general rights and responsibilities of you and the builder. Your builder's responsibility is to build your home in accordance with the agreed and approved plans and contract documents.

All building contracts, regardless of the price will be either subject to other legislation such as the Australian Consumer Laws, or the general law and require the builder to:

- carry out the work in a proper and workmanlike manner, in accordance with the plans and specifications set out in your contract
- ensure all materials supplied by the builder are good and suitable for any specified purpose
- carry out the work in accordance with all relevant laws and legal requirements
- carry out the work with due care and skill and complete the works by the date (or within the period) specified by the contract, and if no time is set, within a reasonable time
- ensure new homes, extensions, renovations are suitable for occupation when completed.

Your responsibility is to pay for work in accordance with the contract, and to communicate your choices, decisions, changes and any concerns you may have to the builder. If either of the parties fail to do what they say, they may be in breach.

Are the terms of your contract unfair?

There are laws protecting you from unfair terms in consumer contracts.

The laws offer you increased protection in circumstances where you have little or no opportunity to negotiate with the business.

Visit the Australian Competition and Consumer Commission website at [acc.gov.au/consumers/contracts-agreements/unfair-contract-terms](https://www.accc.gov.au/consumers/contracts-agreements/unfair-contract-terms) for more information on:

- how you can tell if a term in your contract is unfair
- if there are any terms or contracts that the law does not apply
- what you can do if there is an unfair term in your contract.

12. Before construction starts

Before any construction starts the following should have occurred:

- Your financial approval need to be approved.
- A contract has been signed between you and the builder.
- The builder should provide you with a complete, signed set of the contract documents.
- Any planning approval should have been obtained.
- If building in a suburb with development covenants, the developer's approval (if applicable) will need to be obtained.
- A building permit will need to be issued by a building certifier.
- You and the builder have had a 'pre-start' meeting to make a number of important decisions about the types of materials and fittings and about colours. If you must make any last minute changes, make them now and not after construction starts unless the contract has been amended accordingly.

Remember your builder cannot commence work or demand or receive any payment under the contract without having Residential Building Cover in place and providing you with a copy of the fidelity certificate.

Engage a building certifier

After a contract is signed but before construction can start on your new home or renovations an NT-registered building certifier must be engaged. Prior to construction your building certifier must:

- approve all plans
- check that a copy of the building insurance/fidelity certificate is with the application for the building permit (if applicable)
- issue the building permit
- inform the builder of the appropriate notification stages (inspections).

You or your builder (acting as your agent) can engage a building certifier. A list of NT registered building certifiers can be obtained from the Building Practitioners Board website: ntlis.nt.gov.au/building-practitioners/

Insurances

You should ask your builder to provide you with a copy of a certificate of currency to ensure they have, as a minimum, the following insurances (in addition to fidelity fund cover, if it is work that requires that mandatory cover):

- builder's all risk insurance
- public liability insurance
- worker's compensation insurance.

Your builder is usually responsible for insuring your home during construction; however this will depend upon your contract. You should read the contract carefully to determine your responsibility.

Insurance is particularly important when renovating a home as household items can be easily damaged during the building process.

You should also check with your home insurer as to whether they will cover your home for damage or loss during the construction period.

Tips for avoiding contractual disputes

Builders and trade contractors

Builders and trade contractors should ensure that:

- their registration or licence is current and appropriate for the work to be done
- the nature of the work to be done, how long it will take and exactly what it will cost, are explained and given in writing to you
- any variations (e.g. price or scope of works) are put in writing and given to you
- all parties understand their rights and responsibilities and sign the contract
- you are given a copy of the contract at the appropriate time.

Consumers

You should ensure that:

- You are clear and consistent in describing the building works you want.
- You talk with your builder regularly about the progress of the building project and discuss any concerns you have as soon as they arise. Ask questions if in doubt.
- You regularly inspect the work with the builder or site supervisor (e.g. at progress payment stages).
- You keep a diary of progress and meetings relating to the building project (including photographs with dates), and discuss any concerns you have as soon as they arise.



13. Once construction starts

It is the responsibility of you and the builder, working together, to ensure that the building works are constructed to an acceptable standard of quality and finish. Day to day supervision on site is the responsibility of the builder. Do not give instructions directly to the subcontractors because this will cause confusion and may be in breach of your contract with the builder.

Discuss with the builder any queries or problems you may have about delays, quality of workmanship, or any other issues as soon as they arise.

For anything other than a very minor problem, consider confirming your views in writing to the builder as this may assist you with clarifying the issue at a later time.

Your responsibilities

Get the name and phone number of your contact person in the builder's office.

You should only deal with the builder and the builder's supervisor on-site and not the tradespeople on-site.

You should confirm all the important agreements or comments in writing during the home building period.

You should arrange with the builder to access the site for the purpose of inspecting and viewing the works. Check to see what your contract says.

You should arrange to take photographs of the work at regular intervals, particularly any part of the work that may be of concern to you, such as when waterproofing is installed in wet areas.

You should purchase a diary to record all the day to day happenings, including the time and date of all telephone conversations as well as the name of the person you spoke to and what was discussed.

Changing the contract

Remember you can only get the materials, size, style and quality of items and works specified in your contract. Any change to the scope of the work to be done under a contract is known as a variation.

You should note that just because a variation may involve deleting some work that was included in the original contract, it does not automatically follow that the price will go down, or that there will not be extra costs involved.

Unfortunately, variations are frequently the cause of disputes (particularly where there is a lack of adequate documentation to support them).

If you wish to request a variation, you should put your request in writing to the builder. The builder should record all variations in writing as soon as practicable. The variation document should:

- describe the variation
- state the reason for the variation
- provide a reasonable estimate of any delay to the work which may result from implementing the variation
- state the change to the contract price or at least set out the method for calculating the price change
- indicate when any increase in the price as a result of the variation is to be paid or when any decrease is to be taken into account
- be signed by the builder and yourself.

If the variation means additional work, it must be documented **BEFORE** the work is carried out.

REMEMBER:

If the plans are amended/varied during the construction period, you must tell the building certifier so that an amended building permit can be issued **BEFORE** the varied work starts.

Changing the design

During the build, the contractor may advise the design/plans of the build need to be amended/ varied or you may wish to make changes to your design. If the works are prescribed works (nt.gov.au/property/building/build-or-renovate-your-home/building-and-renovating-a-home/what-is-prescribed-residential-building-work), the building certifier **MUST** be advised and approve the changes before the amended/varied works commence. The builder must construct what is shown on the design/plans.

The building certifier may need to amend the building permit and wish to undertake other obligations including a site inspection. Changing the design of the build or having to amend approved works may result in additional costs to you and have an impact on construction.

If the construction is not built in accordance with the approved plans or amended plans it may hold up other stages of the building process including the issuing of the occupancy permit, which is required before the building can be lived in, occupied or used.

Inspections

Building inspections are performed by the building certifier to ensure that the work complies with approved plans and recognised building standards.

The building certifier will tell you when inspections are required and these are listed on the building permit. It is also a good idea to check what inspections have been included in your contract. Your builder has to let the certifier know when an inspection stage has been reached. If you are an owner-builder, you will need to contact the building certifier and organise these inspections yourself.

The inspection stages for residential building works are outlined below:

INSPECTION STAGE	DESCRIPTION
1. Pre-pour	Before pouring the footings, ground floor slab or other in situ concrete
2. Frame	Before covering the framework for floors, walls, roof or other building
3. Block wall	Before pouring any reinforced masonry or block walls
4. Fire separation (duplex/units)	Before covering walls, floors or ceilings, for the purpose of checking that fire resistance levels comply with the Building Code (see note below)
5. Wet areas	Before covering waterproofing in wet areas
6. Final	After completing the building work but before issuing an Occupancy Permit in relation to the work

Note: A fire separation inspection may form part of an inspection of the building work carried out at one or more of the other inspection stages.

In addition to these building inspections, there are also mandatory plumbing and drainage inspections prior to covering up those works.

Where the builder has engaged the building certifier as your agent, it is normal practice for the builder to provide you with copies of each certificate of inspection as they are issued. As soon as is practicable after the work is completed, the builder should also provide you with copies of other contract-related documents such as reports, notices or orders issued by suppliers of service, including, for example, electricity, gas, telephone, water or sewerage. Check your contract to see what it says.

Progress payments

Your builder may ask you to make payments so that they can pay for materials and labour as they go.

Progress payments are usually made at specific stages of a project (e.g. when a slab is laid) and should equate to the value of the work done. Make sure the stages comply with the Building Regulations. This means that the stages should be the standard progress payments, or if you have agreed to different stages and or percentages from the standard, that you have signed an official Progress Payment Agreement.

Never pay for work that has not been performed or pay any money in excess of that required under the contract. Also, make sure that progress payments are for work done and not simply time on the job.

Sometimes the financial institute lending you the money for the work will have special requirements for progress payments. If so, these will need to be included in the contract.

At each stage when a progress payment is required under the contract, the builder will give you a progress claim which you must pay within the number of days stated in the contract.

Prior to payment, carefully check the work is properly completed up to the appropriate stage. If you dispute all or part of the builder's progress claim, you should consider seeking legal advice.

It is important for you to retain copies of certificates of inspection and other contract-related documents in a safe place. These documents will help you establish that all the building work has been properly performed should you sell your home.

Completion, handover and final payment

When construction is completed, the builder must sign a declaration stating building works have been carried out in accordance with the building permit within 14 days of completing the works and can provide the declaration to the building certifier.

When your builder advises you of the handover date (usually two or three weeks in advance) it is recommended that you arrange a final pre-handover inspection about a week before the handover.

On the actual day of handover you should:

- Check the house thoroughly for defective or missing items.
- Prepare a list of minor defects and minor omissions including details of any items missing, damaged or unfinished. The list should state by when the builder is to correct each agreed minor defect or minor omission. You and the builder should sign the list.
- The defects document should also list separately any minor defects or minor omissions which you believe exist but that are not agreed by the contractor to exist.
- Obtain copies of outstanding documents (e.g. approved certificates, appliance warranties).
- Receive occupancy certification.

Remember that you have made a financial commitment to your builder to pay in accordance with the conditions of the contract prior to obtaining your house keys.

The builder has a legal responsibility to ensure that the building work is carried out in a proper and workmanlike manner. Most standard industry contracts for building work in the NT include 'defects liability clauses', where typically the builder is liable to make good, without additional cost, defects in the home building work notified in writing within a certain number of days from practical completion.

These clauses do not alter the builder's further obligations in law that a builder may be subject to. For example, for certain building work covered by consumer guarantees under the *Building Act 1993*, if the owner and builder are in dispute about defective or incomplete work the owner may apply to the Commissioner of Residential Building Disputes and set timeframes apply. For example, an owner has up to a year to apply regarding non-structural defects, and up to six years for structural defects. The Australian Consumer Law also implies certain guarantees into certain contracts (including domestic building), such as workmanship and fitness for purpose. Such guarantees are implied regardless of whether or not the contract specifies those matters.

A builder and other building practitioners may also have other potential legal liability, for example actions for damages for economic loss and rectification costs resulting from defective work, founded in tort or contract. The *Building Act 1993* contains a limitation on time for those actions, which is ten years from the date of the issue of the occupancy certification, or date of first occupation if no occupancy certification is issued.

You cannot live in a building unless occupancy certification has been issued.

Certificate of Exemption

An owner of land that is affected by a prescribed event can apply for a Certificate of Exemption from the Director of Building Control for certification that cannot be obtained as a result of a prescribed event.

A prescribed event includes any of the following events that may occur to the person providing building certification:

- They can't be found.
- They are incapacitated.
- They become bankrupt or insolvent – except an owner builder.
- They cease to be registered, if they were a registered building practitioner.
- They die.

A prescribed unforeseen event may also be any of the following events:

- The building contract is terminated.
- The building certification has been withheld due to the bankruptcy or insolvency of a building practitioner.
- Building certification documents have been destroyed or can't be found.

A Certificate of Exemption can be issued by the Director of Building Control for the following “prescribed certification”:

- builder’s declarations
- plumbing certification
- inspection certificates
- glazing certification
- section 40 certificates
- fire certification
- roof truss certification
- wet area certification
- termite certification
- other certification prescribed by regulation.

Using a Certificate of Exemption for missing documentation, a building certifier can issue an occupancy permit for building work.

To apply for a Certificate of Exemption, an owner must be able to show the following:

- that a prescribed unforeseen event has occurred
- a current building permit, or if it is lapsed, it is only due to the prescribed unforeseen event
- proof that building work has physically commenced on the property
- the owner took reasonable steps within a reasonable time after the unforeseen event to apply for the exemption.

Before applying for a certificate of exemption, discuss the situation with your building certifier.

They may be able to grant a certificate of substantial compliance for the work, which is a lower level of occupancy certification, without an exemption certificate.

Ask a building certifier for a detailed inspection of the work that was carried out before the unforeseen event.

It should be documented and inspected for compliance with the building permit.

Check with a building certifier if they will charge additional fees for extra reports or inspections outside the scope of your original agreement.

Any extra work carried out after the unforeseen event but before inspection or investigation will make it more difficult to assess the compliance of the earlier work against the building permit.

If you do extra work the Director of Building Control may ask for more information from you, or ask for investigations at your cost, to be able to make a decision.

If an application is approved, the Director of Building Control will issue a Certificate of Exemption in place of the missing prescribed documentation.

If all other matters are in order, a building certifier can then issue an occupancy certificate for your building work.

If you are unhappy with the decision of the director, go to the Building Appeals Board website to find out how you can appeal the decision: bab.nt.gov.au/

Warranties of products

If goods such as fixtures and fittings (ovens, air conditioners, dishwashers) are included in your contract, they are subject to consumer guarantees and/or warranty provisions under the Australian Consumer Law.

You should ask your builder for any manuals or instructions and warranty documents for fixtures and fittings included in your contract.

As a consumer, the Australian Consumer Law automatically provides you with guarantees on certain goods. You are guaranteed that the goods you buy:

- are of acceptable quality
- match the description, sample or demonstration model you were shown
- are fit for their intended purpose
- have clear title, unless otherwise stated
- do not have any undisclosed securities (money owing on them)
- come with a right to undisturbed possession.

Consumer guarantees apply to any type of goods costing up to \$40,000 and goods costing more than \$40,000, which are normally used for personal, domestic or household purposes.

Consumer guarantees do not apply to goods that:

- were bought from sales by private sellers, such as garage sales and school fetes
- were bought at auctions where the auctioneer acts as agent for the owner
- cost more than \$40,000 and are normally for business use
- a person buys to onsell or resupply
- a person wants to use, as part of a business, to manufacture, produce or repair something else.

When goods do not meet a consumer guarantee

When you have a problem with goods, the type of 'remedy' you can ask for depends on whether the problem is classed as either a minor or major failure.

For goods, if the problem is minor, the business can:

- provide a refund
- replace the goods
- repair the goods

For goods, if the problem is major, you can either:

- reject the goods and get a refund
- reject the goods and get an identical replacement, or one of similar value if reasonably available
- keep the goods and claim compensation for the drop in value caused by the problem.

For a major failure, you—the consumer—get to choose which option to take, not the business.

What qualifies as a major failure?

A major problem with goods is when:

- you would not have bought the goods if you had known about the problem
- the goods are significantly different from the description, sample or demonstration model shown to you
- the goods are substantially unfit for their normal purpose and cannot easily be made within a reasonable time
- the goods are substantially unfit for a purpose that you told the supplier about and cannot easily be made fit within a reasonable time
- the goods are unsafe.

For more information, visit:

NT Consumer Affairs website (consumeraffairs.nt.gov.au/) or
Australian Consumer Law website (consumerlaw.gov.au/)

14. Building disputes

Disputes between builders, trade contractors, building designers and homeowners occur for many reasons, including:

- inaccurate or incomplete documentation
- poor communication
- unsatisfactory work
- delays
- lack of knowledge of building practices.

Your relationship with the builder is like any other business relationship. It carries certain roles and responsibilities and it is important to know what to do and where to go if a problem arises. Good communication is the first step towards finding a resolution.

Talk to the builder

If you are experiencing problems with your builder, try to resolve the problem by talking directly with the builder. Quote details from any documentation you may have regarding the matter e.g. contract, quote, invoice or receipt number. Explain the problem and offer a solution which satisfies your complaint. Be calm and courteous; but be firm. Keep a record of your conversations (who you spoke with, date and time).

Types of building disputes

Building disputes can be classified into four broad groups:

- issues with professional misconduct or registration
- offences against the *Building Act 1993* and Regulations
- disputes about defective or incomplete building work covered by consumer guarantees
- civil/contractual disputes i.e. claims for damages for breach of contract or actions in negligence.

Building disputes often involve more than one of these issues.

Depending on the nature of the dispute, you may need to contact more than one service to resolve the problem.

For detailed information about building complaints and disputes, please visit nt.gov.au/property/building/make-a-complaint-or-settle-a-dispute/building-complaints-and-disputes

Consumer guarantees under the *Building Act 1993*

The Commissioner of Residential Building Disputes is a dispute resolution body for specific types of residential building disputes.

Work that is covered by the consumer guarantees is residential building works of at least \$12,000 in value and in connection with the construction of:

- a new Class 1a building (which are houses, duplexes, townhouses) and an extension to a Class 1a building
- a new Class 2 building up to three residential storeys (which are apartments, units, flats) and an extension to a Class 2 building (also only if the Class 2 building does not exceed 3 residential storeys).
- a Class 10 building (which includes garages, retaining walls, verandahs) attached to a Class 1a or 2 building (under three residential storeys), if the Class 10 building is constructed at the same time as that building
- a Class 10 building that is a retaining wall (whenever constructed) that is not attached to a relevant building but on which the integrity of the relevant building depends
- building work as described above and done for Defence Housing Australia, requires the cover and is covered by the consumer guarantees.

The builder has a legal responsibility to ensure that the building work is carried out in a proper and workmanlike manner.

Alleged breaches of those consumer guarantees resulting in defective or incomplete work may be determined by the Commissioner of Residential Building Disputes.

There are three types of applications that the Commissioner can consider:

- mediation or conciliation (facilitation of voluntary mediation or conciliation that could result in a binding agreement, if both parties come to agreement during the conference).
- technical inspections (appointment of a qualified person to inspect allegedly defective work)
- consumer guarantee disputes (applications for a binding decision and orders about allegedly defective or incomplete work).

Mediation/conciliation

If you are a owner or builder in relation to residential building works covered by a fidelity certificate, and are in dispute, you can apply to the Commissioner of Residential Building Disputes for free mediation or conciliation to help you come to an agreement.

If your application is accepted, you and the other party must agree to the mediation or conciliation as it is a voluntary process.

If an agreement is reached during mediation or conciliation, it is binding on the parties and the Commissioner may make a negotiated agreement decision in accordance with the agreement.

Please visit consumeraffairs.nt.gov.au/for-consumers/residential-building-disputes for more information about this process.

Technical inspections

As the owner or builder of residential building work, you can apply to the Commissioner of Residential Building Disputes for a technical inspection.

Contact the NT Consumer Affairs to discuss your matter before lodging an application. If your application is accepted, a technical expert will be appointed to report on your building.

A technical inspection application must be in the approved form (which is available from consumeraffairs.nt.gov.au and be made within the effective period for the consumer guarantees, along with the prescribed fee.

Consumer guarantee disputes

If you are a current owner and are in dispute with your builder in relation to defective residential building works or incomplete works, you can make an Application to the Commissioner for Decision. The Commissioner has the ability to determine the matters in dispute and may make orders that the builder completes work, rectifies defective work or where this is impracticable; make orders to pay a specified amount as compensation.

Before making any of the formal applications, you should talk to NT Consumer Affairs to see if they can help resolve your dispute informally.

For an Application for Decision, you must be able to show that the contract for the building work has ceased, or one of the parties considers the contractual obligations fulfilled, or the relationship between the parties has broken down irretrievably.

If the application is in relation to incomplete work, you must apply within 90 days of when the builder completely stops work.

If the application is for defective work, you must apply within the effective period for the building work, which is six years for structural defects and one year for non-structural defects.

Note that the Commissioner cannot consider contractual disputes that do not relate to consumer guarantees such as payment disputes.

Applications must be in the approved form which can be found here: consumeraffairs.nt.gov.au/for-consumers/residential-building-disputes and be accompanied by the prescribed fee.

Building work that is not covered by consumer guarantees under the Building Act 1993

If your work is not the type that is covered by the consumer guarantees under the *Building Act 1993*, it may be covered by the consumer guarantees under the Australian Consumer Law.

Work that is not covered by the consumer guarantees under the *Building Act 1993* is:

- work that has a value of less than \$12,000
- renovations or alterations to an existing building (Class 1a or Class 2 up to 3 residential storeys) that do not increase the floor area of the existing building (unless the renovation is under the same contract with the same builder that is carrying out an extension)
- prefabricated dwellings
- all other classes of buildings and Class 2 buildings that exceed 3 residential storeys
- work done for the NT Government.

The Australian Consumer Law creates a basic set of guarantees for consumers who acquire goods and services from Australian suppliers, importers or manufacturers. These ensure that you receive the goods or services that you have paid for.

When you have a problem and one of the guarantees has not been met, you are entitled to a remedy. The type of remedy depends on the circumstances but may include a repair, replacement, refund or having the service performed again.

For further information visit the Australian Competition and Consumer Commission website:

- Consumer guarantees on service: [acc.gov.au/consumers/buying-products-and-services/consumer-rights-and-guarantees](https://www.accc.gov.au/consumers/buying-products-and-services/consumer-rights-and-guarantees)
- Warranties for goods and services: [acc.gov.au/consumers/buying-products-and-services/warranties](https://www.accc.gov.au/consumers/buying-products-and-services/warranties)
- NT Consumer Affairs website: [consumeraffairs.nt.gov.au](https://www.consumeraffairs.nt.gov.au)

Write a letter to the builder

If there is no resolution through talking to the builder then in a signed and dated letter you should:

- Specify the name and address of you and the builder.
- State the address where the building is located.
- Give specific details of your complaint.
- Quote details from any documentation you may have regarding the matter e.g. contract quote, invoice or receipt number.
- Provide a copy of any documents that relate to your complaint (remember to keep originals).
- Provide a copy of any independent reports you may have obtained regarding your complaint (if applicable).
- State what remedy is being sought (i.e. rectify, compensate, attempt to settle dispute).
- If payment is being sought, specify the amount and how it is calculated.
- Set a reasonable deadline for a response (e.g. 10 working days).
- Keep a copy of your signed and dated letter.

Dispute resolution

If you are unable to resolve your complaint regarding building work informally, then you will need to find out what your contract says about the process for resolving a dispute. A process for resolving any dispute between you and your builder should be included in your contract.

Take formal action

Please note there may be other processes available to you other than what is listed in the table below. The table is simply a guide to demonstrate certain outcomes that may be achieved through different avenues.

AVENUE	POSSIBLE OUTCOMES
Regulator (Director of Building Control), Building Advisory Services	<ul style="list-style-type: none">• investigate allegations that a person has committed an offence against the <i>Building Act 1993</i> or Regulations• commence prosecution if there is evidence of an offence having been committed• investigate whether there is evidence that the builder is guilty of professional misconduct• refer evidence of professional misconduct to the Building Practitioners Board for inquiry• audit a building practitioner's work.

AVENUE	POSSIBLE OUTCOMES
Building Practitioners Board	<ul style="list-style-type: none"> ● inquire into evidence received from the Director of Building Control ● decide whether a builder is guilty of professional misconduct, negligence or incompetence ● reprimand ● require a builder to pay the Director's costs in the inquiry ● require the builder to enter into an undertaking (for example, to attend a course) ● require the builder to pay a civil penalty to the Territory that does not exceed \$6,320 ● suspend the builder's registration ● cancel the builder's registration.
Commissioner of Residential Building Disputes (NT)	<p>Contact NT Consumer Affairs to discuss your concerns before submitting an application.</p> <p>For work covered by the consumer guarantees under the <i>Building Act 1993</i>:</p> <ul style="list-style-type: none"> ● hear and determine allegations of defective or incomplete work ● issue binding rectification order ● issue binding order for compensation up to \$100,000 (where it is impracticable for an order to rectify) ● refer the matter to the Northern Territory Civil and Administrative Tribunal (if for example the matter involves complex legal issues or it has been determined the compensation exceeds \$100,000) ● provision for technical inspections. <p>For all residential building work:</p> <ul style="list-style-type: none"> ● facilitate mediation or conciliation (if both parties agree to the process) and if both parties reach agreement, record that agreement which will become binding.
Community Justice Centre	<ul style="list-style-type: none"> ● binding adjudication between parties for claims under \$10,000 made under the <i>Construction Contracts (Security of Payments) Act 2004</i> ● non-binding facilitation of mediation for all matters other than claims under the <i>Construction Contracts (Security of Payments) Act 2004</i>.
Small Claims through the Northern Territory Civil and Administrative Tribunal (NTCAT)	<ul style="list-style-type: none"> ● actions for amounts up to \$25,000 ● hear and determine contractual matters relating to payments, breaches of contract (for instance work has not been carried out in a proper and workmanlike manner or in accordance with the Australian Consumer Law, owner has caused the builder a loss of profits due to delay/breach, etc. ● issue enforceable order for the payment of money ● order a party to return goods that are in his/her possession.
Local Court	<ul style="list-style-type: none"> ● actions for amounts between \$25,000 and \$250,000 ● hear and determine contractual matters relating to payments, breaches of contract (for instance work has not been carried out in a proper and workmanlike manner or in accordance with the Australian Consumer Law, owner has caused the builder a loss of profits due to delay/breach, etc. ● issue enforceable order for the payment of money ● order a party to return goods that are in his/her possession.

15. After you build or renovate

To make sure your new building works remain trouble free, it is important that you take the time to understand how to maintain your home and keep all relevant records.

You cannot live in a building unless occupancy certification has been issued.

Keeping records is important

It is important that you keep all relevant records as you build or renovate. Types of records you should keep include:

- a copy of the building contract and any variations
- any plans or specifications that go with the contract
- proof of payments made on the project
- residential building cover, fidelity certificate (if applicable)
- other relevant insurance policies
- any additional written warranties or guarantees by the builder or by manufacturers of materials or items supplied by the builder
- a copy of the warranty and/or instruction sheet for any termite protection work
- contracts and relevant warranties for any other associated work carried out by contractors other than the principle builder (e.g. landscaper, pool installer)
- relevant samples or documents identifying types or brands of main building materials used (e.g. kitchen bench tops)
- any building, soil, geotechnical reports by the builder, engineer, architect, designer, etc
- any care and maintenance manuals provided by the builder or contractor
- all correspondence relating to the building work
- all important phone numbers and contact details
- a list of all important dates (e.g. contract, commencement and completion dates).

Defects and warranties

Closely inspect the finished project, take photos and list any items of concern. Most standard industry contracts for building work in the NT include 'defects liability clauses', where typically the builder is liable to make good, without additional cost, defects in the home.

If you find items of concern, let the builder know in writing and keep a copy. For certain building work covered by consumer guarantees under the *Building Act 1993*, an owner has up to a year to apply regarding non-structural defects, and up to six years for structural defects.

Maintaining your home

Over time buildings that were originally built to the requirements of the NCC may deteriorate.

You should do regular visual inspections of your home and fix any problems. Remember the following is a general guide only for the inspection and maintenance of structural elements of your home.

Settling of your home

New buildings will settle overtime, as moisture dries out and as small movements occur. Small cracks may show in brick, timber, tiles and plaster board areas in the first 12 months. These changes should not affect the structure integrity. If larger cracks appear or you are concerned about any structural movement check with an independent building expert.

Termites

Homes in the NT have a high risk of termite damage. Your home will be stronger if you choose the right timber and wood treatments.

You should regularly inspect and maintain your termite protection systems to keep them working.

Builders must comply with the termite management requirements set out in the NCC. The code sets out minimum requirements for structural elements such as the walls, roof and floor framing to reduce the risk of termite infestation. Other elements of a build can be at risk from termite infestation including door jambs, window frames and reveals, architraves, skirting and cabinetry. A termite management system will help to protect these elements.

Regular maintenance and monitoring is very important to ensure the effectiveness of termite management systems. You should regularly inspect these yourself, and every 12 months have a licensed pest controller inspect and report on your home.

Corrosion

Look inside your roof space for corrosion of metal roof coverings, batten straps, fixing bolts, fixing plates and other fixings such as screws and nails. This is particularly important if your home is close to the coast.

You may need to replace metal components that are corroding.

Rotting timber

Timber decays naturally in moist, damp conditions.

This can affect bearers, joists, flooring, cladding and framing, particularly in exposed locations or where there are water leaks.

You will need to replace rotten timber. This may require building approval if structural elements are to be replaced.

Weathering and loose fixings

Humidity, rain, strong winds and long dry periods can cause structural components to deteriorate over time.

Weathering can loosen tie-down bolts and fixings.

Regular maintenance is needed to tighten loose fixings and replace deteriorated timbers.

Doors and windows

To maintain your doors and windows:

- Tighten any loose screws.
- Check that doors and windows close properly, oil or lubricate rollers, hinges, locks.
- Regularly clean sliding doors and window tracks.

Mould growth

Moulds are fungi, like mushrooms, which are present at low levels both indoors and outdoors. Moulds need organic materials like wood, paper or dirt and moisture to grow. They can produce a musty smell and release countless tiny, lightweight spores which travel through the air. This happens when moulds are disturbed, such as during cleaning, or in dry conditions when a house or building is being dried out.

There are many effective products for killing and removing mould from walls, floors and other hard

surfaces. Household cleaning agents or detergents can do an effective job if used correctly.

Reducing the amount of moisture is the best way to control mould growth. While you can't control factors like rain, you can repair other sources, like leaky plumbing, roofs and other fixtures, as soon as possible.

Kitchen, bathroom and laundry

To maintain your kitchen, bathroom and/or laundry:

- Check care instructions for all surfaces, avoid excessive heat or particular chemicals.
- Regularly clean exhaust fans and clean taps, shower roses and spouts.
- Replace and maintain tap washers as necessary.

Roof, gutter and drains

Regularly clean gutters, downpipes and drains to remove leaves, silt or other blockages.

Landscaping

To maintain the grounds of your property:

- Guide water drainage away from the house and other lots, directing the water to the stormwater drain.
- Place garden beds away from the house walls.
- If planting trees, keep them well away from the house foundations, water pipes and sewer pipes.

Get your home inspected

You can hire a builder, building certifier, structural engineer, architect or other building professional to check areas in and around your home.

An inspection should review your entire home, with particular attention to the roof, gable-end walls, doors and windows, garage doors, roof eaves, house attachments such as porch roofs and carports, and other objects and equipment such as air-conditioners and hot-water tanks.

Go to bpb.nt.gov.au/ for a list of building practitioners registered in the NT.

16. Apartments and units

Apartments and units are an increasingly popular housing choice. Unlike building a traditional house where the owner directly engages the builder apartments and units are either bought as a completed dwelling or off-the-plan prior to construction. Ownership arrangements also differ where each individual unit owner owns the inside of the unit but not the main structure of the building. Usually, the body corporate owns the walls, ceiling and floor from outside of the lot to halfway in. The internal walls within the unit (e.g. the wall between the kitchen and lounge room), floor coverings, light fittings and curtains are all the property of the unit owner.

Strata title and body corporates

When you buy a unit or apartment that is strata titled it will have a body corporate and you automatically become a member of a body corporate.

This means you have bought the title to your apartment or unit (or lot), as well as a share in the entire building and its surroundings, for example the garden and car park. The surroundings you own is called common property.

You will also share the responsibility for the maintenance costs for the building and its surroundings with all of other owners.

Buying off-the-plan

Buying off-the-plan is when you buy a property before it is built based on the designs and plans provided for the development. When buying off the plan, you will usually get to see architectural plans, sketches or models of your unit. A minimum number of properties may need to be sold before the construction of the property will begin.

Before signing a contract for an off the plan property, you should read the conditions of the contract carefully and seek independent legal and financial advice.

Some questions you may want to ask the developer or get legal advice on the conditions in the contract may include:

- How many units need to be sold before construction begins? How will this impact on the completion timeframe?
- What's included in the property?
- What's projects has the developer and or builder completed successfully?
- What changes can be made to the internal design and finishes of the unit, including the finishes in the kitchen, bathroom and laundry?
- Who selects the appliances and other items such as stove, dishwasher, floor and wall tiles?
- Can the site be visited during construction?
- What will happen if there are delays in the construction?
- How can the contract be terminated?

Check if the contract gives developer the authority to vary the finishes without your permission as the quality and standard of fixtures and fittings may not meet your expectations.

A deposit is normally paid when the contract has been signed and the balance becomes due when the property has been completed.

When you sign the contract to buy an off the plan property, the contract will not have the completion date. This will be included in the contract when the building is finished, and the unit plan has been registered.

Be aware that before and during construction, proposed completion dates are an estimate by the developer and there may be delays

in construction due to weather, contractors, material, goods supply and other factors. The building plans may also need to be changed during the construction process. This can mean that the finished product may be different to the original plan.

Protections for consumers

Residential Building Cover that applies to single dwellings and units less than three storeys does not apply to multi storey unit complexes. However, there are some protections for purchasers who buy a new unit off the plan.

Your deposit should be held in a trust account with a licensed real estate agent, licensed conveyancing agent or lawyer.

When the settlement date is reached you can cancel the contract if the completed unit does not meet your expectations without paying a penalty.

Most standard industry contracts for building work in the NT include 'defects liability clauses' (typically 13 weeks), where the builder/developer is liable to fix any defects that have been identified during that time.

Closely inspect the finished unit during this time, take photos and list any items of concern for discussion with the developer. You may wish to consider getting a building inspection by a building industry professional to provide a comprehensive report.

Consumer guarantees under the Australian Consumer Law may also apply. For further information visit the Australian Competition and Consumer Commission website.

Renovations and extensions

One major difference between owning a house and a unit in a strata scheme (or 'lot') is that the external walls, the floor and roof do not usually belong to the lot owner. These areas are usually common property. This means that the maintenance and repair of these parts of the building are the responsibility of the body corporate.

As it is common property, the lot owner cannot alter or renovate these areas without permission from the body corporate. Lot owners may need permission to do things such as install services (e.g. cable television, phone or internet), knock down walls or replace doors or windows. The body corporate may have specific requirements about renovations including hours of work and owners must seek body corporate approval before commencing work.

Changes to open spaces such as enclosing part or all of a balcony or courtyard may require development approval. If you need a development permit, you must have it BEFORE applying for a building permit and a development permit does not remove the need for a building permit. For more

information about meeting the NT Planning Scheme requirements, contact Development Assessment Services via das.ntg@nt.gov.au on (08) 8999 6046.

Buying an existing unit

When considering buying an apartment or unit it is important to decide if the building is suited to your needs particularly if you have children and pets. Take the time to look at the overall design, finish and maintenance of the building as you may be liable for expensive maintenance costs.

You should consider getting a building inspection by a building certifier or engineer of not only your unit but also the overall building to identify any minor or major faults with essential services that need maintenance.

Consider factors such as the following:

- Find out how many parking bays your unit has and how they are managed, and if there are visitor car parks.
- Check the access to the property and building and security features, such as security doors, intercoms and lighting.
- Check the location of rubbish disposal areas if too close noise and odours may impact on your unit.
- Consider the noise levels from adjoining units are appropriate acoustic measures in place to reduce noise.
- Obtain and read a copy the body corporate rules before you agree to buy the property. These will include your rights and obligations, as well as the other owners and tenants.
- There may be restrictions on pets, noise, and use of balconies. Plus, specific requirements for the use of common areas including visitor parking, rubbish disposal, gyms or pools.
- Check the amounts and due dates of body corporate fees and funds set aside by the body corporate (commonly called a sinking fund) to pay for future costs of maintenance of common areas. Inadequate provision in a sinking fund for major repairs in the future may result in additional levies on all unit owners which can be a significant expense.

Common faults and problems

Units can be subject to faults and problems and investment in a professional building inspection will help identify if there are any defects. Key elements that should be checked include:

- Waterproofing of wet areas such as ensuites, bathrooms and laundry. Check the condition of grouting, location of drains, if water pools on the floor or if there is evidence of leaking (paint flaking) or water stains on adjoining walls.
- For balconies, check that water drains away freely and look for any sign of corrosion on frames.
- Weather sealing check the edges of windows and sliding doors for evidence of water leaks.
- Check for any tiles that are cracked, uneven or poorly fitted tiles, gaps or missing grout. Flooring such as timber or vinyl composites should be laid evenly and correctly sealed at junctions with the walls to allow for movement.
- Check if smoke detectors are fitted and working.
- Check that all of the included appliances and fittings are in working order.



17. Building a carport, shed or shade structure

You will usually need a building permit unless your structure meets the criteria for exemptions from building approval.

Some exemptions exist for garden sheds, fences, and shade structures.

There are no exemptions for constructing a carport.

How to get building approval

You can get building approval from either of the following:

- an approved self-certifying manufacturer
- a registered NT building certifier.

Use a building certifier

You may prefer to engage a building certifier if the product you are installing is not approved for self-certification, if you want to build it yourself, or you are having other work done and want to include the installation in the same building permit as your other work.

Engage a self-certifier

A self-certifier is someone approved to build and certify the construction of certain products such as garden sheds, carports, fences or shade structures, and who can be engaged instead of a building certifier.

Self-certifiers must be able to both supply and install the product.

They can only certify products for their approved uses and must ensure that the construction complies with approved plans and legislation.

They can also issue occupancy permits for the completed structure.

You may also choose to buy a product from a self-certifier but get building approval through a building certifier.

To check if a person is a self-certifier for a particular product, ask to see their self-certifier approval.

When a self-certifier cannot be used

Self-certifiers usually have a range of standards plans for products that have been approved for self-certification. They can only self-certify those exact structures. If you want to make changes to the standard, or you want a different product, you will need a building certifier for a building permit and occupancy certification.

There are size limits on the structures that can be self-certified. These limits are for:

- garden sheds, garages, carports or verandahs 36m² or less in area only
- free-standing shade structures 60m² or less in area only
- shade structures attached to a building 40m² or less in area only.

Self-certifiers cannot self-certify work on unit or townhouse developments, commercial or industrial land.

A self-certifier must do the work themselves. If you want to buy a product from them and build it yourself the self-certifier cannot certify it – you will need to get a building permit and occupancy certification from a building certifier.

Self-certifiers can only build and certify works that are class 10 structures under the NCC. These are non-habitable structures. If you want a shed, carport or other structure that includes a bathroom or other features that would turn the structure into a habitable building you will need a building certifier for a building permit and occupancy certification.

Finding a self-certifier

You can also find a self-certifier by contacting Building Advisory Services on (08) 8999 8985 or email bas@nt.gov.au.

Exemptions from building approvals

Garden sheds

You don't need building approval if your shed is on a large or rural property and the shed does not have plumbing, electrical or drainage services, and meets either of the following criteria:

- the roof area is less than 12m², the building height is less than 2.1m, and it is located at least 40m from any boundary
- the roof area is less than 30m², the height is less than 2.4m, and it is located at least 70m from any boundary.

Fences

You don't need building approval for a fence if it is either of the following:

- less than one metre high
- does not offer wind resistance – such as a chain wire mesh or metal pool type fencing.

Shade structures

You do not need building approval if your shade structures, on any one lot, are all of the following:

- less than a total of 30m² of shade cloth
- totally freestanding and not attached to any building
- more than 5cm from any other buildings.

If your shade structure uses shade sail or canvas or similar material you will need building approval.

Get an existing shed, carport, fence or shade structure certified

You must contact a building certifier if you have an existing garden shed, carport, fence or shade structure that is not exempt from building approval and does not have occupancy certification.

Your building certifier can help you to get your structure certified and compliant, even if you did not originally have a building permit.

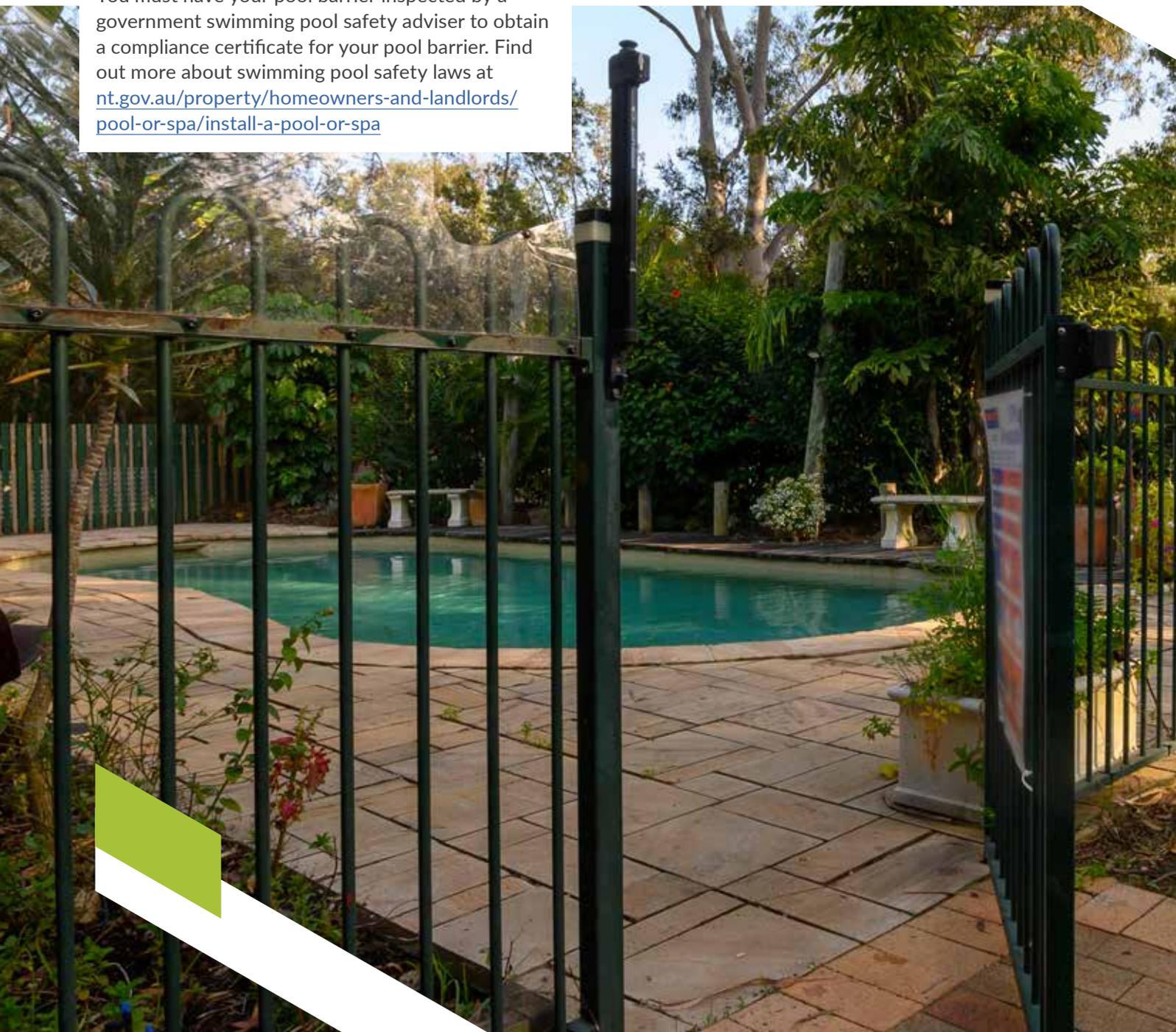


18. Installing a pool fence

If you own a residential property in the NT that has a pool or spa (including portable), you may need a pool fence or safety barrier that meets certain safety standards.

You will need a building permit if your pool barrier includes glass panels or solid fencing. Common pool fencing choices such as chain mesh fence or traditional pool fencing vertical panels do not require a building permit.

A building permit for all or part of your barrier is not a compliance certificate for your pool barrier. You must have your pool barrier inspected by a government swimming pool safety adviser to obtain a compliance certificate for your pool barrier. Find out more about swimming pool safety laws at nt.gov.au/property/homeowners-and-landlords/pool-or-spa/install-a-pool-or-spa



19. Glossary

AUSTRALIAN CONSUMER LAW (ACL) – national legislation that defines the rights and responsibilities of traders and consumers.

ARCHITECT – a qualified person who provides building design and contract administration services.

BUILDING PRACTITIONER – a person, firm or corporation that is registered with the Building Practitioners Board. The categories of a building practitioner include: building certifier; certifying architect; certifying plumber and drainer; certifying engineer; and building contractor (residential).

There are two different categories for a registered builder. A builder with a restricted registration can construct detached houses, attached dwellings and buildings of not more than two storeys. A builder with an unrestricted registration can construct dwellings of any height.

BUILDING ACT 1993 – this Act provides the framework for the control and standards of building in the Northern Territory.

BUILDING CERTIFIER – a registered building certifier assesses the Application for building permit to ensure it complies with the *Building Act 1993* and the Regulations. The building certifier will issue building and occupancy certificates. They will also tell you when inspections are required.

BUILDING CONTRACT – a legal document that forms an agreement between the builder and consumer about home building or renovating. A contract written in English that usually includes plans and specifications is required for most domestic work over \$12,000 and should be signed by both parties.

BUILDING CONTROL AREA – when building in the Territory properties fall within designated Building Control Areas. Within certain areas (e.g. in the Greater Areas of Darwin and Alice Springs) you require building approval and mandatory staged inspections for building work. In the more distant areas the requirements for mandatory inspections and occupancy certificates do not apply in respect of Class 1a detached houses and, in most cases, Class 10 non-habitable buildings.

BUILDING PERMIT – a building permit is a document issued by an NT registered private building certifier who approves the details of the building work and ensures it complies with building legislation BEFORE construction starts. Building permits are designed to protect your building and, more importantly you.

BUILDING PRACTITIONERS BOARD – is a statutory body established by the *Building Act 1993* and is responsible for: registering builders; establishing and maintaining a system of performance reporting to ensure that information on builders' past performance is available and can be taken into account when assessing their competence; monitoring builders' compliance with registration requirements; monitoring builders' competence and professional conduct; conducting inquiries into builders' work and conduct and, if necessary, disciplining them; and developing and publishing codes of practice for reference by builders and for use by the Board and the Director in assessing builders' work and conduct.

BUILDING REGULATIONS – provides the technical requirements for buildings in the NT. The relevant technical requirements are set down in the National Construction Code (Building Code of Australia and the Plumbing Code of Australia); and Code of Practice for small on-site sewage and sullage treatment systems and the disposal or reuse of sewage effluent.

CLASS 1A BUILDING – in accordance with the Building Code of Australia, a Class 1a building is a single dwelling being a detached house; or one of a group of two or more attached dwellings (e.g. terrace house, town house, unit).

CLASS 2 BUILDING – in accordance with the Building Code of Australia, a Class 2 building contains two or more sole-occupancy units each being a separate dwelling.

CLASS 10 BUILDING – in accordance with the Building Code of Australia, a Class 10 building is a non-habitable building or structure (e.g. Class 10a – private garage, carport, shed; or Class 10b – fence, mast, antenna, retaining or free-standing wall, swimming pool).

CERTIFICATE OF EXEMPTION – issued by the Director of Building Control in place of missing prescribed documentation.

CERTIFICATE OF SUBSTANTIAL COMPLIANCE – is a level of occupancy certification that may be granted by a building certifier where building works occur under a valid Building Permit and meet the technical standards (specifically, the standards and codes that applied at the time the Building Permit was granted), but with minor departures from the legislated construction and certification processes.

COMPLETION – the point at which works to be carried out under the contract have been completed in accordance with the plans and specifications, and the building owner has received an occupancy certificate.

COMPLETION DATE – according to the contract, the date when building works must be completed.

DEFECTS – work that is in breach of the contract by failing to maintain a specified standard or quality, or is in breach of any implied guarantee.

DEFECTS LIABILITY CLAUSE – a clause in a domestic building contract that gives the builder a specified period of time to fix defects arising out of contracted works.

DEVELOPMENT PERMIT – a permit obtained from the Development Consent Authority that relates to the zoning and use and development of the land. This is not always required but, if so, must be obtained before you can be given a building permit by the building certifier.

ENGINEER – a person registered with the Building Practitioners Board as an engineer who is qualified to undertake the design, documentation, supervision, inspection and certification of buildings.

FITTINGS – items that can be removed without damaging the property (e.g. lighting, air-conditioners, etc.).

FIXTURES – items that are attached to the property and cannot be removed without causing damage (e.g. basins, toilets, built-in wardrobes).

NATIONAL CONSTRUCTION CODE (NCC) – comprises the Building Code of Australia (BCA), Volume One and Two; and the Plumbing Code of Australia (PCA), as Volume Three. The NCC is a performance-based code that sets the minimum requirements in relation to structure, fire safety, access and egress, accessibility, health and amenity, and sustainability.

OCCUPANCY PERMIT – permit issued by the building certifier after final inspection showing work has been completed in accordance with the building permit. Occupancy certification does not necessarily mean that all building work is complete. There may still be associated works in the contract (e.g. paving and landscaping) that are incomplete.

OWNER-BUILDER – someone who carries out building on his/her own property and has full responsibility for workplace health and safety, site security, site sanitation, environmental compliance, etc. because they are taking on the role of a builder.

PLANS – drawings of the design of a home or renovation completed by a designer/ draftsman, architect or builder. These should be signed by the builder and consumer and be part of the domestic building contract.

PROGRESS PAYMENTS – these can also be called stage payments and are required on completion of each stage of building. In the NT there are specific descriptions of the stages of building that need to be included in a building contract (unless parties agree to a variation and sign a Progress Payment Agreement in the approved form). Those stages are set out in regulation 41HA of the Building Regulations.

REGISTERED BUILDER – a builder who is registered with the Building Practitioners Board – see definition of ‘Building Practitioner’. Membership of the Housing Industry Association or Master Builders Association is not the same as registration.

SCOPE OF WORKS – plans and specifications showing what and how an owner wants to build. This should be included when getting quotes and be part of the contract and should be sufficient for obtaining a building permit.

SPECIFICATIONS – detailed lists of specific building materials, appliances and fittings to be used in a building or renovation.

VARIATIONS – changes agreed to by the owner and builder that are made to the building plans and specifications within the contract after the contract has been signed.

20. Who to contact

NAME	PHONE	EMAIL	POSTAL
Northern Territory Architects Board	1800 193 111	ntab@nt.gov.au	GPO Box 9800 DARWIN NT 0801
Building Advisory Services / Director of Building Control	(08) 8999 8985	bas@nt.gov.au	GPO Box 1680 DARWIN NT 0801
Building Practitioners Board	1800 193 111	bpb@nt.gov.au	GPO Box 9800 DARWIN NT 0801
Commissioner of Residential Building Disputes and NT Consumer Affairs	(08) 8999 1999 or 1800 019 319	consumer@nt.gov.au	GPO Box 40946 CASUARINA NT 0811
Development Assessment Services	(08) 8999 6046	das.ntg@nt.gov.au	GPO Box 1680 DARWIN NT 0801
Plumbers and Drainers Licensing Board	1800 193 111	Plumbers.licensing@nt.gov.au	GPO Box 9800 DARWIN NT 0801

21. Disclaimer

Whilst due care has been taken in the preparation of this document and the information it contains is believed to be accurate, neither the Territory, its officers, employees agents or contractors give any warranty, express or implied, as to the completeness or accuracy of the information.

The information given in this document is for the information of consumers only and should be used as a guide. It is not intended to be exhaustive, or to replace the need for consumers to conduct their own full due diligence. No responsibility will be accepted by the Territory for any loss damage or expense that a consumer may suffer arising from a consumer relying on this document.

Common residential building work that requires permits

The table below provides a general overview of what building works require a building permit, contract, fidelity fund insurance and a registered builder. As it is not an exhaustive list, it is recommended that advice be sought from a building certifier.

✔ = required ✖ = not required 😊 = recommended

BUILDING WORK	BUILDING PERMIT	CONTRACT	FIDELITY FUND	REGISTERED BUILDER
New house and attached or associated structure at the same time as a new house – e.g. carport, verandah, garden shed	✔	✔	✔	✔
Relocating an existing house to a new location ¹	✔	✔	✔	✔
Renovating bathroom – Changing walls, fixtures and plumbing ¹	✔	😊	✖	✖
Renovating bathroom – No change to walls/fixtures/plumbing ¹	✖	😊	✖	✖
Alterations/extensions to existing house – increases floor area ¹	✔	✔	✔	✔
Alterations/extensions to existing house – No increase in floor area ¹	✔	😊	✖	✖
Existing house – changing windows, reroofing or replacing sheeting ¹	✔	😊	✖	✖
Additions to existing house – skylight, roof vents or satellite dish*	✔	✖	✖	✖
Solar hot-water systems	✔	😊	✖	✖
Solar photovoltaic installations	✔	😊	✖	✖
Carport/verandah (to existing house) ^{1*}	✔	😊	✖	✖
Garden shed/workshop ^{1*}	✔	😊	✖	✖
Pergola/shade structure ^{1*}	✔	😊	✖	✖
New fence or renovate an existing fence ^{1*}	✔	😊	✖	✖
New retaining wall – supporting building work ^{1*}	✔	✔	✔	✔
New retaining wall – not supporting building work ^{1*}	✔	😊	✖	✖
Swimming pools	✖	😊	✖	✖

¹ Subject to provisions of the *Building Act 1993* regarding type of work.

* Subject to relevant exemptions policy.

Checklist: Design and building in the NT

Before you start

- Know your budget and plan your finances.
- Consider what you need now and in the future.
- Know your site – zoning, setbacks, easements, covenants, and constraints.
- Find out if you need [planning approval](#).
- Pick the building option that works best for you.

Building basics

- Research the [building process, licences and certification](#).
- Understand the [permits and process](#) for residential building works.
- Understand [quotes and estimates](#).
- Understand [contracts](#).
- Get contract reviewed by legal professional before signing.
- Understand [warranties](#).
- Organise insurances and provide your contact details to Fidelity Fund.
- Engage a [building certifier](#) (unless your building work is exempt from requiring building approval).
- Choose a [builder or contractor](#) and request copies of 2 references and referees.
- Research potential builders and check the [disciplinary register](#).

Approvals

- Your finances need to be approved.
- Check if you need to submit a [development application](#), if so lodge.
- Check if you have development covenants and get the required approvals.
- You and the builder must sign the contract.
- Ensure you receive a copy of fidelity certificate.
- Get your [building permit](#).
- Have a pre-start meeting with your builder.
- Ensure contract includes detailed scope of work, a schedule of finishes and start and completion date.

During construction

- Communicate regularly with your builder or contractor.
- Do not pay for works that have not been done.
- Get any changes in writing and understand how the changes impact on the cost, timeframe, building permit and insurances.
- Understand the inspection points in your build and the progress payments.
- Arrange to take photographs of the work at regular intervals, particularly any part of the work that may be of concern to you.
- Understand how to [resolve disputes](#) during the build, remember to check the process in your contract.

Completion and handover

- Builder must sign a builder's declaration.
- Arrange a pre-handover inspection before the final handover.
- Check the works for defects or missing items.
- Understand the process of making good on any defects.
- Apply for [occupancy certification](#).
- Move in only after the occupancy certificate is issued.

After you build or renovate

- Keep all relevant records.
- Regularly check termite protection systems.
- Check internal and external elements for damage.
- Maintain, clean, and repair your home.

Checklist: Before signing a contract

- Make sure you understand the conditions of the contract.
- Get legal advice.
- Check the contract includes all the following which are required in the Building Regulations:
 - the building work to be carried out on a single project
 - the building contractor's details and registration number
 - the extent and the value of the work and the contracted price
 - the applicable building standard of work, if higher than the National Construction Code
 - the schedule of progress payments
 - a provision about dispute resolution
 - the consumer guarantees required by the *Building Act 1993*.

Make sure you understand the conditions of the contract.

- the term 'lock up stage'
- the start and finish dates for the contract
- the impact of any lengthy delays
- any compensation for any costs/losses if the work isn't completed on time
- the impact of you making a late progress payment
- your rights to visit the building site for the purpose of inspecting and viewing the works
- that any special requirements and finishes, are clearly written in the contract
- the standard of work that will occur
- if you or the builder are able to make any changes/variations under the contract once the project has started
- how such variations will be managed and recorded
- if you need to include provisions in your contract that are required by your lending institution such as stages for progress payments, inspections of the work and turn around for payments
- is clear about who is supplying what – for instance, are you responsible for
- purchasing and supplying appliances or fittings such as tapware. Make sure you understand how 'prime cost' items and 'provisional' items are dealt with under the contract.
- how to bring disputes to each other's attention and how to resolve disputes. If you don't follow the method set down in your contract, you may jeopardise your position and inadvertently breach your contract.



How to contact us

Telephone: (08) 8999 8985

Email: bas@nt.gov.au

Website: nt.gov.au/property/building

Address: GPO Box 1680 DARWIN NT 0801

