



CITY FUTURES RESEARCH CENTRE

WORKING WITH BUILDING PROFESSIONALS

SUPERVISION

Managing works can be a complex process involving multiple people and stages, so it is important to designate someone to supervise and manage the overall project. Especially with large projects, a project manager can be employed in this role. If there is existing project management expertise within the strata committee, then it may be able to be self-managed, however committees [should be cautious](#) when considering this option. Ongoing communication between the project manager, builders, suppliers, contractors and the strata committee is necessary to prevent problems from occurring at later stages of the works.

[Hiring a well-informed and trustworthy project manager](#) will lessen the supervisory burden and make the strata committee's involvement in the rectification process easier. The committee needs to think carefully about the relationship they want with the project manager, and set this out in detail in the contract.

CERTIFICATION

Certification can be conducted by a local council building inspector or a registered private certifier. The inspector or certifier will establish at each stage of the works process whether the building meets the correct standards, codes and regulations for your area.

INSURANCE

Workers on the building site need to be properly insured. It is the owners corporation's responsibility to ensure that all workers (including sub-contractors) hold their own insurances and that they are appropriate for the work to be carried out. There are three main types of insurance to be considered here;

1. Workers Compensation – owners corporations should ensure that all contractors have Workers Compensation Insurance to cover any employees who sustain work-related sickness or injury.
2. Property cover – this includes both the work being completed and the existing building on site, this may be called 'Contractors Insurance'.
3. Public Liability – Building sites inherently increase the risk beyond that associated with a normal strata complex and as such owners corporations should check their own cover and that of all contractors.

Owners corporations should also be aware that some insurances may be invalid if workers do not hold the relevant industry licences, even if work is done through an informal arrangement, for example by a lot owner. If work on the building is voluntary, ensure your owners corporation has Voluntary Workers Insurance.

The owners corporation or its strata manager should request copies of the certificates of this insurance before work is commenced.

IMPORTANT:

Hiring uninsured contractors is a huge risk. Check whether a contractor's insurance is valid and check with your insurer as to their definition of an employee versus a contractor, as this distinction can be unclear.



COMMUNICATION

Introductions

It is beneficial to introduce the builders and contractors to the residents (both owners and tenants) who will be directly affected by the works. This way the residents can flag any issues that they might be concerned about, such as building access or noise.

Variations in Work Plans

It is wise to anticipate changes to the agreed work scope and schedule. Timelines can be extended and planned work altered due to issues with the delivery or availability of materials and products, delays or setbacks in obtaining necessary permissions, the availability of tradespeople with specialist skills, and bad weather.

Builders will typically allow for changes to timelines in their work plans, however it is important for the owners corporation to be aware of the possibility of work plan variations as well. Putting aside a contingency sum is a way of mitigating the risk of overrunning the budget. Incorporating flexibility into the work timeline can also mitigate tensions with residents and owners. In a well-run project, the builders will relay work progress and unavoidable delays to the project manager, who will explain this to the strata committee who will then inform owners and residents of relevant information.

Finishing Up

To ensure the longevity of defect rectification work, the builders and contractors should provide guidance on maintenance where possible. This communication could be through an owners manual or detailed instructions for the building manager. These instructions could include operation, maintenance, management or monitoring instructions for various aspects of the works.

The owners corporation should also ensure that the works are checked by the project manager once they are completed and confirm that the builders and experts have done what they said they were going to do.

ADDITIONAL RESOURCES:

- [Your Home – Australian Government](#)
- [Resolving Building Disputes – NSW Fair Trading](#)

© City Futures Research Centre and SCA (NSW) 2020



This work is licensed under a Creative Commons Attribution Non-Commercial 4.0 licence. You may distribute, remix and build upon the work for non-commercial purposes only, as long as you credit City Futures Research Centre and SCA (NSW). For more information visit creativecommons.org/licenses/by-nc/4.0.

DISCLAIMER: Please note this information is general in nature and cannot be relied upon as legal advice. City Futures Research Centre, Strata Community Association (NSW) Ltd and its members disclaim any liability (including for negligence) to any person in respect of: anything; and the consequences of anything, done, or not done, by any such person in whole or partial reliance upon the whole or part of the information presented.



UNSW
SYDNEY



The City Futures Research Centre at UNSW Sydney is Australia's leading urban policy research centre. Spanning the interrelated areas of urban planning, housing, design, development and social policy, our work aims to advance the understanding of Australia's cities, their people, the policies that manage their growth, and their impacts on our environment and economy. Our research can be viewed at <https://cityfutures.be.unsw.edu.au>. *Research supported under the Australian Research Council's Linkage Projects funding scheme [LP170100126]*



Strata Community Association (NSW) is the peak industry body for Strata and Community Title Management in New South Wales. Membership includes strata managers, support staff, committee members and suppliers of products and services to the industry. SCA (NSW) has in excess of 3,000 members who represent over 75% of strata lots in NSW by way of helping to oversee, advise or manage a combined property portfolio with an estimated replacement value of over \$400 Billion. SCA (NSW) proudly fulfils the dual roles of a professional institute and consumer advocate. Contact: (02) 9492 8200 | enquiries.nsw@strata.community | <https://nsw.strata.community/>