

Victorian First Resort Home Warranty Scheme (**Home Warranty**)

Summary of Home Warranty

For Notices of Cover issued for insurable domestic building contracts

1 July 2026



Victorian Building Authority trading as the
Building and Plumbing Commission (ABN 78 790 711 883)

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About this summary

This Summary document (**Summary**) is for **building owners**. It provides an overview of the First Resort Home Warranty Scheme (**Home Warranty**) if a Notice of Cover has been issued by the Victorian Building Authority trading as the Building and Plumbing Commission (**BPC**) from 1 July 2026.

Your terms of cover under **Home Warranty** and your rights and obligations are set out in Part 9A of the *Building Act 1993* (Vic) (**Act**) and the *Building (Statutory Insurance Scheme) Regulations 2006* (Vic) (**Regulations**). This Summary does not form part of the terms of your cover and should be read in conjunction with the **Act** and the **Regulations**, which prevail.

Key terms are highlighted in **bold**, with their definitions provided at the end of this Summary in the “**Definitions**” section.

When we refer to 'we', 'our' or 'us' in this Summary, we are referring to the BPC.

Where we refer to 'you' or 'your' in this Summary, we are referring to the **building owner** on whose behalf **domestic building work (work)** is, or is to be, carried out on a **home** (or the construction of a **home**) by a **builder**, and any **subsequent owner** of the **home**.

Accessibility

For enquiries in languages other than English, contact the Translating and Interpreting Service on 131 450. Say the name of your language in English and ask the interpreter to call 1300 815 127.

If you have difficulties with hearing or speech, you can contact BPC via the [National Relay Service](#). Simply enter 1300 067 088 as the number you want to call.

Users of TTY services can also contact BPC via our direct TTY line: 133 677.

Disclaimer

This document has been prepared by BPC for general guidance purposes only. It does not constitute legal advice and should not be relied upon as a definitive statement of the law. The *Building Act 1993* (Vic) and the *Building (Statutory Insurance Scheme) Regulations 2026* (Vic) and any applicable legislative instruments should be read in full and in conjunction with this document. BPC does not accept liability for any loss or damage arising from reliance on this document.



Contents

About this summary	1
Contents	2
Who is BPC?	3
Home Warranty	3
What does Home Warranty cover?	3
Who does Home Warranty apply to?	3
Who pays the premium?	4
Period of cover	4
What is the completion date?	4
What is a trigger event?	5
How much are you covered for?	5
Incomplete work.....	6
What is incomplete work?	6
Time limits – incomplete work.....	6
Assistance for incomplete work	6
Limitations for incomplete work.....	7
Specific Exclusion for incomplete work	7
Defective or non-compliant work.....	8
What is defective work?	8
What is non-compliant work?	8
Time limits – defective or non-compliant work	8
Assistance for defective or non-compliant work	9
Exclusions for defective or non-compliant domestic building work.....	9
Making a claim	10
Requirements for making a claim where a trigger event has not occurred	10
Scenarios where a complaint notice is not required.....	10
How to make a claim?	10
Deciding a claim where a rectification order has been issued by us	10
Deciding your claim	10
Appealing our decision	11
Payment of your claim	11
Deductible Payable by you	11
Limitations and Exclusions.....	12
Limitations	12
Who is not covered by Home Warranty?	12
Exclusions	13
Definitions	14

Who is BPC?

BPC is Victoria's building and plumbing industries regulator that administers **Home Warranty** in Victoria.

From 1 July 2026, BPC is responsible for issuing a **Notice of Cover** to you once your **builder** has paid the **applicable insurance premium** in relation to an insurable domestic building contract (**contract**).

BPC is also responsible for administering and assessing claims made under **Home Warranty** and determining your entitlement to **assistance**.

Home Warranty

Home Warranty is a statutory insurance scheme and administered by BPC. **Home Warranty** applies to:

- **work** carried out by a builder under a **contract**;
- **speculative domestic building work**; and
- **work** that is carried out under a **certificate of consent** (i.e. by an owner-builder).

Home Warranty provides **assistance** to **building owners** and **subsequent owners** for loss suffered (in certain circumstances) because the **work** is:

- **incomplete**; or
- **defective**; or
- **non-compliant**.

See the "**Incomplete Work**" and "**Defective or Non-compliant Work**" sections of this Summary for an explanation of the circumstances in which **assistance** may be provided.

What does Home Warranty cover?

Home Warranty covers **domestic building work** in Victoria valued more than \$20,000 (including labour, materials, agreed variations and GST). Not all **domestic building work** is covered (see the "**Incomplete Work**" and "**Defective or Non-compliant Work**", "**Limitations and Exclusions**" sections of this Summary).

Who does Home Warranty apply to?

Home Warranty covers:

- **building owners** who enter into a **contract** with a **builder** to carry out **work** on a **home** valued more than \$20,000, for example a renovation, alteration, extension, improvement or repair of a **home**;
- applicable **building owners** who enter into a **contract** with a **builder** to construct:
 - one **home**; or
 - 2 or more **homes** in a **building** with a **rise in storeys** of 3 or less; and
- **subsequent owners** of that **home** (e.g. where the **home** is sold after the completion of the work).

See the "**Limitations and Exclusions**" section of this Summary for a list of those persons who are not covered by **Home Warranty**.



Who pays the premium?

The **builder** named in a **contract** must pay the **applicable insurance premium**. The **builder** pays that premium on your behalf.

A **builder** must pay the **applicable insurance premium** to BPC:

- before 10 business days have passed after you and your **builder** have entered into your **contract**; and
- before commencing any **work**.

Once your **builder** has paid the **applicable insurance premium**, you will receive a copy of your **Notice of Cover** from us. **Subsequent owners** can find out if **domestic building work** undertaken from 1 July 2026 is covered by **Home Warranty** and how much cover remains by applying for an **Insurance Information Statement**. You can find out more about **Insurance information Statements** on BPC's website.

Period of cover

The period of cover under **Home Warranty** is set out in the table below, and depends on the type of **assistance** you seek. In some cases, the period of cover closely interacts with the time limit for making a claim for **assistance**, such as for **assistance** with **incomplete work**.

We must refuse to accept a claim if it is not made within the required timeframes, except in very limited circumstances. You should read the **Act** and the **Regulations** carefully to understand your rights.

Type of assistance	Period of cover / Time for making a claim
Incomplete work (where your builder has not completed the work within the period specified in your contract)	You must make a claim within 12 months of a trigger event (see section below – “What is a trigger event ?”) – this includes a claim for costs you might incur in securing your building site .
Major defects (being more serious defects with more serious consequences)	Cover for loss arising from a major defect ends 6 years after your work was completed (see section below – “What is the completion date ?”) by the builder . You must make a claim within 12 months of becoming aware of the major defect .
Another defect (minor defects excluding minor cosmetic differences)	Cover for loss arising from another defect ends 2 years after your work was completed (see section below – “What is the completion date ?”) by the builder . You must make a claim within 12 months of becoming aware of another defect .
Accommodation, removal and storage costs	You must make a claim within 28 days after you have paid for these items and provide evidence of payment with your claim.

What is the completion date?

The **completion date** of the **work** is:

- the date the occupancy permit was issued for the **work** (even if it is later cancelled or varied);
- if there is no occupancy permit, then the date a certificate of final inspection for the **work** was issued;
- if there is no occupancy permit, then the **date of practical completion**;
- if there is neither of the above or they cannot be determined, then 6 months after the **cover start date** for the work.



What is a trigger event?

A **trigger event** includes one or more of the following events occurring:

- the **builder** (who is a natural person) dies;
- the **builder** cannot be found after reasonable attempts to try to find the **builder**;
- the **builder** is a company and is deregistered under the Corporations Act;
- the **builder** is unable to pay its debts when they become due and payable;
- the **builder** (who is a natural person) is insolvent under administration;
- the **builder** is a company and is subject to external administration (see the “**Definitions**” section of this Summary for additional information);
- the **builder’s** registration (e.g. its authorisation to build) is cancelled by us;
- the **contract** is ended because of the **builder’s** breach of a dispute resolution order notice (see the “**Definitions**” section of this Summary for additional information and specifically, section 49W of the *Domestic Building Contracts Act 1995* (Vic) (**Domestic Building Contracts Act**); or
- you validly terminate your **contract** with the **builder** because they were in default.

How much are you covered for?

Subject to any claims for **assistance** which we have already paid or approved, the maximum amount of **assistance** available under **Home Warranty** is \$400,000 in total per **home**. The following additional limits apply to claims for **assistance** made under **Home Warranty**:

- completion costs for **incomplete** work are capped at 30% of the total contract price under your **contract** (e.g. a \$500,000 contract price = a \$150,000 cap for completion costs) and subject to a maximum of \$400,000;
- **accommodation, removal and storage costs** are limited to \$12,000 in total and can only be claimed once you have paid these costs (with receipts evidencing payment required);
- costs to **secure a building site** are limited to \$5,000 in total and can only be claimed once you have paid these costs.

Incomplete work

What is incomplete work?

Assistance under **Home Warranty** may be available for **incomplete work**.

Generally, **incomplete work** is **work** which has not been completed by your **builder** at the time that a **trigger event** occurs. **Incomplete work** does not include cosmetic differences or **defective** or **non-compliant work**. See also the "**Limitations and Exclusions**" section of this Summary.

Time limits – incomplete work

You may make a claim:

- for **incomplete work** (including costs to **secure your building site**) within 12 months of a **trigger event** occurring (such as the date you validly terminated your **contract** or when your **builder** became insolvent); and
- if you are entitled to claim **assistance** for **accommodation, removal and storage**, then such a claim for **assistance** must be made within 28 days after you have incurred such costs.

Assistance for incomplete work

If we accept your claim for **assistance** for **incomplete work**, we may provide the following **assistance**, subject to any applicable deductions which are set out in the "**Limitations for incomplete work**" below in this section:

Where a trigger event has occurred	
Scenario	Type of Assistance (subject to applicable deductions)
Where the work under a contract has not started	You may receive a refund of the deposit paid under your contract which relates to domestic building work , or such part of the deposit as has not been refunded by your builder at the time a trigger event occurs.
Where the work under a contract has started at the home (that is not on common property)	You may receive either: • the reasonable costs to complete the work (capped at 30% of your total contract price) as assessed by BPC and the reasonable costs for accommodation, removal and storage costs and to secure the building site; <u>or</u> • if you have obtained our prior consent, the reasonable costs incurred by you to demolish the incomplete work (once the work has been demolished) plus a refund of amounts already paid to the builder(subject to exceptions). We will not provide assistance where the completion costs are less than the cost to demolish incomplete work plus any refunds for payments made to your builder.
Where the work under a contract has started at the home (which is on common property)	If at least half of the lots affected by the common property were occupied when the contract was entered into and at the time of the trigger event, the owners corporation may be able to claim: • the reasonable costs to complete the work; and • reasonable costs to secure the building site.



Where a trigger event has occurred

Where work under a contract has started and is prohibited under the Heritage Act or the Planning Act

We may refund to you the reasonable cost of demolishing the **work** and amounts paid under your **contract** (provided you were not involved in the contravention of the **Heritage Act** or **Planning Act**).

Where no trigger event has occurred

Scenario	Type of Assistance (subject to applicable deductions)
Where you occupy the home but the home is not suitable for occupation because of incomplete work	You may receive a refund of the reasonable costs you incurred for accommodation, removal and storage costs .
Where you intend to occupy the home which is incomplete and the time for completion has passed	

Limitations for incomplete work

Your cover will be reduced if:

- you paid more than the permitted 5% deposit to your **builder**; or
- you pay for **work** ahead of schedule under your **contract** (e.g. paying a progress payment when the **work** for that progress stage has only been partially completed and/or paying for variations when the **work** the subject of that variation has not been completed).

We will not provide **assistance** where the completion costs are less than the cost to demolish **incomplete work** plus any refunds for payments made to your **builder** under the **contract**.

We will not consider **works** to be **incomplete** if there are minor omissions or defects which don't prevent you from living in the **home** (as evidenced by the issue of an occupancy permit). **Assistance** for **incomplete work** does not include:

- **work** that does not comply with the **contract** because of a cosmetic difference;
- because you and your **builder** agreed to terminate your **contract**; or
- **defective** or **non-compliant work** (including **minor cosmetic differences**).

Specific Exclusion for incomplete work

You are not able to claim **assistance** for **incomplete work** if:

- your **contract** is a **cost plus contract**; or
- you are a **building owner** who is a party to a **contract** for the construction of:
 - 3 or more **homes** on one **building site** (for **domestic building work** under that **contract**); or
 - 3 or more **homes** on more than one **building site** (for **domestic building work** under that **contract**).

You should read the "**Limitations and Exclusions**" section of this Summary.



Defective or non-compliant work

What is defective work?

There are two types of **defective work** including:

- **major defects**, which are generally more serious defects within a **home**, which can be broken down into two key subcategories:
 - **structural defects**, which might include:
 - **work** that doesn't comply with the performance requirements of Parts B1 and H1 of the **BCA** (concerning structural matters);
 - defects in **structural elements** of the building (essential, load bearing components, like the foundations, floors, walls (not all), roofs, columns and beams) and which might:
 - require the **building** to be closed or its use prohibited; or
 - prevent the **building** (or parts of it) from being used; or
 - cause destruction of, or damage to, the **building**; or
 - cause the imminent collapse or destruction of, or damage to the **building**;
 - for a swimming pool – a defect in the **work** that allows water to escape through the shell;
 - a defect that adversely affects the health or safety of persons who occupy or use the **home or building**; and
 - **waterproofing or weatherproofing defect**; and
- **defective work or non-compliant work** which is not because of a **major defect** (i.e. **another defect**) or a **minor cosmetic difference**.

What is non-compliant work?

Non-compliant work is where the **work** contravenes the **Act**, the **Building Regulations**, the **relevant building permit** or a **binding determination** that applies to the **work**.

You should read the “**Definitions**” section of this Summary for what we mean by a **structural defect**, **non-compliant work** and a **waterproofing or weatherproofing defect**.

Time limits – defective or non-compliant work

In relation to:

- loss arising from, or in connection with, **domestic building work** that is **defective or non-compliant** because of a **major defect** – 6 years after the **completion date** for the **work**;
- loss arising from, or in connection with, **domestic building work** that is **another defect** (excluding a **minor cosmetic difference**) – 2 years after the **completion date** for the **work**.

A claim for **defective work** or **non-compliant work** must be made within 12 months after you become, or ought reasonably to have become aware, that the **work** is **defective or non-compliant**.



Assistance for defective or non-compliant work

If we accept there is **defective** or **non-compliant work**, we may provide the following **assistance**:

Scenario	Type of Assistance
Where the reasonable costs to us to rectify ¹ are less than \$400,000	BPC will arrange a builder to rectify the defective or non-compliant work up to a value of \$400,000 less any amounts you owe the builder. You may need to pay a deductible (see the "Making a Claim" section of this Summary). You may be reimbursed for accommodation, removal and storage costs incurred by you if your home (which you occupy, or intend to occupy) is not suitable to live in whilst the rectification works are being carried out, up to a maximum of \$12,000.
Where the reasonable costs for us to rectify are more than \$400,000	We may: • arrange a builder to rectify the defective or non-compliant work up to a value of \$400,000 less any amounts you owe the builder; <u>or</u> • pay you compensation less any amounts you owe the builder and any applicable deductible you are required to pay. You may need to pay a deductible (see the "Making a Claim" section of this Summary).

Exclusions for defective or non-compliant domestic building work

We will not provide **assistance** for loss arising from, or in connection with, **defective** or **non-compliant work** for:

- a **minor cosmetic difference** (see the ***Determination of Circumstances in which there is a Minor Cosmetic Difference*** published on our website);
- a **contract** that is not a **cost plus contract** where:
 - the **date of practical completion** for the **work** has not passed; and
 - a **trigger event has** not occurred and the date of practical completion has not passed;
- a **cost plus contract** where the **date of practical completion** for the **work** has not passed;
- **defective** or **non-compliant work** carried out on land purchased by you, that you knew (or should have known) was **defective** or **non-compliant** before entering into a contract of sale to purchase the land;
- landscaping, paving, retaining structures, driveways or fencing that has been completed and which:
 - is not integral to the construction of the **home**; or
 - does not require the issue of a building permit under the **Act**; or
 - does not result in water penetration of the **home**; or
 - does not adversely affect the health or safety of occupants of the **home** or the public; or
 - does not adversely affect the structural adequacy of the **home**.

You should read the "**Limitations and Exclusions**" section of this Summary.

¹ Our reasonable costs are calculated in accordance with regulation 5 of the Regulations.



Making a claim

Requirements for making a claim where a trigger event has not occurred

Before you make a claim for **assistance** for **incomplete work**, **defective** or **non-compliant work**, you must serve a **complaint notice** (in the form published on our website and with the required information for a **complaint notice**) on the **builder** named in your **contract** (or we must have done so on your behalf). A **complaint notice** must be served within the time limits for making a claim (which we explained in the earlier sections of this Summary).

Your **builder** will then have 28 days to respond to the **complaint notice**. We are not able to decide your **claim** during this period.

We are only able to decide your claim if the **builder**:

- does not respond to the **complaint notice** within the required timeframe; or
- disagrees (in full or in part) that the **work** is **incomplete**, **defective** or **non-compliant**; or
- provides an **inadequate response**; or
- does not rectify or complete **incomplete**, **defective** or **non-compliant work** within the time required after agreeing to do so (despite having reasonable opportunity to do so).

Scenarios where a complaint notice is not required

You are not required to serve a **complaint notice** on your **builder** if:

- a **trigger event** has occurred; or
- the **work** to which the claim relates presents an imminent risk to the health or safety of **building** occupants or members of the public or poses a danger to property; or
- we have exempted you from the requirement to serve a **complaint notice** on the **builder**.

How to make a claim?

To make a claim, you must give us notice of your claim in the form that we publish on our website.

Deciding a claim where a rectification order has been issued by us

If we issue a **rectification order** in relation to **work** the subject of your claim, your claim will not be decided until the expiration date for the **builder's** compliance with the **rectification order** has passed. Your claim will then only be decided by us if your **builder** has not complied with the **rectification order**.

If a **trigger event** occurs in the interim period, we may decide your claim.

Deciding your claim

We have 9 weeks to decide your claim after the later of:

- the date for response in the **complaint notice** (if any) has passed;
- the date for the **builder's** compliance with the **rectification order** has passed; or
- in any other case, the date the claim was made.

We may decide parts of your claim separately. We will reject your claim if we believe you have made a false or misleading statement or provided false or misleading information to us.

Once we have decided your claim, we will give written notice of our decision to both you and the **builder**, including reasons for our decision.

Appealing our decision

If you disagree with our decision about your claim for **assistance**, you have the right to lodge an appeal in VCAT. You must lodge your appeal within 28 days after the later of:

- the day on which the decision is made; or
- if, you have requested a statement of reasons, the day on which the statement of reasons is given to you, or you are informed a statement of reasons will not be provided to you.

Payment of your claim

If we decide to provide **assistance** in the form of payment of an amount to rectify or complete the **incomplete, defective or non-compliant work**, we will either:

- pay (in full or in part) the person who is to rectify or complete the **work** the subject of your claim;
- in the limited circumstances covered in this Summary, pay (in full or in part) you; or
- for a **common property** claim, upon receiving signed consent from the owners corporation to pay the lot owners, pay (in full or in part) the lot owners.

If we have agreed to provide you with **assistance** to demolish the **work** we will only reimburse you if:

- you have obtained our prior consent, and
- the demolition work has been completed; and
- you have paid the cost of the demolition.

Further, if we decide to provide you with **assistance** for loss arising from, or in connection with, **incomplete, defective work or non-compliant work** (subject to applicable limits) we:

- will as far as reasonably practicable, match materials already used for the **work**, or adjoining **work** to create a uniform appearance. If materials are used which do not match materials already used, we will not provide **assistance** to replace the undamaged parts of **work** (or adjoining **work**) to create a uniform appearance; and
- may include the costs of obtaining **certificates** or inspections required to obtain **certificates** for that **work**.

Deductible Payable by you

If assistance is provided we will deduct:

- \$500 for a claim made at least 3 months but less than 3 years after the **completion date** of the **work**;
- \$750 for a claim made at least 3 years but less than 5 years after the **completion date** of the **work**;
- and
- \$1,000 for claims made at least 5 years after the **completion date** of the **work**;

A deductible is not payable for claims for **incomplete work**.



Limitations and Exclusions

Limitations

The maximum total amount of **assistance** available under **Home Warranty** is \$400,000 per **home**.

If your **home** is a lot affected by an owners corporation, the maximum amount of **assistance** available under your **Home Warranty** is \$400,000 inclusive of your share of any claims for **assistance** made in relation to the **common property**.

The following sub-limits apply to certain categories of loss:

- completion costs for **incomplete work** are capped at 30% of the total contract price under your **contract** with the **builder** (e.g. a \$500,000 contract price = a \$150,000 cap for completion costs);
- if you are entitled to claim for **accommodation, removal and storage costs**, these are limited to \$12,000 in total; and
- costs to **secure the building site** are limited to \$5,000 in total.

As set out above in this Summary, if we provide **assistance** in the form of reasonable costs for completion, those costs are capped at 30% of the contract price under your **contract** with your **builder**.

Who is not covered by Home Warranty?

Home Warranty does not cover:

- a **builder** who pays an **applicable insurance premium**;
- a **builder**, in relation to any **speculative domestic building work** carried out by the **builder** in connection with which the **builder**, or any **associate** of the **builder**, suffers loss;
- a person who is required to obtain a **certificate of consent** (i.e. an owner-builder), in relation to the **domestic building work** for which the **certificate** is required;
- a **building owner** who:
 - is a party to a **domestic building contract** for the construction of 3 or more **homes** on one **building site**, in relation to the **domestic building work** carried out under that contract; or
 - is a party to a **domestic building contract** for the construction of 3 or more **homes** on more than one **building site**, in relation to the **domestic building work** carried out under that contract;
- a **building owner** who is a vendor in a residential off-the-plan contract within the meaning of the *Sale of Land Act 1962* (Vic), in relation to the **domestic building work** carried out for the purposes of that contract;
- a **building owner** who has failed to comply with a written request by BPC or a person acting on behalf of BPC, to provide information to assist BPC or person acting on behalf of BPC, to assess a claim for **assistance**, within a reasonable time after that request;
- a **building owner** who has failed to comply with a written request from BPC or a person acting on behalf of BPC, to give BPC or person acting on behalf of BPC, reasonable access to a **building site** for the purpose of:
 - assessing a claim for **assistance**; or
 - providing **assistance** in the form of carrying out the rectification or completion of **domestic building work**;
- a **building owner** who does, or attempts to, or causes or attempts to cause, any of the following (without BPC's written approval):
 - rectification of **domestic building work** that is **defective** or **non-compliant**;
 - completion of **domestic building work**; and/or
 - demolition of **domestic building work**;
- a **building owner** who has refused to allow the **builder**, or a person acting on behalf of the **builder**, reasonable access to a **building site** to complete or rectify **defective** or **non-compliant work**.



Exclusions

We will not provide **assistance** in relation to loss arising from, or in connection with, any of the following:

- **work** which is **incomplete, defective** or **non-compliant** because of:
 - war;
 - a nuclear event;
 - civil unrest;
 - terrorism;
 - an act of God or nature including:
 - an earthquake; and
 - a flood; and
 - erosion; and
 - a landslide or landslip;
- **work** carried out in relation to:
 - features or accessories associated with (but not essential to) the functioning of a swimming pool (such as a swimming pool slide, diving board or swimming pool housing);
 - the surfacing of an area outside of a swimming pool; and
 - steps for a swimming pool (that are not fixtures);
- **work** where there has been a failure of:
 - any person (other than the **builder**) to reasonably maintain the **work**; or
 - you to carry out, or cause to be carried out, work we instruct you to do; or
 - you to protect any natural timbers used in the **work** from exposure to weather conditions;
- asbestos or contamination removal;
- malfunction in any mechanical or electrical equipment or appliance other than if we are satisfied the malfunction is caused in whole or part by the installation of the mechanical or electrical equipment or appliance by the **builder**;
- **incomplete, defective** or **non-compliant work** if the loss is:
 - the forgoing of rent, or other income;
 - a decrease in property value; or
 - an opportunity cost;
- inconvenience or distress arising from, or in connection with, **incomplete, defective** or **non-compliant work**;
- fair wear and tear of the **work**;
- a **minor cosmetic difference** (see the *Determination of Circumstances in which there is a Minor Cosmetic Difference* published on our website);
- the action of vermin, termites, moths, or other insects or pests, connected with or relating to **work** that is **incomplete, defective** or **non-compliant**;
- accidental damage, other than accidental damage caused in connection with carrying out the **work** by the **builder** (unless of a kind ordinarily covered by a policy of **contract works insurance** or public liability insurance);
- we previously provided **assistance** by arranging the rectification of **defective** or **non-compliant work**;
- the **work** is not used for domestic purposes; or
- the loss arose before the work that is the subject of a claim for **assistance** was carried out.



Definitions

Unless otherwise stated, the definitions in this section are extracted from the **Act** or the **Regulations**, or other legislation we have referred to, and are provided for ease of reference.

Definition	Meaning
accommodation, removal and storage costs	as defined in the Regulations means: 'reasonable costs incurred by the building owner of: (a) accommodation other than in a building owner's home so as to facilitate rectification or completion of domestic building work ; or (b) removal of a building owner's possessions from the building owner's home and storage of those possessions to the extent necessary to facilitate rectification or completion of domestic building work '.
Act	means the <i>Building Act 1993</i> (Vic), as amended from time to time.
another defect	for the purposes of this Summary means domestic building work that is defective or non-compliant other than because of a major defect or a minor cosmetic difference .
applicable insurance premium	as defined in the Act in relation to cover under the statutory insurance scheme, means: 'the premium specified in or calculated in accordance with an order under section 137Q of the Building Act for that cover'.
assistance	means the assistance set out in section 137M of the Act .
associate	as defined in the Act , means: (a) 'if the builder is an individual— (i) the individual's spouse or child; or (ii) a person who is a trustee of a trust of which the individual is a trustee or beneficiary; or (iii) a person who is a trustee of a trust of which an associate of the individual is a trustee or beneficiary; or (iv) a body corporate of which the individual is an officer; or (v) a body corporate in which the individual or the individual's spouse or child holds a controlling interest or is able to substantially influence the body corporate's affairs; or (vi) a prescribed person in relation to a builder (whether or not the builder is a natural person) or a person who belongs to a prescribed class of person in relation to a builder (whether or not the builder is a natural person); or



Definition	Meaning
	(b) if the builder is a body corporate— (i) an officer of the body corporate; or (ii) a person who holds a controlling interest in the body corporate or who is able to substantially influence the body corporate's affairs; or (iii) the spouse or child of a person referred to in paragraph (i) or (ii); or (iv) a person who is a trustee of a trust of which the body corporate is a trustee or beneficiary; or (v) a person who is a trustee of a trust of which an associate of the body corporate is a trustee or beneficiary; or (vi) a related body corporate of the body corporate; or (vii) a prescribed body corporate in relation to a builder (whether or not the builder is a body corporate) or a body corporate that belongs to a prescribed class of body corporate in relation to a builder (whether or not the builder is a body corporate)'.
Authority	means the Victorian Building Authority trading as Building and Plumbing Commission established under section 193 of the Act .
BCA or Building Code of Australia	as defined in the Act means: 'the Building Code of Australia comprising— (a) Volume One of the National Construction Code including any Victorian variations or additions set out in that Volume; and (b) Volume Two of the National Construction Code including any Victorian variations or additions set out in that Volume'.
binding determination	as defined in the Act means: 'a determination issued under section 206E of the Act by the State Building Surveyor'.
builder	as defined in the Act means: 'a registered building practitioner whose registration authorises the practitioner to carry out domestic building work '.
building	as defined in the Act means: 'includes structure, temporary building, temporary structure and any part of a building or structure'.
building owner	as defined in the Act means: (a) 'the person for whom domestic building work is being, or is about to be, carried out: (i) on a home; or (ii) for the construction of a home; and (b) a subsequent owner of that home'.
building permit	means a building permit issued under Part 3 of the Act .
building site	as defined in the Domestic Building Contracts Act, means: 'a place where domestic building work has been, is being, or is about to be, carried out'.



Definition	Meaning
Building Regulations	means the <i>Building Regulations 2018</i> (Vic), as amended, repealed or replaced from time to time.
certificate of consent	means a certificate of consent for owner-builders issued under Division 3A of Part 3 of the Act.
certificate	as defined in the Regulations, being: 'a certificate, permit or application for acceptance required under any of the following Acts— (a) the <i>Building Act 1993</i>; (b) the <i>Electricity Safety Act 1998</i>; (c) the <i>Gas Safety Act 1997</i>— other than a certificate for or in relation to work carried out in the whole, or in part, by the relevant person who carried out the domestic building work for which the building owner is entitled to claim assistance'.
common property	as defined in the <i>Owners Corporations Act 2006</i> (Vic), means: 'land shown as common property on a plan of subdivision or a plan of strata or cluster subdivision'.
complaint notice	as defined in the Regulations, means: 'a notice served under regulation 32'.
completion date	for the purposes of this Summary in relation to domestic building work means 'completion date' as defined in the Regulations: (a) the date of issue of an occupancy permit for the domestic building work (whether or not the occupancy permit is subsequently cancelled or varied); or (b) if an occupancy permit is not issued for the domestic building work, the date of issue of a certificate of final inspection of the domestic building work; or (c) if neither an occupancy permit nor a certificate of final inspection is issued or required to be issued for the domestic building work, the date of practical completion; or (d) other than in the case of domestic building work carried out under a certificate of consent, if neither an occupancy permit nor a certificate of final inspection is issued or required to be issued for the domestic building work and the date of practical completion cannot be determined—the date that is 6 months after the cover start date for the domestic building work; or (e) in the case of domestic building work carried out under a certificate of consent, if neither an occupancy permit nor a certificate of final inspection is issued or required for the domestic building work and the date of practical completion cannot be determined—the date that is 6 months after the date the domestic building work started'.



Definition	Meaning
contract	for the purposes of this Summary means an 'insurable domestic building contract' as defined in the Act, being: 'a domestic building contract (other than a domestic building contract that relates to a residential apartment building) under which the builder will receive more than \$20 000 (or any higher prescribed amount) for the carrying out of the domestic building work'.
contract works insurance	as defined in the Regulations, means: 'an insurance policy under which a builder, subcontractor or building owner is covered for loss or damage in relation to domestic building work while the domestic building work is being carried out'.
cost plus contract	as defined in the Domestic Building Contracts Act, means: 'a domestic building contract under which the amount the builder is to receive under the contract cannot be determined at the time the contract is made, even if prime cost items and provisional sums are ignored' and which is a contract for work entered into after 1 August 2017 that is reasonably estimated will cost \$1,000,000 or more (as prescribed by the Domestic Building Contracts Act Regulations).
cover start date	as defined in the Regulations means: 'in relation to domestic building work, means the date on which cover under the statutory insurance scheme starts'.
date of practical completion	as defined in the Regulations, means: 'in relation to domestic building work, means— (a) the date on which the domestic building work is completed other than any omission or defect that does not prevent the domestic building work from being reasonably capable of being used for its intended purpose; or (b) if the date referred to in paragraph (a) cannot be determined, the earlier of the following— (i) the date on which the builder hands over possession of the domestic building work to the building owner; (ii) the date on which the builder last attends the building site to carry out work (other than to remedy an omission or defect that does not prevent the domestic building work from being reasonably capable of being used for its intended purpose)'.
defective	as defined in the Act, means: 'in relation to domestic building work, includes— (a) a breach of any warranty listed in section 8 of the Domestic Building Contracts Act 1995; or (b) a failure to maintain a standard or quality of building work specified in the domestic building contract under which the work is carried out'.
domestic building contract	as defined in the Domestic Building Contracts Act, means: 'a contract to carry out, or to arrange or manage the carrying out of, domestic building work other than a contract between a builder and a sub-contractor'.



Definition	Meaning
Domestic Building Contracts Act	means the <i>Domestic Building Contracts Act 1995</i> (Vic), as amended, repealed or replaced from time to time.
Domestic Building Contracts Regulations	means the <i>Domestic Building Contracts Act Regulations 2017</i> (Vic), as amended, repealed or replaced from time to time.
domestic building work or the 'work'	has the meaning given in section 5 of the Domestic Building Contracts Act, being: 'This Domestic Building Contracts Act applies to the following work – (a) the erection or construction of a home including - (i) any associated work including, but not limited to, landscaping, paving and the erection or construction of any building or fixture associated with the home (such as retaining structures, driveways, fencing, garages, carports, workshops, swimming pools or spas); and (ii) the provision of lighting, heating, ventilation, air conditioning, water supply, sewerage or drainage to the home or the property on which the home is, or is to be; (b) the renovation, alteration, extension, improvement or repair of a home; (c) any work such as landscaping, paving or the erection or construction of retaining structures, driveways, fencing, garages, workshops, swimming pools or spas that is to be carried out in conjunction with the renovation, alteration, extension, improvement or repair of a home; (d) the demolition or removal of a home; (e) any work associated with the construction or erection of a building— (i) on land that is zoned for residential purposes under a planning scheme under the Planning and Environment Act 1987; and (ii) in respect of which a building permit is required under the Building Act 1993; (f) any site work (including work required to gain access, or to remove impediments to access, to a site) related to work referred to in paragraphs (a) to (e); (g) the preparation of plans or specifications for the carrying out of work referred to in paragraphs (a) to (f)'.
Heritage Act	means the <i>Heritage Act 2017</i> (Vic), as amended, repealed or replaced from time to time.
home	as defined in the Domestic Building Contracts Act, means: 'any residential premises and includes any part of a commercial or industrial premises that is used as a residential premises but does not include— (a) a caravan within the meaning of the Residential Tenancies Act 1997 or any vehicle used as a residence; or (b) any residence that is not intended for permanent habitation; or (c) a rooming house within the meaning of the Residential Tenancies Act 1997; or (d) a motel, residential club, residential hotel or residential part of licensed premises under the Liquor Control Reform Act 1998; or (e) a nursing home, hospital or accommodation associated with a hospital; or (f) any residence that the regulations state is not a home for the purposes of this definition'.



Definition	Meaning
Home Warranty	means the Statutory Insurance Scheme or the First Resort Home Warranty Scheme, being the scheme established by Part 9A of the Act , and as prescribed in the Regulations.
inadequate response	has the meaning given in section 40 of the Regulations.
incomplete	as defined in the Act, means: 'in relation to domestic building work, means domestic building work that has not been completed by the date or within the period specified in the domestic building contract for the carrying out of the work, except for any omissions or defects that do not prevent the domestic building work from being reasonably capable of being used for its intended purpose but does not include domestic building work that — (a) does not comply with the contract under which it is carried out— (i) because of a cosmetic difference; or (ii) because the contract has been terminated by agreement; or (b) is non-compliant; or (c) is defective'.
major defect	as defined in the Regulations, means: (a) 'a structural defect; or (b) a waterproofing or weatherproofing defect'.
non-compliant	as defined in the Act, means: 'building work that contravenes the requirements of— (a) this Act; or (b) the regulations; or (c) the building permit issued in relation to the building work; or (d) any binding determination that applies in relation to the work'.
notice of cover	has the meaning given in section 137T of the Regulations, being: (1) 'If the Authority accepts an insurance premium for domestic building work, the Authority must issue a notice of cover for the work. (2) The notice of cover must include the prescribed information. (3) The notice of cover may be revoked or varied by the Authority if the Authority becomes aware that the building work or part of the building work for which the notice was issued is not domestic building work. (4) The Authority must provide the building owner with a copy of the notice of cover as soon as practicable after issuing it. (5) Subject to subsection (2), the Authority may determine the form of the notice of cover'.
Planning Act	means the <i>Planning and Environment Act 1987</i> (Vic), as amended, repealed or replaced from time to time.
rectification order	has the meaning given in section 75B of the Act .



Definition	Meaning
Regulations	means the <i>Building (Statutory Insurance Scheme) Regulations</i> (Vic), as may be amended, repealed or replaced from time to time.
relevant building permit	means a building permit in relation to the work the subject of cover.
relevant person	as defined in the Regulations, means: 'in relation to domestic building work means, — (a) in the case of domestic building work that is carried out by a builder – the builder ; or (b) in the case of domestic building work that is carried out under a certificate of consent – the person to whom the certificate is issued'.
required information for a complaint notice	has the meaning given in regulation 33 of the Regulations (and as published on our website).
residential apartment building	as defined in the Act , means: (a) 'a class 2 building within the meaning of the Building Code of Australia with a rise in storeys of more than 3; or (b) part of a class 2 building within the meaning of the Building Code of Australia with a rise in storeys of more than 3 – that contains 2 or more homes , but does not include a class 2 building or any part of a class 2 building that is excluded from this definition by the regulations'.
rise in storeys	has the meaning given to that term in the Building Code of Australia.
Sale of Land Act 1962	means the <i>Sale of Land Act 1962</i> (Vic), as amended, repealed or replaced from time to time.
secure the building site	as defined in the Regulations, means: 'the taking of measures that may reasonably reduce the incidence of theft, vandalism or unauthorised access to a building site or damage to domestic building work within a building site, including any of the following— (a) erecting fencing to restrict access to the building site ; (b) installing security cameras; (c) changing locks to access the building site ; (d) installing coverings to protect the building or building materials from weather'.



Definition	Meaning
speculative domestic building work	as defined in the Act , means: 'domestic building work carried out by a builder — (a) not under a domestic building contract ; and (b) on land owned by the builder ; and (c) for the construction of— (i) one home ; or (ii) 2 or more homes in a building with a rise in storeys of 3 or less; and (d) the home or each home is intended for sale or is the subject of an executed contract of sale'.
structural defect	as defined in the Regulations, means: 'in relation to domestic building work , means— (a) domestic building work that does not comply with a performance requirement under Part B1 or H1 of the Building Code of Australia; or (b) a defect in a structural element of a building that is attributable to defective design, defective or faulty work or defective materials and that— (i) results, or is likely to result, in the building or any part of the building being required by or under any Act or law to be closed or prohibited from being used; or (ii) prevents, or is likely to prevent, the continued practical use of the building or any part of the building ; or (iii) results, or is likely to result, in— (A) destruction of the building or any part of the building ; or (B) damage to the building or any part of the building ; or (iv) results, or is likely to result, in a threat of imminent collapse that may reasonably be considered likely to cause— (A) destruction of the building ; or (B) damage to the building or any part of the building ; or (c) if the domestic building work relates to a swimming pool—a defect that allows water to escape from the pool through its shell; or (d) any other defect that adversely affects, or is likely to adversely affect, the life, safety or health of persons who occupy or use the building or members of the public'.
structural element	as defined in the Regulations, means: 'in relation to a building , means— (a) an internal or external load-bearing component of the building that is essential to the stability of the building or any part of it; or Example Foundations, floors, walls, roofs, columns and beams. (b) a component that forms part of the external walls or roof of the building'.
subsequent owner	means any successor in title to a building owner .



Definition	Meaning
trigger event	for the purpose of this Summary means an 'insurable domestic building contract event' as defined in the Act, being: 'in relation to an insurable domestic building contract, means any of the following events— (a) the builder dies; (b) the builder— (i) cannot be found after reasonable enquiries have been made to find the builder; or (ii) in the case of a builder that is a body corporate—the builder is deregistered under the Corporations Act or otherwise ceases to exist; (c) the builder (other than a builder referred to in paragraph (d) or (e)) is not able to pay all of the builder's debts as and when they become due and payable; (d) in the case of a builder that is a natural person—the builder is an insolvent under administration; (e) the builder is subject to external administration within the meaning of section 5-5 of Schedule 2 to the Corporations Act; (f) the builder's registration under Part 11 of the Act is cancelled; (g) the insurable domestic building contract ends in accordance with section 49W of the Domestic Building Contracts Act 1995'.
we/our/us	means the Victorian Building Authority trading as Building and Plumbing Commission.
work	see the definition of 'domestic building work'.



Definition	Meaning
you/your	means the person on whose behalf the work is done or is to be done and who is named on the notice of cover as the building owner and any subsequent owner. You/your does not include: (a) a builder, in relation to any speculative domestic building work carried out by the builder from or in connection with which the builder suffers loss; (b) an associate of a person referred to in paragraph (a); (c) a person who is required to obtain a certificate of consent, in relation to the domestic building work for which the certificate is required; (d) a building owner who: (i) is a party to a domestic building contract for the construction of 3 or more homes on one building site, in relation to the domestic building work carried out under that contract; or (ii) is a party to a domestic building contract for the construction of 3 or more homes on <u>more</u> than one building site, in relation to the domestic building work carried out under that contract; (e) a building owner who is a vendor in a residential off-the-plan contract within the meaning of the Sale of Land Act 1962, in relation to the domestic building work carried out for the purposes of that contract; (f) a builder who pays an applicable insurance premium; (g) the building owner has failed to comply with a written request by the Authority or a person acting on behalf of the Authority to provide information to assist the Authority or person acting on behalf of the Authority to assess a claim for assistance, within a reasonable time after that request; (h) the building owner has failed to comply with a written request by the Authority or a person acting on behalf of the Authority to give the Authority or person acting on behalf of the Authority reasonable access to a building site for the purpose of— (i) assessing the claim for assistance; or (ii) providing assistance in the form of carrying out the rectification or completion of domestic building work; (i) the building owner does or attempts to do, or causes or attempts to cause, any of the following (without the Authority's written approval)— (i) rectification of domestic building work that is defective or non-compliant; (ii) completion of domestic building work; (iii) demolition of domestic building work; (j) the building owner has refused to allow a relevant person, or a person acting on behalf of a relevant person, reasonable access to a building site.