

Building contract for a home owner/occupier

who has not appointed a consultant to oversee the work



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Guidance notes

Use this contract if you, the customer, deal directly with a builder working on your home. It is not generally suitable for large projects where you may need to employ a consultant to act for you.

Important note: if you need a consultant to oversee the work, the building contract in this folder will not be suitable. In this case you can use our 'Building contract for a home owner/occupier who has appointed a consultant to oversee the work'.

You may want to consider the following information before you decide to go ahead with the work. You should also know about your right to cancel.

- Choose a builder with a good local reputation. Personal recommendations from friends and neighbours can be very useful.

You can also get a list of builders in your area from the following.

Construction Confederation

55 Tufton Street
Westminster
London
SW1P 3QL
Phone: 0870 8989 090
Website: www.thecc.org.uk

National Specialist Contractors Council

Royal London House
22-25 Finsbury Square
London
EC2A 1DX
Phone: 0844 249 5351
Website: www.nsc.org.uk

- Decide exactly what you want the builder to do before you ask him to quote for the work. This will avoid misunderstandings later on.
- Get quotations from more than one builder – three quotations are quite usual. But remember that the cheapest quote may not always turn out to be the best value for money.
- Check whether the builder belongs to a trade association and ask him to show you that association's conditions of membership and code of conduct.
- Don't be hurried into a decision. If the builder isn't prepared to take time to discuss your work and give you his advice, then you should think about going elsewhere. A good reputable builder will always want to do his best for you, right from the start.
- Builders sometimes ask customers to make payments in advance, before they do the work. Only consider making payments in advance for goods that need to be specially made off site before work can start on your home.
- Before you sign the contract make sure that you and the builder have filled in all the details in Part 1 of the contract, which deals with the arrangements for the work.
- **Before you sign the contract, find out about the adjudication scheme referred to in K2 on page 6. Details of the adjudication scheme are available at www.jctcontracts.com and from the organisations running the scheme.** Adjudication is meant to be a fast and relatively cheap way of settling disputes. The adjudicator's decision will be binding unless you or the builder challenge it in a court. (If the adjudicator's decision is challenged in a court you may have to pay other costs.)
- If you have buildings or contents insurance, tell your insurers about the building work. If you do not tell your insurers, they may not pay out if you make a claim.
- You should ask the builder to confirm that he has insurance cover before starting the work. To keep to the contract, the builder must have insurance to cover the building work, the materials on site for the work, and his 'public liability to persons and property' (cover against injuries to people and damage to property).

- If you need to give instructions on a change to the work, or to tell the builder about any faults in the work, give details in writing.
- If the builder does not keep to the relevant local authority's building approvals, and the builder cannot put the matter right, the local authority will hold you responsible.
- For further guidance contact your local authority's planning and building control departments or view their website.

Builders

- Be as courteous and helpful as possible when you receive an enquiry from the customer. It's in your own interests to do so.
- If you decide to give a quotation, remember that you must base it on the terms of the building contract.
- If you are chosen to do the work, make sure that you and the customer are both quite clear about what is to be done, when, and the price for it. Fill in the necessary information in Part 1 of the contract (the arrangements for the work) and Schedule 1.
- Remember that what may simply be another job to you, could be a worrying, anxious time for the customer.
- Be considerate, punctual and fair at all times.
- If you want to start before building regulation approval is given, you must give the local authority a building notice at least 48 hours before you start work.
- Remember that, by law, for 6 years after finishing the work you will remain responsible for any faulty work that arises because you failed to keep to the contract.

Both of you

- Make sure you are both quite clear about which of you will produce a specification or drawings, if they are needed.
- Make sure you have both read and understood the terms in Part 2 of the contract before you sign it.
- The builder must keep to building regulations and health and safety laws. If the customer has any concerns, he should discuss these with the builder.
- If the customer agrees to pay by instalments, the stages when instalments are due should relate to stages of the work, (for example, brickwork complete, plastering complete, roofing complete, alterations to ground floor) rather than timescales. Only stages that can be clearly defined should be used. If there is not enough space in section E on page 4 of the contract, continue on a separate sheet of paper. The sheet of paper should then be signed by the customer and builder and attached to the contract.
- If you have any disagreements while the work is being done, first try to sort them out between you before considering going to adjudication or to the courts.
- If you've both made all the arrangements mentioned in the contract, and have followed all its terms properly, you can look forward to a successful outcome to the work.

Right to cancel

- The customer can cancel the contract within 7 days of signing it. See condition 9 in Part 2. There is a cancellation form at the back of the contract.

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Customer



Customer's name

Address

Phone number

Address of the premises where the work will be done, if different from the above

Contractor's name

Address

Phone number

VAT registration number

If he is not registered for VAT the contractor must tick here.

This contract is in two parts:

- Part 1 deals with the arrangements for the work
- Part 2 gives the conditions.

Part 1

A The work to be done

The arrangements for the work

1 Give a short description of the work to be done.

2 A full description of the work to be done is given in the documents ticked below. They are called the work details and have been drawn up and agreed between the customer and the contractor.

Contractor's quotation

Date of quotation:

	/		/	
--	---	--	---	--

Drawings

Identifying numbers:

	/		/	
--	---	--	---	--

Specification

Date of specification:

	/		/	
--	---	--	---	--

Other documents (Please specify.)

(Both the customer and the contractor should initial the documents and the customer should keep the originals with his copy of this contract.)

B Planning permission, building regulations and party walls

1 The contractor will apply for any planning permission, building regulations approval and party consents that may be needed unless the customer indicates otherwise by ticking a box or boxes below.

The customer will apply for the following.

Planning permission

Building regulations approval

Party wall consents

2 The contractor will not start work at the premises before any planning permission and party wall consents that are needed have been received. The contractor can start work before building regulations approval is received, but he must let the local authority know at least 48 hours before he starts.

C Using facilities on the premises

The customer has ticked below the facilities which he will allow the contractor to use free of charge.

Electricity

Telephone/fax

Washroom/toilet

Water

D Price

- 1 The price for the work shown in the work details is
£ (including any VAT).
- 2 The contractor will itemise the price and show the items on which VAT is charged, and at what rate.
- 3 The price includes the contractor's costs for applying for planning permission, building regulations approval and party wall consents (unless the customer is applying for these, see B1). If the work does not go ahead the customer will pay the contractor's costs for making those applications.
- 4 The price also includes the contractor's costs of dealing with any unexpected problems which he could have discovered by carrying out a careful inspection before the price was agreed.
- 5 If the customer changes the work details the price will be increased or reduced depending on the changes made. (See condition 4.)
- 6 The price for the work shown in the work details, together with all the increases or decreases made to it, will be the total price.

E Payment

- 1 The customer should tick one of the boxes below to show how he will pay the contractor. (See conditions 6(a) and 6(b).)

The customer will pay either:

- 95% of the total price for the work (as explained at D6 above) when the contractor finishes all the work; or
- the agreed instalments shown below (together with any price adjustment for changes to the work) when the relevant stage of the work is finished.

Stage	Instalment
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

(The total of any amounts written above should equal 95% of the amount shown at D1.)

- 2 The customer will not have to pay the remaining 5% of the total price until 14 days after the contractor has put right all the faults he is responsible for, and which arose 3 months after the work was finished. (See condition 6(c).)

F The working period

- 1 The customer should tick one of the boxes below to show the working period. The working period is the agreed length of time for doing the work.
 The contractor will start the work no later than [] / [] / [] (see F4 below) and finish it by [] / [] / [] .
 The work will be finished within [] weeks from a start date to be agreed between the customer and the contractor.
- 2 The work is finished when the contractor has properly done everything shown in the work details and any changes made to them.
- 3 The working period will be extended in certain circumstances. (See condition 5(a).)
- 4 The contractor does not have to provide any goods or services listed in condition 9(f) before the end of the seven-day cancellation period referred to in condition 9(a). If the customer would like the contractor to provide any of those goods or services before this time, the customer must confirm this in writing. The customer accepts that he may have to pay for those goods or services, even if he later cancels this contract.

G Product guarantees

The contractor will give the customer any guarantees issued by the manufacturers of products installed in the work.

H Insurance

Before the work starts:

- 1 The customer will tell his household insurers, if any, that he is about to have work done at the premises.
- 2 The contractor will have an "all risks" insurance policy to cover himself and the customer for the full costs of damage to the work and to unfixed materials which are on the premises before being used in the work.
- 3 The contractor will have an up-to-date public liability policy for death or injury to people and damage to property.
- 4 The contractor should fill in the box below to show the amount insured for any one claim arising from one event.

£ []

I Working hours

The customer will allow the contractor to do the work between [] am and [] pm from Monday to Friday, unless they agree otherwise.

J Occupation and security of the premises

1 The customer has ticked a box below to show whether the premises will be lived in while the work is being done.

The premises will be lived in The premises will not be lived in

2 If the premises are unoccupied at any time while the work is being done the contractor will take practical and common-sense precautions to deter intruders entering.

K Disputes

1 The customer or the contractor can start court proceedings to settle any disputes.

2 The customer or the contractor can have disputes decided within 21 days by an adjudicator appointed under an adjudication scheme for this contract. The adjudication scheme is run by The Royal Institution of Chartered Surveyors (RICS), the Royal Institute of British Architects (RIBA), or the National Specialist Contractors Council (NSCC). This is as well as the right to go to court.

3 The contractor agrees that if he wants a dispute to be decided by adjudication, he will not apply to the National Specialist Contractors Council.

4 If the customer or the contractor chooses adjudication to decide disputes, they both accept that the cost, rules and procedures involved will become part of this contract.

Free details of the cost, rules and procedures for adjudication are available from the following.

The Royal Institution of Chartered Surveyors

Dispute Resolution Service
Surveyor Court
Westwood Way
Coventry, CV4 8JE
Phone: 020 7222 7000
Fax: 020 7334 3802
E-mail: drs@rics.org.uk

Royal Institute of British Architects

Adjudication Administrator
66 Portland Place
London, W1N 4AD
Phone: 020 7307 3649
Fax: 020 7307 3754
E-mail: adjudication@inst.riba.org

National Specialist Contractors Council

Royal London House
22-25 Finsbury Square
London, EC2A 1DX
Phone: 0844 249 5351
Fax: 0844 249 5352
E-mail: enquiries@nsc.org.uk

Customer's signature

Contractor's signature

Date / /

Part 2

1 Contractor's responsibilities

The conditions

The contractor will do the following.

- (a) Carry out the work set out in the work details carefully and competently.
- (b) Use materials which are of satisfactory quality and suitable for their intended purpose.
The materials will be new unless the customer agrees otherwise in writing.
- (c) Start and finish the work within the working period or any extension made to it.
- (d) Be at the premises regularly to carry out the work during the agreed working hours.
- (e) Not sub-contract any of the work without the customer's permission.
- (f) Store away his tools and equipment and ladders at the end of each working day.
- (g) Regularly dispose of any rubbish from the work.
- (h) Be responsible for any damage he may cause to the premises and its contents or to neighbouring properties.
- (i) Leave the working areas in a clean and tidy condition after finishing the work.
- (j) Keep to all his legal duties and responsibilities.

2 Customer's responsibilities

The customer will do the following.

- (a) Give the contractor access to the premises during the agreed working hours throughout the working period.
- (b) Keep the working areas sufficiently clear of obstructions to allow the contractor to carry out the work.
- (c) Allow the contractor to carry out the work in an order which he considers necessary to finish the work on time.

3 Health and safety

(a) The contractor will take all practical steps to:

- (i) prevent or minimise health and safety risks to the customer and other people living in or visiting the premises;
- (ii) minimise environmental disturbance, nuisance or pollution from the work; and
- (iii) make sure that any temporary protection for the work is safe and weatherproof.

(b) The customer will:

- (i) take notice of all warnings the contractor gives about any health and safety or environmental risks which he is taking measures to prevent or minimise; and
- (ii) not knowingly allow people living in or visiting the premises, particularly children, to be exposed to any dangers from the work.

4 Changing the work details

Only the customer can change the work details. Changes will be dealt with as follows.

- (a) If the changes increase the amount of work shown in the work details and the contractor agrees the changes, he will quote a price for the extra work and time involved. The customer will then decide whether to go ahead with the changes.
- (b) If the changes reduce the amount of work shown in the work details the contractor will make an appropriate reduction in the price.
- (c) If the changes alter the cost of any items in the work details without increasing or reducing the amount of work involved, an appropriate adjustment of the price will be made to reflect those changes.

5 Extending the working period

- (a) The customer will extend the working period by a fair and reasonable amount if the contractor:
 - (i) has to spend extra time on the work because of changes made to the work details; or
 - (ii) cannot finish the work on time for reasons beyond his control, including any delay caused by the customer.
- (b) The contractor can claim any reasonable costs arising from the working period being extended because of any delay caused by the customer.

6 Payment

- (a) When all of the work is finished (if the customer is not paying by instalments), or when each stage of the work is finished (if the customer is paying by instalments), the contractor will invoice the customer for the amount due after taking account of any price increase or decrease for changes made to the work details. The invoice will be itemised and show the rate of VAT charged on each item.
- (b) The customer will pay 95% of the amount of the invoice no later than 14 days after receiving the invoice from the contractor.
- (c) The customer will pay the remaining 5% of the total price no later than 14 days after the contractor has put right all the faults which:
 - (i) he is responsible for; and
 - (ii) the customer promptly reported as having appeared at any time between the date the work was started and 3 months after it was finished.

7 Contractor's continuing responsibility

For 6 years after carrying out the work the contractor will remain responsible for any faults in the work (other than fair wear and tear) which are caused by him.

8 Bringing the contract to an end

As well as the customer's cancellation rights set out in condition 9 below, the following also apply.

- (a) If the contractor:
 - (i) is not at the premises regularly to carry out the work; or
 - (ii) is not meeting his health and safety and environmental responsibilities; or
 - (iii) is so incompetent or careless that the work is of an unacceptable standard;

and does not correct the matter within 7 days of receiving a written warning from the customer, the customer can end this contract by giving the contractor written notice. The contract will end as soon as that notice is given.

8 Bringing the contract to an end continued

- (b) If the customer ends this contract he will only have to pay any money due to the contractor when the work has been finished by another contractor.
- (c) If the customer:
- (i) does not pay an amount due, without having good reason; or
 - (ii) prevents or obstructs the contractor from carrying out the work;
- and does not correct the matter within 7 days of receiving a written warning from the contractor, the contractor can end this contract by giving the customer written notice. The contract will end as soon as that notice is given.
- (d) If the contractor ends this contract the customer will pay him, within 14 days of the contract ending, for work properly carried out, for any materials made specially for the work and for any other of the contractor's materials on the premises which he allows the customer to keep.

9 Right to cancel

- (a) The customer can cancel this contract for any reason by giving the contractor notice in writing within 7 days of signing the contract.
- (b) The customer can use the cancellation form attached as Schedule 1 at the back of this contract to cancel this contract, but does not have to. On that cancellation form, the contractor should fill in:
- (i) the name and address of the person the cancellation form should be sent to; and
 - (ii) the contract reference number or code, or any other details that identify the contract.
- (c) The customer can send the written notice by post or email, or can deliver it in person. The notice should be sent or delivered to the name and address set out in the cancellation form at the back of this contract.
- (d) The written notice will be considered to have been given on the day it is posted or sent by email, whether or not the contractor actually receives it.
- (e) If the customer cancels this contract under this condition 9, the contractor will refund any money the customer has paid to the contractor in connection with this contract, except in the circumstances set out in condition 9(f) below.
- (f) The customer may have to pay for goods or services provided before he cancels this contract if he has agreed, in writing, to the contractor providing the goods or services before the end of the seven-day cancellation period referred to in condition 9(a) above. The customer may have to pay for the following types of goods and services provided before cancellation.
- (i) Services of any kind
 - (ii) Goods needed in an emergency
 - (iii) Goods that are personalised or made to the customer's specification, and any services relating to those goods
 - (iv) Perishable goods (goods which decay or go bad quickly)
 - (v) Goods that have been used or incorporated into the land
- (g) If the customer cancels this contract, any related credit agreement (for example, a credit agreement the contractor has provided or arranged in connection with this contract) will automatically be cancelled.

10 Insolvency

- (a) If the customer or the contractor becomes insolvent (unable to pay their debts), this contract will come to an end unless the insolvency practitioner involved makes a suitable arrangement to allow the contract to continue.
- (b) If this contract comes to an end because the contractor becomes insolvent, the customer will not have to pay any amount then due to the contractor until the work has been finished by another contractor.

11 Other rights and remedies

- (a) The customer and the contractor can claim from each other the costs and expenses which result from either of them failing to keep to this contract.
- (b) This contract does not rule out or limit any other legal remedies which may be available to the customer or the contractor.
- (c) Only the customer and the contractor can take action to enforce the terms of this contract.

12 Law of the contract

The laws of England and Wales apply to this contract.

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Schedule 1

Cancellation form

If you want to cancel the contract you **must do so in writing** and deliver or send it to the person named below. You can use this form if you want to, but you do not have to.

To

(contractor to insert name and address of the person the notice may be given to.)

I want to cancel my contract

(contractor to insert reference number, code or other details to identify the contract).

Customer's signature

Name and address

Date

/ /

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Enquiry letter

To: (contractor's name and address)

From: (your name, address and phone number)

_____	_____
_____	_____
_____	_____

Dear Sir or Madam,

I intend to have the building work described below carried out.

If you are interested in being considered for the work, please let me know within the next 7 days so that we can arrange an appointment to discuss the details.

Many thanks,

Yours faithfully

Details of the work

Give a brief description, for example extension, alterations, repairs and so on.

Address where the work is needed.

Date the work should start by if possible.

/	/
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The terms and conditions which will apply are set out in the Building Contract for a home owner/occupier who has not appointed a consultant to oversee the work, issued by the Joints Contracts Tribunal. Copies of this contract are available from bookshops, please visit www.jctcontracts.com for a list of stockists.

Building contract for a home owner/occupier

who has not appointed a consultant to oversee the work

This pack contains the following.

- Building contract for a home owner/occupier who has not appointed a consultant to oversee the work (two copies – one each for the customer and the contractor)
- Enquiry letter (a sample for sending to potential contractors)
- Guidance notes

About these documents

- For use by householders who will deal directly with a builder for home improvements
- Easy to understand and without technical or legal jargon
- Gained Plain English Campaign's Crystal Mark for clarity
- **Not** suitable for use in Scotland

About us

We are the Joint Contracts Tribunal (JCT), a well-known and independent organisation representing all parts of the construction industry. Our members are listed below.

We produce a variety of construction contracts which are widely used throughout the industry. Our building contract for a home owner/occupier who has not appointed a consultant to oversee the work is a well-established part of this range and is designed to be fair to both sides.



Members

British Property Federation Limited
 Construction Confederation
 Local Government Association
 National Specialist Contractors Council Limited
 Royal Institute of British Architects
 The Royal Institution of Chartered Surveyors
 Scottish Building Contract Committee Limited

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