

EXTENDING YOUR PROPERTY

The recent slow down in the property market has lead to a boom in home improvements. Home owners are splashing what cash they have on new kitchens, conservatories and bathrooms.

Property owners are eager to retain or boost the value of their homes while the property market is less buoyant, so they can cash in, when the market picks up.

CAUTION

Yet home improvement is never a certain process and unfortunately, some contractors have given the rest a bad name.

There are plenty of horror stories about rogue traders, cowboy builders and people losing their life savings to building firms and contractors going to the wall half way through jobs.

Traditionally, April/May, are the months that home owners start to think about home improvements – as the weather starts to get better and we often have a renewed interest in refreshing our homes.

Major home improvements should not be taken on lightly, as they are often very expensive and if you are not careful in your choice of tradesmen, you could get yourself into serious financial trouble.

TIPS

If you are serious about wanting to improve your home, here are a few tips to help protect yourself:-

1. Pick a professional

The building industry came under pressure in January with the VAT increase, which added to the cost of home extensions and renovations. The tax increase came at a difficult time for builders hit by the recession and has encouraged the growth of the “black economy” – unemployed cowboy builders, who are happy to receive cash in hand and are undercutting their prices and taking business from legitimate builders. Whilst the initial saving on the cost of the work may be attractive, it could be a false economy if you end up having to pay someone else to get their mistakes put right.

Ideally, choose a builder or contractor who you know or who has been recommended to you. Otherwise, choose one that is a member of a professional body. With Bude and surrounding towns being a relatively small places, it is likely that some friends, colleagues or acquaintances, will be able to recommend a good local builder, whom they have either used, or have heard reports/received testimonials as to their workmanship. If all else fails, there is a Government licensed organisation called TrustMark, that will help you find a contractor, based on the kind of project that you are intending to carry out. It lists builders, roofers, electricians, plumbers, gardeners, carpenters and plasterers, as well as other trades. Go to www.trustmark.org.uk to search for someone local to you.

2. Protect your payment

Consider how you want to pay and get protection before you enter into any contract or pay a deposit.

The fear of having to pay up for work before you are 100% satisfied, can be eliminated by using a brand new bullet proof and secure way to pay, called Bondpay.

Bondpay was launched last month as a nationwide scheme to protect you, when you are paying for renovations. It is a little like Ebay, where you use PayPal as a payment method, because they are the experts in transferring money between parties without any danger of loss.

Backed by TrustMark and trade associations registered with the Financial Services Authority and H M Revenue & Customs, Bondpay takes away any risk – thus giving protection before during and after the work is completed.

In a nutshell, your money is held in a secure bank account until the contractor finishes the work. Only then are they paid. The insurance and reinsurance scheme will also provide additional twelve month warranties on the works – in addition to any provided by your builder and will sort out any disputes, should they arise.

The best thing about this Scheme is that it is entirely free to home owners and should your builder run off or go bust during the work Bondpay will ensure that the works are completed at no extra cost to you. For more information go to **www.bondpay.co.uk**.

3. Get contracts signed

Once you have agreed on the work you require to be carried out to your property, get a contract drawn up that you and your builder/contractor are both happy with, and signed.

You can download **FREE** plain English building contracts from **www.fmb.org.uk**.

Your builder does not have to be registered with the Federation of Master Builders for you to use one of its contracts.

You should also make sure that any changes to the original agreed specification are also written into the contract or added as an addendum / addition.

SEVEN GOLDEN RULES

- Decide specifically what works you require to be carried out before inviting the contractor to your property for him to give an estimate/quote to you. Clarity is everything here.
- Consider what is the most important thing to you – is it price or quality?
- Ideally try to get at least 2 or 3 quotes.
- When you have chosen your contractor, make sure that you have a written contract before you commence work. This should include specification details like timing and costs.
- During the project, it is common to agree a change to your original plans. Get this in writing along with any change to the agreed price.
- Ensure that you obtain all necessary Planning Permissions and Building Regulation Approvals for the work you intend to carry out – before commencing the work.
- Check your Title Deeds to see if there are any covenants or conditions requiring you to obtain 3rd party consent to your proposed works e.g. if on an estate – the original developer's consent.

ACTION

So, if you are keen to improve your property, I hope my advice will be of assistance. When it comes to buying and selling your home, always get good

legal advice. Here at Busbys we have one of the most experienced teams in the South West at your disposal. We also have the Lexcel accreditation- Lexcel stands for “legal excellence”. So you can be confident of a job well done. Get in touch with me here at **Busbys** on **01288 35 9000** or email me on **ian.osborne@busbyslaw.co.uk**.

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