



ROOFING ASSOCIATION
OF NEW ZEALAND

Roofing Association of New Zealand Complaint/Dispute Assessment & Investigation Service Information • Procedures • Terms & Conditions

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**This service is available only to Members
and Members' Clients**

FORM CDS 1



About the service

- The Roofing Association of New Zealand (*the Association*) Complaint/Dispute Assessment & Investigation Service is a service provided for the benefit of **members and members' clients only**.
 - This is a chargeable service and terms & conditions apply.
 - Before involving the Association, **the parties must first make every attempt to resolve the issues**. Refer '*Resolution Tips*'.
 - The service is only for the purposes of **resolving claims of defective installation/workmanship**.
 - The Association **will not** be involved in pricing/payment disputes or claims for product failure or legal issues or any other matters that fall outside the Association's jurisdiction. These issues should be pursued through:
 - Pricing/payment disputes..... Small Claims Court or Disputes Tribunal
 - Product failure claims..... To be lodged direct with the product manufacturer or supplier
 - Legal issues Seek legal advice
 - Disputes under the
Construction Contract Act 2002 Mediation/Arbitration process in accordance with the terms of the CCA
- Where the time lapse from when the work was done to a complaint of defective workmanship being lodged with RANZ is considered to be excessive and outside the acceptable industry five (5) warranty period, depending on the circumstances the Association reserves the right to refuse to investigate the complaint.
- The Association maintains **an independent stance** when involved with investigation of formal complaints and dispute inspections.
 - The Association may also not be involved where a workmanship complaint is considered
 - The Roofing Association of New Zealand Inc **will undertake to make every endeavour to resolve a complaint or dispute between an association member and the member's client**.
 - Under the Association's membership dispute rules, **members are obligated to comply with the Association's findings**. This includes carrying out, to an acceptable industry standard, any remedial work that may be required.
 - Members' clients **must permit the member to undertake remedial work** as may be required. Refusal by the client or intention to have work completed by another contractor will result in the Association dismissing any involvement with the complaint/dispute (*unless the Association deems there are extenuating circumstances*). The objective of the service is to ensure members comply with their obligations of membership which includes carrying out and completing work to acceptable industry standards and in a timely manner.
 - Inspection Report findings and recommendations provided are the opinions of the RANZ Assessor/s and/or Disputes Committee made to the best of their knowledge and experience. Neither the Association Assessor/s nor the Association nor its employees accept any liability for the opinions provided therein.
 - The Assessor/s acting for the Association are not professional mediators or arbitrators and will carry out any inspection only in his/her/their capacity as experienced and knowledgeable tradesperson/s within the Roofing Industry.



Resolution tips – checklist for members and residential clients

Read through the following checklist. These are some of the most common reasons for a dispute. Ask yourself if you've done everything you can to resolve the situation before involving the Association

Poor communication is often the key element leading to a dispute –

- Have you (*the client*) communicated the problem clearly to the member?
- If not, you should do so formally in writing. Provide an explanation and details of your concerns/complaint and request a site meeting with the company to inspect the work and discuss your concerns.
- Have you (*the member*) adequately investigated and responded to the client's concerns in a professional manner?
- Have you (*the member*) returned to site and rectified any problems and/or completed the job satisfactorily?
- If not, you should do so to avoid involvement of RANZ.

Conduct

- Have you (*either party*) handled the situation as amicably as you could have?
- Have you (*either party*) been fair and reasonable in your approach?
- Have you given any cause for why a possible conflict/stalemate exists e.g. unfair accusations, abuse, interference, confrontational conduct?
- If so, is it possible for you to reconsider your actions, put aside any aggravating circumstances that may have existed and make a renewed approach to the member/client to avoid involvement of the Association and unnecessary costs to either party.
- Have you (*the member*) complied with the Dispute Code of Conduct in respect to your dealings with your client and handling of this dispute?

The Client:

- Notwithstanding there may be some defects with the installation requiring attention, have you or have you not made progress payment as requested by the Member in accordance with the payment terms & conditions of the contract?
- Are you withholding all or what could be considered an unreasonable (excessive) proportion of the contract sum pending satisfactory completion?
- Is this the probable reason why the member is reluctant to proceed further and the likely reason for an impasse?
- If so, we recommend as a 'good faith' commitment and to move through any impasse, that you agree to make a progress payment in accordance with your contractual obligations. By this stage of the contract the member would have purchased and paid suppliers for materials used on the contract and paying contractors' wages. Although a dispute may have arisen and further work is required, it is not normally acceptable practice to withhold full payment unless in the unlikely rare event the installation is so poor it would be deemed totally negligent and therefore unacceptable.

Withholding payment – residential contract

- In the case of a residential contract with the consumer where there is debate over withholding payment until remedial work has been completed, we recommend an appropriate sum be mutually agreed upon. *The Association considers 20% of the contract sum on a residential contract as fair and reasonable.*

The Member

- Have you (*the Member*) been pressuring your client for full payment of the contract moneys despite being informed by your client there are defects or allegations of poor workmanship?
- If so, these defects and/or allegations of workmanship should be investigated and, if found justified, corrected before your client should be expected to make final payment. Please note our recommendation is for 20% of the contract moneys on residential contracts to be withheld until satisfactory completion.

Peace of mind

- Having employed the services of a member of the Roofing Association of New Zealand, you have assurance our members are reputable, professional companies, having been required to meet stringent criteria conditions to be accepted for membership.
- Members are accountable to the Association through membership and are obligated to comply with the Association's Rules, Code of Ethics and Dispute Code of Conduct.

The dispute service process – two stages

Stage 1 – Initial consultation/enquiry (no fee charged)

At the time of initial contact with the Association, advice and guidance may be provided on steps to take that may assist with resolution of the problem to avoid the necessity of further involvement of the Association. For the Association to investigate any complaint, the complainant must lodge their complaint formally in writing to the Association.

Stage 2 – Lodgement of formal complaint

Formal complaints must be made in writing to the Association using the lodgement form provided and accompanied by supporting documentation as outlined in the procedure below. There is no fee charged for the initial assessment process but fees are charged beyond the initial assessment stage if the matter is unresolved at this point and requires further investigation.

Complainants must ensure they have read and understood the terms & conditions and costs (calculated using the costs prescribed in the “Disputes Fees & Costs” section of this document) associated with taking their complaint through the Association’s Dispute Assessment & Investigation Service before lodging a formal complaint.

► Procedure for lodging a formal complaint

- Firstly, ask yourself if you’ve made every attempt to resolve the problem with the member/client before lodging a formal complaint with the Association – read the ‘Resolution tips’ checklist.
- Please provide the following:
 1. Completed Complaint Lodgement Form (*enclosed*).
 2. An explanatory letter providing details of the complaint including what action has been taken to try and resolve the problem and any reason/s that may be the cause of why the problem has not been able to be resolved.
 3. A copy of any correspondence between the member/client.
 4. A copy of any contract documentation e.g. quotation, invoices, plans, specifications, warranties.
 5. Photographic evidence (if possible).

Upon lodgement of the formal complaint and supporting documentation, the Association will:

- Issue notice to the member implicated providing them with a copy of the documentation lodged by the complainant. The member is required to respond in writing to the Association within seven (7) working days from receipt of the notice from RANZ, providing background from their point-of-view.
- The information provided by both parties is assessed.
- A Standard Assessment Report will be sent to the parties advising the decision reached, confirmation of whether or not the complaint has justification, the degree of seriousness i.e. *minor problem requiring intermediary action only or a major problem requiring the full dispute/inspection process*. Where the complaint falls into the minor category, the report will indicate what action may have already been taken or required to be taken to resolve the dispute.

► Minor complaint problems

The Association will contact the parties and attempt to get the matter resolved as quickly as possible.

To avoid unnecessary time involvement by the Association and costs to the dispute parties, most communication to resolve the dispute will be verbal rather than written. Lengthy descriptive reports therefore will not be provided. The Standard Assessment Report has been designed to report on action taken/to be taken without specific details and is adequate for the purposes of complaints in the minor category.

The purpose is to resolve minor complaints speedily and effectively and at minimal cost, which will be reliant upon full co-operation of the dispute parties.

► Major complaint problems

Having assessed the initial complaint, it is deemed to be of a more serious nature and therefore not resolvable without a formal site meeting and workmanship inspection by a RANZ Assessor/s and provision of an inspection report.

The Association, in its Standard Assessment Report, will advise the parties that the complaint/dispute has been designated a major problem requiring it to be taken through the full dispute/inspection process. and an explanation of what action is required to be taken by the parties. A legal Dispute Agreement document will be sent to both parties for signature and return before the Association will proceed further.

Once agreement to proceed and signed documentation has been received, an Assessor/s will be appointed and arrangements made for an inspection and site meeting with the dispute parties. This will be arranged as soon as is reasonably possible and will be dependent upon availability of a RANZ Assessor/s.

About the legal agreement?

By entering into this binding legal agreement you will have:

- a) agreed to abide by the findings in the RANZ Inspection Report and that both parties will meet their obligations which includes (*the member*) undertaking all remedial work as may be required and directed by the Association, and on completion of the contract in accordance with RANZ requirements, (*the client*) is required to make full and final payment of any moneys outstanding on the contract within seven (7) working days.
- b) agreed to and accepted responsibility for payment of 50% share (*or as otherwise agreed*) of the disputes fees and Costs incurred by the Association and calculated using the costs prescribed in the "Disputes Fees & Costs" section of this document to the Association *within seven days following receipt of a Tax Invoice*.

The purpose of the agreement is to ensure the dispute parties are prepared to **enter into the inspection process in good faith** and prepared to meet their obligations despite whatever the outcome of the findings by the Association may be.

Terms and Conditions

The following terms and conditions must be strictly adhered to —

- i) The Association's fees and costs **will be chargeable to both parties on an equal 50/50 basis**.
- ii) All complaint claims are deemed "alleged" until proven otherwise, therefore the Association **will not enter into any debate over sharing of costs** with either party, despite what views or opinions may be expressed. This prerequisite is non negotiable unless one of the following exceptions apply.

Exceptions

- a) a commissioned inspection – in this case full costs will be met by the commissioning party. *Refer item iii) below.*
- b) where the Association has entered into an alternative arrangement with one or either party.
- iii) A commissioned inspection is an independent inspection agreed to be undertaken by the Association where other circumstances prevail and/or where there may not necessarily be a dispute. It should be noted that in the case of a commissioned inspection, *unless otherwise authorised by the commissioning party*, the inspection report **will not** be permitted to be issued to the non-contributory party. *HOWEVER, the Association will not undertake an independent commissioned inspection for a member or a member's client without first notifying and gaining consent from the other party.*
- iv) At the conclusion of a dispute, the Association **will not be involved** with determining whether or not either party should reimburse the other for their share of the dispute costs. This is a matter for the **parties to resolve** between them on settlement. We recommend however, the parties exercise fairness and reasonableness to arrive at an amicable settlement.
- v) The Association will not be involved with a complaint/dispute where the complaint/dispute has already been through legal processes e.g. the courts or Disputes Tribunal or Adjudication/Mediation.
- vi) No party to a dispute should hinder the Association in its endeavours to resolve a dispute which causes unnecessary time to be spent by the Association culminating in preventable costs required to be on-charged.
- vii) Should there be extenuating circumstances where the Association deems it has made every effort to assist a complainant but the complainant refuses to heed the advice of the Association and thereby causing a serious "stalemate" situation, then the Association **reserves the right** to inform the complainant that the Association will no longer (in relation to the complainant) have any further involvement with the complaint and that no further correspondence will be entered into on the matter. However, should it eventuate that in order to resolve the dispute the Member refers the matter to Adjudication or any other legal provisions available, all correspondence and reports completed by the Association will be available to that member.

Dispute Fees & Costs

Time engaged by the Association and its Assessor/s \$80 +GST per hour

Assessor/s Travel

Air Travel/Rental Car/Taxi..... At cost

Motor Vehicle 80 cents + GST per km

Assessor/s Accommodation & Meal expenses (if required)..... At cost

Disbursements

for example tolls/phone/cellphone/fax/photocopying/postage/courier/photographs At cost

Normally only one inspection is and should be necessary. However, in the event the parties require a second and final inspection, they should consider the additional costs that will be incurred in arriving at this decision.

In most circumstances, it is not possible to provide a firm quotation. Time engaged cannot be determined and can vary markedly dependant upon the nature of the dispute, the attitude and co-operation of the parties and locality of the inspection site.

Expected timeframe for handling complaints/disputes

The Association will attempt to process and resolve complaints as quickly as possible and within a reasonable timeframe. Consideration has to be given to the Association's ability to prioritise the complaint into its work schedule at the time the complaint is lodged.

As a guide, it is expected to take:

For minor complaint problems

- three to four weeks

For major dispute problems

- three to four weeks for initial process
- Inspection within one month *but will be dependant upon locality, availability of RANZ Assessor/s and availability of dispute parties to attend site meeting with the assessor/s.*
- Formal report provided approximately two weeks after completion of inspection and arrangements made for remedial work (*if required*) to be undertaken within a reasonable period of time thereafter.

Decision to proceed with lodgement of a formal complaint

Having read the details and terms & conditions contained in this information brochure on the RANZ Complaint/Disputes Assessment & Investigation Service, the parties involved should further discuss their options to resolve the dispute.

If it considered there is no alternative but to refer the matter to the Association, the complaint must be lodged formally in writing together with completing and signing the **RANZ Client Complaint/Dispute Lodgement Form enclosed with this brochure.**



**RANZ Complaint/Dispute
Assessment & Investigation Service**