

Structural V Non-Structural Construction classification types for HBCF Insurance premium purposes

Background

To define what icare HBCF consider to be structural and non-structural work for the purpose of providing cover under the Home Building Compensation Fund.

Purpose

This document along with the icare HBCF Eligibility Manual and the icare HBCF Construction Types Infographics documents is designed to assist builders & trades / other contractors and icare HBCF authorised distributors(brokers) in selecting the correct construction type when submitting project applications for obtaining Home Building Compensation (HBC) insurance. This document will also assist risk managers when assessing such applications.

Note

In general, the determination by icare HBCF of the classification of work for premium purposes is based on the likelihood of the work (and defects arising therefrom) attracting a period of 6 years cover under the Home Building Act 1989 and the Contract of Insurance (policy). As such, projects where most of the work being contracted is structural (inclusive of major elements as defined in the Act and / or the Home Building Regulation 2014) are classified as structural for premium purposes. For example, if the combined value/component of a project's structural work (inclusive of major elements) is >50% of the total amount of scheduled work the construction type is structural.

Accordingly, the determination by icare HBCF as to whether work is structural or non-structural is applicable only for the purposes of obtaining HBC insurance. As such, it may differ to professional advice (e.g. architects / engineers / building consultants, etc.) obtained as to what constitutes structural and non-structural work and / or defects for other purposes.

Structural	Non-Structural
<p>Any internal or external load-bearing component of a building that is essential to the stability of a building, or any part of it.</p> <p>This includes but is not limited to:</p> <p>Foundations and footings</p> <p>Floors</p> <p>Walls</p> <p>Roofs</p> <p>Columns and beams, or</p>	<p>Any project that does NOT include any elements listed in the structural column and:</p> <ul style="list-style-type: none"> - single trade work including work by specialist contractors (e.g. plumbers, electricians) that does NOT include any elements listed in the structural column; and - Minor works set out below: <ul style="list-style-type: none"> • the erection of prefabricated patios, garages and sheds • bathroom and kitchen renovations that may include projects involving window replacement (but NOT waterproofing) • replacement of roof coverings without alteration to roof structure (i.e. like for like replacement NOT involving any work to the roof framing elements) • timber decks (including timber slatted balconies) and pergolas • landscaping – where retaining walls do not exceed 25% of the contract price • solar panels • driveways and other paving <p><i>The above does not impact on the period of cover provided under the policy.</i></p>
a fire safety system (e.g. fire doors, sprinklers, hydrants etc), or	
Waterproofing*, or	
All projects involving external cladding including replacement of existing cladding, or	
any other element that is prescribed by the <i>Home Building Regulation 2014</i> as a major element of a building	

*Waterproofing is defined in the Home Building Regulation 2014 as: *work involved in any protective treatment of a dwelling designed to prevent the penetration of water or moisture into the dwelling or in the protective treatment of wet areas in a dwelling designed to prevent the unwanted escape of water from those areas by using solid membranes or membranes applied by brush, roller or any other method.*