

A guide for Contractors

If you need more information regarding the grant-aid process, or want this information in an accessible format, please contact the Housing Executive Case Officer or Technical Officer dedicated to the case you are working on.

This guidance note is divided into four (4) sections, each section should be read in full.

1. [Section 1](#) - Disabled Facilities Grant – an overview
2. [Section 2](#) - Contractor appointment Option 1
3. [Section 3](#) - Contractor appointment Option 2
4. [Section 4](#) - Project Management and Payments

Section 1- Disabled Facilities Grant – an overview

Introduction

This guide is for contractors undertaking adaptation work to privately owned properties (owner-occupier or tenanted) which have a Disabled Facilities Grant approved.

Funding for these grants comes from the Department for Communities. The Housing Executive administers the grant-aid on behalf of the Department.

This guide provides an overview of the grant processes and requirements of contractors in relation to the Disabled Facilities Grant.

What is covered by a Disabled Facilities Grant?

Eligible private sector applicants can apply for grant-aid for a Disabled Facilities Grant of up to £35,000 (inc. VAT and fees). Depending on the work required and their financial circumstances there may be discretion to raise grant allowance to a maximum of £70,000 (inc. VAT and fees).

Grant-aid is available to fund eligible works to an applicant's home that are considered by the Housing Executive to be necessary and appropriate in order to meet the needs of the disabled person as recommended by an Occupational Therapist (OT), but only where it is reasonable and practicable to carry out the eligible works having regard to the age and condition of the dwelling or building.

Basic works

We refer to the eligible works required to complete the OT's recommendation as the 'basic scheme.' **Only these works are eligible to receive grant-aid.**

When an applicant receives formal approval a detailed List of Grant-Aided Works is provided in a Schedule of approved works. It details the maximum amount of grant-aid payable per item.

Please note.

If the price you quote to undertake the work at your client's property is greater than the value of approved grant-aid, the difference must be funded by your client (the applicant).

If this is the case, then please agree for this separate payment directly with them.

Enhanced works

An applicant may wish to carry out other works over and above those grant-aided works contained in the basic eligible scheme when they have a contractor onsite. These works are in addition to or may be separate from what has been recommended by their OT. For example, a larger kitchen or bathroom than is required to meet the applicant's needs as detailed in the OT recommendation or exterior landscaping not detailed in the OT recommendation.

An applicant may also change the specification of items from what is grant funded in the List of Grant-Aided Works. For example, changing electric fittings specification from basic white to a brushed metal finish or increasing the size of rooms in an extension, or additional works to the exterior of the house.

We refer to all such additional works as '**enhanced works**'.

Please note.

Enhanced works do not attract grant-aid; they are 100% funded by the applicant, your client. You must agree payment for these directly with your client.

If you have any queries about what is considered the 'basic eligible scheme' and what is considered as 'enhanced works' please contact the case's Technical Officer to clarify.

It is a condition of payment of every grant that the eligible grant-aided works are carried out by a contractor acceptable to the Housing Executive (Article 69 of the Housing (NI) Order 2003)

Post Approval Stage – Getting the work done.

The applicant (your client) is responsible for

- Identifying and appointing a contractor.
- managing the works at their home to completion.
- telling the Housing Executive when work has started.
- requesting an interim payment – if applicable; and

- informing the Housing Executive when the works have been satisfactorily completed so they or their contractor can be paid any outstanding amount.

If the value of the approved grant-aid is **more than £10,000** the applicant must (in order to satisfy the requirements of Article 69) appoint a contractor using one of the two specified options below.

- **OPTION 1:** Appointment of a Warranted Builder with Insurance Backed Guarantee
or
- **OPTION 2:** Appointment of a non-warranted builder but using a specified Building Contract.

Both options and the relevant grant-aid to be paid are explained in this guidance note.

Please note, grant-aid will only be paid using one of the two options specified above.

Selecting a Contractor

Applicants have been directed to NI Direct's advice on 'Choosing a Good Builder,' a copy of which is available in Appendix 1 for your reference.

Applicants are advised to request in writing a **quote for the basic eligible scheme**. This is the work needed to provide the eligible works as referred to in the OT's recommendation and is detailed on the List of Grant-Aided Works within the formal approval.

Where the applicants scheme also includes enhanced works, the cost of this work should be provided separately on the quotation. No grant-aid is payable for enhanced works and the applicant will have to fund these works separately.

Please note.

The Housing Executive has no contractual role in the contract between the applicant and their appointed contractor to carry out the works. The Housing Executives role is to administer the processing and payment of grant-aid on behalf of the Department for Communities.

Sections 2 and 3: provides more detail of the two options available for appointing a contractor.

Section 4: is the information we provide to applicants on managing the project and making requests for payment for completed work.

Section 2 – Contractor Appointment Option 1

Warranted Builder with Insurance Backed Guarantee

The Housing Executive's current 'Warranted Builder' scheme is operated by **Federation of Master Builders (FMB)**.

The Warranted Builder must be a current member of the FMB Insurance Warranty scheme.

For access to the FMB warranty scheme, you will need to apply for membership of FMB. Their team will help you through the application process.

Use the below link for information on how to become registered with FMB, www.fmb.org.uk/become-a-master-builder.html or contact FMB's NI office on 028 9446 0416.

FMB has confirmed there are two steps for putting a warranty in place:

1. Become a FMB member – quality, competency and financial checks may be carried out by FMB as part of the application process; and
2. Apply for the Insurance Backed Guarantee (IBG) - each IBG will relate specifically to the client and works that are being conducted. FMB membership advisors will provide advice and assistance to contractors completing this process.

Currently the FMB warranty is a 2-stage process. This process and details of the cover provided is outlined on the FMB website.

FMB registration documentation

Prior to works commencing, copies of the following documents must be provided to the Applicant:

- Contractors written Guarantee for works to applicant, as required by the conditions of FMB insurance backed guarantee
- Intent to Insure document from FMB

The cost of the FMB warranty bond is eligible for grant-aid and will be included in the applicant's List of Grant-Aided Works. The maximum grant-aid amount that will be paid towards this is a percentage of the approval value, up to a maximum value of £375.

If a dispute occurs between an applicant and their contractor, the FMB warranty scheme can offer an Alternative Dispute Resolution service to help resolve the dispute.

Further details of this service are available by visiting: www.fmb.org.uk/find-a-builder/dispute-resolution.html

Please note.

The Housing Executive does not engage in any process to resolve disputes which may arise between applicant and the Warranted Builder.

The Housing Executive will not fund any costs incurred by either the applicant or a Warranted Builder in respect of dispute adjudication or court proceedings should either prove necessary to resolve a contractual dispute.

Work completion.

When the eligible grant-aided works are completed, the applicant will request the final FMB insurance backed guarantee certificate from you.

The certificate should reflect the total cost of all completed works at the property and the date that the insurance backed guarantee certificate expires.

The final insurance backed guarantee certificate must be forwarded, along with all final documents requested, to the Housing Executive. This information is required before final payment of grant-aid, any delay will see a delay in the final payment being issued.

The Warranty Bond fee payable by the Housing Executive is only paid at the final payment stage.

Section 3 - Contractor Appointment Option 2

Use of a formal building contract

If the applicant selects this option, the applicant is required to enter into a formal written contract with their chosen contractor before any eligible grant-aided works start.

The steps below should be followed when putting a formal contract in place.

The applicant (or applicant's agent) purchases an original JCT Contract entitled "Building contract for a homeowner / occupier who has not appointed a consultant to oversee the work" (hereinafter referred to as "JCT Contract") or an equivalent approved contract.

Please note

The Housing Executive may decide to approve a request from either the Applicant or their contractor to use an alternative Form of Contract to the JCT Contract on their project; but only where this request is accompanied by a Solicitor's Letter or other professional substantiation confirming the equivalence of the proposed alternative Form of Contract to the JCT Contract.

The Housing Executive will not be responsible in any way for any shortcomings in the chosen form of alternative contract.

Applicants (or their agent) intending to use the above named JCT Contract have been signposted as follows:

JCT Contract users in Northern Ireland use the JCT 2016 Building Contract for a homeowner / occupier who has not appointed a consultant to oversee the work (together with the Northern Ireland Adaptation Schedules for same) or an equivalent approved contract.

Information can be found at: www.jctltd.co.uk/product/building-contract-for-a-home-owner-occupier

The JCT Contract is purchased by the applicant (or their agent).

Contractor appointed by applicant is required to complete Part 1 "The arrangements for the work" section of JCT Contract.

Contractors are required to read through the contract and agree the details of the works to be included within the JCT Contract, or equivalent approved contract with the applicant (or applicant's agent).

Please note.

Contractors should familiarise themselves with the terms and conditions of the required Supplementary Conditions (see SC1 form) for all JCT Homeowner / Occupier (who has not appointed a consultant to oversee the work) Contracts for grant-aided works.

This includes, but is not limited to:

- contractors being required to give a short description of the works to be completed,
- contractor's itemised quotation,
- the working period,
- the amount of working hours to be incurred on site,
- details of the amount the contractor is insured for "all risks," and
- details of the public liability insurance which the contractor has in place.

The contract sum should be the total cost of the all the works for the scheme (including any enhanced works, if applicable).

Please remember that the Housing Executive will only pay grant-aid towards the costs / items detailed in the List of Grant-Aided Works and known as the basic eligible scheme.

Please note.

The Housing Executive's role is to administer the funding to the grant applicant or their contractor if the grant monies have been assigned.

The contract is made between the applicant (homeowner / private tenant) and the contractor only.

The Housing Executive has no contractual role in the contract between the applicant and their appointed contractor to carry out the works.

Contractor to review, sign, and date contract with the applicant.

Once the applicant and contractor have reviewed and agreed the terms and conditions of the JCT Contract, and signed and dated the contract, the applicant must submit a copy of the JCT Contract to the Housing Executive for its records.

The Housing Executive has no role whatsoever in reviewing or approving the content of completed and signed contract document.

Please note.

It is the applicant and agents responsibility to ensure that the JCT Contract is accompanied by a copy of the Northern Ireland Adaptation Schedule.

Contractor has awareness of contract's dispute resolution service.

Details of the dispute resolution service are specified within the JCT Contract guidance notes.

Please note.

The Housing Executive does not engage in the process to resolve any disputes which may arise between the applicant and their contractor under the Contract entered into between both parties.

The Housing Executive will not fund any costs incurred either by the applicant or a contractor in respect of dispute adjudication or court proceedings should either prove necessary to resolve such a contractual dispute.

Section 4 – Project Management and Payments

Statutory Deadlines

Housing Executive policy states that grant-aided eligible works must normally start within 6 months of the applicant receiving formal approval of grant-aid. All works must normally be completed within 12 months of the formal approval date.

Please note.

If the grant-aided eligible works cannot be started / completed within the above timeframes the applicant must seek approval to extend the timeframes from the Housing Executive before the time period indicated above has lapsed, to prevent payment of their grant-aid from being withdrawn. Time extension approval is not guaranteed and is at the sole discretion of the Head of Private Grants who will take into account the particular circumstances of each case under consideration.

Contractors are expected to inform their clients immediately if they believe the above deadlines will not be met so a request for an extension of time can be made as soon as possible.

Statutory approvals

Contractors should make sure that they have a copy of both the Planning and Building Control approved drawings / specifications along with any Build Over Agreements which are in place. Where applicable, they should be aware of both the 'basic scheme' and any 'enhanced works'.

Works Commencement

When work starts the applicant must submit a signed and dated works commencement card to the Housing Executive. At this time, applicants are also expected to notify the grants office if they wish to assign any or all of the grant-aid payments. In some cases, this may be assigned directly to the contractor by the applicant. The contractor should ensure that both steps have taken place.

The applicant will be able to inform the contractor to whom they have assigned payment of any grant-aid monies. Therefore, the contractor will know if they should expect all payments to come from the applicant, or if the grant-aided elements of the work will be paid to them directly by the Housing Executive.

The Housing Executive is only responsible for making payment against the works contained in the basic eligible scheme. This value is stipulated in the applicant's approved List of Grant-Aided Works and each applicable work item will clearly state the grant rate specified.

The contractor should make arrangements directly with the homeowner for payment of costs for any 'enhanced works' or costs over and above the grant-aid approval value.

Changes to the project / unforeseen works on site

Revised OT recommendations

Should the applicant's circumstances change and as a result a change(s) to the projects eligible works is required, a revised OT recommendation must be submitted to the Housing Executive for approval before commencing work for any of the proposed changes.

If the proposed changes to the project are deemed practical, reasonable, and necessary, revised drawings may be required and further inspections organised on site. The Housing Executive will issue a revised List of Grant-Aided Works and revised approval documentation to accommodate the change/ variation to the grant-aided works. The original date of formal approval remains – additional time cannot be applied automatically but must be separately applied for if required.

Unforeseen works

Unforeseen works are those which were not readily identifiable at the preliminary inspection. If something unforeseen arises during the course of the works the applicant is required to contact and inform the Housing Executive to highlight what has been identified and take no further action until the Housing Executive responds.

If unforeseen works are deemed appropriate to be included as part of the eligible works within the basic scheme a revised List of Grant-Aided Works and revised approval documentation will be issued to the applicant.

This documentation will approve the necessary changes and additional works and allow work to continue. The original date of formal approval remains – no added time is automatically applied.

The contractor should be aware of the change control process within the JCT Contract or equivalent approved contract if applicable for the unforeseen works.

Please note.

Changes to the project / remedying or undertaking work to unforeseen works, must not be started until the applicant has received prior approval in writing from the Housing Executive.

The applicant is solely responsible for paying any resulting shortfall in the amount of the actual cost differential between the amount of the revised grant-aid approved amount and the actual price charged by their appointed contractor.

Delay to the works

The Housing Executive will not pay any additional costs arising from the working period being extended due to any delay caused by either the applicant or the contractor.

Interim Payment Requests

Contractors should ask the applicants to complete an interim payment request form and send to their dedicated Case Officer if they require an interim / staged payment during the course of the works.

The first payment can be requested when at least 25% of the eligible grant-aided works have been completed. Up to 75% of the value of approved grant-aid may be released in a maximum of three interim payments to the assigned payee.

At each payment stage a Technical Officer will visit the property to confirm if sufficient work has been satisfactorily completed to allow an interim payment to be made.

Final Payment Request

When work is completed, the applicant is responsible for completing and returning the Housing Executive's completion card.

They must also submit all required documentation such as a contractor's final invoice, Building Control completion certificate, NI Water Build Over Agreement, contractors electrical completion certificate and specialist works guarantees where required.

The applicant's most recent grant-aid approval pack will list the documentation required to be submitted at this final stage. Their dedicated Case Officer can also provide details.

Before final payment can be made a Housing Executive Technical Officer will visit the home to confirm completion of the eligible grant-aided works. The applicant's OT must also visit and confirm that they are content the completed works meet the latest recommendation.

This confirmation visit is organised by the Grants Office. Any issues identified during this visit must be resolved before the final payment procedures can continue.

Please note.

The final 25% grant-aid payment will be delayed if all requested documentation is not submitted to the Housing Executive in a timely manner. If there are on site work issues or documentation issues identified by the Technical Officer or OT during their visit this may also delay the final payment of grant-aid.

Once any outstanding issues are resolved and all documentation has been received and checked by the Housing Executive, final payment will usually be made within 4 weeks.

Please note.

Where a contractor's final invoice indicates a reduction in the actual cost of the eligible works or a change in the VAT status of the contractor the amount of grant payable will be amended accordingly.

If the contractor is not VAT registered the VAT included in the applicant's grant approval relates to VAT paid in respect of materials only.

Personal Data

To find out how we use your personal information and your individual rights you can view the full version of our Privacy Notice at www.nihe.gov.uk/privacy_notice.

Appendix 1: Choosing a good builder (NI Direct)

See: www.nidirect.gov.uk/articles/choosing-good-builder (as at 15th February 2024)

Carrying out building work can be quite stressful, disruptive, inconvenient, and costly. To minimise the impact of any building work on you, it is important to make sure you choose a reliable, skilled builder.

Finding a good builder

To find a suitable builder, you should:

- ask family or friends for a recommendation if they had building work done recently.
- contact a local builders' association for a list of registered members.
- ask two or three builders for estimates in writing and ask them if you need planning permission for the work.
- ask each builder for two or three references from previous customers - and contact these people and find out how happy they were with the work and the builder's conduct (if possible, go and view some of the work)
- make sure the builder belongs to a respected trade organisation with membership standards.
- check the builder has current membership and has the required health and safety training.
- have a written agreement or contract with the builder, outlining the work to be done, finish date, security, and safety, catering and lavatory arrangements, disposal of waste materials, working hours.
- ask to see the builder's public liability insurance certificate.
- contact your insurance company as the building work may affect your home and contents insurance.

Deposits and payment

You should only pay a deposit if:

- the work needs specific or custom-made material.
- the work will take a long time to finish.

If you're paying in stages, it is important to agree a written payment schedule.

Builder doesn't charge VAT.

If the builder offers you a VAT free deal, one of two explanations apply:

- the builder isn't registered for VAT because they do less than £85,000 of business a year.
- they're avoiding paying VAT.

You need to decide if:

- the builder is equipped to finish your work in the agreed time.
- the builder will be in business if the work needs repair.
- you have a valid contract when there is no proof of payment.

Trustmark scheme

The scheme:

- makes sure traders who sign up are qualified to do building work.
- has a complaint procedure.
- www.trustmark.org.uk