





Understanding NCAT Jurisdiction and Limitations for Homeowners

NCAT, or the NSW Civil and Administrative Tribunal, is an independent body that resolves disputes and issues legally binding and enforceable orders. As a homeowner, it's important to understand NCAT's jurisdiction and limitations, especially when dealing with home building disputes. In this article, we'll explore NCAT's jurisdiction, the limitations to its powers, and what homeowners need to know.

NCAT's Jurisdiction

NCAT has the power to hear and determine a wide range of disputes and complaints in NSW, including:

Building claims under the Home Building Act, where the amount claimed does not exceed \$500,000 (or any other figure prescribed by regulations).

Consumer complaints about the supply of goods or services in NSW up to the value of \$100,000 through NCAT's Consumer and Commercial Division.

Administrative decisions made by NSW government agencies in a diverse range of matters. NCAT also has the power to use alternative dispute resolution methods such as mediation, conciliation, and case conferences, to resolve disputes without the need for a formal <u>hearing</u>.

Limitations to NCAT's Jurisdiction

While NCAT has the power to hear and determine a wide range of disputes and complaints, there are limitations to its jurisdiction. These limitations include:

Time limitations: NCAT may not have jurisdiction if a claim is lodged more than three years after the supply of goods or services, or more than 10 years after the completion of residential building work.

Statutory warranties: NCAT may not have jurisdiction for building claims arising from a breach of a statutory warranty implied under Part 2C if the claim is lodged after the end of the period within which proceedings for a breach of the statutory warranty must be commenced.









Contractual limitations: NCAT may not have jurisdiction for building claims relating to a contract for the supply of goods or services if the claim is lodged more than three years after the date on which the contract was entered into.

NCAT and Court Jurisdiction

Tribunals and courts are different. While courts have formal procedures and follow strict technical rules, tribunals like NCAT are more relaxed and informal.

Difference between Court and NCAT

NCAT and courts both have the power to hear and determine disputes, there are some key differences between the two.

Formality: NCAT is generally less formal than a court. For example, NCAT proceedings are not usually recorded, and parties are not required to wear formal attire.

Costs: NCAT is a "no costs" jurisdiction, which means that parties are generally responsible for their own legal costs. In contrast, courts may award costs to the successful party.

When Must You go to Court

There may be situations where a homeowner needs to take their dispute to court instead of NCAT.

The dispute exceeds NCAT's jurisdiction limit: If the amount claimed exceeds NCAT's jurisdiction limit, a homeowner may need to go to court instead.

Complex legal issues: If a dispute involves complex legal issues, a homeowner may need to engage a specialist solicitor to represent them in the Tribunal. NCAT is made up of members who have expertise in specific areas, such as <u>building disputes</u> or tenancy matters. This means that NCAT members may be better equipped to deal with certain types of disputes than judges in a court.

Appeal rights: If a homeowner is dissatisfied with NCAT's decision, they may have a right to appeal to a court. In the first instance, NCAT appeal decisions will be heard by the NCAT Appeal Panel. If the owner is still dissatisfied with the Appeal Panel's decision, then the decision may be appealed to a higher court, while court decisions can also be appealed to a higher court.









Tips for Dealing with NCAT

If you're a homeowner dealing with a dispute in NCAT, here are some tips to help you prepare:

- 1. Gather evidence: Gather all the relevant evidence, such as <u>building expert reports</u>, contracts, letters, invoices, and phone records to support your case.
- Engage a specialist solicitor or attorney: If your <u>building dispute</u> exceeds \$30,000, it's
 recommended that you engage a specialist solicitor or attorney to represent you in NCAT
 proceedings.
- 3. Prepare your evidence: Prepare your evidence in a clear and concise manner. Use visual aids if necessary, such as diagrams and photos.
- Be prepared to negotiate: Consider <u>alternative dispute resolution methods</u>, such as mediation or conciliation, to try and reach a settlement without the need for a <u>formal</u> <u>hearing</u>.
- 5. Be respectful: Be respectful to the NCAT member and the other party involved in the dispute. Stay calm and focused, and avoid getting emotional or confrontational.

Conclusion

In conclusion, NCAT plays an important role in resolving disputes between homeowners and builders. Homeowners should be aware of NCAT's jurisdictional limits and procedures, as well as their rights and obligations when presenting evidence. While engaging a lawyer or solicitor is not mandatory, it can be helpful in navigating the complex legal process, particularly if the dispute exceeds NCAT's jurisdictional limit of \$500,000. By understanding the NCAT procedures and rules, homeowners can make informed decisions and effectively protect their rights when dealing with building disputes.