



## SCOTTISH BUILDING FEDERATION CODE OF CONDUCT

### SCOPE OF CODE

This Code is intended to cover work carried out within the **DOMESTIC MARKET ONLY** and include building or maintenance work performed under contract.

This Code, in addition to the Customer's legal rights, aims to ensure the work of Members of SBF is carried out in accordance with good practice and recognised standards on all domestic contracts. Members shall endeavour to maintain a high level of service to their customers at all times.

### Members shall, in adopting this Code :

#### 1.00 GENERAL

- 1.01 Conduct their affairs in such a manner as to maintain the good name of **SBF**.
- 1.02 Co-operate with and maintain good working relationships with professional and technical advisors, other Contractors, Sub-Contractors and Suppliers, giving due consideration to the interests of the customer at all times.
- 1.03 Support the aims and objectives of the SBCC (Scottish Building Contracts Committee) by the use of Standard forms of Building Contract.

#### 2.00 WORK STANDARDS

- 2.01 Show themselves competent and able to carry out their work in accordance with current legislative requirements, Building Standards (Scotland) Regulations and applicable European Directives.
- 2.02 Accept that workmanship, materials and the application of standards of work shall be governed by the specification or similar agreement between themselves and their Customer.
- 2.03 Execute the work in a workmanlike manner, taking all reasonable steps to minimise inconvenience or disruption to the customer and to minimise the risk of injury to persons and damage to property.
- 2.04 On completion of the work, leave the site and any adjacent area affected by the work clean and tidy.

#### 3.00 TECHNICAL CAPABILITY

- 3.01 Demonstrate Technical Capability by providing evidence that key personnel within the company have attained a relevant qualification and / or have relevant experience.
- 3.02 Utilise external sources of expertise to provide cover on any areas where Technical Capability may not be fully addressed using the internal resources.

#### 4.00 EMPLOYMENT AND TRAINING

- 4.01 Be encouraged to observe the National Working Rule Agreement and support the aims and objectives of the Construction Industry Joint Council, where relevant to their work discipline.
- 4.02 Maintain good industrial relations between Management, Employees and Trade Unions.
- 4.03 Provide adequate accident prevention training to ensure that employees are fully aware of their responsibilities under the Health and Safety at Work etc Act 1974 and subsequent Regulations, and to promote safe working practice and procedures.
- 4.04 Encourage and assist employees to further their specialised knowledge through a continued and progressive programme of training and education.
- 4.05 Endeavour to have a reasonable percentage of Employees obtain relevant Skills and Qualifications – including a requirement for Members to collate and maintain records in order to provide evidence of the qualifications and competence of their staff (including the possession of appropriate skill cards such as those affiliated to the CSCS arrangements or equivalent).



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### 5.00 HEALTH, SAFETY AND ENVIRONMENT

#### Construction (Design and Management) Regulations 2015 (or any revisions issued thereafter)

- 5.01 **Projects of a DOMESTIC nature are now covered under the CDM Regulations and members are required to adopt the principals and procedures contained therein.**
- 5.02 Member Companies are required to work in accordance with the Construction (Design and Management) Regulations 2015 which came into force on 6th April 2015 and bring significant changes to health and safety responsibilities for duty holders. These duty holders include the following:
- **Client**
  - **Principal Designer**
  - **Principal Contractor**
- 5.03 The **Client** is responsible for ensuring the:
- appointment of other duty holders;
  - allocation of time and resources;
  - preparation of information for duty holders;
  - progress of principal designer and principal contractor;
  - provision of welfare facilities.
- 5.04 The **Principal Designer** is responsible for planning and coordinating health and safety during the pre-construction phase of the project. The Principal Designer is accountable for:
- identifying, eliminating or controlling foreseeable risks;
  - ensuring designers carry out their responsibilities;
  - providing relevant information to other duty holders.
- 5.05 The **Principal Contractor** must be appointed by the Client to oversee and other contractors working on the project. The Principal Contractor is responsible for planning and managing health and safety during the construction phase and is expected to:
- liaise with the client and principal designer;
  - prepare the construction phase plan;
  - organize cooperation between other contractors;
  - ensure that suitable site inductions are provide;
  - ensure reasonable steps to prevent unauthorized access;
  - ensure workers are consulted regarding health and safety;
  - ensure welfare facilities are provided.
- 5.06 The construction (Design and Management) Regulations 2015 (CDM2015) are in force from 6th April 2015. The Approved Code of Practice (ACOP) provides practical guidance on complying with the duties set out in the Regulations.
- 5.07 Separate guidance on the various roles under Construction (Design and Management) Regulations 2015 is available on HSE website [www.hse.gov.uk](http://www.hse.gov.uk).
- 5.08 These Regulations are intended to focus on attention on planning and management throughout construction projects, from design concept onwards. The aim is for health and safety considerations to be treated as an essential, but normal part of a project's development - not an afterthought or bolt-on extra.



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### Environmental Regulations

- 5.09 Storage of Materials - To help avoid prosecution ensure that:
- Storage areas are clearly marked and kept secure at all times.
  - Materials are stored and used in accordance with manufacturer's guidelines.
  - Hazardous materials are stored and used according to details on COSHH datasheets.
- 5.10 Managing Waste - To help avoid prosecution ensure that:
- All waste is stored and disposed of responsibly, in accordance with your "Duty of Care" for wastes.
  - All contractors carrying your waste have a valid waste carriers registration certificate.
  - All wastes are disposed of at a correctly licenced site.
  - Waste transfer notes are completed for non-hazardous wastes before any waste leaves the site.
  - For special waste, a consignment note is completed before any waste leaves the site.
  - SEPA is notified at least three days ahead of the movement of special waste and, again when it is finally disposed of. All parties must retain copies of the paperwork for at least three years.
  - If waste is being brought onto a site from a company elsewhere, that you have an appropriate waste management license or exemption.
- 5.11 Managing Resources (Water, Energy etc) - To help avoid prosecution ensure that:
- Obtain permission from SEPA before discharging anything to surface water drains or rivers.
  - Obtain permission from Scottish Water before discharging anything into a foul or combined sewer.
  - Be aware of correct connections of foul water pipes into foul water sewers.
  - Be aware that the SEPA must be informed straight away if hazardous and potentially polluting substances are spilt into drains.
  - Allow only clean, uncontaminated rain water to flow off site in line with the appropriate discharge content.
- 5.12 Preventing Pollution - Causing pollution is a criminal offence so ensure that:
- SEPA must be informed of any pollution incident.
  - Failure to comply with Local Authority statutory notice to clean up pollution is an offence.
  - SEPA can stop work on your site where there is a risk of pollution.
  - Prior authorisation is required if you wish to dispose of liquids to surface water drains or sewers.
  - Fuel and oil tanks / drums should be contained in a bund.
- 5.13 Considering Neighbours - There is a great deal of legislation covering these issues and you should remember:
- Noise in residential areas should not exceed permitted levels during working hours.
  - The Local Authority can stop your work if they decide you are causing a nuisance.
  - Equipment should only be used as recommended by the manufacturer.



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### 6.00 TENDERING

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

- 6.01 Adopt and promote the recognised and approved standards of good tendering practice.
- 6.02 Abide by the competitive tendering procedures and ethics as published and recommended by the Construction Good Practice Committee and other reputable representative bodies such as the OFT (Office of Fair Trading).
- 6.03 Advise the **SBF** when they encounter abuses of the Code of Procedure for Single Stage Selective Tendering or onerous amendments to the standard forms of contract.
- 6.04 Submit genuine tenders in accordance with the Conditions of Contract, Drawings, Bills of Quantities and/or Specifications.
- 6.05 Not disclose their tender price to any person(s) and body(ies) until after the tender result is known.
- 6.06 Not offer any inducement, forbearance, or consideration, in order to secure a Contract.
- 6.07 Carry all necessary insurances and ensure that adequate professional indemnity cover is held where design services are offered.

### 7.00 QUOTATIONS

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

- 7.01 Offer whenever possible estimates/quotations in writing giving the customer clear details of the work by description and/or drawings provided. Alternatively by specification and accompanying drawings provided by the Customer; supplemented where necessary by information from the Member.
- 7.02 State if the quoted price is inclusive or exclusive of VAT.
- 7.03 State clearly if a price is provisional and not open for acceptance; or fixed and subject to fluctuations in the costs of labour and materials or other elements, for example, taxes, fees, charges imposed by central or local government and statutory undertakings; or firm and not subject to change.
- 7.04 Clearly identify any qualifications to the quotation. This should be drawn to the attention of the Customer including a statement if it is open for acceptance for any particular validating period. It should also be made clear whether interim or stage payments are expected, and if so, when.
- 7.05 Request acceptance of a quotation, by the Customer in writing, preferably before commencing work on the site.
- 7.06 Where a detailed written quotation is not possible, (for example when work is undertaken in an emergency, at risk of physical injury, access problems or cannot be accurately surveyed), endeavour at all times to carry out the work in the most economical and efficient manner using its expert knowledge for the benefit of the Customer and as appropriate.
- 7.07 Itemise the cost of the labour and materials including any call out charge and showing VAT where appropriate.
- 7.08 Make the Customer aware that charges will include sums to cover additional costs, such as travelling time, holidays, insurances, sick pay, other welfare benefits, national insurance, transport, provision of tools and equipment, training, technical back-up, general office overheads and profit.
- 7.09 Pre-warn the Customer about the possible cost of the work not the subject of a quotation and wherever possible advise before starting work the basis of charging including information described in 7.07 and 7.08 above.
- 7.10 Where the cost of non emergency work is likely to be significant, discuss the matter with the Customer before starting work and give an indication of the likely cost.
- 7.11 The Client can cancel the contract for any reason by informing the Contractor, by way of a clear statement (eg. a letter sent by post, fax or e-mail). This statement of cancellation **must** be sent to the Contractors postal or e-mail address stated in the contract, **within 14 days of the date the contract was signed.**
- 7.12 If the Client cancels the contract in accordance with 7.11, the Contractor will refund any money the Client has paid to the Contractor in connection with this contract, except where the Client has agreed in writing to the Contractor providing goods and services before the end of the 14 day cancellation period. In these circumstances the Client may have to pay for the costs associated with the provision of such goods and services which cannot otherwise be recovered by Contractor.
- 7.13 Offer **SBF's** Code of Practice, attaching a copy to the quotation.



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### 8.00 PAYMENT

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

- 8.01 Once an offer has been accepted by the Customer and the Contract agreed, carry out the work as stated in the offer and make the Customer aware of the obligation to pay for the work, either by monthly installments or on completion, subject to any other agreed arrangements for payment. Detailed payment terms should be drawn up to ensure that all parties are aware of their obligations under the contract.
- 8.02 Ensure any application or invoice rendered for payment on account represents a fair and reasonable valuation of the work done and materials delivered to site up to the date of application or invoice.

### 9.00 PROGRAMME

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

- 9.01 Wherever practicable and before commencing work, state the expected start and completion dates of the work and keep the Customer informed of any variation to those dates.
- 9.02 Endeavour to keep and maintain accurate records, both on site and at their place of business, which fully describe the work carried out and changes made, specifically in all cases where the work is not covered by the quotation.

### 10.00 CUSTOMER CARE

- 10.01 By following the procedures detailed under the Code of Conduct in the items above, it is believed that many of the potential issues relating to complaints or disputes should be eliminated. However this Code is intended to provide a means of complaint resolution that should be cheaper, faster and more effective than court action.
- 10.02 Nothing in this Code prevents the Customer from seeking a legal remedy to their complaint, if they consider this to be the more appropriate action. However if Legal Action is instigated by either party either prior to the complaint / dispute being raised under this Code, or prior to resolution being reached under the complaints procedure, then all issues being considered under the complaints process will immediately cease.
- 10.03 If the Customer wants to complain about a member company they should be advised by the member company of the Complaints Conciliation Process detail under item 13.00 below.

### 11.00 LIABILITY INSURANCE

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

#### 11.01 The Client

Recommended that the Client inform his Household Insurers, if any, as to the extent of the work to be carried out at the premises and obtain confirmation from their Insurers prior to commencement of the work, that this existing cover extends to cover the property whilst being worked on, for the usual standard insured perils, including fire, explosion, storm, flood, impact and theft.

#### 11.02 The Contractor

The **minimum** insurance the Contractor shall take out and maintain prior to commencement of the work and for the duration of the work, in respect of potential liability which may be incurred whilst carrying out the work is:

- Employers Liability Insurance to at least the statutory minimum Limit of Indemnity £5,000,000.
- Public / Products Liability insurance to a minimum Limit of Indemnity £5,000,000.
- "All Risks" to cover the Contractor **and** the Client for the full costs of damage to the work and to unfixed materials which are on the premises before being used in the works. This cover should extend to include, as a minimum, 12 months defects period.



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- 11.03 It is **strongly recommended** that the Contractor takes out Professional Indemnity Insurance as in the event of any claim made against him alleging professional negligence, the Contractor would otherwise have to fund any defense and ultimate payment from their own cash and assets. This will also include all associated legal costs which can be the larger proportion of any allegation/claim and can be substantial.
- 11.04 This Professional Indemnity Insurance is recommended to cover any design liability that may result from the development of the Tender Warrant Drawing through construction or from any variations undertaken which may have an aspect of design involved.
- 11.05 Must provide and maintain Insurance Policy cover on an annual basis and must furnish **SBF** with a copy of these policies on or around the time of the renewal date of the insurance, if requested to do so.
- 11.06 Copies of relevant insurance held should be provided to the Customer prior to the start of any work.

### 12.00 WARRANTIES AND GUARANTEES

**As this section of the Code of Conduct deals with a Commercial Aspect of individual members business, the following clauses are issued for guidance purposes.**

- 12.01 Give details of the terms and duration of any guarantee to the Customer with the quotation if available or where there is no quotation, before starting the work. Any guarantee offered shall not remove or diminish the Customer's common law or statutory rights.
- 12.02 Where the work incorporates materials which are subject to a separate manufacturer's or other guarantee, pass the benefit of such a guarantee to the Customer.
- 12.03 Where the operation of a guarantee is conditional on the appropriate use or maintenance of the installation by the Customer, draw this to the Customer's attention.
- 12.04 Allow the Customer to transfer the benefit of any guarantee, subject to the conditions therein, to the subsequent owner, provided the Customer gives 30 days notice of the transfer.
- 12.05 Keep the Customer fully informed of all salient matters concerning the work to ensure good communications are maintained and to avoid misunderstandings or potential disputes.

### 13.00 COMPLAINT CONCILIATION

- 13.01 Thoroughly investigate any complaint, dealing with it promptly and with courtesy. Work arising from a valid complaint shall be undertaken without undue delay.
- 13.02 Where problems or misunderstandings arise which cannot otherwise be resolved between the Member and the Customer, **SBF**, if requested, undertakes to assist in the resolution of the matter by conciliation.
- 13.03 Make it clear to the Customer that in the event of any issue being raised that, the Customer must first address their complaint to the Member Firm and give them every reasonable opportunity to rectify any alleged failures or defects. The Customer's failure to provide such opportunity could hinder a resolution being obtained by conciliation via **SBF**.
- 13.04 If the Customer chooses to involve the services of **Third Party, who has not been actively involved in the project on which the complaint has arisen**, prior to referring the issue to the Member or any request for **SBF** assistance, then the Complaints Conciliation Service may not be available as a means of resolving the matter. In these circumstances each referral will be given consideration on its own merits, and the Customer and Member will be advised timeously of the decision on whether assistance by **SBF** can be offered or not.
- 13.05 Advise the Customer that complaints will only be considered if received by **SBF** within twelve months of the work which is the subject of complaint having been completed. In its sole discretion, **SBF** may agree to consider claims received out with this period where, in its opinion, special circumstances apply.



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### 13.06 COMPLAINTS PROCEDURE

- i) The Complaint must be confirmed in writing to **SBF** and should be supported by copies of all relevant correspondence or other documentation.
- ii) On receipt of a valid complaint, **SBF** shall take steps to resolve the matter by conciliation which will involve contact with both parties in an attempt to bring about an acceptable settlement. **SBF** will appoint a Complaints Officer to carry out an investigation and thereafter issue a report which shall include recommendations for resolution of the matters raised.
- iii) This Report will be issued to both parties and they will be asked if they accept the findings. If accepted the recommendations contained within the Report will be actioned.
- iv) If either party does not agree with the recommendations of the Report a Conciliation Meeting with both parties in attendance will be held, with **SBF** as the Chair, where matters can be discussed face to face in an attempt to reach agreement on the issues raised in the Complaint. If agreement is reached the actions arrived at from this meeting will be implemented by both parties.
- v) If this process still does not resolve the issues raised, the Complainant must raise a Formal Appeal to the Managing Director of **SBF** to undertake a review of the whole process and issues raised. If the Managing Director of **SBF** cannot reach a solution to the issues raised the dispute is unable to be resolved by **SBF**, and the Complainant must therefore consider taking their dispute to another form of dispute resolution.
- vi) If issues raised are serious enough, action against the Member Company will be considered by **SBF**.

### 14.00 DISCIPLINARY PROCEDURES

- 14.01 The standing and reputation of **SBF** is of paramount importance not just to the Federation but to the Membership as a whole.
- 14.02 In the event that a member, by their action brings **SBF** into disrepute these matters will be considered by the **SBF** Board and action against the member company will be decided upon by the **SBF** Board.
- 14.03 Such action will be proportionate to the matters being considered, and will include the option of immediate suspension and / or expulsion from Membership.
- 14.04 If a Company is expelled from membership that company will forfeit the balance of fees paid for the remainder of that year.

### 15.00 ADVERTISING

- 15.01 Ensure all advertising of products or services are lawful, truthful and in accordance with the recommendations of the current edition of the British Code of Advertising Practice.