

South London Lofts

Design & Build

Contract

And

Terms and Conditions

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ARTICLES OF CONTRACT

This Contract is made on:

Between

The Client:

Address:

Telephone:

Email:

And

The Contractor: South London Lofts

Of/whose registered office is at:

**36-38 Old Devonshire Road
Balham
London
SW12 9RB**

For (The Works)

(Give a short description of the work to be done)

ARTICLES

Now it is hereby agreed as follows

Article 1: Appointment of the Contractor

The Client agrees to engage the Contractor to complete the design of the Works AND carry out and complete the construction of the Works in accordance with the Contract documents and on the terms and conditions in this Agreement.

If the contracted works interferes with an existing addition the contractor may request, from the client, the structural survey for these works, if one can not be provided the contractor may need to conduct one at an additional quoted charge if not included in this original specification.

The Contractor accepts such appointment and the Client agrees to pay the Contract Sum to the Contractor in accordance with the provisions contained in this Contract.

Article 2: Contract Documents

The Contract documents shall consist of:

- This Contract, the Contract Particulars and Terms and Conditions;
- The Specification

All other documents and information are excluded from the contract unless specifically annexed

Article 3: Contract Sum

The Contract Sum is:

£

Amounts are subject to the current rate of VAT

Article 4: Stage Payments

The Client shall pay the Contractor the contract sum, as adjusted, in the stage payments at such time stated in the Contract Particulars and schedule A and in the manner stated in the Contract Conditions.

Article 5: Initial Non-Refundable Deposit

The Client shall pay the Contractor, upon signing this Contract, a non-refundable deposit in the sum

£ *

The Non-Refundable deposit shall not be reimbursable as stated in the Contract Conditions 2.3

Article 6: Adjudication

If any dispute or difference arises under this Contract either Party may refer it to adjudication in accordance with clause 7.2 of the Contract Conditions.

Article 7: Legal proceedings

The English courts shall have jurisdiction over any dispute or difference between the Parties which arises out of or in connection with this Contract.

Article 8: Entire Agreement

This Contract constitutes the entire agreement between the Parties and sets out in full the rights and liabilities of the Clients and the Contractor with respect to the subject matter of the Contract. It supersedes all arrangements, representations, communications, negotiations, agreements (whether written or oral) of the Parties with respect thereto made prior to the date of this Contract.

Article 9: Enforceability

If for any reason any provision of this Contract shall be declared (by a tribunal of competent jurisdiction) to be invalid, unenforceable or illegal, such invalidity, unenforceability or illegality shall not prejudice or affect the validity, enforceability or legality of the remaining provisions of this Contract.

Article 10: Rights of Third Parties Act

The Contract (Rights of Third Parties) Act 1999 shall not apply to this Contract.

CONTRACT PARTICULARS

1. **Contract Documents (Article 2)**
- | | |
|----------------------|--------------------------|
| Quotation | <input type="checkbox"/> |
| Specification | <input type="checkbox"/> |

2. **Address for Notices and Communications to the client**

Client: **As Above**

3. **Project Timescale**

3.1 **The Design Process** – The planning process is deemed to have commenced upon the execution of the building Surveyors property visit (for the purpose of measurements). The design process will be deemed complete at the point of receiving planning approval from the relevant authority.

3.2 Once the Client has approved all plans, structural designs and all of the Party Wall notices are in place the contractor shall give to the Client notice in writing to commence the Works on site. The Works will then **typically** start within 2 – 6 weeks of such notice from the Client but this is entirely dependent on the time of year and current business demands. Both parties will agree construction start date beforehand. **The company reserves the right to adjust contract prices due to price increases (Only) if work fails to commence within 8 weeks of gaining regulatory approval if construction is delayed solely by the client or associated party and there are relevant price increases.**

3.3 **The Construction Process** – The construction process is deemed to have commenced upon the reception of all site materials and/or erection of scaffolding on site. The construction process will be deemed complete upon completion of plastering and 2nd fix carpentry (Excluding any associated snagging)

The Client agrees that the Contractor does not guarantee timescales for the planning or building process. Estimated Project schedules are based on typical work/planning periods for similar works only for the tie of signing contract. The contract does not accept liability or costs by the client for delays related to the Planning or building process.

3.4 The following are indicative stages of the Works provided to give a forecast of the project process:

1. Architect to get survey team on site
2. Architect produce first draft of plans including any queries submitted by the Client
3. First draft design issued to Client and Client responding to any queries from Architect (within 24 hours)
4. Subject to the above, plans approved by the Client and Architect can submitted to the appropriate Council for Permitted Development or planning as appropriate. The client is responsible for confirming satisfaction with design and application.

5. If the Client decides to proceed with a Permitted Development application without formal approval of the Council then it will notify the Contractor of its decision to do so and thereby the Client takes fully responsibility for doing so (see Clause 2.17 herein). In such circumstances the Client shall give the Contractor a minimum of 4 weeks' notice to commence the Works.

6. If an Application for Planning Permission is required then this could take around 8 weeks and the Contractor will not commence the works until such permission is granted unless the Client instructs the Contractor to proceed without permission and in such circumstances the Contractor shall not be liable for any delay nor damage/costs incurred as a result (see Clause 2.18 herein).

7. The indicative stages for the construction process will be those estimated in the 'our process' guide but are subject to change along with the demands of the work on site.

8. If an existing area has to be stripped back before the works can progress then this may take up to an extra 3 weeks.

4. Attendance

4.1 Items of attendance, which the Client shall provide to the Contractor free of charge

- Space for temporary site accommodation and Waste
- Single phase supply of electricity at 240v for temporary site accommodation;
- Single phase supply of electricity for tools and temporary lighting;
- Water supplied at the points identified in the Contract Documents for temporary site accommodation and for carrying out of the Sub-Contract Works;
- Use of sanitary accommodation;
- Use of welfare facilities;
- Provision of reasonable measures to prevent access by unauthorised persons.

4.2 Clearance of rubbish

All rubbish resulting from carrying out of the Contract Works is to be disposed of off-site. Any Client's personal rubbish shall be disposed of by the Client.

5. Stage Payments

The stage payments shall be in accordance with **Schedule A**.

6. Day Works Rates – Variation to Works¹

The Client shall pay the Contractor a call out charge for any variation to the contracted works or schedule, as a result of a change in decision or choice by the client if this represents an additional visit by specific trades to complete those works.. The Day Works Rates, excluding VAT, will be applied to any variation and shall be in accordance with **the current contractor rates**.

7. Materials¹

A minimum of 20% (twenty percent) overhead cost plus VAT shall apply to all materials used in any these type of variations under this Contract.

8. Settlement of Disputes

All Disputes arising from the contract will be dealt with using the disputes procedure laid out in Section 7 of the contract conditions.

1 - This clause refers only to variations within the works process that result in multiple visits by traders beyond the agreed scope of works. The company will not charge a call out rate/overhead if changes in decisions/specifications can be incorporated into the exiting flow of works without cost. For Standard variations (Extras) for additional works to contract will be quoted accordingly see - 3.10

TERMS AND CONDITIONS

SECTION 1 DEFINITIONS AND INTERPRETATIONS

Definitions

1.1 Except where the context otherwise requires or the Contract or these Conditions specifically provide otherwise, the following words and phrases, where they appear in capitalised form in the Agreement or these Conditions, shall have the meanings stated or referred to below:

<i>Word or Phrase</i>	<i>Meaning</i>
<i>Contract</i>	The Articles of contract to which these Conditions are annexed, consisting of the Recitals, the Articles and the Contract Particulars
<i>Article</i>	An Article in the contract
<i>Business Day</i>	Any day which is not a Saturday, a Sunday or a Public Holiday
<i>Conditions</i>	The clauses set out in sections 1 to 7, together with and including the Schedules hereto
<i>Contract Particulars</i>	The Particulars in the Agreement and there described as such, including the entries made by the Parties
<i>Interest Rate</i>	a rate of 5% per annum above the official dealing rate of the Bank of England current at the date that a payment due under this Contract becomes overdue
<i>Parties</i>	The Client and the Contractor together
<i>Party</i>	Either the Client or the Contractor
<i>Practical completion</i>	The date, as certified by the Site/Project Manager that the works are practically complete and free from any apparent defects, after all agreed snagging has been carried out and subject to the final payment made to the Contractor as specified in the Contract Particulars
<i>Provisional Sum</i>	Includes a sum provided for work that the Client may or may not decide to have carried out, or which cannot be accurately specified in the Contract Documents
<i>Public holiday</i>	Christmas Day, Good Friday or a day which under the Banking and Financial Dealings Act 1971 is a bank holiday
<i>Recitals</i>	The recitals in the contract
<i>Scheme/schedule</i>	The estimated works plan and timing for the contracted works excluding any additional (Extra work)
<i>Site</i>	Place or location where the Works are to be carried out
<i>Site Materials</i>	All unfixed materials and good delivered to an placed on or adjacent to the Works which are intended for incorporation therein
<i>Specified Perils</i>	Fire, lightning, explosion, storm, flood, escape of water from any water tank, apparatus or pipe, earthquake, aircraft and other aerial devices or articles dropped therefrom, riot and civil commotion, but excluding Excepted Risks
<i>Statutory/regulatory Requirements</i>	Any statute, statutory instrument, regulation, rule or order made under any statute or directive having the force of law which affects the Works or performance of any obligations under this Contract and any regulation or bye-law of any local authority or statutory undertaker which has any jurisdiction with regard to the Works or with whose systems the Works are, or are to be, connected
<i>VAT</i>	Value Added Tax
<i>Works</i>	Tasks carried out during the construction phrase, from commencement until practical completion
<i>Contract Specification</i>	The scope of works agreed under contract
<i>Contract Drawings</i>	The design drawings and structural calculations provided under contract
<i>Contractors Quotation</i>	The quotation for the contracted works provided to the client by the contractor
<i>Contract Sum</i>	The total payment sum agreed within the original contract excluding any additional works or fees
<i>Planning permission process</i>	As referenced in 'our process' document which is based on the typically process communicated by London Local Authorities
<i>Permitted/lawful Development</i>	As referenced in UK planning law for development applications
<i>Variations</i>	Additional or Extra work requested by the client and quoted by the company that form part of the contractual agreement
<i>Non-refundable deposit</i>	The deposit paid by the client to the company to confirm engagement under the contract, which is non-refundable in the event of service cancellation

Agreement to be read as a whole

1.2 The Agreement and these Conditions are to be read as a whole but **nothing** contained in the Contract Drawings, the Contract Specification or the Contractor's quotation or emails with options prices shall override or modify the Agreement or these Conditions.

Headings, references to persons, legislations etc.

1.3 In the Agreement and these Conditions, unless the context otherwise requires:

- the headings are included for convenience only and shall not affect the interpretation of this Contract;
- the singular includes the plural and vice versa;
- a gender includes any other gender;
- a reference to a "person" includes any individual, firm, partnership, company or any other body corporate; and
- a reference to a statute, statutory instrument or other subordinate legislation ('legislation') is to such legislation as amended and in force from time to time, including any legislation which re-enacts or consolidates it, with or without modification.

Reckoning period of days

1.4 Where under this Contract an act is required to be done within a specified period of days after or from a specified date, the period shall begin immediately after that date. Where the period would include a day, which is a Public Holiday that day shall be excluded.

Contracts (Rights of Third Parties) Act 1999

1.5 Notwithstanding any other provision of this Contract, nothing in this Contract confers or is intended to confer any right to enforce any of its terms on any person who is not a party to it.

Notices and other communications

1.6 Unless otherwise provided in these Conditions, any notice or other communication under this Contract may be given or served by email or registered or certified mail by courier to the recipient at the address specified in the Agreement or such other address as he shall notify to the other Party. If no such address is then current, the notice or other communication shall be treated as effectively given or served if addressed and sent by pre-paid post to the recipient's last known principal business address or (where a body corporate) its registered or principal office.

Applicable law

1.7 This Contract shall be governed by and construed in accordance with the law of England and Wales.

SECTION 2 PARTIES OBLIGATIONS

Non-Refundable Deposit

2.1 In the event the Client decides not to proceed with the Works the initial deposit of the Contract Sum paid by the Client to the Contractor **SHALL NOT** be reimbursable to the Client.

2.2 **The Client hereby agrees and waives any contractual or statutory right to a refund of the initial deposit.**

2.3 The Client agrees that the initial deposit is a reasonable estimate of, but not limited to, the cost of plans and drawings, full or partial planning application, overheads, any claim for loss of profit, loss of business opportunity and/or damages.

2.4 The Client agrees that it shall pay any costs reasonably incurred by the Contractor where the costs, described in 2.3 above, exceeds the initial Deposit.

Contractor's obligations

2.5 The Contractor shall carry out and complete the design and construction of the Works in accordance with the Contract documents.

2.6 The Contractor shall not be responsible for any pre-existing defects to buildings, structures, roof, and electrical or plumbing systems on Site if they are discovered during the course of the works

Design and Regulatory Approval

2.7 Where the Client has opted for design to be undertaken by the Contractor, the Contractor shall instruct and arrange for the Contract drawings and plans to be drawn up by the Architect of its choice.

2.8 The Contractor shall apply for any planning permission and building regulations approval to the relevant authority to obtain any permissions or consents that may be required under any planning legislation or building regulations in force from time to time. **The contractor cannot guarantee planning approval by the planning authority.** The client is responsible for ensuring they are satisfied with the final designs and applications.

2.9 The Contractor shall act as the Client's agent in matters of regulatory and planning approval including in relation to any appeal or appeals against a decision relating to any Regulatory Approval.

2.10 The Contractor shall not be liable to the Client for any damages, costs or compensation as a result of any works carried out without lawful planning permission where the Client allows, requests or instructs the Contractor to start the work before planning consent is obtained unless expressly protested in writing to the contractor

2.11 The Contractor shall not be liable for any delays resulting from the Design & Planning process.

2.12 Once Planning approval or consent is obtained; the Contractor shall give notice to the Client of its intended commencement of the Works in accordance with the Contract Particulars.

Client's Obligations

2.13 The Client shall give the Contractor uninterrupted access to the Site during the normal working hours and shall cover and/or protect any access areas leading up to the Site.

2.14 The Client shall be responsible for the protection of the Site and the Client at its own cost must remove any items of value. Any items disposed of due to non-removal before works commence will not be replaced or reimbursed to the client.

2.15 The Client shall be responsible for removing or relocating any satellite and alarm systems or objects affixed to the property before the commencement of the Works or the installation of Scaffolding. If these items obstruct our works they may be removed or disposed of by our teams during the works process, they will not be replaced or reimbursed to the client.

2.16 The Client shall not employ any third party contractors to carry out any element of the works, which forms part of the Works within this Contract, without the written consent of the Contractor. Should the Parties agree to remove any element from the scope of works, then the Contract Sum shall be adjusted accordingly by the contractor based on its actual costs for those works and the Contractor is entitled to loss of profit on those elements.

Waiver of Rights by Client

2.17 In the event the Client instructs the Contractor to proceed with the Works before Lawful/Permitted Development has been granted and confirmed by the relevant Council and/or Authority such Work will be undertaken entirely at the risk of the Client. If the Works have commenced and such Council and/or Authority deems the Works as not a Lawful/Permitted Development and therefore planning permission is required, the Client shall be exclusively liable for any and all costs or damages resulting and the Contractor will have no liability whatsoever for any costs or damages that may be incurred as a result. Further the Client will not pursue the Contractor nor any of its sub-contractors or agents as a result of such costs or damages

2.18 In the event the Client instructs the Contractor to raise the ridge of the roof or otherwise extend the Works beyond any Lawful/Permitted Development or without planning permission, such Works will be entirely and exclusively at the Client's risk. If the relevant Council or Authority is made aware of such a contravention, retrospective planning may be necessary which again will be entirely at the risk and cost of the Client. If such retrospective planning is not successful then the Works may have to be modified which again shall be at the exclusive cost and risk of the Client. The Client agrees that it shall pay to the Contractor all of the costs reasonably incurred as a result of such a situation as set out above and waives its right to pursue the Contractor and/or any of its subcontractors or agents under this contract and/or at law in respect of the same.

Materials

2.19 The Contractor shall retain the title to all materials, whether on site or off-site, until full payment has been received of all sums due under the Contract. Any unused materials and goods delivered to the Site shall remain the property of Contractor.

2.20 The Client shall ensure that no materials are annexed to the Site or affixed to the Works by any other parties except by the Contractor.

2.21 The Client shall be responsible to check materials or goods ordered by them are free from defect and damage, including when those materials or goods are in transit to the Site.

SECTION 3 CARRYING OUT AND CONTROL OF THE WORKS

Project Manager

3.1 The Contractor shall appoint and ensure the provision of a Project Manager in accordance with the specification for service for the management of the contracted construction Works.

Commencement and Completion

3.2 The Works may be commenced on a date to be agreed by the project manager and client. The project will follow the process specified in the contract but are not guaranteed

3.3 Commencement of the Works is deemed to take place only after the scaffoldings have been affixed to the Client's property and all materials and plants necessary for the Works have been delivered to Site.

3.4 The end of the contract is deemed to take place when **the 2nd Fix Carpentry is completed** (minus any associated snags), subject to the Client making the full and final payment as specified in the Contract Particulars including all additional costs and fees subsequently added to the contracted works.

Extension of Time

3.5 If and whenever it becomes apparent that any of the Works will not be completed within the estimated timescale communicated to the for reasons beyond the control of the Contractor, including but not limited to; compliance with any Client instructions or effected by the approved building control then the Contractor shall thereupon either orally or in writing so notify the Client who shall give such extension of time for completion, without undue refusal.

3.6 The Contractor shall be entitled to a minimum of one-week extension of time for each variation to the Works.

3.7 The Contractor shall be entitled to an extension of time to the project timescale for reasons, which include but are not limited to:

- any event which is outside of the control of the Contractor;
- any breach of contract by the Client;
- any delay for which the Client is responsible, such as late approval of drawings and quotations, late payments, lateness in obtaining a Party Wall Award;
- any unforeseen ground/structural conditions, including any under soil pores;
- any severe weather conditions;
- any specified perils.
- Unforeseen Loss of Labour

3.8 The Contractor shall be entitled to an extension of time to the programme or project should it encounter any delay, outside its control, as result of the manufacture and delivery of certain items for the Works such as windows, doors and steels that sometimes can only be measured up mid-way through the Works.

3.9 Should the Parties fail to agree on a Date for Completion or on an Extension of Time, the Contractor shall complete the Works within a reasonable period of time.

Variations

3.10 Any extra or additional work required, requested or instructed by the Client, not covered under this Contract, shall be deemed a variation. **Variations can typically add 1-6 week's delay to estimated project timescales depending on the specification of that variation.**

3.11 Measurements taken at the Site are approximate and are subject to variations depending on site conditions and/or Regulatory Approval requirements. No such variation shall entitle the Client to cancel the Contract or to claim compensation.

3.12 All variation request or instruction from the Client must be made to the Project Manager *in writing*. At no time shall workmen on site be requested directly to carry out extra work. Any additional works not instructed by the client to the project manager will void the project insurance and not be covered within the project warranty. **The company takes no liability for such events.**

Valuation of Variations

3.13 Prior to the commencement of any work that constitutes a variation, the Contractor shall submit a written quotation to the Client. The Client must communicate its acceptance of the quotation in writing to the Contractor before any variation works is executed. Where the client fails to accept or decline the quotation for requested variations, but the the works are allowed to commence, this will be deemed as acceptance of action and associated costs maybe charged.

3.14 For each variation, the Client shall pay a minimum of 50% of the value of the quotation in advance and the remaining balance must be paid at the completion of the variation works.

Typical Variations

3.15 Examples of typical variations where the Contractor shall be entitled to an extension and/or a change in price include **but not limited to:**

Variation	Comment
Kitchen Fitting	Where the Contractor is responsible solely for the fitting of a Kitchen unit supplied by the Client, it shall be the responsibility of the Client to check the accuracy of the Kitchen design and that no part or parts are missing in the kitchen delivered to Site:
1.	the Client takes longer than 2 days, from the time the Contractor has started fitting the kitchen, to supply any missing parts to the Contractor from ;
2.	the Contractor encounters any unforeseen problems during the fitting of a Kitchen unit, such as an uneven wall, that may require modification to Kitchen unit;
3.	there is a mistake in the design of the Kitchen unit and the design is rectified by the Contractor.
Tiling	Where the Client requires any other type of tile or design other than the ones used under this Contract. The Tiles quoted under this Contract are not made of glass (splash backs) and the design is either "bricked" or "grid
Mixed Wood & Tile Flooring	Where the Contractor has level a floor area to accommodate the installation of a mixed wood and tile flooring.
1st Fix Positioning	Where the Client wrongly or fails to specify positions, height and floor position, of 1 st fix plumbing and electrics such as sockets, lights, light switches, radiator positions, any costs incurred to rectify any wrong 1 st fix positioning
Design	Insufficient Design Supplied By Client - Where the design supplied by the Client is inadequate or insufficient resulting in defects in the works and the Contractor has to rectify such defects.
Design	Changes to Initial Specification - Where the Clients requires or request the Contractor to show additional items in the design, such as windows, additional floor space, that does not form part of the initial Client Specification.
Doors	Where the Client request or instruct the Contractor to use doors other than white bi-folding doors with a maximum 4-panel system.
New Boiler System	Where a new boiler system has to installed using existing pipe system and it is found that the pipe system and/or adjusting radiator valves which are too narrow, old or inappropriate and the pump or mains supply is weak or there is sludge in existing pipe work such that the Contractor has to install new pipes or pump or repair or replace any radiator valve or carry out any additional work to improve the performance of the boiler system
Ground Works	Where during the course of ground works such as digging foundations, manholes, soakaways or drains the Contractor encounters discussed mine shafts, wells, roots of protected trees, pipes not directly connected with the Client's drainage system, air raid shelters, cables, disused manholes and underground streams or river.
Under Pinning	Where the Contractor has to install underpinning to existing structures.
Piling	Where the Contractor has to use piling in the foundation.
Taps, Sanitary Appliances and Shower Trays	Where the Contractor has to fix any leaks to existing tap unit, to any malfunctioning sanitary appliances and where the Contractor has to investigate any existing drainage problems.
New Toilets	Where the Contractor has to take up existing floor board to connect soil Vent Pipes which are at the front of the Client's property. It is assumed under this Contract that the soil Vent Pipe is found at the rear of the property.
Loft Bathroom	Where the Contractor has to use a Saniflow Macerator in the installation of a loft bathroom to suit the position of the soil Vent Pipe.
Brickwork	Where the Contractor has to carry out brick works to the sides of dormers or gable ends at the request of the Planning Authority or the Client.
Parapet Wall	Where the Contractor has to raise the height of the parapet wall as requested by the Planning Authority, Party Wall Surveyor or the Client.
Chimney	Where the Contractor has to raise existing external chimney stack to comply with Building Regulations.
Temporary Works and Scaffolding	Where the Contractor has to carry out any temporary works such as the installation of a temporary scaffolding roof in lieu of using plastic sheeting
Existing Loft Structure	Where the Contractor has to remove or strip back existing loft.
Building control Specification	Any changes to building regulations that change during the course of the build or that are required by the approved inspectors that are not included in the original specification.
Any other additional works	Where the Contractor has to carry out any redecoration, reparation or restoration of the property due to necessary damages caused during the Works such as installation of new pipework, wiring or installation of boiler.

Asbestos

3.16 The client is responsible for arranging an Asbestos Survey. Where Asbestos is found on Site, the Contractor is entitled to suspend the Works until all asbestos are removed either by the Client or the Contractor's sub-contractor. The Client shall pay for all costs associated with the removal and disposal of Asbestos. The contractor is entitled to an extension of time for re-commencement of works and completion in such events.

Third Party Contractors

3.17 The Contractor shall rectify and make good any damage caused to the property or neighbouring properties during the course of the Work for which it is at fault. Where the Contractor is liable but any third-party or other contractors carry out the repairs, the **Contractor shall not be liable to pay the repair bill** or warranty for these work

Working Hours

3.21 The Client shall allow the Contractor to carry out the Works between 8.00am and 6.00pm from Monday to Saturday, unless the Parties agree otherwise.

Health and Safety

3.22 The Contractor shall take all practical steps to:

- prevent and minimise health and safety risks to the Client and other people living in or visiting the premises;
- minimise environmental disturbance, nuisance or pollution from the work, and
- make sure temporary protection for the work is safe and weatherproof – within the confines of the contract specification.

3.23 The Client shall:

- take notice of all warnings the Contractor gives about any health and safety or environmental risks which the Contractor is taking measures to prevent or minimise, and
- not knowingly allow people living in or visiting his property, particularly children, to be exposed to any dangers from the Works.

SECTION 4 PAYMENT

VAT

4.1 The Contract is Subject to VAT. In relation to any other payment to the Contractor under this Contract, the Client shall in addition pay the amount of any VAT properly chargeable in respect of it.

Payment for Variations

4.2 For each variation, the Client shall pay a minimum of 50% of the value of the agreed quotation in advance of the commencing of the variation works. The Client shall pay the remaining balance at the completion of the variation works.

(See Schedule C if applicable)

Stage-Payment

4.3 After each stage as identified in the Contract Particulars is completed, the Contractor shall, in writing, make an application for payment, which shall **comprise the stage payment, cost of any variations, interest for late payment and any other sums reasonably incurred by the Contractor**. Applications for stage payments maybe made even where associated 'snags' are present for that stage; these may be dealt with at the end of the project during the snagging process.

4.4 The Client shall make the payment within **3 days** of receiving a written payment application.

4.5 Should the Client decide to pay less than the amount stated in written payment application, the Client shall, within **3 days** of receiving the payment application, notify the Project Manager the reasons why they intend to pay less in writing.

Permitted Development and Planning Permission Application Fee

4.6 The Client takes notice that the fee payable for Permitted Development and Planning Permission Application varies and is dependent on the types of projects and the local authority fee structure.

4.7 Unless stated in the Contract, the fee payable for any application is NOT included in the Contract Sum.

4.8 The Client shall be responsible to pay for all local authority fees including either permitted development or planning permission fee and building control fee.

4.9 The Client shall, within 48 hours of any oral or written payment request, reimburse the full amount of fees paid by the Contractor to the local authority. An administration fee of £50 is payable by the client for any late payments relating to the local authority fees.

Designer's additional fee

4.10 The Contract sum does NOT include professional fees for any additional work carried out by the Designer to answer queries or supply additional drawings to any third parties, for example a Party Wall Surveyor or a Freeholder or its agent. Should the Designer be required to carry out additional works including alterations to the plans drawings, the Client shall be liable to pay all costs reasonably incurred by the Contractor in regard to the additional work.

Suspension

4.11 The Contractor shall be entitled to suspend the works:

- immediately, if the Client or its agent interferes with or cause any obstructions to the Works;
- immediately, if the Client or its agent fails to give the Contractor access to the Site;
- within **3 days** of receiving an application for payment from the Contractor, if the Client fails to pay the sum applied for, subject to a pay-less notice.
- immediately, if the Client is abusive or aggressive to any representative of the company
- within 24hrs of a decision/agreement not being provided by the client for the purpose of continuing works in accordance with the contract.

4.12 In the event the Contractor exercises its right to suspend the Works under this Contract, the Client shall be liable to pay the Contractor the costs of, but not limited to, demobilisation from and/or remobilisation to the Site, loss and expense, overheads, labour, scaffolding and any ongoing costs.

4.13 The Client shall be entitled to issue an Instruction in writing to the Contractor to suspend all or part of the Works and shall be responsible to take all necessary measures to protect any materials, equipment and the Works and shall be liable to any damage, loss or deterioration during the suspension period.

4.14 In the event that the Client issues an instruction in writing to the Contractor to suspend all the Works or any part thereof, the Contractor shall be entitled to an extension of time, loss and expense caused thereby and to receive compensation for the costs of demobilisation from and/or remobilisation to Site.

4.15 Where the suspension is not due to the default on the part of the Contractor, the Contractor is entitled to terminate its engagement under the Contract if the suspension instructed by the Client last for a continuing period of more than **1 week** from the initial date of the suspension of the Work.

4.16 The Contractor shall resume all or any part of the suspended Works, either Client instructing the resumption or the Client making a full payment of any sums due to the Contractor, when it is reasonable for it to do so, which depends on the availability of plants & machinery, labour and materials.

Snagging

4.17 Within 7 days of completing 2nd Fix Carpentry, the Client shall submit a Snagging List to the Contractor in writing, either by e-mail or via the Contractor's Online System. If a snag list is not submitted the contract will be deemed completed and final payment called for.

4.18 The Client shall be responsible to include all snags within Snagging List. Any additional snags discovered after the submission of Snagging List/or deadline will only be dealt with under the 10-year Warranty provided by the Contractor.

Final Payment

4.19 Following the agreement of the Snagging List submitted by the Client, the Contractor shall make an application for payment of the final stage payment which shall include the cost of any variation and additional works and VAT.

4.20 The Client shall be liable to pay the Contractor, within 3 days of the payment application, for the final stage payment under the Contract and any additional costs including, but not limited to, costs of variations, loss and expense, overheads, preliminaries, scaffolding, damages for delay and disruption and interests subject to a pay less notice.

4.21 The Contractor will be liable to complete all submitted snagging works under the scope of the contract and issue all completion paperwork upon execution of section 4.20.

SECTION 5 COPYRIGHT, INSURANCE AND WARRANTY

Copyright

5.1 The Contractor reserves the right to use images taken for display, publication and other purposes to promote their business.

Insurance

5.2 The Contractor shall maintain full public liability insurance; employee insurance and contractors all risk insurance policies. The insurance policies shall cover the Contractor for any damage caused to the Client's property during the carrying out of the Works, for which the Contractor is at fault.

5.3 **The Contractor shall NOT be liable for any risk not covered under the insurance policies** listed in clause 5.2, such as costs for temporary accommodation or loss of rent should the Client's property become inhabitable as a result of damage caused by the Contractor during the Works or timings

5.4 The **Contractor reserves the right** to carry out works or employ an agent to put right or repair any damage caused to the Client's property by its own means and at its own expense rather than making a claim to its insurers.

Client's Insurance

5.5 The Client shall take and maintain Insurance Cover for the Building structure and/or property during the period of the Works.

Certificate of Completion/Warranties

5.6 The Contractor shall issue a Certificate & Warranties of the Works when all snagging has been carried out and all sums due under the Contract have been duly paid to the Contractor.

10-Year Warranty

5.7 The Contractor shall provide a warranty for the Works for a period of 10 years from the issue of the Certificate of Completion, subject to the Client having paid the full Contract Sum including but not limited to variation costs, loss and expense, damages and interests.

5.8 The 10-Year Warranty shall cover materials and labour for the rectification of defects, which arises as a result of the Contractor's default, poor workmanship, or materials of unsatisfactory quality.

5.9 In respect of the quality of materials, the Contractor reserves the right to pass on any claims, complaints and faults onto the manufacturer, its agent or representative.

5.10 Any material supplied directly by the Client for the Works shall not be covered under this 10-year Warranty. The Client shall be liable for all the costs, materials and labour, for the replacement or repair of any materials supplied by them during the Works.

5.11 All warranties are subject to the Terms and Conditions that they represent. The **Contractor reserves the right** to carry out all warranty works or employ an agent to put right any defect by its own means and **will not be liable for the costs of third party repairs** or the warranty of repaired areas unless works are undertaken by the contractor.

Assignment

5.12 The Client shall not, without the written consent of the Contractor, assign this Contract or any rights thereunder, including the 10-year Warranty. The contractor reserves the right, at its absolute discretion; to transfer these rights at the request of the client for a fee and any associated costs, which will not unreasonably be withheld.

SECTION 6 TERMINATION

Default by the Contractor

6.1 If, before final completion of the Works, the Contractor:

- fails to proceed with the Works in accordance with their process
- Is so incompetent or careless that the Works is of an unacceptable standard and does not correct the default within an agreed period of time, the Client may terminate the Contractor's appointment under this Contract by giving a further 7 days' written notice.¹

6.2 If the Client terminates the Contract under clause 6.1 above, the Client shall pay the Contractor the value of the Works up to the date of the termination, as calculated by agreeing the completed and partially completed works alongside the associated stage payments for those works. These payments will exclude any cost of completing any unfinished works.

6.3 The Client agrees to waive its rights under the contract or at law to claim damages in excess of the value of the contract sums in respect of the termination of this Contract howsoever arising.

Default by the Client

6.4 If the Client:

- without good reason fails to pay any stage/variation payment amount properly due to the Contractor; or

¹ The client agrees that "an unacceptable standard" should be judged following the contractor's confirmation that the entire works or specific element is complete. Snagging and Building control assessment/comments during mid-works should be excluded from this assessment

- Prevents or obstructs the Contractor from carrying out the Works, including the client's behaviour or time to make decisions and does not correct the default within 7 days of receiving a written notice from the Contractor after the expiry of that 7 days notice the Contractor may terminate this Contract by giving the Client a further written notice. The Termination shall take place immediately after the written notice is given.

Termination by either Party

6.5 If, before final completion of the Works, the carrying out of the whole or substantially the whole of the uncompleted Works is suspended for the relevant continuous period of two weeks or more by reason of one or more of the following events:

1. force majeure;
2. loss or damage to the Works;
3. civil commotion or the use of threat of Terrorism;
4. rejection of/change in an application for planning permission by a local planning authority or partywall surveyors including neighbouring disputes
5. the exercise of a statutory power by either the local planning or UK Government which directly affects the execution of the Works
6. A significant change in the design of the contracted works

then either Party may give a notice in writing to the other that, unless the suspension ceases within 7 days after the date of receipt of that notice, he may end the Contract. Failing such cessation within that 7 day period, he may then by further notice terminate the Contract with immediate effect.

SECTION 7 SETTLEMENT OF DISPUTES

Direct Resolution

7.1 If a dispute or difference arises under this Contract the client and contractor agree to negotiating a direct resolution between themselves in the best interests of completing the contract using the terms of contract as their reference. The appointed project manager will represent the contractor for this purpose.

Dispute Escalation

7.2 If a dispute or difference can not be resolved by direct resolution then it should be escalated in writing to the senior management team, in writing, by referencing the procedure in the subject heading. The senior management team will formally reply and propose a resolution to the client.

Mediation

7.3 If a dispute or difference arises under this Contract which cannot be resolved by section 7.1 or 7.2, each Party shall give serious consideration to any request by the other to refer the matter to mediation by an agreed representative.

Adjudication

7.4 If a dispute or difference arises under this Contract which either Party wishes to refer to adjudication have followed the disputes procedure preceding this section, the Scheme for Construction Contracts shall apply except for the purposes of the Scheme the Adjudicator shall be: **The Royal Institution of Chartered surveyors** - Dispute Resolution Service. Details of the costs, rules and procedures for adjudication are available from the appointed body

7.5 The Parties agree and accepts that should any Party decide to go to Adjudication, the cost, rules and procedures involved shall become part of this Contract.

Court Litigation

7.5 The Client and the Contractor may start court proceedings to settle any disputes once a reasonable opportunity to each party has been given follow the disputes procedure laid out in Section 7 of this contract.

ATTESTATION

Execution under hand

As witness the hands of the Parties or their duly authorised representatives

I have read the Contract, Terms and Conditions with particular reference to the specification, stage payment requirements, timescales and the conditions relating to the non-refundable deposit.

Signed by or on behalf of **the Client** _____

Full Name:

Signed by or on behalf of **the Contractor** _____

Full Name:

The Date of Execution of this Contract shall be: