



Becoming an Owner-Builder

Can I be an owner-builder?

Anyone who carries out 'building' work valued over \$20,000 must be a registered builder or an approved owner-builder before applying for a building permit from the local government.

Under the *Building Services (Registration) Act 2011*, owner-builders will be required to obtain approval from the Building Services Board, administered by the Building Commission, before obtaining a building permit to carry out owner-builder work on their land.

Applicants are required to provide evidence of their ownership of the land and demonstrate that they have sufficient knowledge of the duties and responsibilities of an owner-builder.

What can an owner-builder build?

Owner-builder work consists of the following:

- **Class 1a (i)** - a single dwelling being a detached house. This includes an extension to a house or a habitable dwelling on the same property but separate to the main house such as a granny flat;
- **Class 10 buildings** - being a non-habitable building such as a private garage, carport, shed or the like; or
- **Small commercial building** - being a one or two storey building with a floor space of less than 500m² that is not a detached house, Class 10 building or farm building.

Timeframe

An owner-builder approval expires six months from when it is granted, or on the day that the local government refuses the owner-builder's application for a building permit. Otherwise the approval lasts for the duration of the building permit.

How to become an owner-builder

To obtain owner-builder approval all the owners of the land must submit the following to the Building Commission:

- a Personal Details of Land Owner(s) form for each land owner supported by certified copies of photo ID;
- a Property Details form setting out the type of owner-builder work to be carried out, together with a current land title search (available through Landgate);
- a Statutory Declaration signed by each land owner declaring that you have not been issued a building licence or permit as an owner-builder within the past six years;
- evidence to demonstrate sufficient knowledge of the duties and responsibilities of an owner-builder. Evidence can include proof of completion of a course for owner-builders or registration as a building service practitioner; and
- payment of the application fee.

An application package is available to download from www.buildingcommission.wa.gov.au or by calling 1300 489 099.

Penalties apply for failing to obtain a building permit before commencing building work.

Can I build Again?

Owner-builders can only be issued with a building permit once every six years unless they have received a special exemption from the Building Services Board.

If you have been issued with a building licence or permit by the local government within the last six years, it is an offence to declare that you have not.

If someone recommends that you obtain approval as an owner-builder but they take care of and organise all the work, you are putting yourself at significant risk.

Your Duties and Responsibilities

Supervision of building work

As an owner-builder you have control over the building project and you are legally responsible for the entire project from start to finish, and for at least six years after. Further, you will be liable if the building work does not comply with all building standards and safety regulations.

Owner-builders are responsible for the supervision of the building work and may choose to:

- undertake all or part of the building work themselves (except where licensed tradespersons are required by law, such as electricians and plumbers);
- contract out all or part of the building work to a registered builder and/or tradespersons; or
- engage a registered builder to oversee part or all of the work.

Please note that contracting out any of the work does not lessen an owner-builder's responsibility.

Your responsibilities

Owner-builders take on many of the responsibilities of a registered builder. They include:

- the standard of the building work and structural soundness of the building for a minimum of six years after the building is built; and
- complying with all building standards including the Building Code of Australia, safety regulations under the *Occupational Safety & Health Act 1984*, and being aware of insurance obligations.

Displaying a sign

While your building is being constructed you must affix or erect a sign of reasonable dimensions, clearly showing your name, the approval number issued by the Building Services Board and your telephone number.

Home Building Contracts Act

The *Home Building Contracts Act 1991* (HBC Act) applies to any person undertaking home building or associated work for a home owner, including owner-builders.

The HBC Act establishes certain contractual requirements in relation to carrying out 'home building work' and applies to contracts valued between \$7,500 and \$500,000.

As an owner-builder, you may be entering into 'home building contracts' with contractors. It is important to be aware of the requirements of this legislation.

Home Indemnity Insurance

Owner-builders are responsible for the building work for a minimum of six years.

If you sell your home within seven years from the date of a building licence or permit being issued, you are required under the *Home Building Contracts Act 1991* to have in place a policy of home indemnity insurance which covers subsequent owners if problems with the building develop and the owner-builder fails to rectify faulty or unsatisfactory workmanship due to disappearance, death or insolvency.

The home indemnity insurance policy must cover the purchaser of the home and subsequent owners for the remainder of the seven year period.

For further information:

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