



Helpful checks when choosing a building service provider

Your home is usually your biggest investment, so it's worth doing your research before deciding who will undertake your building project. Undertaking a few practical checks at the start can help avoid potential issues later.

Not all building work at your home needs to be carried out by a registered builder but it's very important that work that does, is. Ask yourself:

- Is a building permit required for my project? (Check with your local council.)
- Is it valued at \$20,000 or more?
- Is it located within this [prescribed area](#)? (Broadly, the prescribed area covers WA's main population centres.)

If the answer to all these questions is yes, by law only a registered building contractor can perform the work. Registration is designed to ensure the person has the appropriate skills, knowledge and business stability to take on these larger projects.

If the answer to any of the questions is no, you may choose to have the project done by either a registered or non-registered building service provider.

How can I check if the builder is registered?

The [Register of Builders](#) is available online or you can call Building and Energy on 1300 489 099.

The register will also show if the builder's registration has been cancelled or has expired and any conditions on the type of work they are registered for. Only a registered building contractor can enter into contracts for building work over \$20,000 if a building permit is required. If the work does not require a building permit it can be carried out by anyone irrespective of the value.

What checks can I do regarding the builder's financial position?

The Australian Securities and Investments Commission (ASIC), allows you to purchase a current and historical company extract search. Along with a range of other useful information, the search will show whether the company has gone into liquidation or administration. However, these actions can sometimes take time to appear on the search. See asic.gov.au for details.

The Australian Financial Security Authority (AFSA) National Personal Insolvency Index (NPII) allows you to carry out a Bankruptcy Register Search. While someone's past financial issues may not reflect their current situation, the search shows if someone is or has a discharged or undischarged bankruptcy. See afsa.gov.au for details.

What other checks can I do to find information about the building service provider?

- Ask for a list of previous jobs and referrals and speak to former clients about how satisfied they were with the provider's timeliness, quality and adherence to the contract.
- Get at least three quotes, bearing in mind that the cheapest option may not necessarily be the best.
- Check that the Australian Business Number (ABN) provided matches the business name. A free search is available through the Australian Business Register. See abr.business.gov.au for details.
- Search the media announcements at dmirs.wa.gov.au for findings against industry participants, registered building practitioners and contractors, plus building-related decisions of the State Administrative Tribunal at sat.justice.wa.gov.au.
- Online searches such as Google reviews, Facebook, building forums, tradesperson listings, noting that these may not always be objective or validated.

What should I check for before signing a contract or other documentation?

Whether you're using a registered or non-registered building service provider, make sure:

- You only sign a contract with your building service provider when you've read all the small print and you fully understand what the building service provider is contracted to do for you, as well as your own obligations.
- All important information is confirmed in writing and copies are kept.
- The service provider's details are the same across all documents (including contracts, invoices, receipts and – if applicable – home indemnity insurance).
- You have a legitimate physical address for the building service provider in the event that legal papers need to be served.

If your project involves a contract for home building work or associated work with a fixed value between \$7,500 and \$500,000, the *Home Building Contracts Act 1991* applies. This means the building service provider must provide you with a [Notice for the Homeowner](#), which summarises the Act, including your rights, before you sign the contract.

Other useful Building and Energy resources:

Resource	Link
Building Your New Home – A Checklist	https://www.commerce.wa.gov.au/sites/default/files/atoms/files/building_your_new_home_a_checklist_0.pdf
Home Building Contracts Act fact sheet	https://www.commerce.wa.gov.au/sites/default/files/atoms/files/home_building_contracts_act_fact_sheet.pdf
Home Indemnity Insurance fact sheet	https://www.commerce.wa.gov.au/sites/default/files/atoms/files/home-indemnity-insurance_fact_sheet_aug_2017.pdf
Do I need to be a registered builder?	https://www.commerce.wa.gov.au/sites/default/files/atoms/files/do_i_need_to_be_a_registered_builder.pdf

Other useful information on a range of topics is available on our [website](#).