



Third Edition 2020



FORM OF AGREEMENT		
TERMS ANI	D CONDITIONS	4
PART 1: CONT	RACT DETAILS AND FEE	4
PART 2: SERVI	CES	6
PART 3: COND	PITIONS	
3-1 3-2 3-3 3-4 3-5 3-5A 3-6 3-7 3-8 3-9 3-10 3-11 3-12 3-13 3-14 3-15 3-16 3-17 3-18	Approved Inspector's general obligations Client's information and obligations Design, permits and approvals Compliance with Building Regulations Payment Non-Payment Changes to the Project and Additional Work Insurance Assignment and subcontracting Termination and discharge Termination and discharge (continued) Termination and discharge (continued) Consequences of termination Limitations of liability Notices Disputes and complaints Intellectual Property Rights of third parties Commencement	8 8 9 10 10 11 11 12 12 13 14 14 14 14
GUIDANCE		17

Acknowledgements to Beale & Co Solicitors in the help to update this model contract

FORM OF AGREEMENT

THIS C	ONTRACT	
is made	e the	
Betwee	en	
1.	The Client	1 Insert name of Clien
2.	and The Approved Inspector LONDON BUILDING CONTROL LIMITED ²	2 Insert name of Approve
2.	whose address is at 13 Woodstock Street, Mayfair, London, W1C 2AG	Inspecto
	('the Parties').	
Where	eas	
	ent wishes to appoint the Approved Inspector as an approved inspector under the Building Act 1 tion with	984 in
at		

('the Project') and the Approved Inspector has agreed to provide the Services for the Project on the terms set out in this contract.

.....

3 Insert details of work and name of Project

It is agreed

That under this contract, which compromises this Form of Agreement and the attached Terms and Condition in four Parts:

- 1. Capitalised terms shall be defined as set out in Part 4 unless the context otherwise requires.
- 2. The Approved Inspector shall perform the Services set out in Part 2: Services and Additional Work (if any) in accordance with the terms of this contract.
- 3. The Client shall pay the Approved Inspector for the Services and the performance of any Additional Work in accordance with the terms of this contract.
- 4. This contract is subject to the law of England and Wales and the Client and the Approved Inspector submit to the exclusive jurisdiction of the courts of England and Wales.

Signed by or on behalf of the Approved Inspector	
4	4 Name and signature of Approved Inspector or person signing on behalf of Approved Inspector
Signed by or on behalf of the Client	
5	5 Name and signature of Client or person signing on behalf of Client

TERMS AND CONDITIONS

PART 1: CONTRACT DETAILS AND FEES

1–1	The Client has appointed the following to undertake the following roles: ⁶	6 Insert details as appropriate	
	Architectural design		
	Civil and structural design:		
	Building services design:		
	-Contractor:		
	Others: London Building Control as the Building Control Body		
1–2	The Client is / is not a domestic client. ⁷		
1–3	The anticipated project period up to practical completion of the construction work is		
1-4	The company providing professional indemnity insurance in accordance with clause 3–7 is Griffiths & Armour ⁸	8 This information is required by the CIC Code of Conduct for Approved Inspectors, available at	
1–5	The total limit of the Approved Inspector's liability to the Client referred to in clause 3–13.2	www.cic.org.uk	
	is £5,000,000 ⁹		
1–6	The Approved Inspector's liability in the respect of Fire Safety Notifications ¹⁰ is limited to £3		
	in the aggregate	10 & 11 Complete to exclude or limit liability for matters for which cover is excluded	
1–7	The Fee	or subject to a lower limit of indemnity in the Approved Inspector's insurance cover.	
	The Fee shall be charged on a lump sum . 12	inspector a insurance cover.	
	¹³ Lump Sum: The Fee shall be lump sum of		
¹⁴ Time	e charges: The Fee/charge for Additional Work shall be calculated on the basis	14 If the Fee is charged on a lump sum basis, delete the word 'Fee'. In any event.	
of the	time properly and necessarily spent by the Approved Inspector in performing	insert details as appropriate: Additional Work is charged	
the Se	rvices at the following rates:per hour.	on a time basis, see clause 3-6.	
•••••	Lper nour.		
	£ per hour.		
	£ per hour.		
	f ner hour		

1– 8	Expenses and disbursements	Note: LBC does not offer warranty Insurance	
If war	ranty insurance ¹⁵ is required (in		Also known as building guarantee insurance
Fee.	, , , , , , , , , , , , , , , , , , , ,	16	Delete the alternatives
¹⁶ All o	ther expenses and disbursemen	ts, incurred by the Approved Inspector in performing the Services and	details as appropriate.
any A	dditional Work, are included in t	he Fee; or	
The A	Approved Inspector shall be en	titled to charge for his expenses and disbursements; or	
The A	pproved Inspector shall be entitl	ed to charge for the following expenses and disbursements:	
1 –9	Instalment payments		
Paym	ent shall be made by instalments	s as follows:	
Instal	ment date, stage or milestone ¹⁷		
Amou	nt or % or time ¹⁸	18	3 If time charge applies, insert 'Time'
•••••			••••

PART 2: SERVICES

Exercising the reasonable skill and care set out in clause 3-1, the Approved Inspector shall undertake the following services (where appropriate to the Project):

Instructions ¹⁹Receive instructions brief and necessary documentation from the Client.

19 Delete any services not to be undertaken.

Advise on procedure and programme for Building Regulation certification.

Initial Notice Submit an Initial Notice(s) to relevant local authorities and copy to the Client.

Assessment of plans Undertake an assessment of plans²⁰ for compliance and communicate to the Client

observed non-compliance with the Building Regulations, conditions pertaining to the approval or passing of plans and remedies available in the event of a dispute

over compliance.

Maintain appropriate records of the design assessment process.

Statutory consultations Consult with the fire authority and forward observations to the Client.

Undertake all other statutory consultations forming part of the Statutory Functions

and forward observations of consultees to the Client.

Consider the desirability of undertaking additional consultations and communicate

to the Client any consultees' observations or advice beyond the scope of the

Building Regulations.

Alert the Client to provisions of legislation outside the Building Regulations

believed to be relevant.

Plans certificate If requested by the Client, when satisfied that the plans show no

observed contraventions of the Building Regulations, issue a plans

certificate.

Compile a schedule of modifications specified and/or further plans

or information required to demonstrate compliance of plans.

Inspection notification Prepare an inspection notification framework (INF) and if requested provide a

copy to the Client.

Framework Adopt an appropriate site inspection regime taking account of relevant factors,

and keep under review.

Make inspections of the site to observe compliance with the Building Regulations.

Maintain appropriate records of site inspections, identifying the work inspected

and any observed non-compliance.

Communicate any observed contraventions of Building Regulations.

Notify observed significant departures from plans to consultees. Consider the need for tests, throughout construction and at completion, inform the Client of the requirements; witness tests and receive certificates as appropriate.

Request copies of such plans as are necessary in relation to the

commissioning of services prior to issue of a Final Certificate(s).

Final certificate

Having taken reasonable steps to be satisfied that the whole or part of the works forming part of the Project has been completed for Building Regulations purposes, issue a Final Certificate(s) and send to the Client.

If requested by the Client, provide a list of inspections carried out.

Retain statutory records for an appropriate period.

²¹ The A	Approved Inspector shall undertake the following additional services:	21	Tick any services to be undertaken.
×	-Assist with negotiations and applications for approvals under local Acts.		
•	Attend design team meetings, as agreed.		
•	Undertake further consultations, as agreed.		
•	Attend site meetings, as agreed.		
•	Make further inspections of the site over and above those identified in the INF, as agreed.		
×	-Witness tests outside the site, as agreed.		
×	-Participate in assessing plans by electronic means (such as web collaboration tools or building		
	- information modelling).		
×	- Assist with advice on need for specialist studies and surveys of site.	22	Add additional services as required.
22			,

PART 3: CONDITIONS

3–1 Approved Inspector's general obligations

- 3-1.1 The Approved Inspector shall carry out the Services and any Additional Work with reasonable skill, care and diligence in accordance with this contract.

 Notwithstanding any other provision of this contract the Approved Inspector shall have no greater obligation under or in connection with this contract than to exercise reasonable skill, care and diligence.
- 3-1.2 The Approved Inspector shall exercise reasonable skill, care and diligence in performing the Services and any Additional Work to have regard to the CIC Code of Conduct for Approved Inspectors and where possible to any programme for the Project (as amended from time to time and provided to the Approved Inspector in writing).

3–2 Client's information and obligations

- 3-2.1 The Client shall provide such information, documents and assistance as the Approved Inspector reasonably requires or requests from time to time in order to facilitate the timely provision of the Services and any Additional Work. 3-2.2 The Client shall be responsible for safe access to the Project being provided when the Approved Inspector reasonably requires it and shall procure such access and certification from any consultant, contractor or sub-contractor as is reasonably requested by the Approved Inspector.
- 3–2.3 The Client shall give the Approved Inspector at least 7 days' notice before any works forming part of the Project are commenced and shall keep the Approved Inspector regularly informed of the progress of the Project.
- 3–2.4 The Client confirms that it is the person intending to carry out the work forming part of the Project.

3–3 Design, permits and approvals

- 3–3.1 The Client shall be entirely responsible for the design construction management of the Project save to the extent set out in the Services and/or agreed in writing by the Approved Inspector before undertaking Additional Work.
- 3–3.2 The Client shall also be entirely responsible for obtaining and implementing all necessary permits, licences and approvals, save to the extent set out in the Services and/or agreed in writing by the Approved Inspector before undertaking Additional Work.

3–4 Compliance with Building Regulations

3–4.1 The Client and not the Approved Inspector shall be responsible for the Project's compliance with the Building Regulations. The Services do not include and the Approved Inspector is not responsible for i) confirming whether the Building Regulations have been complied with, and/or ii) advising the Client and/or managing the Project to ensure that compliance with the Building Regulations is achieved.

- 3–4.2 The Approved Inspector shall take such steps as are reasonable to enable it to determine that a Final Certificate can be issued, and if so determined, it shall issue a Final Certificate. Any Final Certificate is based on the information and documents provided and the Services and Additional Work performed and is not a representation that every aspect of the Project complies with the Building Regulations and/or conclusive proof of the Project's compliance with the Building Regulations.
- 3–4.3 The Approved Inspector shall not be responsible or liable for any delay in issuing the Final Certificate and shall not be responsible or liable for any additional fees that are payable to the relevant local authority and/or any other costs, as a result of the Approved Inspector being unable to issue a Final Certificate at any time. The Client shall not (and shall ensure that a third party shall not) take possession of the works forming part of the Project and/or issue any certificate of completion under the building contract in respect of the works forming part of the Project, unless the Final Certificate has been issued.

3-5 Payment

The due date for payment of an instalment of the Fee, together with expenses and disbursements if they are to be paid in addition, shall be the date of submission of the Approved Inspector's valid invoice for each instalment. The final date for payment of that invoice is 28 days after the due date for payment. The Client shall pay the sum stated as due in any invoice on or before the final date for payment unless the Client has not later than 7 days before the final date for payment given written notice to the Approved Inspector of its intention to pay less stating the sum considered to be due and the basis on which that is calculated ('pay less notice'). The sum stated as due in any pay less notice shall be paid on or before the final date for payment. The Fee is exclusive of VAT, which shall be paid in addition to the Fee if applicable.

3.5A Non-Payment

²³[Any sum due under this contract which is not paid by the final date for payment shall carry interest at 5% above the Bank of England official dealing rate applicable case of a domestic client. from the final date for payment until the date on which payment is made.]

In the event that any sum is not paid on or before the final date for payment in accordance with clause 3-5 the Approved Inspector shall be entitled to:

- 3.5A.1 Suspend performance of all or any part of the Services by giving 7 days' notice in writing and recover all reasonable costs incurred in connection with the suspension of the Services; and/or
- 3.5A.2 Terminate this contract by giving 14 days' notice.

3-6 Changes to the Project and Additional Work

The Approved Inspector shall notify the Client in writing as soon as it becomes aware that any Additional Work will be required, because of:

- 3–6.1 Changes in the design, size, scope or complexity of the Project;
- 3–6.2 Changes in the timing or programming of the Project;
- 3–6.3 A failure by the Client to comply with its obligations under this contract;
- 3–6.4 Additional meetings and/or visits and/or other work is required; and/or
- 3–6.5 Any change in law (including without limitation any change in the Building Regulations and/or the Building Act 1984).

The Client shall pay the Approved Inspector for any Additional Work and/or if due to circumstances outside the Approved Inspector's control there are any changes in the timing or programming of the Services and/or any Additional Work, on a time charge basis, at the rates set out in clause 1–7. The Approved Inspector may include the charge in the next payment instalment after the Additional Work (or part of it) has been performed.

If any Additional Work is carried out and/or if due to circumstances outside the Approved Inspector's control there are any changes in the timing or programming of the Services and/or any Additional Work, the Approved Inspector shall be entitled to a fair and reasonable extension of time for performing the Services and the Additional Work.

3–7 Insurance

The Approved Inspector shall, provided it is available at commercially reasonable rates, maintain professional indemnity insurance and public liability insurance in compli ance with the guidelines issued by the Department for Communities and Local Governm ent (or any successor Department responsible for the Building Act 1984)²⁴, subject to any limitations, exceptions and/or exclusions from cover as are commonly included in professional indemnity insurance and public liability insurance policies. At the date of this contract, evidence as to whether these insurances are being maintained is available in the CICAIR Approved Inspectors' Register (published at www.cicair.org.uk/approved-inspectors-register).

3–8 Assignment and subcontracting

Neither Party may assign its rights and/or benefits under this contract [without the prior written consent of the other Party] ²⁵. The Approved Inspector may subcontract any part of the Services and any Additional Work, with the prior approval of the Client, not to be unreasonably withheld or delayed.

3–9 Termination and discharge

The Client may terminate this contract forthwith by written notice to the Approved Inspector if:

- 3–9.1 The Approved Inspector is in material breach of its obligations under this contract and has failed to remedy the breach within 28 days of the date of a notice of the breach from the Client; or
- 3–9.2 The Approved Inspector becomes Insolvent.
- **3–10** The Approved Inspector may terminate this contract forthwith by written notice to the Client if:
 - 3–10.1 The Client is in material breach of its obligations under this contract and has failed to remedy the breach within 28 days of the date of a notice of the breach from the Approved Inspector;
 - 3–10.2 The Approved Inspector reasonably believes that it will not be in a position to issue a Final Certificate;
 - 3-10.3 The Client becomes Insolvent;
 - 3–10.4 The Approved Inspector considers that there is a conflict between its obligations under this contract and the Statutory Functions;
 - 3–10.5 The Approved Inspector considers that it is necessary to cancel the Initial Notice under Section 52(1) of the Building Act 1984;
 - 3–10.6 The Approved Inspector reasonably believes that it is impossible or impracticable to perform the Services as a result of any circumstances for which Approved Inspector is not responsible; and/or
 - 3-10.7 The Approved Inspector is unable to maintain professional indemnity insurance and public liability insurance in compliance with the guidelines issued by the Department for Communities and Local Government (or any successor Department responsible for the Building Act 1984).
- **3–11** Following any notice of termination by the Approved Inspector or the Client, the Approved Inspector is entitled to:
 - 3–11.1 Write to the relevant local authority (with a copy to the Client) cancelling the Initial Notice, in which case the approved inspector functions will revert to the relevant local authority and the Approved Inspector will be discharged from all requirements to complete the Services or any Additional Work; and/or

3–11.2 At the Approved Inspector's discretion, issue a Final Certificate in respect of part of the works forming part of the Project.

3–12 Consequences of termination

If this contract has been terminated, the Client shall pay the Approved Inspector any instalments of the Fee due up to the date of termination together with a fair and reasonable proportion of the next instalment of the Fee commensurate with the Services performed, sums payable in respect of any Additional Work performed by the Approved Inspector prior to the notice of termination and, following termination under clauses 3.5A and/or 3.10, any costs or expenses incurred by the Approved Inspector as a result of termination.

Termination of this contract shall not affect any rights or remedies of the Client or the Approved Inspector which exist at the date of termination.

3–13 Limitations of liability

- 3–13.1 Nothing in this clause 3-13 shall limit the Approved Inspector's liability for negligence resulting in death or personal injury.
- 3–13.2 Notwithstanding any other provisions in this contract (apart from clause 3–13.1):
- (i) the Approved Inspector's total liability under or in connection with this contract (whether in contract, in tort (including negligence), for breach of statutory duty or otherwise) including without limitation interest and legal costs shall be limited to the amount set out in clause 1–5 in the aggregate; and
- (ii) without prejudice to the aggregate limit of liability under clause 3.13-2(i), the Approved Inspector's liability in respect of any matters set out in clause 1-6 shall be limited or excluded as stated in clause 1-6.
- 3–13.3 Without prejudice to any other exclusion or limitation of liability, damages, loss, expense or costs, the liability of the Approved Inspector for any loss or damage ('the loss or damage') under this contract shall be limited to that proportion as it would be just and equitable for the Approved Inspector to pay having regard to the extent of its responsibility for the loss or damage and on the assumptions that:
- all other consultants, contractors, subcontractors, and advisers
 engaged in connection with the Project have provided contractual
 undertakings on terms no less onerous than those in clause 3–1
 to the Client in respect of the carrying out of their obligations in
 connection with the Project;

- there are no exclusions of or limitations of liability nor joint insurance or co-insurance provisions between the Client and any other party referred to in this clause and any such other party who is responsible to any extent for the loss or damage is contractually liable to the Client for the loss or damage; and
- all the parties referred to in this clause have paid to the Client such proportion of the loss or damage which it would be just and equitable for them to pay having regard to the extent of their responsibility for the loss or damage.
- 3–13.4 The Approved Inspector shall not be responsible for the supervision of any contractor or subcontractor and/or for ensuring the performance or adequate standard of workmanship of any contractor or subcontractor. The Approved Inspector shall not be liable under or in connection with this contract for or as a result of any work and/or services provided by and/or any act or omission of any third party (including without limitation any contractor, consultant or sub-contractor).
- 3–13.5 The Client agrees not to pursue any claims under or in connection with this contract (whether in contract, in tort (including negligence), for breach of statutory duty or otherwise) against any individuals engaged by the Approved Inspector or any individual directors or members of the Approved Inspector. The Client acknowledges that such individuals are entitled to enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 3–13.6 The Approved Inspector's liability under or in connection with this contract shall be limited to the exercise of reasonable skill, care and diligence and the Approved Inspector shall not be liable unless it has failed to exercise such skill, care and diligence.
- **3–13.7** Neither Party shall under any circumstances whatsoever be liable to the other for any direct or indirect loss of profit, loss of business or anticipated saving or special, indirect or consequential damage suffered by the other Party that arises under or in connection with this contract.
- 3-13.8 No action or proceedings under or in respect of this contract whether in contract, in tort, in negligence, for breach of statutory duty or otherwise shall be commenced after the expiry of six years from the date of completion of Services or the termination of this contract if earlier.

3-14 Notices

The Client and the Approved Inspector can give notice to each other in writing under this contract by personal delivery. They can also give notice by post, in which case delivery is effective two working days after posting. Notices must be sent to the address on page 2 of this contract or any other address notified by the Party.

3-15 Disputes and complaints

- 3–15.1 If the Client is not satisfied with the Approved Inspector's performance of the Services or any Additional Work, it may ask the Approved Inspector to implement the Approved Inspector's complaints handling procedure. The Approved Inspector shall provide a copy of the procedure on request. The operation of the Approved Inspector's complaints handling procedure does not affect the Client's right to refer a dispute to the courts.
- 3–15.2 The Client and the Approved Inspector shall consider in good faith whether any dispute or difference between them is suitable for resolution by mediation, and if so shall take the appropriate steps with a view to resolving the dispute or difference by mediation.
- 3–15.3 ²⁶[Either the Client or the Approved Inspector may at any time refer a dispute or difference arising under or in connection with this contract to adjudication in accordance with the edition of the CIC Model Adjudication Procedure current at the date of the adjudication notice. The Adjudication shall be appointed by the CIC.]

3–16 Intellectual Property

The intellectual property rights in all documents produced by the Approved Inspector under this contract ('Documents') shall vest or remain vested in the Approved Inspector. The Client shall have a revocable, non-exclusive, terminable, royalty free licence to use the Documents for the purpose for which they were prepared and the Approved Inspector shall not be liable for the use of any of the Documents for any purpose other than that for which they were prepared.

3-17 Rights of third parties

No-one has any right to enforce any term of this contract under the Contracts (Rights of Third Parties) Act 1999, except as set out in clause 3–13.5. It is agreed and acknowledged that the Approved Inspector shall not be required to enter into any collateral warranties with any third parties, provide any letters of reliance and/or grant any rights to any third parties under or in connection with this contract.

3-18 Commencement

Whatever the date of this contract, it shall have effect as if it had been signed on the date when the Approved Inspector commenced the Services.

PART 4: DEFINITIONS AND INTERPRETATION

4–1 Definitions

In this contract, unless the context otherwise requires, the following expressions have the following meanings:

Additional Work means any additional or varied services

as a result of or in consequence of the matters described in clause 3–6.1-3-6.5 and which are not already covered by the Services set out in Part 2, together with any additional or varied

services

instructed by the Client and agreed by the Approved

Inspector.

Approved Inspector means a licensed individual or organisation carrying out

the duties given to an approved inspector by the Building

Act 1984 and regulations made under it.

Building Regulations means the building regulations made under the Building

Act 1984, including the Building Regulations 2010.

CIC means the Construction Industry Council.

Fee means the total amount to be paid to the Approved Inspector for

the Services and any Additional Work.

Final Certificate means a certificate in accordance with Section 51 of the Building Act

1984.

Initial Notice means an initial notice to the relevant local authority notifying them

of the Project under Section 47 of the Building Act 1984.

Insolvent means as defined in section 113, Housing Grants, Construction and

Regeneration Act 1996.

Services means the services listed in Part 2.

Statutory Functions means the duties of an approved inspector under the Building

Act 1984, regulations made under it and formal guidelines

issued by a government department.

4–2 Interpretation

In this contract, unless the context otherwise requires:

 the word 'include' and any derivations of it shall be construed without limitation;

- the singular shall include the plural and vice versa;
- a gender shall include any other gender; and
- references to any statute or statutory instrument includes any statute or statutory instrument amending, consolidating or replacing it, and references to a statute includes statutory instruments and regulations made pursuant to it.

GUIDANCE

1. These notes are for general guidance only and are not intended to affect the interpretation of the contract. Legal/professional advice should be sought to cover any particular situation.

Completing the Form of Agreement

- 2. The form should be completed as follows:
 - On page 2, in the Form of Agreement, the names and addresses of the Client and Approved Inspector should be inserted. A brief description of the work to be done and the address of the Project should also be inserted.
 - On pages 4 and 5, Part 1: Contract Details and Fees should be completed carefully; it is also important that where there are alternatives, the appropriate deletions are made. See notes 3 to 11 below.
 - On pages 6 and 7, Part 2: Services should be marked up carefully to show what the Approved Inspector has agreed to do. See note 12 below.
 - On page 3, the Approved Inspector and the Client should sign the contract and print their names, and the date of the latest signature should be inserted on page 2. It is usual for each party to keep a copy of the contract signed by the other party. (Note that when a contract has been concluded, the parties and their advisers are permitted to photocopy the signed contract for their use. Otherwise it is a breach of copyright to photocopy the contract or reproduce or transmit it in any way without the publishers' permission.)

Notes on the Terms and Conditions

- 3. **'Domestic client'**: in clause 1-2 'is' or 'is not' should be deleted to indicate whether the Client is a 'domestic client' or not. A 'domestic client' is one or more individuals who are owners or occupiers of a dwelling. In some instances the law relating to approved inspectors is different depending upon whether the Client is a domestic client or note, and some provisions of the contract in Part 3: Conditions do not apply in the case of a domestic client (indicated in the sidenotes).
- 4. **Project period**: in clause 1-3 insert how long it is anticipated that the Project will take, up until the time when the Client can take possession of the site (practical completion).
- 5. **Limitations of liability**: clauses 1-5-1-6 and 3-13. It is recommended that the parties agree a suitable total (i.e. overall or aggregate) amount of damages for which the Approved Inspector might become liable to the Client. See the CIC *Liability Briefing* 'Managing liability through financial caps' available at www.cic.org.uk. The agreed amount should be inserted in clause 1-5.
- 6. The limit of liability in clause 1-5 should be at a level appropriate to the contract, taking into account the Fee and the nature of the Project and the level of insurance required under the contract. The limit of liability must be no higher than the level of insurance maintained by the Approved Inspector, otherwise the Approved Inspector will be exposed to uninsured liability. If the Approved Inspector's insurance includes lower limits of indemnity and/or exclusions for certain risks, clause 1-6 should be completed to limit or exclude liability for those risks.
- 7. In clause 3-13.3, the contract also includes what is called a 'net contribution' clause, which provides that if both the Approved Inspector and another party are liable to the Client in respect of the same loss or damage, the Approved Inspector will only have to pay a fair and reasonable proportion of the Client's losses, having regard to the extent of the Approved Inspector's responsibility for the loss or damage. For a fuller explanation of such clauses, see the CIC *Liability Briefing* 'Net contribution clauses' available at www.cic.org.uk.
- 8. In clause 3-13.5, the contract provides that if the Approved Inspector is a firm, company or limited liability partnership (LLP), the Client will only hold that firm, company or LLP responsible for the work done, not any individual (employee, director or member) who works for the firm, company or LLP. See the CIC *Liability Briefing* 'Personal liability of employees' available at www.cic.org.uk.
- 9. **The Fee**: in clause 1-7 indicate whether the Fee is to be a lump sum or charged on a time basis. If a lump sum is agreed, the appropriate details should be inserted. Time charge rates should be inserted in all cases, since if any Additional Works is undertaken, it is charged on a time basis (see clause 3-6).
- 10. **Expenses and disbursements**: clause 1-8. Note that there are three alternatives (that expenses and disbursements are included within the Fee; that they may be charged in addition to the Fee; or that certain specified items may be charged). The unused alternatives must be deleted.

- 11. Instalment payments: clause 1-9 must also be completed.
- 12. **The Services (Part 2)**: If the Approved Inspector is to undertake any additional services within the Fee, this should be clearly indicted by ticking the appropriate boxes and/or adding details in the space provided. Other services requested after the contract has been entered into will be charged on a time basis under clause 3-6.
- 13. **Insurance**: clause 3-7 provides that the Approved Inspector will maintain professional indemnity insurance and public liability insurance in compliance with guidelines for schemes of insurance for Approved Inspectors pursuant to section 47(6) of the Building Act 1984, issued by the Department for Communities and Local Government (or any successor Department responsible for the Building Act 1984).















