

House Contracts Guarantee (Further Amendment) Bill (No. 2)

No.

TABLE OF PROVISIONS

Clause

1. Purpose
2. Commencement
3. Principal Act
4. Definitions
5. New section 3A inserted—
 3A. House and land packages
6. Amendment of section 5
7. Guarantees
8. Nature of guarantees
9. Amendment of section 9
10. Extension of guarantees
11. New section 10A inserted—
 10A. Discretion to issue guarantee
12. Amendment of section 11
13. Notification of claims
14. Appeals
15. Domestic building work contracts
16. Amendment of section 20
17. Amendment of section 22
18. Approval of builders and supervisors
19. Notification by builders and supervisors
20. Supervision contracts
21. Amendment of regulation-making powers
22. Consequential amendments
23. Savings

LEGISLATIVE ASSEMBLY

Read 1° 28 March 1990

(Brought in by Mr Roper and Mr Spyker

(No. 2)

A BILL

to amend the *House Contracts Guarantee Act 1987* and for other purposes

House Contracts Guarantee (Further Amendment) Act 1990

The Parliament of Victoria enacts as follows:

Purpose

1. The purpose of this Act is to make miscellaneous amendments to the *House Contracts Guarantee Act 1987*.

5 Commencement

2. This Act comes into operation on a day or days to be proclaimed.

Principal Act

3. In this Act, the *House Contracts Guarantee Act 1987* is called the Principal Act.

No. 44/1987.
Amended by No.
97/1987 and
5/1989

10 Definitions

4. Section 3 (1) of the Principal Act is amended as follows:

‘(a) After the definition of “Approved guarantor” insert—

“**Approved supervisor**” means a supervisor approved by the approved guarantor under its rules.’;

House Contracts Guarantee (Further Amendment)

- (b) For the definition of “Building owner” substitute—
 ‘ “**Building owner**”—
 (i) in relation to a domestic building work contract,
 means the person for whom domestic building
 work is, or is to be, performed under the contract; 5
 and
 (ii) in relation to a supervision contract, means the
 person for whom the managing or supervision of
 domestic building work is, or is to be, performed
 under a supervision contract.’; 10
- (c) In the definition of “Construct”—
 (i) in paragraph (a), after “section 21)” insert “, whether
 or not any part of the work had been carried out by
 another builder”; and
 (ii) after paragraph (b) insert— 15
 “; and
 (c) to convert an existing building into a dwelling-
 house.”;
- (d) For the definition of “Contract price” substitute—
 ‘ “**Contract price**”, in relation to a domestic building work 20
 contract or a supervision contract, means the total
 amount payable to the builder or supervisor under the
 terms of the contract.’;
- (e) In paragraph (d) of the definition of “Domestic building
 work”— 25
 (i) in sub-paragraph (i), after “foundations” insert “and
 placing the building on the site”; and
 (ii) sub-paragraph (ii) is repealed; and
 (iii) in sub-paragraph (iii), omit “or (ii)”;
- (f) In paragraph (d) of the definition of “Dwelling-house”, for 30
 sub-paragraphs (i) and (ii) substitute—
 “(i) a building in which there is or are available, upon
 payment of rent, any room or rooms for residential use
 by an occupier or occupiers (other than members of the
 family or employees of the owner of the building) who 35
 has or have a right to—
 (A) use of that room or rooms; and
 (B) in common with others, use of any kitchen, lounge,
 bathroom, laundry, garden, toilet, car parking area,
 storage area and other like facilities in the 40
 building—
 if the total number of people who may use the room or
 rooms is not less than four; or”;

(g) In the definition of “Guarantee period”, after “performance” insert “or the management or supervision of the performance”;

(h) After the definition of “Officer” insert—

5 ‘**“Owner builder”** means a person who otherwise than in the course of carrying on a business of constructing dwelling-houses—

10 (a) constructs a dwelling-house that is intended to be used as a residence (whether or not as a principal place of residence) by—

 (i) that person; or

 (ii) in the case of a corporation, one or more directors of that corporation; or

15 (b) constructs two dwelling-houses on a two lot subdivision if—

 (i) that person resides or intends; or

 (ii) in the case of a corporation, one or more directors of that corporation resides or reside or intends or intend—

20 to reside in one of the dwelling-houses.’;

(i) After the definition of “Recognised person” insert—

25 ‘**“Supervision contract”** means a contract between two persons under which one of those persons is to manage or supervise the performance of domestic building work for another person who is not an approved builder if—

 (a) the total cost of the work managed or supervised is more than \$3000 or any larger amount that is prescribed for the purposes of this definition; and

30 (b) the supervisor substantially controls—

 (i) the whole of the undertaking of which the work managed or supervised forms a part; and

 (ii) the engagement of tradespersons to perform the work managed or supervised.

35 **“Supervisor”** in relation to a supervision contract, means the person who is to manage or supervise the performance of domestic building work.’.

New section 3A inserted

5. After section 3 of the Principal Act insert—

House and land packages

40 “3A. This section applies where a contract is entered into for the sale of land on which a dwelling-house is being constructed or is to be constructed before completion of the contract.

- (2) If the builder is the same person as the vendor, a domestic building work contract is, for the purposes of this Act, deemed to have been entered into between the purchaser and the builder on the date on which the contract for the sale of the land is entered into. 5
- (3) If the builder is not the same person as the vendor, the approved guarantor is liable for loss or damage suffered by the purchaser before the completion of the contract for sale where—
- (a) the builder knew or ought reasonably to have known at the time when the domestic building work contract was entered into between the builder and the vendor that the vendor had entered into or was likely to enter into, before completion of the domestic building work contract, a contract for the sale of the land; and 10
- (b) the loss or damage suffered arose out of the builder’s failure to fulfil the builder’s obligations under the domestic building work contract or the builder’s bad workmanship, as the case requires. 15
- (4) The rights and liabilities conferred by or arising under this section are additional to, and do not take away from, those conferred by or arising under any other provision of this Act.”. 20

Amendment of section 5

6. (1) In section 5 (1) of the Principal Act—
- (a) for paragraph (b) substitute—
- “(b) enter into a contract to manage or supervise the performance of domestic building work—”; and 25
- (b) for “required by this Act to be given” substitute “given under this Act”; and
- (c) for “or the dwelling-house” substitute “or the supervision contract”. 30
- (2) After section 5 (1) of the Principal Act insert—
- ‘(1A) A person must not enter into a contract to sell a dwelling-house under which the purchaser will become entitled to possession or to the receipt of rents and profits before the end of any applicable guarantee period unless— 35
- (a) a guarantee given under this Act by the approved guarantor is in force; or
- (b) a conditional certificate of guarantee under section 6 (3) has been issued by the approved guarantor— 40
- in relation to the dwelling-house.
- Penalty: 100 penalty units.
- (1B) A person must not, for the purposes of avoiding this Act, enter into more than one contract to perform, in relation to

the same dwelling-house, domestic building work of the class referred to in paragraph (b), (c) or (d) of the definition of “domestic building work” in section 3 (1).

Penalty: 100 penalty units.

(1C) If—

- (a) a person enters into more than one contract to perform domestic building work of the class referred to in paragraph (b), (c) or (d) of the definition of “domestic building work” in section 3 (1); and
- (b) the works substantially form the same undertaking; and
- (c) the person had, instead of entering into those contracts, entered into a single contract for the performance of those works, the contract would be a domestic building work contract—

those contracts are deemed, for the purposes of this Act, to constitute a single domestic building work contract entered into on the date on which the last of those contracts was entered into.

(1D) For the purposes of sub-sections (1B) and (1C), if a person referred to in those sub-sections—

- (a) is a director of a corporation, a contract entered into by the corporation; or
- (b) is a corporation, a contract entered into by a corporation to which the first-mentioned corporation is deemed to be related by virtue of section 7 (5) of the *Companies (Victoria) Code*—

is deemed to be a contract entered into by that person.’

(3) In section 5 (2) of the Principal Act—

- (i) for “sub-section (1)” substitute “sub-sections (1), (1A) and (1B)”; and
- (ii) for “that sub-section” substitute “any of those sub-sections”.

Guarantees

7. (1) Section 6 (1) of the Principal Act is amended as follows:

- (a) In paragraph (b), for “purchaser during the guarantee period” substitute “purchaser—
 - (i) during the guarantee period; or
 - (ii) after the issue of a conditional certificate of guarantee under sub-section (3)”;

- (b) For paragraph (c) substitute—
 “(c) The work by an owner builder of constructing a dwelling-house that is sold by the owner builder under a contract entered into with a purchaser—
 (i) during the guarantee period; or
 (ii) after the issue of a conditional certificate of guarantee under sub-section (3);”;
- (c) After paragraph (f) insert—
 “(g) The work by a person or persons of performing domestic building work under the management or supervision of an approved supervisor under a supervision contract, if a guarantee is not otherwise given under this Act in relation to that work.”.
- (2) After section 6 (1) of the Principal Act insert—
 “(1A) The approved guarantor gives under this Act a guarantee in relation to the work by an approved supervisor of managing or supervising the performance of domestic building work under a supervision contract unless all of that domestic building work is performed by an approved builder under a domestic building work contract.”.
- (3) In section 6 (2) of the Principal Act—
 (a) after “sub-section (1)” insert “or (1A)”; and
 (b) in paragraph (a)—
 (i) for “or (f) of that sub-section” substitute “,(f) or (g) of sub-section (1) or sub-section (1A)”; and
 (ii) after “contract” insert “or the supervision contract”.
- (4) After section 6 (2) of the Principal Act insert—
 “(3) The approved guarantor may issue a conditional certificate of guarantee in the case of a dwelling-house constructed by an approved builder or an owner builder and intended to be sold by the builder, stating that the guarantee will come into force on the completion of the contract of sale.”.

Nature of guarantees

8. (1) After section 7 (1) of the Principal Act insert—
 “(1A) A guarantee given under this Act by the approved guarantor in relation to the work by an approved supervisor under a supervision contract is a guarantee to the building owner and the building owner’s successors in title of the performance of the obligations of the supervisor under the supervision contract.
 (1B) A guarantee given under this Act by the approved guarantor in relation to domestic building work performed or to be performed by a person or persons under the management or supervision of an approved supervisor under a supervision

contract is a guarantee to the building owner and the building owner's successors in title of the workmanship of the person or persons in relation to the domestic building work."

(2) Section 7 of the Principal Act is amended as follows:

- 5 (a) In sub-section (2)—
- (i) for "another person" substitute "an owner builder"; and
- 10 (ii) after "guarantee period" insert "or after the issue of a conditional certificate of guarantee under section 6 (3)"; and
- (iii) for "that other person" (where twice occurring) substitute "the owner builder";
- (b) In sub-section (3)—
- 15 (i) for "sub-section (1) or" substitute "sub-section (1), (1A), (1B) or"; and
- (ii) after paragraph (a) insert—
- "(aa) in the case of a guarantee referred to in sub-section (1A), the failure of the supervisor to fulfil the supervisor's obligations under the supervision contract; or".
- 20 (c) In sub-section (4), after "\$40 000" insert "or any larger amount that is prescribed for the purposes of this sub-section";
- 25 (d) In sub-section (5), after "\$100" insert "(or any larger amount that is prescribed for the purposes of this sub-section)";
- (e) In sub-section (6)—
- (i) after "\$100" insert "(or any larger amount that is prescribed for the purposes of sub-section (5))"; and
- 30 (ii) after "\$500" insert "(or any larger amount that is prescribed for the purposes of this sub-section)".

(3) In section 7 of the Principal Act, for sub-sections (8) and (9) substitute—

 "(7A) If an approved builder enters into a domestic building work contract under which the builder agrees to—

- 35 (a) construct two or more dwelling-houses for a person then, despite anything to the contrary in this section but subject to sub-section (8), a separate guarantee is in force in relation to each dwelling-house; or
- 40 (b) improve two or more dwelling-houses for a person then, despite anything to the contrary in this section, a separate guarantee is in force in relation to each dwelling-house if the work in respect of that dwelling-house, if performed under a separate contract, would be a domestic building work contract.

House Contracts Guarantee (Further Amendment)

(8) Despite anything to the contrary in this section if—

(a) an approved builder enters into a domestic building work contract under which the builder agrees to construct; or

(b) an approved supervisor enters into a supervision contract under which the supervisor agrees to manage or supervise the construction of— 5

three or more dwelling-houses for a person (other than the Director of Housing incorporated under the *Housing Act 1983*), the approved guarantor does not, for the purposes of this Act, guarantee to that person the performance of the builder's obligations under the domestic building work contract or the supervisor's obligations under the supervision contract, as the case may be. 10

(9) Despite anything to the contrary in this section if— 15

(a) an approved builder that is a corporation enters into a domestic building work contract for; or

(b) an approved supervisor that is a corporation enters into a supervision contract to manage or supervise—

the construction of a dwelling-house with a corporation to which the approved builder or the approved supervisor (as the case may be) is deemed to be related by virtue of section 7 (5) of the *Companies (Victoria) Code*, the approved guarantor does not, for the purposes of this Act, guarantee to that corporation the performance of the builder's obligations under the domestic building work contract or the supervisor's obligations under the supervision contract, as the case may be." 20 25

(4) In sub-section (10), after "contract" insert "or the supervisor's obligations under the supervision contract, as the case may be".

Amendment of section 9 30

9. (1) In section 9 (1) of the Principal Act, for the expression commencing "a person" and ending "the guarantee period" substitute "an owner builder and sold by the owner builder under a contract of sale entered into during the guarantee period or after the issue of a conditional certificate of guarantee under section 6 (3)". 35

(2) In section 9 of the Principal Act, sub-section (2) is repealed.

(3) In section 9 (3) of the Principal Act, omit "or (2) (a)".

Extension of guarantees

10. (1) In section 10 (1) of the Principal Act—

(a) in paragraph (a), for "has under section 24" substitute— 40
"has—

(i) under section 24 of this Act; or

(ii) under section 23 (3) of the *Building Control Act* 1981—”; and

(b) for “sale of the land, obtain” substitute “sale of the land—
(d) obtain”; and

5 (c) after “*Government Gazette*” insert—
“; and

(e) pay to the approved guarantor the amount fixed by it
from time to time for the purposes of this paragraph”.

(2) After section 10 (4) of the Principal Act insert—

10 “(5) A person referred to in sub-section (1) (c) must not
complete construction of or improve a dwelling-house referred
to in this section unless—

(a) the person is an approved builder; or

(b) the work is carried out by an approved builder.

15 Penalty: 10 penalty units.”.

New section 10A inserted

11. After section 10 of the Principal Act insert—

Discretion to issue guarantee

20 “10A. Despite anything to the contrary in this Act, the
approved guarantor may give a guarantee in relation to a
dwelling-house which could not otherwise be sold on the same
basis as a guarantee given to an owner builder under section 9
and subject to the requirements set out in that section.”.

Amendment of section 11

25 **12.** (1) In section 11 of the Principal Act, sub-section (1) is repealed.

(2) In section 11 of the Principal Act—

(a) in sub-section (2) (c), after “builder” insert “or supervisor”;
and

(b) in sub-section (3)—

30 (i) after “builder” (where first, secondly and thirdly
occurring) insert “or supervisor”; and

(ii) after paragraph (b) insert—

“; or

35 (c) a person performing work under the management
or supervision of the supervisor.”.

Notification of claims

13. (1) After section 14 (1) of the Principal Act insert—

“(1A) A person cannot claim under a guarantee given under
this Act for loss or damage on account of the failure of the

supervisor to fulfil the supervisor’s obligations to complete the management or supervision of domestic building work under a supervision contract unless that person, within six months of the supervisor ceasing that work, notified the approved guarantor of that failure in writing.”. 5

- (2) In section 14 of the Principal Act—
 - (a) in sub-section (2) (a), after “builder” insert “or supervisor”; and
 - (b) in sub-section (4) (b), after “builder” insert “or supervisor”.

Appeals 10

- 14. In section 16 of the Principal Act—
 - (a) after sub-section (1) (b) insert—
 - “(ba) being a builder, who is dissatisfied with a decision of the approved guarantor not to reject a claim made for loss or damage on account of the failure of that builder to fulfil the builder’s obligations under the domestic building work contract; or”; and 15
 - (b) after sub-section (1) (e) insert—
 - “; or
 - (f) being a supervisor, who is dissatisfied with a decision of the approved guarantor not to reject a claim made for loss or damage on account of the failure of that supervisor to fulfil the supervisor’s obligations under the supervision contract; or 20
 - (g) being a supervisor, who is dissatisfied with a decision of the approved guarantor not to approve that supervisor in relation to a class of domestic building work; or 25
 - (h) being a supervisor, who is dissatisfied with a decision of the approved guarantor to revoke the approval of that supervisor in relation to a class of domestic building work”; and 30
 - (c) in sub-section (3), after “builder” insert “or supervisor”; and
 - (d) in sub-section (6), for “sub-section (1) (c)” substitute “sub-section (1) (ba) or (c)”. 35

Domestic building work contracts

- 15. (1) After section 18 (1) (a) (ii) of the Principal Act insert—
 - “(iia) the date of commencement of work or the method by which the date of commencement is to be determined; and 40
 - (iib) the estimated date of completion of work or the estimated number of days from the date of commencement of work that is required for the completion of work; and”.

(2) After section 18 (1) (a) of the Principal Act insert—

“(aa) If the contract does not set out the date of commencement of work, the contract must contain a provision that the builder will use all reasonable endeavours to expedite the commencement of the work;”.

(3) In section 18 (3) of the Principal Act, for “sub-section (1) (b)” substitute “paragraph (aa) or (b) of sub-section (1)”.

(4) After section 18 (6) of the Principal Act insert—

“(6A) A builder must not enter into a contract that includes domestic building work and any other work unless the contract—

(a) identifies which work is domestic building work; and

(b) sets out—

(i) particulars of the domestic building work to be performed; and

(ii) the amount payable under the contract in respect of that domestic building work.

Penalty: 20 penalty units.”.

(5) In section 18 (7) of the Principal Act, for “or (6)” substitute “, (6) or (6A)”.

Amendment of section 20

16. In section 20 (1) of the Principal Act, after “\$20 000” (where twice occurring) insert “(or any larger amount that is prescribed for the purposes of this sub-section)”.

Amendment of section 22

17. Section 22 of the Principal Act is amended as follows:

(a) In sub-section (1)—

(i) in paragraph (d), after “builders” insert “or supervisors”; and

(ii) in paragraph (e)—

(A) for “or a specified class of builders” substitute “or supervisors or a specified class of builders or supervisors”; and

(B) after “them” insert “or by another person or persons under their management or supervision”; and

(iii) in paragraph (f)—

(A) in sub-paragraph (i) (C), after “builder” insert “or supervisor”; and

(B) in sub-paragraph (ii), after “builder” insert “or supervisor”;

- (b) In sub-section (2) (b)—
 - (i) after “contracts” insert “or supervision contracts”; and
 - (ii) after “builders” insert “or supervisors”;
- (c) In sub-section (5) (b), after “builder” insert “or supervisor”.

Approval of builders and supervisors 5

18. (1) In section 23 of the Principal Act, for sub-section (1) substitute—

- “(1) The approved guarantor may approve—
 - (a) builders as builders performing the class of domestic building work consisting of the construction of dwelling-houses; or 10
 - (b) builders as builders performing any other class of domestic work specified by the approved guarantor; or
 - (c) persons as supervisors to manage or supervise the performance of a class of domestic building work specified by the approved guarantor— 15

and may revoke any such approval.”.

(2) After section 23 (3) of the Principal Act insert—

“(4) A person who is not approved under sub-section (1) (c) must not carry on the business of managing or supervising the performance of a class of domestic building work for which the person does not have approval. 20

Penalty applying to this sub-section: 100 penalty units.

(5) If a person is convicted of an offence against sub-section (3) or (4), the approved guarantor may recover from that person in a court of competent jurisdiction any amount paid out by the approved guarantor in relation to the domestic building work or the management or supervision of the domestic building work performed by that person.”. 25

Notification by builders and supervisors

19. After section 24 (2) of the Principal Act insert—

“(3) An approved supervisor must serve on the approved guarantor notice in the prescribed form of each supervision contract that the supervisor enters into within 14 days after the contract is entered into. 30

Penalty: 100 penalty units.”.

Supervision contracts

20. (1) In section 26 of the Principal Act, for sub-section (1) substitute— 35

- “(1) A person must not enter into a supervision contract with another person unless—
 - (a) the supervisor is an approved builder or an approved supervisor; or 40

- (b) the other person has entered into, or in the supervision contract agrees to enter into, a domestic building work contract with an approved builder.

Penalty: 100 penalty units.

5 (1A) The following requirements must be complied with in relation to a supervision contract:

- (a) The contract must set out in writing—

(i) the names of the parties; and

(ii) the date of the contract; and

10 (iii) the subject-matter of the contract, either fully or in summary; and

(iv) the date of commencement of work or the method by which the date of commencement is to be determined; and

15 (v) the estimated date of completion of work or the estimated number of days from the date of commencement of work that is required for the completion of work; and

20 (vi) the fair and reasonable estimate of the total cost of works, including a fair and reasonable estimate of the cost of the works to be performed by each tradesperson or type of tradesperson; and

(vii) the contract price, or the manner in which the contract price is to be determined; and

25 (viii) outlays or other charges;

- (b) Subject to sub-section (1D), the contract must comply with any requirements of the regulations as to the contents of supervision contracts;

30 (c) The contract, or the part of it that is in writing if it is not all in writing, must be signed by both parties personally or by an agent authorised to act on behalf of them;

35 (d) The building owner must be given a copy of the signed contract or part contract (as the case requires) as soon as reasonably practicable after it has been signed by both parties together with any notice that the Minister may, by order published in the *Government Gazette*, require to be given;

40 (e) The copy of the contract or part contract (as the case requires) and the notice given to the building owner must (apart from signatures or initials) be readily legible;

45 (f) The contract must contain a provision that any variation to the supervision contract must be in writing and signed by both parties personally or by an agent authorised to act on behalf of them.

(1B) If a requirement of paragraph (a), (c), (d) or (e) of sub-section (1A) is not complied with, the supervisor is guilty of an offence and liable to a penalty of not more than 50 penalty units.

(1C) If a requirement of paragraph (b) or (f) of sub-section (1A) is not complied with—

(a) the supervisor is guilty of an offence and liable to a penalty of not more than 10 penalty units; and

(b) the contract has effect as if the requirement had been complied with.

(1D) If, at any time after a supervision contract is entered into, a supervisor purports to vary the supervision contract otherwise than in writing, the supervisor is guilty of an offence and liable to a penalty of not more than 10 penalty units.

(1E) The Governor in Council in the regulations may, in specifying a requirement to be complied with as to the contents of supervision contracts, provide for the exemption of a contract from that requirement if the building owner, in such manner as is specified in the regulations, agrees to the exclusion of that requirement.

(1F) A contract is not illegal, void or unenforceable only because a requirement of paragraph (a), (c), (d) or (e) of sub-section (1A) is not complied with.”

(2) In section 26 (2) of the Principal Act—

(a) in paragraph (a), for “person who owns the land on which the dwelling-house is to be constructed” substitute “building owner”; and

(b) in paragraph (b), for “person who is to manage or supervise the construction of the dwelling-house” substitute “supervisor”.

(3) In section 26 (3) of the Principal Act—

(a) for “person who owns the land on which the dwelling-house is to be constructed” substitute “building owner”; and

(b) for “construction of the dwelling-house and that person” substitute “performance of the domestic building work and the building owner”; and

(c) in paragraph (a), for “that person” substitute “the building owner”; and

(d) in paragraph (b), for “other person” substitute “supervisor”.

Amendment of regulation-making powers

21. In section 33 (1) of the Principal Act—

(a) in paragraph (d)—

(i) after “contract (where first occurring) insert “or a supervision contract”; and

- (ii) after “contracts” insert “or supervision contracts”; and
- (b) for paragraph (h) substitute—

‘(h) prescribing amounts for the purposes of—

(i) paragraph (b) of the definition of “domestic building work contract” in section 3 (1); and

(ii) the definition of “supervision contract” in section 3 (1); and

(iii) section 7 (4), (5) and (6); and

(iv) section 20 (1).’

10 Consequential amendments

22. The Principal Act is amended as follows:

(a) In section 12 (1), after “builder” insert “or an approved supervisor”;

(b) In section 13 (5), after “builder” insert “or supervisor”;

(c) In section 17 (1)—

(i) for paragraph (a) substitute—

“(a) the builder or supervisor had been an approved builder or an approved supervisor; or”; and

(ii) in paragraph (b), after “builder” insert “or of a person working under the management or supervision of the supervisor”;

(d) In section 25—

(i) in sub-section (1) (a), after “builders” insert “and supervisors”; and

(ii) in sub-section (1) (b), after “section 24” insert “of this Act or section 23 (3) of the *Building Control Act 1981*”; and

(iii) in sub-section (3) (a), omit “as a builder”;

(e) In section 31, for “builder would have had to any” substitute “person would have had to any other”.

Savings

23. The provisions of the Principal Act as in force immediately before the commencement of section 4 of this Act continue to apply to the work by a person other than an approved builder of constructing a dwelling-house, if the person had given notice to the approved guarantor under section 23 (3) of the *Building Control Act 1981* prior to the commencement of section 4 of this Act.

