

# Information for home building compensation licence applicants



## Questions and answers

### What are the requirements to apply for a HBC licence?

The applicant needs to meet requirements for capacity, capability and processes to be legally authorised to carry out home building compensation (HBC) business.

The requirements are detailed in the [HBC licence application criteria](#) and the [insurance guidelines](#) on the SIRA website.

Intending applicants should contact SIRA to organise a pre-application meeting about the application process, legislative and licensing requirements and SIRA's expectations of licensees.

### Who can apply?

Insurers, fidelity funds and non-fidelity fund providers can apply for a HBC licence if they meet minimum qualification requirements as outlined in the *Licensee Application Guidelines*.

### What is the application process?

Applications can be made via the application form in the appendices of the [Licensee Application Guidelines](#).

The applicant should check that all information required within the home building compensation *Licensee Application Guidelines* has been provided.

Before submitting the application, please ensure that all documentation has been provided.

The application can then be lodged as follows:

Director – Insurer Performance  
Workers and Home Building Compensation Regulation  
State Insurance Regulatory Authority  
Locked Bag 2906, Lisarow, NSW 2252  
Email: [hbcproviders@sira.nsw.gov.au](mailto:hbcproviders@sira.nsw.gov.au)

When an application is received it will be reviewed prior to assessment to ensure all required information is present. SIRA will then assess applications according to the HBC Guidelines and requirements of the *Home Building Act 1989* and the *Home Building Regulation 2014*.

### What else may support a licence application?

SIRA will consider information from a variety of sources including data received from the applicant and from any on-site audits, interviews, inspections and any relevant external sources.

### What can an applicant expect from SIRA?

Applicants can expect SIRA to:

- provide the name and contact details of the portfolio manager responsible for the application

- provide an application reference number
- request additional information or a meeting during the assessment
- keep the applicant informed of the application progress both by email, telephone and face-to-face.

### **How will SIRA make its decision?**

In making decisions, SIRA will:

- be directed by legislation
- be free of bias with no conflict of interest
- consider all relevant matters the legislation requires, including all policies and guidelines
- use fairly-obtained evidence
- comply with the timeframe in legislation or within a reasonable time in the absence of legislative timeframes, with reasons for the decision.

### **What are SIRA's expectations of HBC applicants?**

The applicant can help SIRA to process their application in a timely manner by:

- promptly complying with requests for additional information
- appointing appropriate contacts to manage and respond to SIRA requests for information of a complex and technical nature
- quoting their allocated reference number in any correspondence.

### **Is there a licence fee?**

Before SIRA grants a licence, a licence fee of:

- \$50,000 is payable by an insurer applicant
- \$60,000 is payable by a provider applicant.

The fee is GST exempt and non-refundable. SIRA will notify the terms of payment.

### **What can I do if my application is refused?**

If the applicant is not satisfied with SIRA's decision to refuse a HBC licence, they can lodge a written request for internal review.

The applicant will have the opportunity to submit any additional supportive documentation for the purposes of the review.

The request for internal review should be forwarded by email to

[hbcproviders@sira.nsw.gov.au](mailto:hbcproviders@sira.nsw.gov.au)

### **What is the internal review process?**

The submission will be reviewed internally by a SIRA staff member (review officer) who has the expertise and knowledge in relation to home building compensation licensing and, as far as possible, was not involved in the making of the original decision.

The review officer has delegated, discretionary and decision-making powers and will make an informed and unbiased decision based on consideration of all the evidence relating to the original decision and the request for review.

A request for review of a decision will be formally acknowledged within five days of receipt, including advice to the HBC applicants/licensee about the expected timeframe for dealing with the matter. In most cases applications for review will be considered within 21 days, although in some circumstances it may take longer. However, in all cases, applicants will be kept informed about the progress of the review, and advised in writing of the outcome of the review procedure and process.

## What if the applicant is not satisfied with the internal review?

If the HBC licence applicant/licensee is not satisfied with the outcome of the internal review process, the matter may be referred to the NSW Civil and Administrative Tribunal (NCAT) for an administrative review of SIRA's decision.

### More information

If the applicant has any questions regarding the application process or intends to submit an application for a home building compensation licence, please contact SIRA at [hbcproviders@sira.nsw.gov.au](mailto:hbcproviders@sira.nsw.gov.au)

#### Disclaimer

This publication may contain information that relates to the regulation of workers compensation insurance, motor accident third party (CTP) insurance and home building compensation in NSW. It may include details of some of your obligations under the various schemes that the State Insurance Regulatory Authority (SIRA) administers.

However to ensure you comply with your legal obligations you must refer to the appropriate legislation as currently in force. Up to date legislation can be found at the NSW Legislation website [legislation.nsw.gov.au](http://legislation.nsw.gov.au)

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