



National Owner-Builder Policy

Background

With the increasing activity of owner-builders applying for building approvals across Australia, the National Housing Council considered it appropriate to develop a national policy on owner-builders.

The objective of the policy is to assist State and Territory MBAs to lobby for consistent owner-builder legislation across Australia which will ensure legitimate owner-builder activity in the domestic building market. The policy will set out the criteria that legislation should address to ensure that owner-builders are equipped with all relevant information and training prior to undertaking the task of building their own home. The policy also contains criteria that will prevent unlicensed developers competing with licensed builders.

The National Housing Council agreed that the policy would include the following criteria:

Policy Criteria

- The definition of an owner-builder is a person who is not a registered builder and who proposes to carry out all building work over \$12,000 or when a building permit or approval is required limited to a single detached dwelling for the proposed work.
- A structured training course should be mandatory for all owner-builders contemplating carrying out building work that meets the above criteria.
- The training course should be structured to incorporate a training package which will contain relevant material and run for a minimum of 16 hours.
- The 16 hours of training course is to be developed to a national uniform standard.
- The content of the training course should include all relevant material and information to set out the owner-builders responsibility but not limited to the relevant Building Acts, Building Regulations and Building Code of Australia, referenced Australian Standards, Occupational Health and Safety Legislation, supervision of sub-trades and other tax obligations as a principal contractor.
- Permission to carry out the functions of an owner-builder should be limited to one project every 5 years. The successful completion of the owner-builder training course should be mandatory before the commencement of each project. This will ensure that the proposed owner-builder will be updated with all new and amended regulatory requirements and any other responsibilities relevant to the task. If the land is owned jointly or in common by two (2) or more persons, the application for an owner builder

permit must be made jointly by all of them however only one of the parties is required to attend the training course.

- The owner-builder will only have access to home warranty insurance every 5 years.
- Dwellings built by owner-builders should include a statutory requirement that an endorsement on the title of land must state that the dwelling constructed on that title of land was built by an owner-builder. This will inform potential purchasers of this fact.
- It would be preferred that a central authority within the government contain an appropriate database which tracks and limits owner-builder activity to the above criteria and would issue an appropriate construction certificate authorising the applicant has completed all the appropriate training that will allow the relevant approval authority to issue the owner-builder a permit to build.
- The owner-builder should be required to obtain a Statement of Compliance by an authorised person with relevant qualifications and experience such as an architect, private certifier, licensed builder or a registered building works supervisor to confirm all building work has been performed in accordance with the Building Code of Australia, Development Assessment Approval, the schedule of works, the specification and that the building is fit for human habitation. The Statement of Compliance must then be lodged with Local Government before practical completion is achieved and a Certificate of Occupancy is issued.

It is recognised that some State and Territories have existing owner-builder legislation in place however the above is considered to be the national consistent minimum that should apply across Australia.

The criteria that forms this policy is structured to ensure that legitimate owner-builders can continue to build their own homes if they wish, however, it will prevent illegal work continuing by unlicensed builders, create higher consumer protection and create a more professional image for the housing industry across Australia.