

Owner Builder permits

This fact sheet contains important information for people with an owner builder permit, or for people who are considering owner building.

Conditions of the permit

- Residential building work is the only type of work able to be performed under an owner builder permit.
- If you want to carry out building work on your own land, you will need to obtain a QBCC owner builder permit where the value of work is \$11,000 or more (including GST).
- You cannot carry out building work for a multiple dwelling or for a building intended to be used for commercial purposes.
- You can only personally carry out any building work which requires a fire protection licence where the value of work (including labour and materials) is less than \$1,100. Where the value of work is in excess of \$1,100 the work must be carried out by a licensed contractor.
- You cannot personally carry out any building work which involves Plumbing, Draining, Gas Fitting or Termite Management work unless you hold the appropriate occupational licence. If you do not hold an occupational licence the work must be carried out by a licensed contractor. You can be fined if you perform this work yourself.
- You may only carry out the building work as stated in the permit.
- If you engage anyone to carry out building work, the person/s must hold the relevant QBCC contractor's licence.

Approval process

Approval of the building documents (plans, specification etc) must be obtained from a private building certifier or local government (council) before any building work is commenced (this includes any earthworks). The certifier is prevented from giving an approval until after receipt of the QBCC owner builder permit.

It is the responsibility of the owner builder to build in accordance with the approved documents. If it is necessary to change the design, the owner builder must consult with the certifier to ascertain if amended documents are required before any change is made to the construction.

Determining the value of owner builder work

The value of building work must be determined by calculating the cost of all materials and the cost a licensed contractor would charge you for the work if they were performing the work, including GST.

It is important to note that if the value of the work notified on the application is grossly underestimated, QBCC may cancel your permit.

If you discover during the construction process the value of work needs to be increased, simply complete the *Application to Amend an Existing Owner Builder Permit* form as detailed later in this fact sheet.

Carrying out building work not included in your permit

You must ensure all work being performed under your owner builder permit is identified in your permit documentation. If the work being performed is not included in your permit, you may be in breach of Section 42 of the *Queensland Building and Construction Commission Act 1991*, which may result in prosecution, the issue of a fine of up to \$25,000 (as at 1 January 2009) and an order to stop work.

If you discover during the construction process the description of work needs to be amended, simply complete the *Application to Amend an Existing Owner Builder Permit* form as detailed later in this fact sheet.

Subsequent permits

You cannot obtain another permit within six years from the date of issue of a previous permit unless QBCC is satisfied there are exceptional circumstances and has approved a six year exemption request. Should you wish to apply for exemption from the six year ruling, the application form is available on QBCC's website at www.qbcc.qld.gov.au. You cannot obtain another permit if you have had an owner builder permit cancelled in the three (3) years preceding the application.

You cannot obtain an owner builder permit if you are a banned individual or if you are an enforcement debtor.

Signs

Any person carrying out building work under an owner builder permit MUST display a sign in a prominent position on the building site. The sign must show the owner builder permit number in characters at least 5cm high, and must have a surface area of at least 0.5m².

QBCC can impose penalties for non-compliant signage. Failure by an owner builder to erect a sign complying with legislation could result in QBCC initiating prosecution action under Section 52 of the *Queensland Building and Construction Commission Act 1991*. The maximum penalty is 20 penalty units, which from 1 January 2009 is \$2,000.

Warnings

By becoming an owner builder you forfeit your right to QBCC's dispute resolution service and QBCC insurance on the building work performed. QBCC insurance protects homeowners who have a contract with an appropriately licensed contractor. This insurance cover assists homeowners in cases where:

- The contractor fails to complete the building work for reasons which are not the homeowner's fault;
- The contractor fails to rectify defective building work;
- The building suffers from the effects of subsidence or settlement.

As an owner builder you will be personally responsible for dealing with individual contractors if problems in workmanship occur.

If you are selling the property where you performed owner builder work, Section 47 of the *Queensland Building and Construction Commission Act 1991* states you MUST, before signing the contract of sale, provide the prospective purchaser with a notice which contains:

- Details of the building work performed;
- The name of the person (owner builder permit holder) who performed the work;
- A statement confirming the work was performed under an owner builder permit; and
- the following warning:

"WARNING – THE BUILDING WORK TO WHICH THIS NOTICE RELATES IS NOT COVERED BY INSURANCE UNDER THE *Queensland Building and Construction Commission Act 1991*".

This notice MUST be given in duplicate and the prospective purchaser must sign one copy of the notice and return it to the vendor on or before signing the contract of sale.

If this notice is not provided to the prospective purchaser the vendor is deemed to have given the purchaser a contractual warranty (which operates to the exclusion of any inconsistent provision of the contract of sale) that the building work was properly carried out.

Amending or adding work to an existing permit

Any additional work or changes to the work identified in the permit must be notified within six months from the date of issue of the permit. If six months has already expired then you will be required to submit a new owner builder application and apply for exemption from the six year ruling.

If your request is within six months from the date of issue you can complete and return the *Application to Amend an Existing Owner Builder Permit* form. This form is available on QBCC's website at www.qbcc.qld.gov.au or upon request from any QBCC office.

Surrendering a permit

If no work at all has been performed under this permit you may surrender it. If you decide to have the work (the subject of this permit) carried out by a licensed building contractor, the permit **MUST** be surrendered prior to signing a contract with the builder. To surrender your permit you must give written notice to the QBCC and return the permit. Refunds of permit fees may be considered and will be subject to the deduction of an administration fee.

Future permits

Permit holders are only allowed one Owner Builder permit every six (6) years except in special circumstances.

Removal of notification on title

In instances where a permit has been formally cancelled QBCC will arrange for the owner builder notification to be removed from the Title.

An owner builder notification which has been on the Title in excess of seven years can be removed upon request. Should you require QBCC to arrange the removal on your behalf you will need to provide a written request for removal and a current title search no older than 30 days. If you are not the original permit holder you will also be required to forward payment of the current fee charged by the Titles Office for removal of the notification from the title.