

Owner builders checklist

You must:

- have a Certificate of Consent from the Victorian Building Authority (VBA) before carrying out works over \$16,000
- use a written major domestic building contract with all registered tradespeople for work over \$10,000
- get the relevant certificates from tradespeople (for example: domestic building insurance; electrical, plumbing and glazing certificates).

Do not sign a building permit as an owner builder at the request of a builder or tradesperson who will be doing the work. They may be trying to avoid their legal responsibilities, such as providing insurance certificates and certificates of compliance.

You are an owner builder if you:

- intend to use your own skills to build, extend or renovate a home that you live in or intend to live in
- intend to manage tradespeople to do work on a home that you live in or intend to live in
- are a registered builder who builds, extends or renovates a home on your property.

Legal obligations of owner builders

As an owner builder, you are responsible for:

- getting relevant permits from your local council
- being named as the owner builder on building permits
- getting a Certificate of Consent from the VBA before carrying out domestic building works over \$16,000
- engaging a building surveyor to issue building permits, conduct building inspections and issue an Occupancy Permit (for a new building) or Certificate of Final Inspection (for a renovation) on completion of work
- ensuring that the work meets building regulations, standards and other laws
- arranging for building inspections as required by law at specific stages of the building work
- obtaining domestic building insurance if you sell within six years of obtaining the Certificate of Final Inspection or Occupancy Permit

- providing a defects inspection report if you sell within six years and six months of obtaining the Certificate of Final Inspection or Occupancy Permit.

You can get only one owner-builder permit for a single home and associated work on that property, once every five years.

Under the *Domestic Building Contracts Act 1995* and *Building Act 1993*, warranties apply by law to all domestic building work. Warranties transfer to a new owner for up to 10 years from completion of the work.

For more information on applying to become an owner builder, visit [Owner builders - VBA website \(https://www.vba.vic.gov.au/owner-builders\)](https://www.vba.vic.gov.au/owner-builders).

Before you start your project

- seek legal advice before you decide to become an owner builder
- get your finance approved before you start
- discuss the proposed building works with your insurance company
- consider completing an owner builder education course
- clearly plan and define the scope of works you want completed by other builders or tradespeople.

Engaging others to do work for you

- check the licensing or registration of electricians, plumbers, gasfitters, drainers and others who must be registered or licensed
- always use a written contract. You can buy appropriate forms of contract
- appoint a building surveyor to issue relevant building permits and confirm the work complies with building regulations.

For work costing more than \$10,000:

- use registered builders for work over \$10,000, or to reblock, restump, demolish or remove a home (regardless of the value of this work)
- you must use written major domestic building contracts. View [Building contracts checklist \(https://www.consumer.vic.gov.au/housing/building-and-renovating/checklists/building-contracts\)](https://www.consumer.vic.gov.au/housing/building-and-renovating/checklists/building-contracts)
- make sure any person engaged for work over \$16,000 provides you with a current certificate of domestic building insurance for the address of the building project.

When the work is complete

Make sure:

- your building surveyor provides an Occupancy Permit or a Certificate of Final Inspection before you move in
- you get the relevant certificates from tradespeople:
 - a licensed plumber must give you a Certificate of Compliance for all plumbing work costing \$750 or more (including labour, parts and materials), most gas-fitting and below-ground sanitary drains work
 - a licensed electrician must provide a Certificate of Electrical Safety for all electrical installation work
- you keep all documents, including quotes, contracts with tradespeople and other suppliers, invoices, receipts, certificates and reports.

What if I want to sell my owner-built house?

If you sell your property within six years and six months of completing your building work, you must:

- provide a Defects Inspection Report (not more than six months old) for all work including extensions, renovations, garages and verandas
- provide your own domestic building insurance to cover work you have done
- provide details of domestic building insurance relating to any work carried out by a registered builder.

Under the *Domestic Building Contracts Act 1995* and *Building Act 1993*, warranties apply by law to all domestic building work. Warranties transfer to a new owner for up to 10 years from completion of the work.

Your domestic building insurance policy becomes effective when the buyer signs a contract of sale. It protects the buyer if you (as the owner builder) die, become insolvent or disappear. It covers costs up to \$300,000 to fix defects that appear within six years of completion. Claims on the policy for work that was not completed may be limited to only 20 per cent of the contract price.

The buyer is covered by implied warranties for up to 10 years. Implied warranties require a builder or tradesperson to remedy any problems with their work. But if they refuse, the onus is on the buyer to undertake legal action.

View [Implied warranties and domestic building insurance checklist \(https://www.consumer.vic.gov.au/housing/building-and-renovating/checklists/implied-warranties-and-domestic-building-insurance\)](https://www.consumer.vic.gov.au/housing/building-and-renovating/checklists/implied-warranties-and-domestic-building-insurance).

Owner builders must take out domestic building insurance for work over \$16,000 when they sell their property. This protects the buyer (for a period of six years) if the owner builder dies, becomes insolvent or disappears.

Last updated: 30 May 2022

The department acknowledges Aboriginal and Torres Strait Islander people as the Traditional Custodians of the land and acknowledges and pays respect to their Elders, past and present.



© State Government of Victoria (Consumer Affairs Victoria)