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Features Article

### **Building a home: things to look out for**

SHELTER is a basic human need. Many consumers dream of owning their own home and most of them dig out their lifelong savings to buy or build one. And it not just about fulfilling that basic need, but is more importantly about having a quality home that is strong and long-lasting.

If a consumer is spending a large sum of their own money (or even a loan) on building a home then a great deal of careful planning is needed. From purchasing of hardware materials to identifying construction companies to electrician and plumbers, must be well planned. Home owners should realise that accomplishing this dream lies in the hands of the builders.

Generally it is seen that consumers who lack the expertise of the building process, forego control of their investment and look to their builder as their *sole source for guidance* and expert opinion. This dependence on the builder to fulfill his responsibilities sometimes ends in a big disappointment.

A consumer's hard-earned money can go to waste if their dream house is not constructed in the way they wanted it or when an unscrupulous builder absconds leaving a half completed structure. Consumers have raised their concerns ranging from: shoddy workmanship; being billed for unapproved work; and delays in the construction of a house despite the builder already receiving full payment.

Housing is one of the areas where many consumers face the risk of being short-changed. This is apparent from consumer complaints lodged at the Consumer Council where we have received close to 40 cases in the past three. This number may appear miniscule, but thousands of hard-earned consumers' dollars are involved. Consumers face problems in the building sector because of the lack of appropriate legislation and regulations to protect home owners against unscrupulous builders. It is heart-breaking for a consumer who spends his/her lifesavings to have a roof over his/her family only to be swindled by a builder. *Here is one such case:*

Ramesh was all excited to own a house and secured a loan of \$146,000 to get his dream home constructed. He engaged the services of a Suva-based construction company. Logistics, plans and timeframes were discussed *verbally* and the company got on with its assignment. Ramesh made payments in installments as agreed. On the day of taking possession of his new home, he

noticed several defects such as rough walls, insulation not stapled to the stud, malfunctioning plumbing works, lack of proper ventilation in the bathroom and other incomplete work.

Ramesh wanted these defects to be **redone** by the construction company but the company refused to fix the defects. Ramesh then sought the help of the Council.

To avoid facing a similar fate to that suffered by Ramesh, we recommend intending home owners to consider the following:

- **Get a contract in writing** - Consumers *must have a signed contract* for all building works, regardless of size and price. It is a crucial document in settling any disputes with your building contractor.
- **Check the material used** – the owner must know the type of material being used by the builder if it's full contract that includes materials. The owner can state the specific details of the materials such as model, colour, style make etc in the contract document or work with the builder to select the materials;
- **Variation:** any variation to the agreed work, no matter how small or big must be in writing. Written communications helps when dispute arises;
- **Payment:** always pay based on the progress payment listed in the contract. Never pay for work which did not meet the targets set out in the contract document;
- **Any concerns:** first discuss your concerns with the builder and then put it in writing. A letter or e-mail should outline what was discussed and agreed. Always keep a copy of the letter or e-mail; and
- **Get receipts for every product bought and supplied** – always keep receipts of the items you have supplied to the construction company or contractor so that you know what all you have spent or are continuing to spend;
- **Seek other opinions, guidance** – Get advice from a friend, relative or someone you trust that has experience building homes.

**Always remember**, a written contract is vital if you are going to build a house, or intend repairing, renovating or extending your home, regardless of how much you are spending.