

# What you need to know about contracts

When employing a contractor to carry out electrical work in your home it is essential to make sure that you have a proper contract in place well before any work begins. A contract will help ensure that you both know where you stand and what the expected outcomes of the job are. Leading electrical regulatory body, NICEIC, offers some practical advice to help you get to grips with your rights:

## 1. Get everything in writing

Don't settle for a verbal agreement, get proper terms and conditions laid out before work begins. If your requirements are not agreed in advance then you can't take for granted that they will be carried out. Although verbal agreements are legally binding, a written agreement is safer and removes any misunderstanding. If your electrician is trustworthy they will have no problem agreeing to a written contract, after all it is intended to protect both parties.



#### 2. Cover the basics

Many details will vary from job to job but there are some basics that should be included in all trade contracts:

- The name, address and telephone numbers of both yourself and the electrical contractor
- · Commencement and completion dates, including penalties for late completion
- The technical details, plans and materials that will be used
- Details of any permits or council authorisation needed to commence the project and who will apply for them
- Names of any subcontractors and details about their payment
- A provision that the contractor will put right any defective work and pay for any damage to property
- A provision that part of the fee may be withheld until work has been inspected and any defects put right
- The name and address of the contractor's insurer
- Agreement that the site will be left tidy throughout and at the end of the project
- Payment details including the total cost for the job plus any deposits needed upfront and how this will be paid.

### 3. Avoid common complaints

The most common complaints are misunderstandings on price, standard of work or the time it takes to complete a job. Avoid these issues by discussing expectations in advance and writing the details into the contract.

#### 4. Allow time to cool off

Make sure you write an allowed cancellation period into your contract. This 'cooling off' period gives you time to think and to decide whether you want the job to go ahead or not, without incurring any penalty.

#### 5. Only pay for completed work

Your contractor may ask for a deposit upfront to help cover the cost of materials or additional labour. If you agree to this make sure it is noted in the contract. Never pay for the whole job before work is completed. If you agree to a progress payment during the project make sure the amount of work completed reflects the amount being paid – e.g. 50% payment of the fee should mean half of the work has been carried out. Holding money back means you are covered in case it is necessary to pay someone else to complete the job.

WWW.NICEIC.COM Contracts Factsheet



### 6. Understand the small print

Always make sure you fully understand your contract. Some electricians will have standard contracts that they hand out to all customers but if you're not satisfied with any of the clauses or don't understand some of the small print then speak up, it's your right to understand what you're signing.

#### Check for unfair terms

You are not bound by unfair terms so watch out for some of the common clauses that rogue tradesmen might use to avoid responsibility. These include allowing them to vary the terms of the contract at any point (eg putting up the price), stopping you from holding back payment if the work is faulty or making you lose prepayments if they cancel the contract.

## 8. Know your legal rights

The Supply of Goods and Services Act 1982 requires a supplier of a service to carry out that service with reasonable care and skill and, unless agreed to the contrary, within a reasonable time and for no more than a reasonable charge. This Act provides additional protection to your contract and also outlines the necessary legalities of your agreement with your contractor.

#### 9. Get legal advice

If you're planning a costly project, consider having your contract checked over by a solicitor or legal advisor for any unclear terms or conditions. Breaches of contract – where any terms and conditions have been broken by either party – can lead to costly legal disputes so it's worthwhile checking that the contract is clear before you start.

## 10. Don't sign until you're happy

At the end of the project don't sign to say you're happy unless you're 100% sure that you are. Make sure you've inspected and tested everything yourself before signing off. It may be possible to negotiate a grace period of six months to ensure you're happy.

#### How to choose an electrician

To make sure electrical installations in the home are safe and legal homeowners must use a qualified electrician.

NICEIC is the UK's leading regulatory body for the electrical contracting industry and all registered electricians have to undergo vigorous annual assessment. By employing a qualified NICEIC electrician homeowners can ensure that any electrical work carried out in their home is safe and complies with Building Regulations.

NICEIC assesses and maintains a register over 25,000 electrical contracting companies to rigorous standards. Homeowners can find qualified electricians in their area at www.findanelectrician.info or by calling 0870 013 0382.





WWW.NICEIC.COM Contracts Factsheet