



Homeowner Contract 2013 Edition for use in Scotland

**Building contract for a
homeowner/occupier
who has not appointed a consultant
to oversee the work**

SBC542

For Draft Use Only

Appropriate Use:

Use this contract if you, the customer, deal directly with a builder working on your home. It is not generally suitable for large projects where you may need to employ a consultant to act for you.

Important note: if you need a consultant to be involved during the work, the building contract will not be suitable. In this case you should use our 'Building contract for a home owner/occupier who has appointed a consultant to oversee the work'.

For further guidance see Guidance Notes below.

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Customer's name: _____

Address: _____

Phone number: _____

Address of the premises where the work will be done, if different from the above:

Contractor's name: _____

Address: _____

Phone number: _____

VAT registration number: _____

If he is not registered for VAT the contractor must tick here.

This contract is in two parts:

- **Part 1 deals with the arrangements for the work**
- **Part 2 contains the conditions.**

Part 1

The arrangements for the work

A The work to be done

1 Give a short description of the work to be done.

2 A full description of the work to be done is given in the documents ticked below. They are called the work details and have been drawn up and agreed between the customer and the contractor.

- Contractor's quotation Date of quotation: ___/___/___
- Drawings Identifying numbers: _____
- Specification Date of specification: ___/___/___
- Other documents (Please specify.) _____
- _____

(Both the customer and the contractor should initial the documents and the customer should keep the originals with his copy of this contract.)

B Planning permission and building warrant

1 The contractor will apply for any planning permission and building warrant that may be needed unless the customer indicates otherwise by ticking a box or boxes below.

The customer will apply for the following.

- Planning permission
- Building Warrant

2 The contractor will not start work at the premises before any planning permission and building warrant needed have been received.

C Using facilities on the premises

The customer has ticked below the facilities which he will allow the contractor to use free of charge.

- Electricity Telephone/fax
- Washroom/toilet Water

D Price

1 The price for the work shown in the work details is

£ _____ (including any VAT).

- 2 The contractor will itemise the price and show the items on which VAT is charged, and at what rate.
- 3 The price includes the contractor's costs for applying for planning permission and building warrant (unless the customer is applying for these, see B1). If the work does not go ahead the customer will pay the contractor's costs for making those applications.
- 4 The price also includes the contractor's costs of dealing with any unexpected problems which he could have discovered by carrying out a careful inspection before the price was agreed.
- 5 If the customer changes the work details the price will be increased or reduced depending on the changes made. (See condition 4.)
- 6 The price for the work shown in the work details, together with all the increases or decreases made to it, will be the total price.

E Payment

- 1 The customer should tick one of the boxes below to show how he will pay the contractor. (See conditions 6(a) and 6(b).)

The customer will pay either:

- 95%** of the total price for the work (as explained at D6 above) when the contractor finishes all the work; or
- the agreed instalments shown below (together with any price adjustment for changes to the work) when the relevant stage of the work is finished.

Stage	Instalment
_____	_____
_____	_____
_____	_____

(The total of any amounts written above should equal **95%** of the amount shown at D1.)

- 2 The customer will not have to pay the remaining **5%** of the total price until 14 days after the contractor has put right all the faults he is responsible for, and which arose 3 months after the work was finished. (See condition 6(c).)

F The working period

- 1 The customer should tick one of the boxes below to show the working period. The working period is the agreed length of time for doing the work.
 - The contractor will start the work no later than ____/____/____ (see F4 below) and finish it by ____/____/____.
 - The work will be finished within _____ weeks from a start date to be agreed between the customer and the contractor.
- 2 The work is finished when the contractor has properly done everything shown in the work details and any changes made to them.
- 3 The working period will be extended in certain circumstances. (See condition 5(a).)

- 4 The contractor does not have to provide any goods or services listed in condition 9(f) before the end of the seven-day cancellation period referred to in condition 9(a). If the customer would like the contractor to provide any of those goods or services before this time, the customer must confirm this in writing. The customer accepts that he may have to pay for those goods or services, even if he later cancels this contract.

G Product guarantees

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

H Insurance

Before the work starts:

- 1 The customer will tell his household insurers, if any, that he is about to have work done at the premises.
- 2 The contractor will have an "all risks" insurance policy to cover himself and the customer for the full costs of damage to the work and to unfixed materials which are on the premises before being used in the work.
- 3 The contractor will have an up-to-date public liability policy for death or injury to people and damage to property.
- 4 The contractor should fill in the box below to show the amount insured for any one claim arising from one event.

£

I Working hours

The customer will allow the contractor to do the work between _____am and _____pm from Monday to Friday, unless they agree otherwise.

J Occupation and security of the premises

- 1 The customer has ticked a box below to show whether the premises will be lived in while the work is being done.

The premises will be lived in

The premises will not be lived in

- 2 If the premises are unoccupied at any time while the work is being done the contractor will take practical and common-sense precautions to deter intruders entering.

K Disputes

- 1 If a dispute cannot be resolved by direct negotiations each party shall give serious consideration to any request to refer the matter to mediation
- 2 The customer or the contractor can have disputes decided within 21 days by an adjudicator appointed under an adjudication scheme for this contract. The adjudication scheme is run by the Royal Incorporation of Architects in Scotland (RIAS), Scottish Building Federation (SBF) or the National Specialist Contractors Council (NSCC). This is as well as the right to go to court.
- 3 The customer or the contractor can start court proceedings to settle any disputes.
- 4 The contractor agrees that if he wants a dispute to be decided by adjudication, he will not apply to the National Specialist Contractors Council.

- 5 If the customer or the contractor chooses adjudication to decide disputes, they both accept that the cost, rules and procedures involved will become part of this contract.

Free details of the cost, rules and procedures for adjudication are available from the following.

Scottish Building Federation

Crichton House
4 Crichton's Close
Holyrood
Edinburgh
EH8 8DT

Phone: 0131 556 8866
Fax: 0131 558 5247
E-mail: info@scottish-building.co.uk

Royal Incorporation of Architects in Scotland

15 Rutland Square
Edinburgh
EH1 2BE

Phone: 0131 229 7205/7545
Fax: 0131 228 2188
E-mail: info@rias.org.uk

National Specialist Contractors Council Scottish Committee

PO Box 3816,
Peebles, EH45 9WF

Phone: 08442495907 and Fax:
E-mail: John.McKinney@nsc.org.uk

Mediation

Details of mediation services can be found at www.scottishmediation.org.uk

Part 2

The conditions

- 1 Contractor's responsibilities** The contractor will do the following.
- (a) Carry out the work set out in the work details carefully and competently.
 - (b) Use materials which are of satisfactory quality and suitable for their intended purpose. The materials will be new unless the customer agrees otherwise in writing.
 - (c) Start and finish the work within the working period or any extension made to it.
 - (d) Be at the premises regularly to carry out the work during the agreed working hours.
 - (e) Not sub-contract any of the work without the customer's permission.
 - (f) Store away his tools and equipment and ladders at the end of each working day.
 - (g) Regularly dispose of any rubbish from the work.
 - (h) Be responsible for any damage he may cause to the premises and its contents or to neighbouring properties.
 - (i) Leave the working areas in a clean and tidy condition after finishing the work.
 - (j) Keep to all his legal duties and responsibilities.
- 2 Customer's responsibilities** The customer will do the following.
- (a) Give the contractor access to the premises during the agreed working hours throughout the working period.
 - (b) Keep the working areas sufficiently clear of obstructions to allow the contractor to carry out the work.
 - (c) Allow the contractor to carry out the work in an order which he considers necessary to finish the work on time.
- 3 Health and safety**
- (a) The contractor will take all practical steps to:
 - (i) prevent or minimise health and safety risks to the customer and other people living in or visiting the premises;
 - (ii) minimise environmental disturbance, nuisance or pollution from the work; and
 - (iii) make sure that any temporary protection for the work is safe and weatherproof.
 - (b) The customer will:
 - (i) take notice of all warnings the contractor gives about any health and safety or environmental risks which he is taking measures to prevent or minimise; and
 - (ii) not knowingly allow people living in or visiting the premises, particularly children, to be exposed to any dangers from the work.
- 4 Changing the work details** Only the customer can change the work details. Changes will be dealt with as follows.
- (a) If the changes increase the amount of work shown in the work details and the contractor agrees the changes, he will quote a price for the extra work and time involved. The customer will then decide whether to go ahead with the changes.
 - (b) If the changes reduce the amount of work shown in the work details the contractor will make an appropriate reduction in the price.
 - (c) If the changes alter the cost of any items in the work details without increasing or reducing the amount of work involved, an appropriate adjustment of the price will be made to reflect those changes.
- 5 Extending the working period**
- (a) The customer will extend the working period by a fair and reasonable amount if the contractor:

- (i) has to spend extra time on the work because of changes made to the work details; or
 - (ii) cannot finish the work on time for reasons beyond his control, including any delay caused by the customer.
- (b) The contractor can claim any reasonable costs arising from the working period being extended because of any delay caused by the customer.
- 6 Payment**
- (a) When all of the work is finished (if the customer is not paying by instalments), or when each stage of the work is finished (if the customer is paying by instalments), the contractor will invoice the customer for the amount due after taking account of any price increase or decrease for changes made to the work details. The invoice will be itemised and show the rate of VAT charged on each item.
 - (b) The customer will pay 95% of the amount of the invoice no later than 14 days after receiving the invoice from the contractor.
 - (c) The customer will pay the remaining 5% of the total price no later than 14 days after the contractor has put right all the faults which:
 - (i) he is responsible for; and
 - (ii) the customer promptly reported as having appeared at any time between the date the work was started and 3 months after it was finished.
- 7 Contractor's continuing responsibility**
- For at least 5 years after carrying out the work the contractor will remain responsible for any faults in the work (other than fair wear and tear) which are caused by him.
- 8 Bringing the contract to an end**
- As well as the customer's cancellation rights set out in condition 9 below, the following also apply.
- (a) If the contractor:
 - (i) is not at the premises regularly to carry out the work; or
 - (ii) is not meeting his health and safety and environmental responsibilities; or
 - (iii) is so incompetent or careless that the work is of an unacceptable standard;
 and does not correct the matter within 7 days of receiving a written warning from the customer, the customer can end this contract by giving the contractor written notice. The contract will end as soon as that notice is given.
 - (b) If the customer ends this contract he will only have to pay any money due to the contractor when the work has been finished by another contractor.
 - (c) If the customer:
 - (i) does not pay an amount due, without having good reason; or
 - (ii) prevents or obstructs the contractor from carrying out the work;
 and does not correct the matter within 7 days of receiving a written warning from the contractor, the contractor can end this contract by giving the customer written notice. The contract will end as soon as that notice is given.
 - (d) If the contractor ends this contract the customer will pay him, within 14 days of the contract ending, for work properly carried out, for any materials made specially for the work and for any other of the contractor's materials on the premises which he allows the customer to keep.
- 9 Right to cancel**
- (a) The customer can cancel this contract for any reason by giving the contractor notice in writing within 7 days of signing the contract.
 - (b) The customer can use the cancellation form attached as Schedule 1 at the back of this contract to cancel this contract, but does not have to. On that cancellation form, the contractor should fill in:
 - (i) the name and address of the person the cancellation form should be sent to; and

- (ii) the contract reference number or code, or any other details that identify the contract.
- (c) The customer can send the written notice by post or email, or can deliver it in person. The notice should be sent or delivered to the name and address set out in the cancellation form at the back of this contract.
- (d) The written notice will be considered to have been given on the day it is posted or sent by email, whether or not the contractor actually receives it.
- (e) If the customer cancels this contract under this condition 9, the contractor will refund any money the customer has paid to the contractor in connection with this contract, except in the circumstances set out in condition 9(f) below.
- (f) The customer may have to pay for goods or services provided before he cancels this contract if he has agreed, in writing, to the contractor providing the goods or services before the end of the seven-day cancellation period referred to in condition 9(a) above. The customer may have to pay for the following types of goods and services provided before cancellation.
 - (i) Services of any kind
 - (ii) Goods needed in an emergency
 - (iii) Goods that are personalised or made to the customer's specification, and any services relating to those goods
 - (iv) Perishable goods (goods which decay or go bad quickly)
 - (v) Goods that have been used or incorporated into the land
- (g) If the customer cancels this contract, any related credit agreement (for example, a credit agreement the contractor has provided or arranged in connection with this contract) will automatically be cancelled.

10 Insolvency

- (a) If the customer or the contractor becomes insolvent (unable to pay their debts), this contract will come to an end unless the insolvency practitioner involved makes a suitable arrangement to allow the contract to continue.
- (b) If this contract comes to an end because the contractor becomes insolvent, the customer will not have to pay any amount then due to the contractor until the work has been finished by another contractor.

11 Other rights and remedies

- (a) The customer and the contractor can claim from each other the costs and expenses which result from either of them failing to keep to this contract.
- (b) This contract does not rule out or limit any other legal remedies which may be available to the customer or the contractor.
- (c) Only the customer and the contractor can take action to enforce the terms of this contract.

12 Law of the contract

The law of Scotland applies to this contract.

Customer's signature: _____

Contractor's signature: _____

Date:

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING HOMEOWNER CONTRACT

Schedule 1

Cancellation form

If you want to cancel the contract you **must do so in writing** and deliver or send it to the person named below. You can use this form if you want to, but you do not have to.

To: _____

(contractor to insert name and address of the person the notice may be given to.)

I want to cancel my contract _____

_____ (contractor to insert reference number, code or other details to identify the contract).

Customer's signature: _____

Name and address: _____

Date: _____

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Guidance notes

Use this contract if you, the customer, deal directly with a builder working on your home. It is not generally suitable for large projects where you may need to employ a consultant to act for you.

Important note: if you need a consultant to be involved during the work, the building contract will not be suitable. In this case you should use our 'Building contract for a home owner/occupier who has appointed a consultant to oversee the work'.

You may want to consider the following information before you decide to go ahead with the work. You should also know about your right to cancel.

Customers

- Choose a builder with a good local reputation. Personal recommendations from friends and neighbours can be very useful.

You can also get a list of builders in your area from the following.

Builders

Scottish Building Federation
Crichton House
4 Crichton's Close
Holyrood
Edinburgh
EH8 8DT
Phone: 0131 556 8866
Fax: 0131 558 5247
E-mail: info@scottish-building.co.uk

National Specialist Contractors Council

PO Box 3816,
Peebles, EH45 9WF

Phone and Fax: 08442495907

E-mail: John.McKinney@nsc.org.uk

- Decide exactly what you want the builder to do before you ask him to quote for the work. This will avoid misunderstandings later on.
- Get quotations from more than one builder – three quotations are quite usual. But remember that the cheapest quote may not always turn out to be the best value for money.
- Check whether the builder belongs to a trade association and ask him to show you that association's conditions of membership and code of conduct.
- Don't be hurried into a decision. If the builder isn't prepared to take time to discuss your work and give you his advice, then you should think about going elsewhere. A good reputable builder will always want to do his best for you, right from the start.
- Builders sometimes ask customers to make payments in advance, before they do the work. Only consider making payments in advance for goods that need to be specially made off site before work can start on your home.
- Before you sign the contract make sure that you and the builder have filled in all the details in Part 1 of the contract, which deals with the arrangements for the work.
- **Before you sign the contract, find out about the adjudication scheme referred to in K2 on page 5. Details of the adjudication scheme are available at www.sbcconline.com and from the organisations running the scheme.** Adjudication is meant to be a fast and relatively cheap way of settling disputes. The adjudicator's decision will be binding unless you or the builder challenge it in a court. (If the adjudicator's decision is challenged in a court you may have to pay other costs.)

- If you have buildings or contents insurance, tell your insurers about the building work. If you do not tell your insurers, they may not pay out if you make a claim.
- You should ask the builder to confirm that he has insurance cover before starting the work. To keep to the contract, the builder must have insurance to cover the building work, the materials on site for the work, and his 'public liability to persons and property' (cover against injuries to people and damage to property).
- If you need to give instructions on a change to the work, or to tell the builder about any faults in the work, give details in writing.
- If the builder does not keep to the relevant local authority's building warrant, and the builder cannot put the matter right, the local authority will hold you responsible.
- For further guidance contact your local authority's planning and building control departments or view their website.

Builders

- Be as courteous and helpful as possible when you receive an enquiry from the customer. It's in your own interests to do so.
- If you decide to give a quotation, remember that you must base it on the terms of the building contract.
- If you are chosen to do the work, make sure that you and the customer are both quite clear about what is to be done, when, and the price for it. Fill in the necessary information in Part 1 of the contract (the arrangements for the work) and Schedule 1.
- Remember that what may simply be another job to you, could be a worrying, anxious time for the customer.
- Be considerate, punctual and fair at all times.
- You must not start before you receive a building warrant from the local authority.
- Remember that, by law, for at least 5 years after finishing the work you will remain responsible for any faulty work that arises because you failed to keep to the contract.

Both of you

- Make sure you are both quite clear about which of you will produce a specification or drawings, if they are needed.
- Make sure you have both read and understood the terms in Part 2 of the contract before you sign it.
- The builder must keep to building regulations and health and safety laws. If the customer has any concerns, he should discuss these with the builder.
- If the customer agrees to pay by instalments, the stages when instalments are due should relate to stages of the work, (for example, brickwork complete, plastering complete, roofing complete, alterations to ground floor) rather than timescales. Only stages that can be clearly defined should be used. If there is not enough space in section E on page 3 of the contract, continue on a separate sheet of paper. The sheet of paper should then be signed by the customer and builder and attached to the contract.
- If you have any disagreements while the work is being done, first try to sort them out between you before considering going to mediation, to adjudication or to the courts.
- If you've both made all the arrangements mentioned in the contract, and have followed all its terms properly, you can look forward to a successful outcome to the work.

Right to cancel

- The customer can cancel the contract within 7 days of signing it. See condition 9 in Part 2. There is a cancellation form at the back of the contract.

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Rules for adjudication

For use with the SBCC Building Contract for a Home Owner/Occupier who has not appointed a consultant (HOB/Scot)

Generally

1. These adjudication rules apply to disputes which arise between the customer and the contractor (sometimes referred to as the parties) under the Building Contract for a Home Owner/Occupier ("the building contract").
2. The customer or the contractor can apply for adjudication on any dispute which arises under the building contract.
3. An adjudicator can be appointed either by the Royal Incorporation of Architects in Scotland ("RIAS") or Scottish Building Federation ("SBF") or the National Specialist Contractors Council – Scottish Committee ("NSCC"). Each of these bodies is called an appointing body.

Applying for an adjudicator

4. If the customer or the contractor wants to have a dispute decided by an adjudicator he must complete the application form and send it with a payment of £100 (exclusive of VAT) to one of the above appointing bodies. (The payment covers the appointing body's administration costs).
5. Within 48 hours including weekends but excluding bank holidays of receiving the application the appointing body will confirm receipt in writing to both customer and contractor.
6. The appointing body will appoint an adjudicator within 7 days of receipt of the application.
7. If the customer and the contractor have each applied for adjudication about the same dispute, but one of them has applied to the RIAS and the other has applied to the SBF or NSCC, the adjudicator will be

appointed by the appointing body whose date of confirmation of receipt of the application is the earlier.

8. If either the customer or the contractor applies for adjudication but the other person starts court proceedings about the same dispute, the adjudication can still go ahead pending settlement of the dispute by the court.
9. Once an adjudicator is appointed the role of the appointing body is at an end, and all further communications must be made directly to the adjudicator.

Costs of adjudication

10. The adjudicator will charge an hourly fee for his services. He will tell the customer and the contractor, before he begins the adjudication process, what his fee will be. The amount of the fee will depend on the complexity of the issues in dispute, but will not exceed £100 (exclusive of VAT) per hour up to a maximum of 10 hours. This is regardless of how many additional hours the adjudicator actually spends on the adjudication.
11. When he makes his decision the adjudicator will state whether the customer or the contractor is to be responsible for paying his fees, or whether payment is to be divided between them in a proportion that the adjudicator decides.
12. The adjudicator can also order that the application payment of £100 (exclusive of VAT) made by one party should be reimbursed to him by the other party.
13. If the party responsible for paying any or all of the adjudicator's fees does not pay them, the adjudicator can take court proceedings against that party to recover the amount not paid. The adjudicator will not claim that unpaid amount from the other party.
14. The customer and the contractor will be responsible for their own costs in preparing for the adjudication, e.g. costs for professional advice and getting documents together.

Powers and duties of the adjudicator

15. As soon as possible after his appointment the adjudicator will notify the customer and the contractor that he will be carrying out the adjudication. At this point he may ask them for information about the dispute.
16. The adjudicator will act fairly between the customer and the contractor, and will carry out the adjudication by reference to the terms of the building contract.
17. If he wishes, the adjudicator can visit the premises where the work has been carried out. The visit will be at a time when both the customer and the contractor are expected to be present. During the visit the adjudicator can examine the work. He can ask questions about the dispute. The customer and the contractor will co-operate with the adjudicator and give any information he needs.
18. If either party chooses not to be present when the adjudicator visits the premises, the adjudicator can go ahead in their absence.
19. if the dispute is about payment the adjudicator can order the customer to pay the contractor, with interest, any amount which he decides is appropriate. The adjudicator can also order the contractor to repay the customer, with interest, any money which he decides is appropriate. The rate of interest will be no more than 5% above the Bank of England Base Rate current at the date when the adjudicator considers that interest should apply and will run for such period as the adjudicator thinks fit.

The adjudicator's decision

20. The adjudicator will give his decision in writing no later than 21 days after being appointed. He will send a copy of the decision to the customer and the contractor.
21. The adjudicator is not required to give reasons for his decisions.
22. The customer and the contractor must follow the adjudicator's decision as

part of their obligations under the building contract, unless and until either party obtains a court judgement about the dispute which is different from the decision of the adjudicator.

Application forms to appoint an adjudicator are available from:

Royal Incorporation of Architects in Scotland
15 Rutland Square, Edinburgh, EH1 2BE
Tel: 0131 229 7205/7545
Fax: 0131 228 2188
e-mail: adjudication@rias.org.uk

Scottish Building Federation
Crichton House
4 Crichton's Close
Holyrood
Edinburgh
EH8 8DT
Tel: 0131 556 8866
Fax: 0131 558 5247
e-mail: info@scottish-building.co.uk

National Specialist Contractors Council
PO Box 3816,
Peebles, EH45 9WF
Phone and Fax: 08442495907
e-mail John.McKinney@nsc.org.uk

Notes on rules for Adjudication for use with the SBCC Building Contract for a home owner/occupier

What is adjudication?

Adjudication is a procedure whereby a dispute between the parties is resolved by the binding decision of an impartial third party called an adjudicator.

The adjudicator is an expert who decides a dispute using specialist expertise. The adjudicator will also base his decision on the results of his own personal investigations, and this is likely to include an inspection of the works. An adjudicator will consider matters brought to his attention by the parties, but he is not bound will come to his own decision.

The decision of an adjudicator is binding subject to any later decision made by the court.

Who will be the adjudicator?

Either party can apply to one of three appointing bodies named in the contract. The appointing bodies are the Royal Incorporation of Architects in Scotland ("RIAS"), Scottish Building ("SBF") and National Specialist Contractors Council – Scottish Committee ("NSCC"). The adjudicator will be appointed from an approved panel of adjudicators. The adjudicator will be an expert in the subject matter of the dispute e.g. quality of work and/or materials.

What will the adjudicator do when he is appointed?

When an adjudicator has been appointed, both parties will be notified, in writing, by the appointing body. They will be told who the adjudicator is, and advised that the adjudicator will contact both parties directly. The adjudicator will invite both parties to give their personal views as to what the dispute is about and what decision they think the adjudicator will reach. This will usually take the form of brief written statements. The adjudicator will consider the written and verbal statements put forward by the parties. He may require to inspect the works and to put questions directly to the parties.

How long will the adjudication take?

The objective of the adjudication procedure is to resolve the dispute within 28 days from the day an application for the adjudicator is received by the appointing body. Once an application is received by the appointing body, an adjudicator will normally be appointed

within 7 days (including weekends but excluding bank holidays). Once the adjudicator is appointed he will reach his decision within 21 days (including weekends but excluding bank holidays). In many cases the adjudicator may be able to make his decision sooner, particularly if the issue in dispute is straightforward.

What happens after the adjudicator makes his decision?

The adjudicator will write to both parties informing them of his decision and asking for payment of his fees. The adjudicator's decision will be binding on the parties subject to the right of either party to refer the issue in dispute to the courts.

How much will it cost?

The RIAS, SBF and NSCC, charge a fee of £100 (exclusive of VAT) to appoint an adjudicator. The person who applies for an adjudicator pays this application fee. The application fee may be reimbursed by the other party

if the adjudicator decides in favour of the applicant. The fees of the adjudicator will be based on the time spent dealing with the dispute and will not exceed £100 (exclusive of VAT) per hour, up to a maximum of 10 hours spent dealing with the dispute. The adjudicator can decide who pays his fees. It is possible for a party who loses to be responsible for all of the adjudicator's fees as well as the application fee to the RIAS, Scottish Building Federation and NSCC. If a losing party fails to pay their portion of the adjudicator's fees, the adjudicator cannot order the other party to pay them. He may, however, bring an action against the party who has not paid his fees.