

# CONTRACTORIAL TERMS AND CONDITIONS

## OBLIGATIONS OF THE CONTRACTOR

1. Perform the work diligently and with reasonable care, in accordance with the plans and any agreed-upon scope of works.
2. Utilize materials of satisfactory quality and suitable for their intended purpose. Unless otherwise agreed to in writing by the customer, all materials shall be new.
3. Commence and complete the work within a reasonable period.
4. Be liable for any damages resulting from the execution of the work, including, but not limited to, the premises, its contents, and neighbouring properties.
5. Ensure that the work areas are left in a clean and orderly condition upon completion of the contract.
6. If stipulated in the scope of works, provide architectural supervision.

## OBLIGATIONS OF THE CUSTOMER

1. Grant the Contractor access to the premises for the duration of the agreed-upon working period.
2. Ensure that the work areas are sufficiently clear of obstructions, enabling the Contractor to perform the work. Neither access nor permit others to access isolated work areas without the Contractor's supervision.
3. Permit the Contractor to execute all aspects of the work program in the manner and sequence that the Contractor deems necessary for timely and cost-effective completion.
4. Provide all instructions to the Contractor in writing.
5. In the absence of an appointed Principal Designer, ensure compliance with all Construction Design Management requirements or appoint the Contractor to fulfill these obligations.
6. Remit payment no later than 12:00 P.M. on the due date as requested for materials to be ordered and/or works carried out.
7. Not enter into any agreement for works that are part of or related to the building works with any employees, subcontractors, suppliers, or consultants introduced by the Contractor without the Contractor's consent. This restriction shall remain in effect for a period of six months following the termination of the contract.
8. Review all contract documentation for accuracy, including, but not limited to, item descriptions and quantities, and ensure that the works priced correspond to the customer's requirements.

## 3. CHANGING THE WORK DETAILS

The work detail is priced to provide the Build as drawn and in compliance with current building regulations. Any specification over and above this will need to be specifically agreed. The customer can change the work detail, although this does not include re-allocation of contracted components to any other contractor. Where the work detail is changed, the contractor will make an appropriate alteration in the price considering any costs incurred regarding rescheduling, block/bulk order discounts, and re-costing charges. All variations will be calculated as per our standard schedule of rates.

## 4. EXTENDING THE WORK PERIOD

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The working period will be automatically extended where the Contractor must spend extra time on the work because of changes made to the work detail or cannot finish the work on time for reasons beyond its control, including delay caused by the Weather or variations to specification and method. It is also the case that often certain aspects of work do take longer than anticipated and allowed for. Where this happens, the Contractor will bear the cost; however, extension of time will be automatically applicable. In addition, as with most Building Contractors, the Contractor does not have full control over the attendance of outside suppliers of goods and services and hence cannot be held liable because of any delays resulting from merchants or subcontractors unless these delays arise because of specific failures by the Contractor.

### **5. PAYMENT**

Payments will be required weekly in respect of material & plant to be ordered and percentages of labour carried out. Payments will be due upon receipt of valuation, which will be issued weekly and set out in accordance with the priced specification. Payment must be made no later than 12:00 P.M. on the day after the valuation is raised. A non-refundable deposit of 10% is payable on placing of order and will be deducted from the final balance of the contract. All progressive scheduling of labour and material is confirmed by the end of Business on Fridays weekly; where payments are received late without prior agreement, orders may not be actioned, and hence delays may be incurred, including slippage of subcontractors and employee scheduling (see section 9 (c)). Where re-scheduling becomes necessary due to payment default, all discounts will be cancelled, and surcharges may be applied. Discounts will also be void, and surcharges applied to bring our charges in line with our standard schedule of rates where the original scope of works is reduced.

### **6. CONTRACTOR'S RESPONSIBILITY FOR FAULTS IN WORK**

Construction is by nature a progressive process, and hence works cannot be accurately assessed during the build process. Any omissions or issues in the works in progress will always be addressed prior to completion. It is hence agreed that any works requiring remedial attention can be addressed at a later stage prior to completion and these works will not represent a situation where it could be claimed that the works are not being carried out to a satisfactory standard, as they will not be complete and hence classed as works In progress. It is agreed that the Contractor will be allowed to do what is required and the opportunity to obtain the completion certificate from Building Control prior to any final assessment of works. For 12 months after the completion of the work, the Contractor will remain responsible for any faults in the work (other than fair wear and tear) caused by the company.

### **7. BRINGING THE CONTRACT TO AN END**

a) Any failure to keep to the terms documented in this agreement will constitute a Breach of Contract. b) If either party wants to act on that Breach, they must issue proper legal notice as per pre-action protocol for Construction and Engineering disputes giving the other party fourteen days in which to correct the issue in question or to give adequate representation as to why it will not or cannot be corrected in that time scale and alternatively to give an undertaking as to when it will be corrected. Where this relates to rectification of work, the Contractor will be allowed to address such issues in line with the terms outlined at section 2 (c) unless there are safety issues. c) If either party issues proper notice in relation to breach of any of the conditions in this agreement and the other

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party fails to properly respond to that notice, then the contract can be terminated. Upon termination of the contract, the Contractor will prepare and submit its final account within 30 days of the date of termination and all overdue balances must be settled within 21 days of the date of that account. In any event, both parties agree that the final account will be based on these terms and conditions.

### **8. INSOLVENCY**

a) If the customer or the Contractor becomes insolvent (unable to pay their debts), this agreement will come to an end unless the insolvency practitioner involved makes a suitable arrangement to allow the contract to continue. b) If the works come to an end because the Contractor becomes insolvent, the customer will not have to pay any amount then due to the Contractor until the works have been finished by another contractor and that Contractor's costs have been deducted.

### **9. OTHER RIGHTS AND REMEDIES**

- a) The customer and the Contractor can claim from each other all losses direct or indirect, including costs and expenses which result from any failure to keep to this contract.
- b) This contract does not rule out or limit any other legal remedies that may be available to the customer or the Contractor.
- c) The Contractor can, without further notice, immediately suspend the supply of goods and services if payment is not received and no adequate representation is given in respect of non-payment by the due date. If this happens, the customer will be responsible for any slippage in scheduling and for any increase in cost which arises from the slippage. If works are suspended, the bulk price discount applied will be rescinded, and the remainder of the works will be billed as per the Contractor's schedule of rates.
- d) In the event of a breach of contract resulting in termination, the Company reserves the right to retain any payments made by the Client as security and/or as liquidated damages. Such payments will be applied towards any losses, costs, or damages incurred by the Company because of the breach.
- e) The customer cannot make payments directly to subcontractors or employees introduced by the Contractor for any part of the contracted works or works arising from those works, which influence the works as contracted, without written authorization from the Contractor. This applies to a period not exceeding twelve months after the cessation of the contract.
- f) The working area is under the control of the Contractor from the start of works until completion, and all attendance must be in accordance with CDM 2015 regulations and comply with site safety procedures, a copy of which will be made available to the customer prior to the start of works.
- g) Where pre contractual procedures are instructed a cost of £300.00 will be payable if there is no contract confirmation. This relates solely to preparation of priced scope of works and arrangement for references.

### **10. PLANNING PERMISSION, BUILDING REGULATIONS AND PARTY WALLS**

The Customer will apply for any planning permission, building regulations approval, and party wall consents or awards that may be needed unless agreed otherwise. Any delays and/or costs to either party resulting from the failure to obtain these will be the liability of the customer.

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### **11. USING FACILITIES ON THE PREMISES**

The customer will allow the Contractor access to electricity and water unless otherwise specified.

### **12. THE WORKING PERIOD**

The working period is the estimated length of time for doing the work and does not include applicable extensions of time.

- 1.) The Contractor will start the work on the agreed date.
- 2.) The estimated working period will be as specified.
- 3.) The work is finished when the Contractor has properly done everything shown in the work details and any changes made to them.
- 4.) These terms do not include any provision for time to be of the essence, and it is agreed that should this be required later in the contract, it will be subject to a surcharge and mutual agreement. As it stands, the works have been priced outside of this requirement.
- 5.) If the timescale is extended beyond what is reasonable, the client can claim liquidated damages up to £500.00 per week and a penalty discount of 1% of the contract value per week up to a total of 10%. This is to be deducted from the final balance on completion of all works by the Contractor. This is on the condition that no legal action is commenced against the Contractor and that the Contractor will be permitted to complete all works. This will serve as full and final settlement to any potential claim in respect of timescale and maintain goodwill between both parties.

### **13. PRODUCT GUARANTEES**

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

### **14. INSURANCE**

Before the work starts:

- 1.) The customer will inform their household insurers (if any) that they are about to have work done at the premises.
- 2.) The Contractor will have an up-to-date public liability policy for death or injury to people and damage to property. The amount insured for any one claim arising from one event is £1,000,000.00.

### **15. WORKING HOURS**

The customer will allow the Contractor to carry out the work between 07.45 am and 4.45 pm from Monday to Friday, unless agreed otherwise between the two parties.

### **16. OCCUPATION AND SECURITY OF THE PREMISES**

- 1.) If the premises are unoccupied at any time while the work is being carried out, the Contractor will take practical and common-sense precautions to deter intruders from entering the premises.
- 2.) If the premises are occupied, the Contractor will ensure, where practically possible, to isolate the building works from living areas.

### **17. DISPUTES**

- 1.) The customer or the Contractor can start court proceedings to settle any disputes.

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2.) The customer or the Contractor can also have disputes decided within 21 days by an adjudicator appointed under an adjudication scheme run by the Royal Institution of Chartered Surveyors (RICS) or the Royal Institute of British Architects (RIBA) or any other qualified independent body or service. If the customer or the Contractor chooses adjudication to decide disputes, they must both accept the process, cost, rules, and procedures. Free details of the cost, rules, and procedures for adjudication are available. Alternatively, an appropriately qualified independent person can be jointly employed to act as an Arbitrator to resolve any disputes in a cost-effective and timely manner. This does not affect both parties' rights to seek an adjudication should they feel the need to still exist after this process. These terms represent the entire agreement between the Contractor and the Customer and acknowledge that no other inducements, conditions, or terms are applicable to this agreement.

### 18. CONFIDENTIALITY

It is agreed that both parties to this agreement will keep any information resulting from their business together and about each other private and confidential, and where there is any breach of this, the party in breach will accept liability to the damaged party for any loss assessed directly or indirectly.

### 19. RIGHT TO CANCEL

Please note that we make you aware of your statutory right to cancel which extends up to 14 days from the date of acceptance.

### 20. ADDITIONAL COSTS

Variations to the contract which represent additional costs will be priced as per our standard schedule of rates less any discounts agreed and payable upon receipt.

### 21. DISCOUNTS

**In the event of a Breach of the terms of the contract which results in notice, the Contractor reserves the right to cancel all discounts and prepare the final account in line with pre-discounted prices. See also section 5.**

### 22. VALIDITY OF QUOTATION

All quotations are valid for 30 days, after which time they will be subject only to increases over that of the industries normal rate.

### 23. BULLYING AND HARASSMENT POLICY

It is a specific term of this agreement that all parties act within the Law in respect to current legislation regarding Bullying and Harassment.

### 24. AGREEMENT IN FULL

This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations, and understandings between them, whether written or oral, relating to its subject matter. Each party acknowledges that in entering into this Agreement, it does not rely on and shall have no remedies in respect of, any statement, representation, assurance, or warranty (whether made innocently or negligently) that is not set out in this Agreement. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Agreement.

# CONTRACTORAL TERMS AND CONDITIONS

All reference to Contractor relates to Sphere Contractors Southwest Limited, Company No. 12516230.

## DOCUMENTS AND CLARIFICATIONS INCLUDED IN AGREEMENT

Drawings.

Specification Agreed...

Other documents and/or clarifications...

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I have read and understand this agreement and have signed below to acknowledge I agree to be bound by its terms contained in pages 1 to 7

**Name Printed**.....

**Signature**.....

**Date**.....

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## SCHEDULE OF RATES

Construction Operatives	Hourly Labour Rates (£)
Electrician	50.00
Electrician's Mate	30.00
Plumber	50.00
Plumber's Mate	30.00
Bricklayer	30.00
Labourer	15.00
Carpenter	30.00
Roofer	30.00
Plasterer	30.00
Window Fitter	30.00
Ground Worker	30.00
Decorator	30.00
Architectural Technician	100.00
Structural Engineer	150.00
Health and Safety Consultant	65.00
Estimator	65.00

### Other Rates:

- Cleaner: £18.00 per hour
- Admin: £29.50 per hour
- Plant Material and Labour: at cost plus 35%
- Other external suppliers: at cost plus 35%

### Other Charges:

- Communication in respect of Late Payment: £29.50
- Site H&S Maintenance £200.00 per week