



Regulatory Assessment

This fact sheet has been designed to assist people applying for an ACT builder licence, specifically those who are required to undertake and pass a regulatory assessment set by the Construction Occupations Registrar (the assessment).

Builder licensing in the ACT exists to protect public safety, ensure building work is carried out to an acceptable standard, and maintain confidence in the construction industry. A builder licence demonstrates that the licence holder has been assessed as competent, fit and proper, and capable of taking legal responsibility for building work undertaken.

The assessment is a mandatory requirement for all applicants and must be successfully completed before submitting a builder licence application. Passing an assessment demonstrates your understanding of regulatory concepts, obligations, and responsibilities associated with holding a builder licence in the ACT. If you do not pass, you are required to sit the assessment again.

This fact sheet does not provide answers to the assessment.

Legislative Framework

Licensed builders operate within a legislative framework that includes the *Construction Occupations (Licensing) Act 2004* (the COL Act), the *Building Act 2004*, and the *Planning Act 2023*. Together, these laws regulate licensing, development and building approvals, compliance, enforcement, and land use. Builders are expected to have a working understanding of how these Acts operate and interact with each other.

Insurance & Warranties

Insurance and statutory warranties are key consumer protection measures.

Builders warranty insurance is required for certain residential building work and protects homeowners if a builder cannot meet their obligations.

Statutory warranties apply automatically to residential building work and require that work be carried out properly, using suitable materials and in compliance with the law.



Builder Responsibilities

Licensed builders are responsible for the effective supervision of all building work and for ensuring that construction is carried out in accordance with approved plans, licence conditions, and legislative requirements. Supervision must always be appropriate to the nature, risk, and complexity of the work, and builders must actively monitor the quality and compliance of all work performed on site.

Builders may engage employees, subcontractors, or other licensed practitioners to perform building work, but they remain legally accountable for the actions, conduct, and compliance of those working under their direction. This includes ensuring that all supervised persons are suitably qualified for the tasks they perform and that work is completed safely and in accordance with statutory requirements.

Where a licence type requires the appointment of a nominee, the nominee is responsible for ensuring the building work carried out under that licence is properly supervised and complies with all regulatory obligations. Nominees must exercise appropriate oversight, meet their obligations under the legislative framework, and take reasonable steps to prevent non-compliant work from occurring.

Failure by a builder or nominee to adequately supervise work or to ensure compliance may result in regulatory consequences, including licence conditions, disciplinary action, or other enforcement measures.

Builder Licences

The COL Act establishes the licensing framework for building work in the ACT. Builder licences are issued in specific classes that define the type, scale, and complexity of work a licensee is authorised to undertake. A builder must only carry out work that falls within the scope of their licence class and in accordance with any conditions imposed on that licence.

Carrying out work outside the authorised licence scope or failing to comply with licence conditions and statutory obligations may result in disciplinary or enforcement action under the COL Act.

Starting Building Work

Building work must not commence until all required approvals and prerequisites are in place. This includes planning approval (where required), building approval, lodgement of a building commencement notice, and any mandatory insurance or licence requirements. All conditions attached to approvals must be satisfied before work begins.

Commencing building work without the necessary prerequisites is an offence and may result in enforcement action, including stop-work directions, penalties, or disciplinary action against the builder licence. Builders are responsible for confirming that all pre-commencement requirements have been met before allowing work to start on site.

Advertising and Ongoing Eligibility

Licence holders must only advertise building services they are authorised to provide and must ensure their licence remains current at all times. Builders are required to notify the Registrar of changes in circumstances, including contact details or matters affecting eligibility.

Inspections & Certification

Certain stages of building work require mandatory inspections to confirm compliance before construction can continue. Builders must notify the certifier when an inspection stage is reached and must not proceed until approval is given. Certifiers review approved plans, carry out required inspections, and confirm that any defects identified have been rectified. Builders must ensure all necessary documentation such as approved plans, engineering certificates, and inspection records are available. Once all required stages are verified, the certifier may issue the relevant Completion or Occupancy Certificate to confirm the work meets legislative requirements.

Enforcement & Disciplinary Action

Enforcement and disciplinary provisions apply when a licensed practitioner fails to meet their statutory obligations or breaches licensing requirements. The legislative framework includes mechanisms such as demerit points, licence conditions, suspensions, cancellations, and other disciplinary outcomes for serious or repeated noncompliance.

Demerit points may be issued for prescribed breaches, while more serious matters may be escalated through occupational discipline processes. These tools support accountability and uphold professional standards across the construction industry.

Security of Payments

The *Building and Construction Industry (Security of Payment) Act 2009* (the Security of Payments Act) ensures contractors and subcontractors are paid promptly for work performed by setting strict timelines for payment claims, payment schedules, and adjudication.

If a payment schedule is late, an adjudicated amount is unpaid, or a head contractor withholds payment improperly, the claimant gains clear rights to pursue adjudication and enforce the certified amount as a debt. The Security of Payments Act also sets out who is eligible to make a claim and the consequences of noncompliance, supporting fair and timely cashflow in the building industry.

Rectification Orders

Rectification orders may be issued when building work does not comply with the *Building Act 2004* or approved building documentation. Rectification orders direct the builder to correct identified defects or non-compliant work within a specified timeframe. Builders must cooperate with the building certifier and provide reasonable access to the site so that rectification work can be inspected and verified. Failure to comply with a rectification order can delay completion, prevent the issuing of occupancy or completion certificates, and may lead to further regulatory action.



Reference Material

- [Construction Occupations \(Licensing\) Act 2004](#)
- [Building Act 2004](#)
- [Planning Act 2023](#)
- [Compliance and disciplinary action](#)
- [Responsibilities](#)
- [Statutory warranties](#)
- [During construction](#)
- [Security of payments](#)