FTC

Fair Trading Commission
Seychelles

# CONSTRUCTION CONSUMER GUIDE

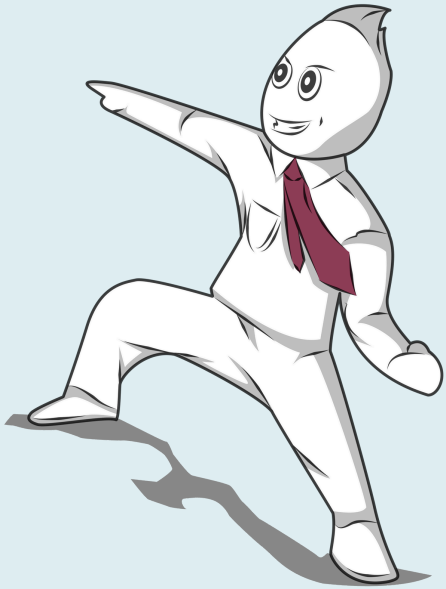
## Know your Rights and Responsibilities

## 1. Introduction

This consumer guide seeks to provide you with important information prior to and during the construction of your project.

The focus is on;

- Availability of adequate funds.
- Selection of a draughtsman, architect or contractor.
- Having a written contract.
- Planning procedure during construction of the project.



AN INFORMED CONSUMER IS CAPABLE OF MAKING SENSIBLE DECISIONS.

BE AN INFORMED CONSUMER.

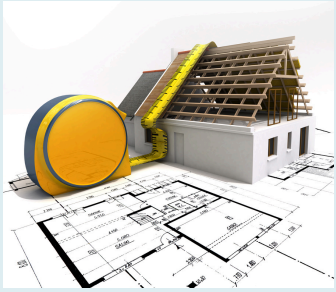
## 2. What is your available Budget?

One of the most important aspects of construction is your available budget. It is of paramount importance that you have the required funds to make payments to the draughtsman/architect or contractor.

If you are taking a loan to finance your project, the first step in the process is to seek advice from the bank on the total amount that you will qualify for when constructing your project.

## 3. Selection of a draughtsman, architect or contractor

### Draughtsman/Architect



Ensure that the selected draughtsman/architect has a valid and appropriate license to design and submit your plan to the Planning Authority.

Request the draughtsman/architect to design a plan that is within your financial ability for you to construct.

Upon approval of your plans by the Planning Authority, the next step is to approach potential contractors and get quotes for carrying out the job.

## Contractor

Ensure that the selected contractor has a valid and appropriate license to construct your project.

Check other works that the contractor has performed. Contact the information officer at Seychelles Licensing Authority, Planning Authority or Fair Trading Commission to verify if there is any complaint lodged against the contractor that you have the intention to acquire his/her service.

## Request for quotes from a minimum of 3 contractors

A quote is an offer of the price that you will pay to the contractor to carry out the construction works. It is based on the approved plan or works that need to be carried out. Acquire a minimum of 3 quotes from 3 different contractors, so as to have an average indication of the price of construction of your project. Ensure that the quotation includes a clear breakdown of the work to be carried out.

Look at the details of the different quotes and make sure that they cover the same scope of building work and the same materials and fixtures, so you are comparing “apples with apples”.

IF IT IS TOO GOOD TO BE TRUE -
RE THINK,
RE EVALUATE,
RESEARCH.

MAKE AN INFORMED DECISION.

***If any quote is significantly higher or lower than the others, it may be an indication that there is something that is not right!***

When choosing materials for your building work, contractors will be influenced by a few factors, including:

- their experience with the products.
- the wholesale price of the products.
- the time and labor cost.

***If any part of the quote is unclear, ask for explanation.***

It is important that you understand everything in the quote before accepting it and proceeding to have a written contract.

## 4. Having a written contract

***Ask the contractor for information about their business.***

Before you sign the contract, the contractor should provide information about:

- The name of the contractor and/or the legal name of the business entity;
  whether he is trading as an individual, partnership, or limited liability company.
- The Business address and contact details.
- Information about the key contact person (e.g., the project manager or site foreman) who will be involved in carrying out or supervising the building work, including their relevant qualifications, skills, and experience.

Make sure you check through this information and is confident the building contractor has the skills and resources to carry out the project.

NOT SURE OF THE TERMS & CONDITIONS OF YOUR CONTRACT?

SEEK HELP FROM AN EXPERIENCED INDIVIDUAL.

## 5. What your written contract should cover?

***Having a written contract, ensures that agreements are clearly stated and agreed upon by all individuals concerned.***

If you are not confident in asking difficult questions or negotiating the terms of your contract, ask someone you trust to help you.

### Your contract should include the following:

- Names, physical and postal addresses (including the address for the delivery of notices) of both parties and all relevant contact details (e.g., phone numbers and email addresses).
- Address or location description of the site where building work will be carried out.
- Date(s) the contract is signed by both parties.

- Breakdown of the building work that your contractor will complete including the materials and products to be used (if known).
- Expected start and completion date.
- An obligation for the contractor to inform the consumer about any delays and the reasons in writing (email, etc.) and how the possible delays will be dealt with.
- Contract price.
- Who will carry out and/or supervise the work?
- The payment process, including dates or stages for payment and how payments will be invoiced, made, and receipted.
- How defects in the building work will be remedied, including reference to the existence and application of the implied warranties.
- Include termination clause(s) in the terms of the contract.
- How variations to the building work covered by the contract will be agreed upon before work continues.

- Retention fee and the deadline to pay the retention fee.

Any agreed change to the materials used or the scope of the work to be performed under the contract is known as a "variation". Variations must be in writing and signed by the owner and building contractor.

***Make sure you do not pay excessive amounts in advance for work that has not yet been performed.***

Limit the amounts a building contractor can ask for as an initial deposit for work to be performed or as progress payments for various stages of the contract. Contracts should have a progress payment schedule. It is best that the maximum deposit pay before work is not be higher than 20% and also when payment of 50% of the total amount of the project is made, 50% of the work has actually been completed.

# OTHER THAN YOUR CONTRACT WHAT OTHER EVIDENCE MUST YOU KEEP?

RECEIPTS, BANK STATEMENTS, EMAILS, TEXT, LETTERS, PHOTOGRAPHS, REPORTS.

## 6. Planning Procedure during the Construction of the Project

### Commencement Notice

Ensure that you sign the commencement notice and the contractor submits it to the Planning Authority a minimum of 72 hours before starting the project.

### Reinforcement Notice

Ensure that the contractor submits a reinforcement notice to the Planning Authority before casting of the concrete of any part of the building that has reinforcement bars.

## 7. Handover of the project

Verify the stages of the work so that if there are any defects they can be identified promptly. Upon completion of the project, carry out a walk-through to ensure that works have been completed as per agreement.

In the instances of limited knowledge of construction, you can seek the service of another professional in the construction field to assist you e.g a draughtsman/architect, engineer, Quantity Surveyor.

FTC CAN ONLY GUIDE YOU TO MAKE THE RIGHT DECISIONS, BUT THE RESPONSIBILITY RESTS ON YOU.

IT IS YOUR DREAM PROJECT, THEREFORE CHOOSE WISELY.

## Fair Trading Commission

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