

[REDACTED]

From: Simon Davis <simon@northcoastfencing.com>
Sent: Wednesday, 5 September 2018 3:56 PM
To: 'Robyn Hobbs'
Cc: Security of Payment 2018
Subject: RE: Have your say on security of payment reform in NSW

Thanks Robyn,

To whom it may concern<

I refer to the information that has been sent out to me by Robyn Hobbs in regards to the draft consultation of the Security of Payments Act. I see that some of the changes that are being talked about is the ability to make a final claim if terminated.

I am not sure what clause this comes under- but my concerns are also if you have been terminated & /or run out of funding to be able to complete then

A) Retention monies should be made available early - especially if the contract is 2 -3 yrs long & the amount withheld is above \$100k

B) Contractors that have not reached their milestones because of cash flow issues & have to leave their contract should be able to fill in a practical completion & enter a final completion to start the release of their own money.

C) Sub-Contractors to Tier 1 Contractors should never have to fund their own jobs. The bigger Tier 1 Companies should be supplying materials & funding the smaller company- which alleviates a major hurdle for the smaller companies.

eg: Small Fencing company on 16kms of Pacific Highway buying bulk materials to get best price , land materials on site & client changes their mind &/or metreage. Fencing company then gets stuck with material or worse only gets paid for completed works each month. This only causes material suppliers to get frustrated & scared off & creates a bad name for the small fencing company who now cant pay his bills.

For your Consideration & Direction

Have a safe & productive day

Simon Davis

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The above agreed works will be performed at the first available time frame and to instruction.
However should there be any changes to design or scope of works there maybe additional charges.

From: [REDACTED] **On Behalf Of** Robyn Hobbs

Sent: Tuesday, 4 September 2018 4:36 PM

To: Robyn Hobbs

Subject: Have your say on security of payment reform in NSW

Good afternoon

I understand members of my team have recently spoken to you about your experiences in the building and construction sector in NSW.

The NSW Government is taking steps to introduce reform to the building and construction sector.

The Building and Construction Industry Security of Payment Act (NSW) 1999 is currently under review and the proposed reforms are now released for public consultation.

This is a critical time for your sector and you have a chance to influence what is being proposed to better protect small businesses in this sector.

I believe only a proper functioning trust model will ensure smaller subcontractors get paid for the work they've done.

The NSW Government's proposed trust model is a much needed step in the right direction, but I believe it needs to go further to protect small businesses such as yourself.

Specifically, I believe:

1. **An independent body should be responsible for managing the trusts.**
2. **Trust accounts should be separate from contractors' bank accounts.**
3. **That the trust model should apply to as many projects as possible.**

I am keen to ensure small business views are represented in the proposal. As such, I highly encourage you to have your say on the consultation paper by **5:00pm 18 September 2018** at:

<https://www.fairtrading.nsw.gov.au/about-fair-trading/have-your-say/security-of-payment-reforms>

Thank you

Robyn

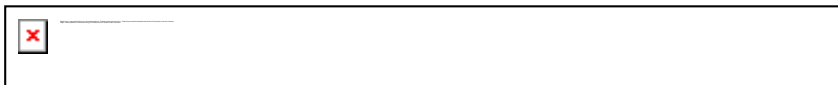
Robyn Hobbs OAM

NSW Small Business Commissioner

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