



## Housing Services

# A GUIDE TO FINDING A BUILDER AND ORGANISING WORKS



*Supporting people to live independently,  
safely and securely in a vibrant  
community*

## Advice from Argyll & Bute Council about Home improvements

The information in this leaflet is predominantly taken from a booklet 'Home Improvements' published by the Office of Fair Trading. Copyright is acknowledged.

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**Householders spend hundreds of millions of pounds on home improvements or repairs each year. A large number of complaints arise about the trading practices of builders, and in many cases householders are dissatisfied with the outcome**

## Home Improvements

These are some typical complaints regarding home improvement works;

- Being pressured into having unnecessary work done.
- Over-charging.
- Losing deposits paid to traders who turn out to be 'fly-by-nights'.
- Delays to work.
- Work left unfinished when the contractor ceases trading.
- Poor workmanship.
- Difficulty in resolving disputes.

**A systematic approach to building work can limit the probable causes for complaint**

Although many home improvements result in satisfactory work, complaints such as these are all too frequent. If you take a systematic approach to your building work, you can limit the probable causes for complaint. In this area, prevention is often better than cure. A systematic approach involves carrying out the following steps:

- Planning what needs to be done.
- Obtaining the necessary approvals.
- Short-listing potential contractors.
- Choosing the quotation which offers the best value.
- Agreeing a written contract.
- Finding out about guarantee schemes, particularly those which are insurance-backed.
- Paying in stages in order to keep control of the work.
- Knowing what to do in the event of a dispute.

### 1.0 Planning

**Whatever the job, plan as precisely as possible what needs to be done. Talk to friends or neighbours, and call in local builders for their informed views.**

#### 1.1 Professional Advice

If the job is not straightforward, consider bringing in a surveyor or an architect. This will add to the cost of the work, but for large or complex projects involving two or three skills, such as plumbing and bricklaying, will almost certainly be necessary. They can develop your outlines into detailed plans, advise on safety issues and economies, and generally manage the project for you by obtaining consents, getting quotes and overseeing the work.

Choose a professional adviser carefully. If the job is substantial, talk to two or three architects or surveyors. Architects and surveyors may offer an initial consultation free of charge or obligation. Base your short-list on personal recommendations or the firm's local standing. Choose the one whose approach best suits your own thinking.

Fix the fee in advance. This could be a flat fee, a percentage of the total cost of the work, or based on the number of hours worked. You could seek advice from professional bodies on which method of payment would be appropriate for your work (see useful contacts below).

## **1.2 Practical assistance Argyll & Bute Care & Repair**

Argyll & Bute Care & Repair is an independent charity and key partner with Argyll & Bute Council in delivering services to all disabled and/or over 60s private sector householders and their families. Care & Repair offers specialist information, advice and support on all aspects to help householders obtain the services they need to enable them or their family to live more independently in their own homes including all the areas covered in this information note. Contact details for Argyll & Bute Care & Repair are given in the final section.

## **1.3 Package deals**

For jobs like fitted kitchens, conservatories or loft conversions, there are 'package deal' companies who often provide comprehensive services covering design, materials and consents.

## **1.4 Insurance**

Check on your insurance cover. Inform your insurance company about the work. It will tell you if an additional premium is needed and of any precautions you should take while the work is in progress, such as making sure the premises are secure.

The contractor's insurance should cover damage to work and materials on your own and your neighbours' property. There should also be cover for death and personal injury. This could be included in your contract. Many small firms may not be insured. In this situation, make sure you are covered by your own policy.

## **1.5 Undue pressure**

Avoid being pressured into unnecessary work. Such pressure may come from doorstep odd-jobbers who are 'just in the area' or fast-talking builders looking for bigger contracts.

**Avoid being pressured into unnecessary work.**

All houses need work from time to time. To avoid having to act in haste it is advisable to keep a note of potential contractors, particularly for trades such as plumbing and roof repairs, for use in emergency situations.

Do not let a salesperson pressure you into signing something you may regret later. You have limited cancellation rights (see contracts below). Ask for written information about the deal and any discounts on offer, but beware of 'special offers' which you will get only if you agree to sign immediately. If you are interested, tell the seller you want time to think. Then shop around to make sure that it really is the best deal you can find.

The same principle applies to attempts to sell by telephone. For example, if someone gives you a call to try to sell you a fitted kitchen, do not be pressured into a hasty decision.

Never give your credit card details over the telephone in response to a call like this.

## 1.6 Obtaining approval

Depending on the nature of the job, you may need approval from a number of sources before the work can start;

- Planning permission from your local authority for substantial jobs.
- Building regulations consent, usually for changes in the structure or services of a property, such as an internal wall or connection to a sewer. Your local authority building inspector will confirm whether consent is necessary.
- Special clearance if you live in a conservation area or a listed building. Consult your local authority planning officer.
- Particular problems can arise with neighbours and party structures. Common courtesy demands that you let neighbours know of work affecting them or their property. With party structures you should inspect and, if necessary, photograph the structure, so that there is evidence in the event of a later dispute. If you draw up a written agreement with your neighbours covering shared costs, protection against damage and limiting the effects of noise, give a copy to your contractor.

## 2.0 Short-listing the contractors

**This is probably the most important step of all. If you get a good builder in terms of price, reliability and workmanship, the potential for problems will be greatly reduced. You should seek to short-list three or four contractors who seem likely to do good work.**

Your own past experience, or your professional adviser, may point you firmly in the direction of good contractors. If not, you should consider the following steps.

- Ask friends, neighbours, local traders and relevant trade associations if they know of reliable contractors who have experience of the type of work you want done.
- Look for established contractors with premises you can visit. Beware of 'trade' cards which come through your door, particularly those bearing only a telephone number.
- Remember that no qualifications are needed to set up as a builder. Some may be incompetent or even dishonest.
- Find out whether the contractor is a member of a trade association. This may give you some extra security as some associations have protection schemes, or will help to resolve disputes.
- Ask how long the contractor has been in business. If that period is short, or you have any other doubts, you should take up bankers' references, particularly for the more substantial projects.
- Ask if you can see work similar to your own that the contractor has carried out, and ask the householders involved for their views of the contractor.

**Find out whether the contractor is a member of a trade association, and how long the contractor has been in business**

### 3.0 Getting quotations

**Invite three or four contractors to give their prices and conditions for carrying out your work. Draw up a job specification and try to include some or all of the following points:**

- **The work to be done:** give a clear and itemised description, with sketches or detailed drawings as appropriate. The description should cover items such as the type of roof tile you require, or the number and types of coats of paint.
- **Photograph** the areas to be worked on have a record of pre works condition.
- **Preparatory work:** for example, burning off defective paint.
- **Repairs:** be specific about any associated repairs which you think will be necessary.
- **Location:** where the work is to be done.
- **Timing:** when the work should begin and end.
- **Protection:** specify whether any particular parts of your property should be protected against damage.
- **Access, storage and facilities:** indicate how the builder will have access to your premises, what storage space will be available and what facilities - for example, water, electricity and telephones - can be used.
- **Completion:** specify that the site should be left clean and tidy, with all rubbish and unused materials removed.

In your letter covering the specification, be clear that you want a firm price for the work described. Generally, this is known as a quotation. It differs from an estimate which is a rough price and is not binding. Quotations should indicate whether VAT is included.

The following points might also be included in your letter.

- Decide who has responsibility for obtaining the necessary planning permission or building consent. This could be done by the architect or surveyor, if you are using one. If the task falls to the contractor, the cost should be included in the quotation.
- Ask about guarantees, particularly any which are insurance-backed.
- Your preference for not making any deposits or advance payments. If the contractor insists, find out why.
- Your proposals for making stage payments as the work progresses, and for holding some money back after the job is finished to allow time to make sure it has been done properly. You might also want to specify that you can withhold all or part of the payments in the event of a dispute.
- If it is very important that the work is completed by a particular date, indicate what penalties you would seek to impose for failure to complete by that date.

Check the quotations when they come in to make sure that all the items are covered. Any alterations should be dealt with in writing before work begins, and copies of letters kept.

**Decide which quotation offers best value for money. Take into account price and conditions, and any impressions you may have formed about the likely workmanship and reliability of each contractor.**

## 4.0 Contracts

**The type of contract you have will vary according to the job.**

### 4.1 Letters of agreement

These are suitable for small jobs with local firms. Both parties should sign and keep copies of the letter. You may need to include the following points;

- A brief description of the work to be done.
- The price agreed (with the quotation attached).
- The timing, with start and finish date. If the completion date is very important to you state that time is of the essence.
- The agreed payment period, covering any stage payments.
- What happens in the event of a dispute - for instance, you will withhold part of the payment.
- Whether you will be keeping any money back for a specified period after the job has been completed.
- Who has responsibility for obtaining planning permission and building regulations consent.

### 4.2 Standard contracts

For larger jobs costing more than a few thousand pounds, you are probably better off using a standard industry contract, such as the JCT Building Contract for a home owner/occupier of which there are two versions;

- **Building Contract for a home owner/occupier(without a consultant)**
- **Building Contract and Consultancy Agreement for a home owner/occupier appointing a consultant**

A copy of the JCT is available from reputable builders or consultants.

### 4.3 Package deals

Package deal companies usually have their own contracts, and there may also be special financial packages to pay for the work. Always read these contracts very carefully and be cautious if you are asked for large pre-payments.

Make sure you know who has overall responsibility for the work, particularly where sub-contractors are brought in. You need to know who will have responsibility if things go wrong.

#### 4.4 Disputes

Agree with the contractor how any disputes would be handled. For example, you might agree that you would make determined efforts to resolve them quickly between the two of you. Failing that, you could use a trade association's conciliation or arbitration scheme, if there is one available. Or, probably as a last resort, you could go to court.

#### 4.5 Cancelling contracts

**Once you have signed the contract you cannot normally back out if you change your mind.** The exceptions to this rule are very limited. Read the contract very carefully and do not sign anything until you are absolutely sure you are happy with the arrangement. Do not be pressured into making a hurried decision.

If you order something such as double glazing or a new kitchen from a seller who has called at your home uninvited (or with an appointment arranged during an unsolicited phone call), you have some cancellation rights. This applies to home repairs and improvements, such as work on your windows, bathroom or kitchen, but not to building work such as an extension to your house.

If you do have cancellation rights you must be given written notice of them when you agree to buy. If the contractor fails to do this the contract cannot be enforced against you. If you are given the notice and you wish to cancel, you must write to inform the contractor within seven days of signing the contract. You can use the form attached to the notice.

If you think you may wish to cancel your contract, do not have any work done before the end of the cancellation period, or you will have to pay for it.

#### 4.6 Cancelling credit agreements

If you pay by credit linked to the work, where the trader lends you the money or acts as a broker by arranging for you to borrow from a creditor, you have rights under the Consumer Credit Act 1974. You have a short time in which to change your mind if all the following points apply.

You signed the credit agreement after discussing the deal face to face with the trader.

You signed away from the contractor's or lender's premises.

The amount of credit is between £50 and £15,000, and is not secured on your property.

When you sign, you should be given a copy of the credit agreement, which sets out your cancellation rights. You should also receive, by post, a second copy or a notice of your cancellation rights. If you can cancel, there should be a cancellation box on your copy of the agreement telling you what to do. Act quickly, as there are tight time limits.

**Do not rely on a hand-  
shake - get a written  
contract**

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## 5.0 Guarantee schemes

**A contractor going out of business is one of the worst problems you can face with home improvements. Although this is fairly common, there are few, if any, tell-tale signs that a contractor has serious financial problems. Be particularly wary, however, if you are asked to make unusual payments - for instance, to the individual builder rather than to the firm.**

Various building industry guarantee schemes, such as the Building Guarantee Scheme incorporated as an option in the JCT contract, do offer some protection against builders who cease trading. Taking out such guarantees could be a good idea for major work or where a long delay would be particularly inconvenient.

There are other guarantees, sometimes offered by trade associations, which cover you for completion of work if the contractor goes out of business, or against poor workmanship. In some cases the trade association will ask to see the drawings of the proposed work before accepting you into a scheme.

If the work is covered by a guarantee scheme, the name of the scheme and your registration number (if available) should be included in the contract.

Sometimes home improvement contractors offer their own guarantees of their work. Look at the terms very carefully - they may be very restrictive

in what they cover. Also if a contractor goes out of business, such a guarantee will be worthless.

There may be special merit in looking for guarantees which are insurance-backed. Such schemes cost extra money but give you some extra protection as the guarantee will be honoured even if the contractor goes out of business.

You will often need to enter into a guarantee scheme before the work starts. Guarantees are in addition to your legal rights (see Disputes & rights below). Sometimes home improvement contractors offer guarantees of their work. But these may turn out to be worthless.

**Sometimes home improvement contractors offer guarantees of their work. But these may turn out to be worthless**

**Stage payments are a good way of ensuring the steady progress of the work. You are paying for work that has been satisfactorily completed. If it is not, you have a means to apply pressure to the builder.**

## 6.0 Payments

You should agree how payments are to be made before the work starts, and this should be reflected in the contract. It may be best to agree a series of work

stages at which payment will be made if the work is carried out satisfactorily.

If work is proceeding to a satisfactory standard you should pay as agreed. Get a written invoice, including VAT where appropriate, and ask for a signed receipt for every payment.

Some builders take on too many jobs at one time and end up juggling work. Your job may be a low priority. If the builders fail to turn up or leave the site, point out that the next stage payment could be delayed or lost, according to the terms of the contract. Do not make stage payments in advance.

### **6.1 Deposits and advances**

In general, you should not pay a deposit to a contractor. There is a risk that the contractor will disappear with your money. There is also less pressure to proceed with the job. Even if you feel that it is fair to pay in advance for specialist materials or fittings it is better to order the goods yourself and have them delivered direct to you.

Small businesses may ask for deposits, typically for materials. Be very wary. You should consider carefully whether this is necessary and whether the amount is fair. Do not pay a lump sum to cover the materials for the whole job, only pay for those which are needed at any particular stage. You could ask for references from people for whom they have previously done work. Check at least one carefully.

### **6.2 Extra protection**

You may have extra rights if you pay by credit card, or by credit linked to the work, where the trader lends you money to finance the work or acts as a broker by arranging for you to borrow from a creditor. The lender is equally liable for any claim you have against the trader for breach of contract or misrepresentation. This applies if the service costs more than £100 and not more than £30,000, even if you only pay a deposit. For example, if the contractor goes out of business before work starts, you may be able to claim back any deposit you have paid from the credit company.

### **6.3 The final account**

Some contracts end up costing more than originally intended because of changes which occur as the job progresses. For example, damp which seems to be a result of condensation may turn out to be a more deep-seated problem. Agree the costs of such changes as they arise. This makes it much easier to agree the final costs, and avoids any nasty last minute surprises or disputes.

### **6.4 Retention of payments**

It is usually a good idea to include in the contract a period after the end of the work during which you retain the final payment. This allows you time to ensure that the work has been properly carried out and that any problems which arise are dealt with by the contractor.

The length of time is a matter for agreement between you and the contractor, and will depend on the nature of the work. For example, if you have painting and decorating

done, a few weeks might be appropriate. Large scale building work would probably require several months and central heating installation a period of 12 months to allow for a full heating cycle. How much of the price you keep back is also a matter for negotiation, but 10% may be reasonable.

## 7.0 Disputes

**Disputes can arise over such matters as workmanship, delays, the cost of extra work done, and materials. Under the Supply of Goods and Services Act 1982 you are entitled to expect the following standards from a contractor:**

### 7.1 Quality of work

A service must be carried out with reasonable care and skill. If a sub-contractor is employed, the main contractor is responsible for the quality of the sub-contractor's work.

### 7.2 Time taken

If the contract did not clearly set a date, the law says that the work must be finished in a reasonable time. If you did agree a completion date and the contractor fails to complete by that day the contract has been broken and you are entitled to compensation for any loss you may have suffered. Some contracts set out specific penalties for late completion of work.

### 7.3 Cost

If a price was not agreed at the outset, the law says that the contractor should make a reasonable charge for the work done. You can find out what is reasonable by asking other contractors in the area, or by consulting the relevant trade association. If a firm price or a fixed hourly rate was agreed then you are bound by it.

### 7.4 Materials

Any materials supplied as part of the contract must be as described by the contractor, of satisfactory quality, and fit for the purpose for which they are intended. If they are not you are entitled to compensation. If, however, you insisted on using certain specific materials, you would not be able to claim from the contractor if those materials turn out to be unsuitable for the work.

### 7.5 If things go wrong

**In the event of a dispute do not over-react. There are a number of steps you can take to resolve the problem**

If problems develop, there are a number of steps you can take.

- After discussing the problem, give the trader a chance to put matters right.
- If you are not satisfied, put your complaint in writing, saying what you want done and setting a deadline. Write to the head office if there is one.

- Keep copies of letters, notes of conversations, photos, and a diary of events, if relevant.
- It could be worth getting an expert opinion to back up your complaint. Any reputable trader with relevant experience can count as an expert. It may cost money but could be very useful if you need to take legal action.
- Depending on the seriousness of the problem, think about withholding all or part of any further payments until the matter has been resolved. Check your contract first. In particular, be careful if you have a credit agreement as there may be problems if you fall behind with your payments. It might be advisable to get further advice.
- Where credit is linked to the work, the lender is liable for any breach of contract by the contractor (see Payments above). Inform the lender if such problems arise.
- If the contractor belongs to a trade association, there may be a conciliation or arbitration scheme which you could use.
- You can take your contractor to court. If the amount you are claiming is less than £750 in Scotland, you can use the small claims procedure.

In considering the action you want to take, you can get advice from your local citizens advice bureau (CAB) or trading standards department. CABs have leaflets explaining the small claims procedure and can help with filling in the forms. They may also be able to provide free legal advice, and someone to go to court with you.

**You can get advice from your local Citizens' Advice Bureau or Trading Standards Department**

## **8.0 In Summary**

- 1. Make a plan of what you want done. Don't be pressured into unnecessary work or work you cannot afford. For large or complex jobs, professional advice may well be needed.**
- 2. Keep dated photographs, before, during and after.**
- 3. Get the necessary consents or agreements from your local authority and insurance company. Discuss your plans with your neighbours, particularly if there are party structures.**
- 4. Draw up a short-list of firms that appear reliable, checking the experiences of previous clients (and perhaps references from banks) as appropriate.**
- 5. Seek quotations based on a detailed specification, and compare price, conditions, and reputation for reliability and good workmanship.**
- 6. Get a written contract covering all the details of your agreement, notably**
  - a. the work to be done**
  - b. price**
  - c. start and completion dates**
  - d. stage payments and retention periods, and**
  - e. the position on delays where time is of the essence.**
- 7. Find out whether a worthwhile guarantee is available, giving cover against a contractor ceasing to trade. Insurance-backed schemes may be particularly appropriate.**
- 8. Avoid deposits and advance payments. Use stage payments as a means of keeping the work progressing. Use any retained payment to ensure that defects discovered after completion are put right.**
- 9. Be as clear as possible about the way you will deal with any disputes.**

**A final point: make sure that you play fair with the builder. Pay bills for good work promptly. There is no sense in creating unnecessary problems and bad feeling.**

## 9.0 Useful contacts

The following organisations might be useful if problems arise. The list is not exhaustive. For further addresses, check the Directory of Trade Associations in your local library, ask the nearest Citizens' Advice Bureau or ring the Office of Fair Trading information line: (0345) 224499.

<p><b>The Royal Incorporation of Architects in Scotland</b>  15 Rutland Square  Edinburgh Scotland  EH12BE  <b>Tel:</b> 0131 229 7545  <b>Fax:</b> 0131 228 2188  <b>Email:</b> <a href="mailto:info@rias.org.uk">info@rias.org.uk</a>  <b>www.rias.org.uk</b></p>	<p><b>The Royal Institute of British Architects</b>  66 Portland Place  London  W1B 1AD  <b>Tel:</b> +44 207 580 5533  <b>Fax:</b> +44 207 255 1541  <b>Email:</b> <a href="mailto:info@inst.riba.org">info@inst.riba.org</a>  <b>www.architecture.com</b></p>
<p><b>The Royal Institution of Chartered Surveyors</b>  RICS Contact Centre  Surveyor Court  Westwood Way  Coventry CV4 8JE  UK  <b>Tel :</b> +44 (0)870 333 1600  <b>Fax</b> +44 (0)20 7 334 3811  <b>Email:</b> <a href="mailto:contactrics@rics.org">contactrics@rics.org</a>  <b>www.rics.org</b></p>	<p><b>Institution of Civil Engineers</b>  One Great George Street  Westminster  London  SW1P 3AA.  <b>Tel:</b> : +44 (0)20 7222 7722.  <b>Email:</b> <a href="mailto:communications@ice.org.uk">communications@ice.org.uk</a>  <b>www.ice.org.uk</b></p>
<p><b>Scottish Building Federation</b>  Crichton House,  4 Crichton's Close,  Holyrood, EDINBURGH, EH8 8DT  <b>Tel:</b> 0131 556 8866  <b>Email:</b> <a href="mailto:info@scottish-building.co.uk">info@scottish-building.co.uk</a>  <b>Fax:</b> 0131 558 5247  <b>www.scottish-building.co.uk</b></p>	<p><b>Gas Safe</b>  Gas Safe Register  PO BOX 6804  Basingstoke  RG24 4NB  <b>Tel:</b>+44 (0)800 408 5500  <b>Email:</b> <a href="mailto:enquiries@gassaferegister.co.uk">enquiries@gassaferegister.co.uk</a>  <b>www.gassaferegister.co.uk</b></p>
<p><b>Scottish &amp; Northern Ireland Plumbers Employers' Federation</b>  2 Walker Street  Edinburgh EH3 7LB  <b>Tel:</b> 0131 225 2255  <b>Email:</b> <a href="mailto:info@snipef.org">info@snipef.org</a>  <b>Fax:</b> 0131 226 7638  <b>www.snipef.org</b></p>	<p><b>SELECT</b> (electrical industry trade association)  The Walled Garden  Bush Estate  Midlothian EH26 0SB  <b>Tel:</b>0131 445 5577  <b>Email:</b> <a href="mailto:admin@select.org.uk">admin@select.org.uk</a>  <b>Fax:</b>0131 445 5548  <b>www.select.org.uk</b></p>
<p><b>The Solid Fuel Association</b>  7 Swanwick Court  Alfreton, Derbyshire, DE55 7AS.  <b>Tel:</b> 0845 601 4406 / 01773 835400  <b>E-mail:</b><a href="mailto:sfa@solidfuel.co.uk">sfa@solidfuel.co.uk</a>  <b>www.solidfuel.co.uk</b></p>	

If you would like this document in another language or format, or if you require the services of an interpreter, please contact us.

Ma tha sibh ag iarraidh an sgrìobhainn seo ann an cànan no riochd eile, no ma tha sibh a' feumachdainn seirbheis eadar, feuch gun leig sibh fios thugainn.

Gaelic

Jezeli chcieliby Państwo otrzymaO ten dokument w innym języku lub w innym formacie albo jeeli potrzebna jest pomoc Uumacza, to prosimy o kontakt z nami.

Polish

यह दस्तावेज़ यदि आपको किसी अन्य भाषा या अन्य रूप में चाहिये, या आपको आनुवाद-सेवाओं की आवश्यकता हो तो हमसे संपर्क करें

Hindi

یہ دستاویز اگر آپ کو کسی دیگر زبان یا دیگر شکل میں درکار ہو، یا اگر آپ کو ترجمان کی خدمات چاہئیں تو برائے مہربانی ہم سے رابطہ کیجئے۔

Urdu

ਜੇ ਇਹ ਦਸਤਾਵੇਜ਼ ਤੁਹਾਨੂੰ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿਚ ਚਾਹੀਦਾ ਹੈ, ਜਾਂ ਜੇ ਤੁਹਾਨੂੰ ਗੱਲਬਾਤ ਸਮਝਾਉਣ ਲਈ ਕਿਸੇ ਇੰਟਰਪ੍ਰੈਟਰ ਦੀ ਲੋੜ ਹੈ, ਤਾਂ ਤੁਸੀਂ ਸਾਨੂੰ ਦੱਸੋ।

Punjabi

本文件可以翻譯為另一語文版本，或製作成另一格式，如有此需要，或需要傳譯員的協助，請與我們聯絡。

Cantonese

