

Contracts and payments

Understand the agreement

Before signing a contract or accepting a quote, make sure you clearly understand what is being provided, who is responsible for each stage of the project, and what protections may apply.

Before you sign:

- Be clear about the building, features and services you expect to be provided, and when you need the project completed.
- Obtain a written contract or quote that clearly sets out the scope of work, costs, payment schedule and expected timeframes.
- Ensure the contract identifies who is responsible for manufacturing, transport, installation, permits and approvals.
- Ask for details of any potential additional costs that may arise during the project.
- Avoid contracts that allow prices to change without your agreement or do not provide a reasonable estimate of costs.
- Read all terms and conditions carefully before signing.
- Agree on realistic completion dates and key project milestones.
- Where possible, negotiate progress payments that are linked to agreed milestones, such as completion of manufacturing, delivery or installation.
- Keep copies of all quotes, contracts, invoices, receipts and correspondence.

If you engage a registered builder, they must obtain home indemnity insurance for residential building work valued at more than $20,000. They must provide you with a certificate of insurance before requesting any payment or commencing work.

Payments

A clear payment arrangement can help reduce your risk if things go wrong.

When making payments:

- Do not proceed until you have agreed on a written quote or contract.
- Be cautious about paying large deposits. As a general guide, try to keep deposits to around 10 per cent of the purchase price for a modular building.
- If you are engaging a registered builder, be aware that legal limits apply to deposits.
- Ensure all invoices and receipts include the supplier's business details.
- Before making a progress payment, ask for evidence that the agreed milestone has been completed. This may include photographs, inspection reports or a site visit.
- Never pay the full contract amount before all work has been completed as agreed.
- Consider paying by credit card where possible, as this may provide additional protections, including the potential ability to request a chargeback if goods or services are not supplied.
- Keep records of all payments, invoices, receipts and communications throughout the project.

Before you sign

Ask yourself:

- ◯ Do I understand everything included in the contract?
- ◯ Are the payment stages clearly linked to project milestones?
- ◯ Have I confirmed who is responsible for approvals, transport and installation?
- ◯ Have I received details of any applicable insurance arrangements?
- ◯ Have I kept copies of all project documents?

If you answered **no** to any of these questions, seek further information or independent advice before signing the contract.

Need help?

Consumer Protection
For complaints about consumer transactions:
consumer@lgirs.wa.gov.au | 1300 30 40 54

Building and Energy
For complaints relating to building service contracts and building work:
be.info@lgirs.wa.gov.au | 1300 489 099