



## A

### Access audit

A part of the process of designing a building or site, which considers how disabled people will be able to access the building or site.

### Access statement

Document often submitted with an application for building regulations approval identifying the philosophy and approach to inclusive design of capital projects in terms of planning and access for disabled persons.

### Adverse entries

Anything appearing on the documents which prove the landowner's title to the land:

- which may affect the landowner's ability to use all or part of the land for the grant purposes; or
- which may limit the use of certain parts of the land for a specific purpose; or
- which may have an impact on the value of the land.

### Administration order

An order made in a county court to arrange and administer the payment of debts by an individual; or an order made by a court in respect of a company that appoints an administrator to take control of the company. A company can also be put into administration if a floating charge holder, or the directors or the company itself file the requisite notice at court.

### Agreement for or to lease

Before a tenant takes a lease (confirming his leasehold ownership), the landlord may confirm in a written document called an agreement for lease that they will give a tenant a lease if certain conditions are met.

### Architect

A person who designs and supervises the construction of buildings. The Royal Institute of British Architects (RIBA) is the UK body for architecture and the architectural profession. The RIBA Register of Chartered Practices was set up to clarify the status of each architectural practice, its expertise and the services it offers.

### Asbestos

Asbestos is a naturally occurring fibrous mineral product that is strong, durable and non combustible. It has therefore been commonly used for insulation purposes and protecting structures from the effects of fire. All types of asbestos are dangerous but blue and brown are generally more dangerous than white. When the smallest sized fibres are breathed in, there is a risk of developing a fatal disease that usually affects the lungs. These diseases take a long time to develop, usually between 15 and 60 years so no immediate effects are noticed should fibres be inhaled.

### Asbestos Survey Type(s)

#### Type 1:

Location and assessment (presumptive survey) – The survey purpose is to locate, as far as practicable, ACMs (Asbestos Containing Materials) and assess the extent to which they were used and their condition. No sampling of materials is carried out.

#### Type 2:

Sampling, identification and assessment (sampling survey) – The procedures used for this type of survey are as a Type 1, however in this case representative samples of the ACMs are collected and analysed to confirm or refute the suspected presence of asbestos.

#### Type 3:

Full access sampling and identification (pre-demolition, major refurbishment survey) This survey may involve destructive inspection to gain access to all areas of the building to locate and describe,

as far as practicable, all ACMs in the building. Full sampling is undertaken and the extent to which ACMs are used (volume and surface area). This type of survey is designed to be used as a basis for tendering the removal of ACMs before demolition or major refurbishment so an assessment of the condition of ACMs present is not necessary.

## Asset monitoring period

The period over which the Big Lottery Fund will monitor a project to ensure that the grant purpose is being met. The period during which BIG will hold a grant recipient responsible for the condition and use of the land and buildings funded by the grant starting from the date capital works are completed.

## Assignable lease

A term used for leasehold land and buildings to show whether they may be sold to or transferred to another owner. Often the lease will contain a number of conditions that have to be met before the lease is assignable, such as obtaining landlord's consent.

## Assignment (contract)

Is a transfer of a right or obligation of one person to another. Assignment differs from novation in so much that the parties to the contract do not change – privity of contract still exists between the parties. The consent of the third contracting part is not necessary.

## B

## Bill of quantities

A list of numbered items (usually prepared by the project quantity surveyor), each of which describes the quantity of some work to be done in a civil engineering or building contract.

## Bill of approximate quantities

Contract document prepared and used similarly to a bill of quantities but where the quantities are approximate because the design and specifications are not yet complete. All work then needs to be remeasured as designed and constructed.

## Break clause

A provision in a lease that allows a landlord or the tenant or both to bring an end to the lease before the full period of years have expired.

BREEAM (Building Research Establishment Environmental Assessment Methodology)

A consensus-based method for the environmental assessment of the performance of buildings.

## Building control approval

Confirmation from that project proposals and plans comply with the building regulations.

## Building cost information service (BCIS)

Service provided by the Royal Institution of Chartered Surveyors providing quarterly reviews of building prices that may be used for feasibility studies and forecasting building costs. Average building costs based on 10,000 tenders are shown in tables per square foot and per square metre for all types of buildings in various locations.

## Buildings insurance certificate

Certificate to show that there is insurance for a building and its use.

## Building professional

A professional advisor or consultant with specialist training and knowledge.

## Building Regulations

Rules made under powers provided within the Building Act 1994, which apply in England and Wales, covering the technical aspects of building projects, supported by various approved documents.

## Building surveyor

Surveyor trained in building construction and law; may be employed as design team leader principally on works of refurbishment and complex alterations of existing buildings. Often undertakes the detailed costing of his own projects and can act as contract administrator.

## C

### **CABE (Commission for Architecture and the Built Environment)**

Set up in 1999 it is a statutory body, funded by the Department for Culture, Media and Sport and the Department for Communities and Local Government. It is the government's advisor on architecture, urban design and public space, working directly with architects, planners, designers, developers and clients, to provide guidance.

### **Capital assets**

Assets that have a large monetary value such as, land, buildings, equipment and vehicles.

### **Cashflow forecast.**

Produced by linking the data from the constructions costs and project programme allowing client and contractor to forecast payments due as the project progresses.

### **CDMC (CDM Coordinator)**

A person or organisation appointed to oversee compliance with the CDM regulations (formerly referred to as 'planning supervisor').

### **CDM Regulations**

The Construction (Design and Management) Regulations 2007. These cover health, safety and welfare for all construction projects.

### **Certificate of practical completion**

Formal contractual document issued under building contracts to certify that building works are complete apart from any patent defects which will be corrected by the making good defects certificate.

### **Certificate of title**

A written document from a solicitor confirming that a grant recipient is the leasehold or freehold owner of the land or property to which a grant relates.

### **Change control**

The process by which changes to the building contract are managed and recorded.

### **Charge**

Security interest taken over property by a creditor to protect against non-payment of a debt (such as a mortgage).

### **CIOB (Chartered Institute of Building)**

Leading body for managers in construction, setting the pace globally for high standards of professionalism in the built environment.

### **Clerk of works**

Client's site inspector, responsible for monitoring standards of workmanship and materials, reporting to the contract administrator.

### **Collateral warranty**

A parallel agreement with a third party entered into by one of the parties to a sub-contract, in order to give the third party means to legal redress in respect of design or construction carried out under the contract.

### **Commissioning**

The process by which the various items of the building's machinery and services are witness-tested and set to work to specified standards.

### **Common Law**

Refers to law and procedural rules that have been created by the judges through the decisions in the cases they have heard rather than by legislation.

### **Construction team**

The builder's site organisation headed by a site agent or project manager comprising programmers, planners, quality controllers, surveyors, general and trades supervisors.

### **Contingency**

An amount of money (usually expressed as a percentage) built into the total project costs to cover any unforeseen items or expenditure.

### **Contract Administrator (CA)**

The person or organisation employed by the client (e.g. architect, architectural technologist or technician or building surveyor) named within a building contract to manage the terms of the contract between the client and contractor. Also known as 'supervising officer' under certain forms of contract.

### **Contractor**

The organisation who undertakes to complete a construction project on behalf of the Employer.

## **COSHH (Control of substances hazardous to health)**

Regulations requiring employers to assess and control health risks from chemicals and to provide appropriate training to employees.

## **Cost plan**

An analysis, element by element, of the proposed building agreed by the design team as a distribution of the client's budget and against which the cost of the developing design is monitored

## **D**

## **Deed of dedication**

A document signed by the landowner to confirm that land or buildings will be used for the grant purpose where a grant recipient does not own the land or buildings to which a grant relates the landowner. Places a restriction on the title of the land or buildings with the Land Registry (where registered land) preventing the landowner from selling, transferring or mortgaging the land or buildings for the asset liability period.

## **Defects liability period**

A pre-agreed period, commonly 12 months starting from practical completion, during which the builder is required to remedy, at his own expense, all genuine defects appearing in the building. The contract administrator issues a certificate of making good defects when the final list is cleared.

## **Design and build**

Procurement system in which a single organisation takes responsibility not only for construction work but also for the design.

## **Design team**

Term, usually used to describe the group of advisors responsible employed by the client for the design of a building.

## **Domestic sub-contractor.**

Sub-contractor provided and employed by the builder. Under standard forms of contract the contract administrator has the opportunity to approve all such sub-contractors.

## **E**

## **Easements**

Rights over property that is owned by someone else e.g. rights to cross land, etc.

## **Elemental cost estimate**

Estimate of project costs (usually prepared by the project quantity or building surveyor), broken down into a series of elements such as external works, preliminaries, contingencies, inflation, etc.

## **Employer**

Also referred to as the 'Client' or building owner, is the person or organisation who commissions a construction project and pays the cost of the works.

## **Employer's agent**

Building professional appointed by grant recipient to fulfil duties under the Construction (Design and Management) Regulations 2007.

## **Extension**

Additional space built onto an existing building.

## **Extension of time**

Addition to the contract period granted by the contract administrator on application by the contractor that the works are being delayed by one or more specified events set out in the contract as being beyond his control. Enables contractor to claim all genuine loss and expense incurred.

## **External works**

Works on or in land surrounding a building, e.g. drainage, hard and soft landscaping, roads, etc.

## **F**

## **Final account**

The agreed adjusted contract sum allowing for the cost of all variations and other instructions including remeasurement of work covered by approximate quantities and provisional sums.

## Final certificate

A document usually issued 6 to 12 months after the certificate of practical completion and following the making good defects certificate to the effect that the contractor has carried out all his contractual obligations. Confirms the end of the contractor's liability and the contract administrator's authority under the contract.

## Fixed price contract

A contract where the contractor's prices are fixed for the duration of the works. The tender includes amounts the contractor considers will cover inflation in the prices of labour, materials and plant.

## Fixtures and fittings

Items within a building that are attached to the walls/ceilings/floors or built in as part of the building, e.g. light fittings, etc.

## Fluctuating price contract

A contract where the builder's prices are adjusted for inflation; usually by the application of a formula and published prices.

## Freehold

Form of ownership of land or buildings where ownership cannot be taken away unless they agree. The most permanent of ways in which land or buildings can be owned.

## F.R.I. Lease

Refers to 'full repairing and insuring'. A form of lease, where the tenant generally covenants to carry out all repairs and maintenance to the property throughout the term of the lease and insure that property or reimburse the landlord for insurance premiums.

## G

## Gantt chart

Pictorial representation of a project plan, showing activities, usually in the form of shaded/coloured bars.

## Good and marketable title.

This means the current owner has complete freedom to sell property and that no other party has an interest in it.

## Gross internal floor area (GIFA)

Area inside a building measured to the inside face of the external walls.

## Ground investigations

A detailed, technical investigation of the ground on which a building will be constructed to determine the suitability of the type of soil and sub-soil, whether it contains old structures, contaminants or existing services such as pipes, cables, etc.

## H

## Handover

Procedure by which the client takes over the building following issue of the practical completion certificate. The method should be specified in the contract documents.

## I

## Interim certificate

Certificate issued by the contract administrator stating the amount of payment due under the building contract and which must be honoured by the client. Usually issued monthly or on completion of pre-agreed work stages.

## I.R. Lease

Refers to 'internal repairing'. A form of lease where the tenant covenants to carry out all internal repairs and maintenance of the property throughout the term of the lease, however, is not responsible for the maintenance and repair of the exterior.

## J

## Joint Contracts Tribunal (JCT)

Established in 1931 produces standard forms of contract, guidance notes and other standard documents for use in the construction industry.

## L

### **Latent defects**

Building defects which appear after practical completion and which are subject to the Limitations Act.

### **Lead building professional**

Member of the design team (usually the architect or building surveyor) who takes overall responsibility for coordinating the design process and client contact.

### **Lease**

Document containing rules that show how a particular piece of leasehold land or a leasehold building is owned. The lease contains details about the length of tenant's ownership, rate of rent, etc. Given to the tenant from the landlord.

### **Leasehold**

Form of land ownership in which a tenant owns the land or building for a pre-determined and limited period of years. The rules of ownership are included.

### **Licence**

Permission to occupy or use land, which may otherwise be a trespass. Does not confer any legal estate or interest and does not provide security of tenure.

### **Liquidated and ascertained damages**

Genuine pre-estimate of the losses that the client believes he will suffer from any delay to completion, usually expressed in amounts per week. Only levied when delay is for reasons, which do not entitle the contractor to an extension of time.

### **Liquidator**

The Official Receiver or an insolvency practitioner appointed to administer the liquidation of a company or partnership.

### **Listed building and listed building consent**

A building which, because of its special historic or architectural interest requires protection, has been given 'listed' status by English Heritage subsequently requiring approval for all alterations and extensions.

### **Local planning authority (LPA)**

Local government departments provided by Parliament with the main responsibility for planning decisions.

## N

### **Negotiated tender**

Procedure for appointing a contractor and agreeing a contract sum on the basis of negotiation rather than a competitive tendered amount. The negotiation may be based on a previous competitive price, for example, for a similar and successfully completed contract, which the contractor had won in competition.

### **Nominated sub-contractor**

Specialist sub-contractor nominated by the contract administrator following selection, usually through competitive tendering, and with whom the builder, as 'main contractor' is required to enter into formal sub-contract agreements. The standard forms of contract enable the client to make separate agreements with nominated sub-contractors with particular reference to design warranties.

### **Non-recoverable V.A.T.**

VAT charged on buying goods, services or transactions that are not recoverable from the HM Revenue and Customs.

### **Novation**

A mechanism where one party transfers all its obligations and benefits under a contract to a third party. The third party effectively replaces the original party as a party to the contract.

When a contract is novated the other contracting party must be left in the same position as he was in prior to the novation being made. Essentially, a novation requires the agreement from all three parties. So a deed of novation, or an agreement to novate, usually includes a letter to be sent to the third party, explaining the situation and requesting their acceptance by signature and return of the letter.

## O

### **Over-Sailing Rights**

Under section 177 of the Highways Act 1980, site cranes require a licence if the jib at any point extends over the public highway.

## P

### **Parent company deed of guarantee**

Where a building company is a subsidiary of another, the deed of guarantee states that the parent company must fulfil the contractual obligations where the subsidiary fails or is closed down.

### **Party Wall etc., Act**

Statutory Instrument that enables an owner of land or buildings to carry out certain, specific works on, or adjacent to adjoining properties while protecting potentially affected neighbours.

### **Planning permission or planning consent**

Approval or rejection decision made on a planning application by a planning committee.

### **Practical completion certificate**

Certificate issued by the contract administrator stating that, in his opinion, the works are for all practical purposes complete. While not necessarily complete in every respect, the building should be safe and capable of occupation. The issue of this certificate represents a significant contractual milestone.

### **Preliminaries**

Costs of works that need to be carried out before the main building work can start e.g. site set-up, security, etc.

### **Pre-qualification (Contractor)**

A process intended to ensure that, before being included on a tender list, all contractors are assessed to ensure that they are equally capable of delivering a construction project.

### **Procurement**

The process of obtaining building works, from deciding to proceed with construction to accepting the completed work.

### **Professional indemnity insurance**

Insurance covering building professionals from civil law claims arising from advice or services provided.

## **Project Manager**

Manages and controls all construction operations. A project manager will plan, organise, and control construction operations and may be involved at all stages of the process from initial feasibility studies through to design, construction, maintenance, refurbishment, and demolition.

The primary role is to ensure that construction projects are completed on time within budget, to the appropriate quality standards, and to exacting safety requirements.

## **Provisional sum**

A sum set aside in the tender documentation to provide for work whose scope cannot be clearly foreseen or quantified, e.g. builder's work in association with mechanical and electrical installations.

## Q

## **Quantity surveyor (QS)**

Traditionally the person who 'measures'; that is quantifies, building works and has developed skills of estimating prices, negotiation and cost analysis of buildings. Will usually advise design team and client on contractual and financial arrangements for a project. Administers financial aspects of the building contract.

## R

### **RIBA (Royal Institute of British Architects)**

Qualifying body for British architects, awarded Royal Charter in 1837.

### **RIBA Plan of work**

Provides a standard sequence of work stages for capital projects recognised throughout the construction industry.

### **RICS (Royal Institution of Chartered Surveyors)**

Worldwide body promoting best practice, representing consumers' interests and providing impartial advice to society, businesses, governments and global organisations

### **Receiver**

The commonly used name for an administrative receiver. The term can also mean a person appointed by the court or with the power to receive the rents and profits of property.

### **Refurbishment**

Renovation, re-equipment or restoration of a building.

### **Registerable**

Land or buildings are registerable if the ownership of them can be registered at the Land Registry. Freehold ownership is always registerable. Leasehold is registerable where the tenant still has seven or more years of ownership according to the lease.

### **Registered land**

Land and buildings registered with the Land Registry and provided with a 'title number'.

### **Restrictive covenant**

A covenant acknowledged in a deed or lease that restricts the free use or occupancy of property or land.

### **Retention**

A percentage of project costs not paid to the contractor until the works are completed satisfactorily and the making good defects certificate has been issued.

## S

### **Schedule of rates**

Fully itemised list of building works priced by tenderers and used as a basis for pricing remeasurement works or for valuing variations where no bills of quantities have been supplied. The schedule should be attached to the specifications as a contract document.

### **Searches**

Questions asked before land or buildings are bought to check if there are any rights, restrictions, covenants or other matters affecting the property that may cause problems for a future owner.

### **Security of tenure**

A good, strong and usually well documented right to own or use a property for a period of time.

### **Selective tendering**

Inviting competitive tenders from a short list of contractors selected for their suitability, considering the size and type of project.

### **Specification**

A description of the type of materials or service to be used in the building works.

### **Site Waste Management Plans Regulations 2008**

This regulation came into force in April 2008 and requires all construction projects over £300,000 to document and set out how waste is removed and monitored from construction sites.

### **Sub-contractor**

Specialist contractors, usually employed by the main contractor to carry out a particular aspect of building or related work, eg. internal decoration.

### T

#### **Tenant**

The holder or owner of a lease, who pays rent to the landlord for the use of the property or land.

#### **Tender**

A formal process that allows contractors to bid to supply a service or carry out works at a stated cost.

#### **Tender review report**

A written report (usually provided by the lead building professional) on the tenders received, the work undertaken to check them and the final result after checking.

#### **Tenure**

The form of right (title) under which land or buildings are held or occupied (freehold, leasehold or licence).

#### **Termination (contract)**

The cancellation of a contract. Usually, the terms for cancellation are spelled out in the contract as part of a termination clause. This clause protects both parties, since the desire to terminate by one party will severely affect the other. Contract termination is a serious step and one that should only be taken following careful consideration and professional advice.

#### **Title**

The legal right by which property is owned or occupied.

#### **Traditional procurement**

Procurement arrangement in which advisors are appointed by the client to design a project, and to prepare tender documents for a building contract let on the basis of this design.

#### **Tree Preservation Order (TPO)**

Planning authorities have powers to protect all types of tree by making Tree Preservation Orders. A TPO makes it an offence to cut down, top, lop, uproot, wilfully damage or destroy any protected tree(s) without first obtaining permission from the Local Authority.

### U

#### **Unregistered land**

Land or buildings not registered at the Land Registry. It is not so easy to prove land ownership where it is unregistered and legal documents will be required to be produced.

### V

#### **Variation (contract)**

Instruction issued by the contract administrator to the contractor for additions or alterations to the works described in the contract.