



Ministry of Housing,
Communities &
Local Government

Building Safety Fund for the remediation of non-ACM Cladding Systems (England only)

Fund Application Guidance

Annex B: Works Contract requirements

REQUIREMENT	NOTES
A Principal Designer for the purposes of the Construction Design and Management Regulations 2015 (CDM Regs) must be named in the works contract and must meet the level of competence required by the regulations.	Evidence will need to be available on request that the Principal Designer meets the required competency standards.
A Contract Administrator (CA), Employer's Agent (EA) or Architect must be named in the works contract and be responsible for administering the contract for the duration for the works. The CA, EA or Architect must be a member of a chartered professional body (i.e. RICS, RIBA, CIOB etc.) and have appropriate experience for the scale of the proposed works.	Evidence will need to be available on request provided that the CA, EA or Architect meets the required competency standards.
The main contractor named within the works contract must be appointed as the Principal Contractor under the Construction Design and Management Regulations 2015 (CDM Regs). The Principal Contractor must meet the level of competence required by the regulations.	Evidence will need to be available on request that the Principal Contractor meets the required competency standards.

REQUIREMENT	NOTES
<p>For works contract values over £1,000,000 a Quantity Surveyor or Cost Consultant must be named within the contract and be responsible for contract valuations and cost monitoring. The Quantity Surveyor or Cost Consultant must be a member of a relevant chartered professional body (I.e. RICS).</p>	<p>Evidence will need to be available on request that the Quantity Surveyor or Cost Consultant meets the required competency standards.</p>
<p>A defects rectification period of a minimum of 12 months must be included in the contract and a minimum of 2.5% of the overall works contract value must be held as retention for this period.</p>	<p>Evidence will need to be available on request that the works contract includes these terms.</p>
<p>A provision must be included in the works contract for a minimum of 5% of the overall works contract value to be held as retention from commencement to Practical Completion of the works.</p>	<p>Evidence will need to be available on request that the works contract includes these terms.</p>
<p>Adequate professional indemnity insurance must be stipulated in the works contract where the contractor has a responsibility for any design work. Cover must cover the nature of the remedial works and must not exclude cladding.</p>	<p>Evidence of the level of insurance will need to be provided, and must reflect the scale of the works.</p>
<p>There must be an arbitration and / or adjudication procedure for dispute resolution included within the contract.</p>	<p>Evidence will need to be available on request that the works contract includes these terms.</p>
<p>The works contract must be executed as a deed.</p>	<p>Evidence will need to be available on request that the construction contract has been executed in this way which provides the maximum latent defects liability period.</p>