

Bungled Pest Inspection – what now?

The purchase of a house is one of the biggest investments many of us make during our lifetimes. It is understandable that we want to know all about the property we are buying before we hand over a lot of money or borrow that from the bank, sometimes for 30 years or more.

The two common inspections which people get done before they sign on the dotted line to purchase a house are a building inspection and a pest inspection. We rely on building inspectors and pest inspectors to get it right, and the consequence of that not happening can be severe, as seen recently on **A Current Affair.**

It is important to understand that both building inspectors and pest inspectors operate under an Australian Standard. For example, Australian Standard 4349.3 sets out the minimum requirements for a non-invasive inspection of buildings for the activity of timber pests (mainly termites) and the preparation of associated reports by the inspector. Australian Standard 4349.1 contains the minimum requirements for a pre-purchase building inspection (which typically will not include things such as termite inspections).

Compliance with Australian Standards by tradespeople is voluntary, except when State or

Commonwealth legislation refers to it. For example, the **Building Work Contractors Act 1995** at section 32(2)(a) sets out that domestic building work must be performed in a proper manner to accepted trade standards, which brings in the application of Australian Standards for construction work. Building Inspections and Pest Inspections however are not construction work and as such are largely regulated by the law of contract and negligence, as well as the **Australian Consumer Law (ACL).**

It is very important to carefully read the contract which you are signing with the building or pest inspector before hiring them. There are a very significant number of exclusions which often apply, including that building and pest inspectors are not necessarily required to access areas outside of the ordinary living quarters (such as the roof cavity, or outbuildings such as garages and sheds) and they are also not required to move objects when undertaking their inspections. As such, building defects and pest infestation can sometimes be missed, at significant later cost to the homeowner. You should also require whether the building inspector or pest inspector holds general liability insurance or professional indemnity insurance – if you have a good claim but cannot recover any damages from the inspector because they have no insurance or assets, you will not recover your losses.

If you have found that a building or pest inspection report failed to disclose a significant problem and you have suffered loss and damage as a result, the ACL allows you to seek compensation for misleading and deceptive conduct, which may include negligent, inaccurate or even unperformed work in a building or pest inspection. You may also have ordinary rights under contract law, which is to say that (subject to proper exclusions) you have not received that which you have paid for.

The best option for ensuring good results is to understand in full what you are getting for your money before you sign up with a building or pest inspector. Read the fine print carefully, review the insurance and above all, shop around.

If you have done that and still have a potential claim, Andersons Solicitors can assist you to evaluate whether you likely have a case and how to bring it. For more information or to speak with one of our **commercial law team**, **contact us here**.