

**Supplementary
Submission**

No 5a

**INQUIRY INTO OPERATIONS OF THE HOME BUILDING
SERVICE**

Organisation:

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Submission to Home Building Inquiry
Colin Sharp and Mary Ellen McCue

8 November 2006.

To Whom It May Concern,

Last night we lodged a submission to the inquiry and we would now like to make an addition to that submission.

Today we had a builder and an engineer at our home to carry out an inspection on behalf of the Home Warranty insurer. The report that formed the basis of our claim on the Home Warranty insurance documented many things which were not properly certified and we were claiming these as defective work which needed to be rectified in order to meet the Building Code of Australia (BCA), Australian Standards and Council Conditions of Consent.

We were shocked when both the builder and the engineer told us that, as long as things were certified, it did not matter that they were not properly certified. By 'not properly certified' we mean things being certified without having been inspected and things being certified without the required work having been done at all.

In our case, a structural engineer certified work without having inspected a significant part of that work, i.e. the footings for a load-bearing wall. Also, a termite certificate was accepted by council when it clearly indicated that only a minor part of the required treatment had been carried out.

What is the point of requiring certificates if it does not matter if the work they are certifying does not comply with the BCA, Australian Standards and Council Conditions?

The builder and engineer also told us that as long as the work looked superficially reasonable then there was nothing that the Home Warranty insurer would do about it. However, when we come to sell the property then we would be obliged to disclose all the improperly certified and defective work, otherwise we would leave ourselves open to being sued. This disclosure would then obviously have a negative impact on the value of the property and the money and time we have invested in renovating the property would have been wasted. This is not to mention all the money we have spent on legal fees, building reports, etc.

We feel that it should go without saying that a renovation is done properly and according to the BCA, Australian Standards and Council Conditions. People should not have to pay tens of thousands of dollars in legal fees to attempt that this is done.

In our case, we have a renovation that is not properly certified through no fault of our own despite having paid a quarter of a million dollars for the renovation and then having paid over \$70,000 in legal fees and associated costs on top. We now have no money to pay for it to be rectified.

It seems that the Home Building industry needs to be regulated much more closely to ensure that work is done and certified to the appropriate standard. If this not done then consumers like us will continue to be ripped off by the many unscrupulous operators who thrive in the deregulated environment. And in a few years time there will be another inquiry like this one to find out why consumers are so unhappy.

Yours faithfully,

Colin Sharp and Mary Ellen McCue.