

## Code of Fair Trading



Representing the best in electrical  
engineering and building services

# Code of Fair Trading

for the Electrical Contracting Industry, to be observed by ECA Registered Members

**This code encourages good communication with the customer and gives guidance on matters such as**

**STANDARDS OF WORKMANSHIP AND MATERIALS • DESIGN • COSTS  
GUARANTEES • PAYMENT TERMS • SETTLEMENT OF DISPUTES**

**It is in addition to, and shall not detract from, the customer's legal and statutory rights**

1. Registered Members of the Electrical Contractors' Association (ECA) undertake to act with courtesy and in good faith in all dealings with customers, to respect their privacy and property, and to comply with all laws and statutory regulations (particularly in matters of health and safety) relevant to the work undertaken for the customer.

2. This Code of Fair Trading reinforces that undertaking. It is in addition to the customer's legal and statutory rights, and takes nothing away from them.

3. The ECA Registered Member will work in a competent and responsible manner with due regard to the standards set out in the ECA's Guarantee of Work and Bond schemes, which are specific to electrical, voice/data communications, security or control systems installation or maintenance work and are mentioned elsewhere in this leaflet (Para. 18). ECA Registered Members are subjected to periodic technical assessments and are expected, at all times, to maintain the skills and knowledge appropriate to their trade. They will be responsible for any subcontractors, advisors and agents that they may use and will ensure that those also adhere to all relevant standards. Every ECA Registered Member must maintain Public Liability insurance for at least £2m (or such other amount as the ECA Council may from time to time stipulate), as well as Employers' Liability insurance to the extent required by law.

## Scope

4. This Code covers:
- Work falling within the scope of the ECA's constitution, namely: installation, maintenance and commissioning of plant and equipment associated with the electrical installation engineering trade and ancillary trades.  
As well as:
  - related activities such as heating, ventilation, refrigeration, air-conditioning, piping, domestic engineering and energy management systems and other environmental services, forming an integral part of a particular package of work consisting mainly of the type of work listed in 4.a) above.

Where any design is associated with the electrical installation engineering works or related activities, the ECA Registered Member will, insofar as such matters are the ECA Registered Member's responsibility, use all reasonable skill and care in such design, the selection of materials and goods (excluding those specified by others) and the satisfaction of any performance specification or stated requirement.

5. It is in the interests of both the customer and the ECA Registered Member that all work of a complex nature and/or of substantial value should be carried out under a suitable standard form of contract (or subcontract) providing for (among other matters) effective dispute resolution procedures such as adjudication and arbitration. (Some terms are mentioned in the Association's Guarantee of Work Scheme and Bond leaflets.) There are also the ECA's own contract forms, which are registered with the Office of Fair Trading.

## Advertising

6. All advertisements relating to the services or products of an ECA Registered Member shall be legal, decent, honest and truthful, in accordance with the recommendations in the current edition of the 'British Code of Advertising Practice'. A copy of that Code may be obtained from the Committee of Advertising Practice, 71 High Holborn, London WC1 6QT. [www.asa.org.uk](http://www.asa.org.uk).

## Work, Workmanship, Materials and Standards

7. Workmanship and materials and the application of standards to the work shall comply with the current edition of the Regulations for Electrical Installations published by the Institution of Engineering and Technology, as well as relevant British Standards and British Standard Codes of Practice and relevant specifications and codes published by the ECA appropriate to the work or any part of the work; or else with the specification or standards specifically and freely agreed between the ECA Registered Member and the customer for the work. ECA Registered Members shall comply with the Sale of Goods Act and the Supply of Goods and Services Act or any

similar legislation adding to, replacing or amending those Acts.

**8.** The execution of the work shall be carried out in a professional and workmanlike manner and all reasonable steps shall be taken to minimise inconvenience and disruption to the customer and to minimise the risk of injury to persons and damage to the property of the customer.

**9.** On completion, the work and working area shall be left clean and tidy. The agreement between the ECA Registered Member and the customer should make clear, preferably in writing, whether or not, and to what extent, the work includes making-good to any part of the customer's property or decorations affected by the work.

## Estimated Work

**10.** Where the work is the subject of an estimate:

- a) The estimate shall be in writing and state clearly if it is open for acceptance for any particular validity period, after which it is to lapse unless previously withdrawn.
- b) The customer shall have a clear description of the work either from the description provided by the ECA Registered Member or from the specification and any accompanying drawings provided by the customer, supplemented where necessary with information from the ECA Registered Member, including the question of making-good as mentioned above.
- c) The estimated price shall be stated net and shall also make clear the method of payment expected and, where VAT is to be added, the fact that it will be so, at the appropriate statutory rate.
- d) The estimate shall state whether or not the price is firm for the work as described, (and if so, for what period) or if it is to be subject to fluctuations in the costs of labour and materials. Where the price is stated to be "firm" it may nonetheless, by the terms of the contract, be subject to any changes in relevant taxes, fees or charges imposed by central or local government or utilities undertakings, and to any qualifications in the estimate itself. The basis of any such likely changes and qualifications shall be clear and be drawn to the attention of the customer.
- e) It should be made clear whether interim or stage payments are expected, and if so, when.
- f) The customer should confirm acceptance of the estimate in writing.

## Work not subject to an Estimate

**11.** In some cases a detailed, written estimate may not be possible, for example when work is undertaken in an emergency, or due to risk of physical injury or problems such as access, the work cannot be accurately surveyed.

**12.** Where the work is not the subject of an estimate, the ECA Registered Member shall use his best endeavours to do the work in the most economical way and to use his expert knowledge for the benefit of the customer.

**13.** The charge for work, which is not the subject of an estimate will normally be based on a charge for the labour for the time involved and the materials used, together with an appropriate allowance for overheads and profit. There may also be a call-out charge. All such charges shall be clearly stated in writing.

**14.** In order to provide advance notice to the customer about the likely cost of work not the subject of an estimate:

- a) In the case of emergency work the ECA Registered Member shall advise the customer before starting work of the basis of charging for the work including information about the charges for labour and materials and any call-out charge, plus any VAT to be applicable at the rate ruling at the invoice date. Clear pricing information is essential, in writing if time permits.
- b) In the case of non-emergency work, the ECA Registered Member shall, where the cost of the work is likely to be substantial, discuss the matter with the customer before starting the work and try to indicate the likely cost, and its basis as above, preferably in writing.

**Note:** In cases where urgent or emergency work is to be carried out, the ECA Registered Member must observe, where appropriate, the governments "Cancellation of Contracts Made in a Consumer's Home or Place of Work etc. Regulations 2008" and follow the notice procedures detailed therein.

## Programme of Work

**15.** Wherever practicable, the ECA Registered Member shall state the expected dates for the start and completion of the work and keep the customer informed of any variation from those dates. The customer shall also, where practicable, be given reasonable advance notice of any likely breaks in continuous working.

## Payment

**16.** Once an offer has been accepted by the customer, and the contract agreed, the ECA Registered Member is under an obligation to carry out the work as stated in his offer and the customer is under an obligation to pay for the work on completion, subject to any other agreed arrangements for payment.

**17.** Any application or invoice rendered by the ECA Registered Member for payment on account shall represent a fair and reasonable valuation of the work done and materials delivered to site, up to the date of the application or invoice plus VAT as mentioned above.

## Guarantees

**18.** The ECA's Guarantee of Work Scheme and the ECA's Bond provide the following assurances free of charge.

### Guarantee of Work Scheme

The Scheme automatically guarantees all ECA Registered Members' work subject to terms and Conditions and covers contracts in any calendar year up to a value of £50,000 including VAT and up to £100,000 including VAT for multiple contracts with the same customer.

### Bond

The Bond, which also has its own terms and conditions, and is underwritten by the Electrical Contractors' Insurance Co. Ltd. of ECA Court, 24-26 South Park, Sevenoaks, Kent TN13 1DU, provides that if the ECA Registered Member's employment is terminated for a Specified Reason, i.e. insolvency of the member or bad workmanship, then the Insurer will meet the additional cost of completion.

### Bond Certificates

Certificates of insurance incorporating the applicable limits, terms, conditions and exceptions to the Bond are issued to each ECA Registered Member company, and the customer or contract specifier is recommended to request a copy from the ECA Registered Member. In order to be valid, the Certificates must be signed by the ECA Registered Member.

### Scope

The Guarantee of Work Scheme and Bond each apply to electrical work carried out in the UK and on structures within UK territorial waters. For full details of the scope, terms, conditions and exceptions that apply please ask the ECA Registered Member to supply copies of the current Guarantee of Work Scheme and Bond Certificate issued to them by the Electrical Contractors' Insurance Co. Ltd.

**19.** Where the Work incorporates materials which are subject to a separate manufacturer's or other guarantee, the benefit of such guarantee shall be passed on to the customer by the ECA Registered Member.

**20.** Where the operation of a guarantee is conditional on appropriate use or maintenance of the installation by the customer, this shall be clearly stated in the terms of the guarantee.

## Communications and Complaints

**21.** Good communications are essential to avoid misunderstanding and potential disputes. The ECA Registered Member shall use his best endeavours at all times to keep the customer informed on all salient matters concerning the work.

**22.** It is most desirable that complaints should be settled amicably between the ECA Registered Member and the customer. In the event of any defect, complaint or problem, the customer should notify the ECA Registered Member in writing as soon as practicable.

**23.** The ECA Registered Member shall ensure that his staff are familiar with a clear system for handling customer complaints. Each complaint shall be thoroughly investigated and promptly and courteously dealt with. Any work arising from a valid complaint shall be dealt with promptly.

**24.** Complaints about the time taken to do the job or the prices charged should first, if possible, be resolved through the procedures described in the relevant form of contract, if any.

**25.** If however any other matter cannot be resolved between the ECA Registered Member and customer, the ECA offers to customers:

**25.1** In a case of alleged bad workmanship, appropriate inspection facilities, providing independent technical inspection of the Work against the "Relevant Standards" set out in the ECA's Guarantee of Work Scheme ;

**25.2** In the case of some other complaint, a mediation facility.

*Contact: ECA Membership Department at the address or telephone number shown on the back cover for details of the inspection or mediation facilities.*

If following such an inspection the ECA Registered Member fails to put right any work which does not meet the "Relevant Standards" of the ECA's Guarantee of Work Scheme, the Guarantee provides a remedy for customers to have defective work put right.

### Dispute Resolution

**26.** If any matter covered by the facilities mentioned above cannot be resolved by mediation, it may optionally be referred to arbitration. The ECA will be happy to assist in drawing-up a suitable agreement. On this or any other problems contact the ECA Membership Secretary at the address or telephone number on the back cover.



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