

# Builder Defect Maintenance Categories

The purpose of this document is to be able to determine what builder defect maintenance items are categorised as Tier 1 and Tier 2 as well as clearly identifying the difference between an RTA Emergency Repair and a Tier 1 & 2 builder defect.

## DEFINITIONS

- **'Builder'** means the Contractor as per the Build Contract for the property
- **'HMB'** means Handover and Maintenance Booklet
- **'QBCC'** means Queensland Building and Construction Commission
- **'QBCC Tier 1 Defect Work'** means:
 

Tier 1 defective work is work that falls below the standard reasonably expected of a licensed contractor for the type of building work and either:

  - a. adversely affects the structural performance of a building to the extent that a person could not reasonably be expected to use the building for the purpose for which it was, or is being, erected or constructed (i.e. requires substantial reconstruction or demolition), or
  - b. is likely to cause the death of or grievous bodily harm to a person (i.e. fire protection not up to safety standard).
- **'PM'** means Property Manager
- **'RTA'** means Residential Tenancies Authority
- **'RTA Emergency Repair'** means:

Section 214 of the Residential Tenancies and Rooming Accommodation Act (2008) QLD states that Emergency repairs are works needed to repair any of the following:

- a. a burst water service or a serious water service leak;
  - b. a blocked or broken lavatory system;
  - c. a serious roof leak;
  - d. a gas leak;
  - e. a dangerous electrical fault;
  - f. flooding or serious flood damage;
  - g. serious storm, fire or impact damage;
  - h. a failure or breakdown of the gas, electricity or water supply to premises;
  - i. a failure or breakdown of an essential service or appliance on premises for hot water, cooking or heating;
  - j. a fault or damage that makes premises unsafe or insecure;
  - k. a fault or damage likely to injure a person, damage property or unduly inconvenience a tenant of premises;
  - l. a serious fault in a staircase, lift or other common area of premises that unduly inconveniences a tenant in gaining access to, or using, the premises.
- **'Tier 2 Defect Work'** means any other defect that is not a Tier 1 Defect

## REPAIR REQUESTS PROCESS

- A PM should contact the Builder to seek clarification on whether the reported defect is covered under the relevant Builders warranty period.
- Action required by the PM for reporting defects:
  - o PMs are required under certain tenancy agreements and under RTA guidelines to action certain maintenance items within a certain timeframe. These tenancy agreements and RTA guidelines are between the tenant and the PM company and do not apply to the builder. In most instances, a builder will have their own process set out to be followed in order to have a genuine builder defect reported and rectified.
    - **Within Builder Maintenance Work Hours:** -
      - PM to contact Builder prior to organising the repair to have original installing contractor fix any genuine Builders defects; the original installing contractor

rectifying the defect will not void any warranties (if any) and will reduce possible costs to the PM/Owner;

- **Outside of Builder Maintenance Work Hours: -**
  - The PM can contact the original installing contractor directly (if known and listed within the HMB); or
  - The PM can contact one of their preferred contractors in line with the Builder's procedure "Reporting an Urgent Warranty Defect".
  - The PM can send to the Builder an invoice for the work of a contractor with a detailed report of what works were undertaken on site. The Builder will assess the work and costs and advise the PM whether or not it is a genuine builders defect.
  - Consideration of costs to the Builder for genuine builders defects: -
    - Builder determines that the work is a genuine builders defect and will pay the PM within 14 days of acceptance;
    - Builder determines that the work is not a genuine builders defect, no payment to the PM. New Home Guide – Guide to Planning Landscaping and Maintenance of Foundations document (provided to you at settlement of your new home)

## DISPUTE

If a dispute arises on whether a defect is or is not a genuine builder defect, the parties will commence a dispute resolution. The parties can either engage a third-party mediator, an independent building inspector or the relevant building authority for the relevant state. (OBCC for QLD for example). The parties will agree to be bound by the findings of the outcome from the dispute resolution process.

## APPLIANCES

The builder is not responsible for Appliance faults. Appliance faults are not classed as a genuine builder defect once a property has been handed over. All appliances will have been tested to be in working order prior to handover of the property. Any appliance faults are covered under the manufacturer's warranty directly (if any). It is likely, that Manufacturer's warranty (if any) will become void if anyone other than the manufacturers technician interferes with the appliance.

## TIER 1 DEFECT

### Response Timeframes

The Maintenance Department aim to respond to any urgent repair request within 24 hours of receiving written notification to <mailto:maintenance@privium.com.au> subject to the notification being received during the set business hours. It is recommended that you back up your written notification by calling 1300 414 546 to draw attention to the urgent repair item being requested.

**The Maintenance Department are to treat the following items as Urgent Repairs: -**

**Please note: An "RTA Emergency Repair" is not automatically considered a defect to be actioned by the Builder at the builders cost.**

### Leaks

- **Major Water Leak**  
(within 12-month warranty period)  
A leak that can cause major damage to the property if not rectified immediately is considered an emergency where the builder should investigate.  
Example: a broken tap or a burst pipe, compromised waterproofing of wet areas.  
**Action:** TURN OFF WATER AT THE MAINS IMMEDIATELY.
- **Sewerage Leak**  
(within 12-month warranty period)  
Water backing up through multiple drains/toilets and sewerage system is considered an emergency where the builder should investigate.



- **Gas Leak**

**Action:** If you detect a leak, turn off all gas appliances and the main gas lever. The gas lever is located at your gas meter.

Contact the relevant authority as per “Warranty Information” pages.

If the gas leak is due to the actions or inactions of the builder all costs relating to the rectification of the gas leak will be covered by the builder.

## **Electrical**

Appliance faults are not considered a Builders defect.

PM/Owner’s will need to contact the appliance manufacturer directly for assistance. The Builder can assist by providing the relative contact details to the PM/Owner, if required. Any appliance faults are covered under the manufacturer’s warranty directly (if any). It is likely, that Manufacturer’s warranty (if any) will become void if anyone other than the manufacturers technician interferes with the appliance.

Examples of Appliances include: dishwashers, ovens, ceiling fans, rangehoods, A/C units, extractor fans, hot water service etc.

**Please note:**

- Power point/light switch that has stopped working and is sparking/flashing/noisy or smells of burning is considered an emergency where the builder should investigate.
- Faulty cabling is considered an emergency where the builder should investigate.

## **Doors**

- **Door lock issues**

(within 12-month warranty period)

If a faulty door latch mechanism is directly affecting the ability of the occupant to secure the property, then it is considered an emergency where the builder should investigate.

## **Roof**

- **Roof Leak**

(within-12 month warranty period)

Any roof leak is considered an emergency where the builder should investigate.

## **TIER 2 DEFECT**

### **Response Timeframes**

The Maintenance Department are to treat the following Builders defects as requiring action in order of priority as set by the maintenance team.

The Maintenance Department are to treat the following Builders’ defects as Tier 2 defects: -

- **All other perceived builders defects reported**