

Construction & Projects

Amendments to Licensed Builder Framework to Come into Operation on 15 June 2024

Introduction

Amendments to the licensed general builder and licensed specialist builder framework are set to come into operation on 15 June 2024. These amendments are aimed at improving and clarifying the builder licensing scheme and to facilitate the Building and Construction Authority's operations.

The amendments are part of a series of changes to the Building Control Act 1989 ("**BCA**") introduced in the Building Control (Amendment) Act 2020, which was passed in Parliament in March 2020. The changes therein have been implemented progressively from 2021.

The latest round of implementation is pursuant to the Building Control (Amendment) Act 2020 (Commencement) Notification 2024, which brings into force the amendments to the BCA relating to the builder licensing scheme from 15 June 2024. The following instruments which effect amendments to the relevant subsidiary legislation have also been published in the Gazette, and are set to come into operation on the same date:

- Building Control (Amendment) Regulations 2024;
- Building Control (Licensing of Builders) (Amendment) Regulations 2024; and
- Building Control (Composition of Offences) (Amendment) Regulations 2024.

This Update provides a summary of the key amendments set to come into force.

Key Amendments

Definitions

The amendments introduce definitions for key concepts in the builder licensing scheme, including the following:

- **Licensed general builder** – A person granted a general builder's licence authorising it to carry on the business of a general builder.

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- **Licensed specialist builder** – A person granted a specialist builder's licence authorising it to carry on the business of a specialist builder in respect of specialist building works.
- **Specialist building works** – The amendments set out the types of building works falling within this definition.
- **Sub-contractor** – A sub-contractor, in relation to sub-contractors engaged by licensed general or specialist builders, refers to a person engaged by the builder or another sub-contractor to provide labour for or to do any part of those works which the builder has been engaged to do under another contract.

Control of building works

The amendments clarify that certain applications must be made by a licensed general or specialist builder, and that certain appointments require the appointment of a licensed general or specialist builder.

- **Building plan approval** – Currently, an application for approval of the plans of any building works must be accompanied by the names and particulars of the qualified person whom the developer or builder has appointed to prepare the plans (and where the works comprise geotechnical building works, the geotechnical engineer appointed by the developer or builder). The amendments clarify that a "builder" referred to above must be a licensed general builder or licensed specialist builder (as appropriate) undertaking the works that are the subject of those plans.
- **Structural works permit** – Currently, an application for a permit to carry out structural works may be made by the developer, the builder, and the qualified person appointed by the builder to supervise the works. The application requires the names and particulars of the qualified person (or geotechnical engineer where relevant) and certain documents signed by the builder or qualified person. The amendments clarify that a "builder" referred to above must be a licensed general builder or licensed specialist builder (as appropriate), and that a permit may be granted only if the builder is so licensed.
- **Appointment of builders** – Currently, every developer of building works must appoint a builder to carry out the building works and a specialist builder in prescribed circumstances. The amendments clarify that a "builder" referred to above must be a licensed general builder or licensed specialist builder (as appropriate). The developer must notify the Commissioner of Building Control ("**Commissioner**") of such appointment within 14 days after making the appointment.

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- **Notification of appointment** – A builder must hold a general builder's licence or specialist builder's licence (as appropriate) at all times during the building works it is undertaking. The builder must notify the Commissioner whenever they have an appointment or termination of appointment as builder.

Sub-contractors

The amendments clarify that a sub-contractor who always does work as a sub-contractor of a general builder or a specialist builder need not apply for its own general or specialist builder's licence (as appropriate).

Eligibility for builder's licence

The amendments amend the sections on the eligibility of persons to be granted a general or specialist builder's licence to allow more types of businesses to apply for a builder's licence. The new provisions set out the conditions for eligibility to apply for a builder's licence for:

- Individuals carrying on business as a sole proprietor;
- Corporations carrying on business as a sole proprietor;
- Partnerships (comprising individuals, corporations, or a combination thereof); and
- Corporations.

Regulatory action

The amendments expand the powers of the Commissioner to take regulatory action against licensed general and specialist builders. The Commissioner will be empowered to:

- Issue directions that the licensee must not undertake any contract or engagement to carry out building works;
- Issue directions that the licensee may only undertake any contract or engagement in which the value is below a specified amount; and
- Modify the conditions of the licence.

Concluding Words

The amendments set to come into operation will implement reform to and provide clarification of the regime for licensed general builders and licensed specialist builders in Singapore. This includes the prescribed acts for which builders must hold the relevant licence, conditions for such licence, and obligations of licence holders.

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Entities engaging in building works should be aware of the licensing requirements and determine whether they are required to obtain a licence and, if so, the type of licence required. They should also assess their operations and management to ensure that they comply with the requirements set out in the amended BCA provisions.

For further queries, please feel free to contact our team members below.

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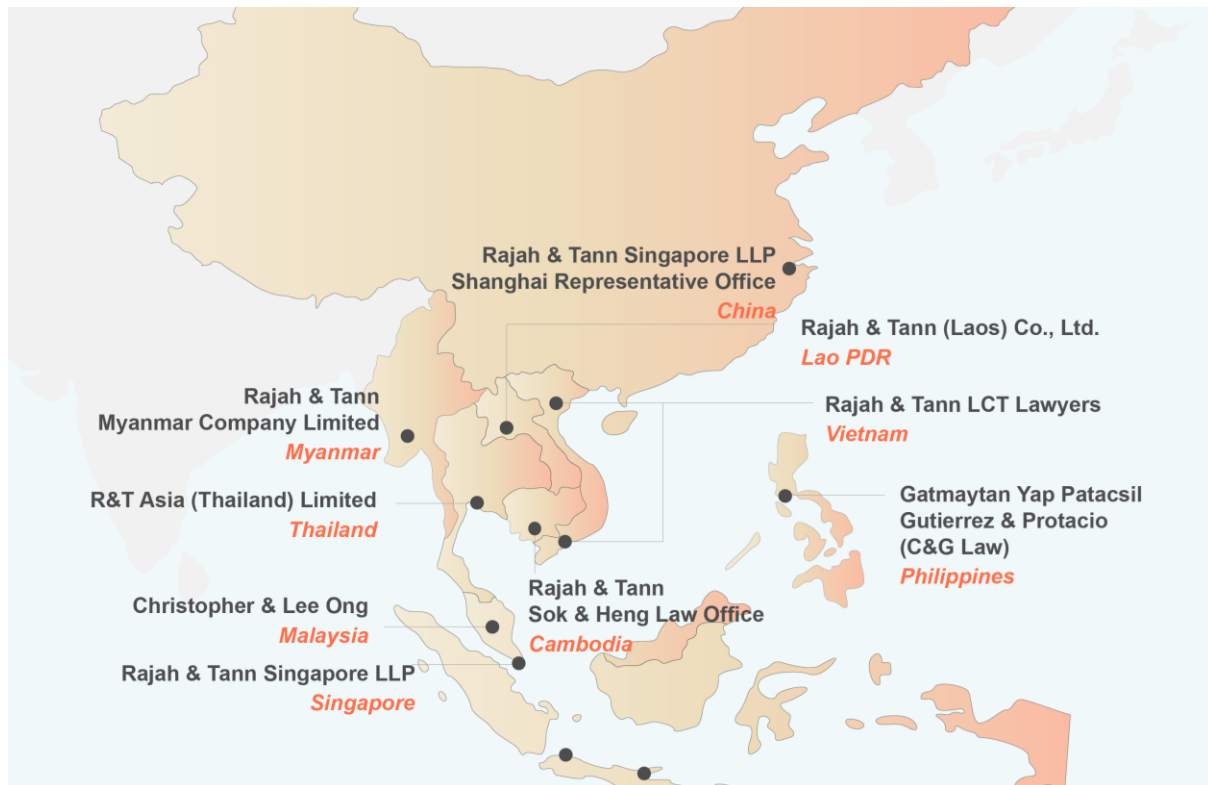
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