

Information Sheet on The Party Wall etc. Act 1996

If you are carrying out works governed by the <u>Party Wall Act</u>, you need to serve a party wall notice on your neighbours. This must be done at least two months before the notifiable works begin, and at least one month before the notifiable excavation works begin. Notifiable work is either building work which affects a party wall or boundary line, or excavations within three or six metres of a neighbouring property (depending on the depth of the foundations you are making). This will include most extensions and basement and loft conversions.

You need to serve notice on all the owners of every neighbouring property affected by the works, both freeholders and leaseholders. You don't need planning permission for your plans to serve notice, and once you've done so you can take up to a year to start work.

If your plans change slightly after you've served notice – for example, if you decide to increase the depth of your extension – you should be able to submit revised drawings to your neighbour without having to serve a new notice.

There is "realistic potential" for damage when undertaking party wall works, according to the Royal Institution of Chartered Surveyors (RICS). So it's not surprising that failure to comply with the act could result in your neighbour taking you to court and obtaining — at your expense — an injunction to prevent you from continuing with the work. Furthermore, If you haven't obeyed the rules noted in the Act and you cause major damage to your neighbour's property, the judge can award compensation for any loss or damage resulting from the works, including legal costs.

If, on the other hand, you correctly serve notice on your neighbours and damage occurs, any disputes over that damage will be dealt with by surveyors rather than at common law. Surveyors have no scope to award damages for non-quantifiable things such as stress and inconvenience, unlike the courts, so costs would typically be much lower.

You can serve the relevant documents on your neighbours yourself. Use the example letters in the government's <u>Party Wall booklet (PDF)</u> or generate a notice for free <u>via the My Property Guide</u> <u>website</u>. Be sure to fill in the blanks correctly, otherwise the notice will not be valid.

Typical mistakes in filling in a Notice include failing to include a start date or a drawing showing the foundations. Another common mistake is assuming you know who owns the house next door; to be on the safe side get details of all the current legal owners from the <u>Land Registry website</u>.

To make sure you are serving notice under all the relevant sections of the act, read the government's Party Wall explanatory booklet and take advantage of the free 30 minutes of advice you can get from the RICS helpline (020 7222 7000) and the Faculty of Party Wall Surveyors (01424 883300).

Regardless of who appoints the Surveyor, he is obliged by the Act to act impartially on behalf of both the building owner and adjoining owner.

An explanatory video on the Party Wall Act 1996 can be viewed here.



The Party Wall Agreement or 'Award'

A Party Wall Agreement (technically called an "award") is the document produced by the two party wall surveyors (or the "agreed surveyor") acting for the respective owners.

It will usually consist of three parts:

- 1. The award itself i.e. a set of guidelines governing how the proposed works should progress
- 2. A "schedule of condition" of the adjoining property, often supported by a set of photographs (This is not required by the Party Wall etc. Act 1996 but it is prudent to have one).
- 3. Drawing(s) showing the details of the proposed works

The award should clearly state details of the two properties, their owners and their owners' addresses. It should also contain full details of the two surveyors (or agreed surveyor) and the "Third Surveyor" (if an "agreed surveyor" is used there will be no Third Surveyor).

Other items covered include:

- Brief details of the proposed works
- Working hours; normally 8am to 5.30pm weekdays only of residential work
- Assurances regarding the contractor's public liability insurance
- Indemnities by the building owner in favour of the adjoining owner
- Access arrangement for the surveyors
- A time limit for commencement of the works, usually 12 months
- The adjoining owner's surveyor's fee

Once the award has been agreed between the two surveyors it is "published". In practical terms this means that a signed and a copy is sent to the two owners by their appointed surveyors. Although there is a 14 day right of appeal if either owner believes the award to have been improperly drawn up. This is seldom observed.

An additional copy of the award is given to the building owner to be passed on to their contractor.



The Party Wall process

Once you have served notice, your neighbours, known as "the adjoining owners", have 14 days to respond. Work can go ahead immediately if they agree in writing. If they dissent or fail to reply the matter goes into dispute, and this is when it can become expensive.

You should give your adjoining owners at least 10 days to decide whether one surveyor can act for both of you or whether two surveyors should be involved in drawing up a party wall award, which lays out the rules your builder must adhere to while carrying out the party wall works. Your neighbour's property will also be surveyed both before and after the works are carried out to see if any damage has occurred, which you'll need to repair.

You could save at least £500-£1,000 if you can agree with your neighbour on the appointment of a single Party Wall Surveyor known as the "agreed surveyor". For this reason it's a good idea to talk to your neighbours before you formally serve notice and ask them if they are planning to dissent. If so, ask them whether there is a surveyor they'd like to use. That way you can appoint one surveyor from the start that you can both agree on, and save yourself time and a second surveyor's fees.

Whatever you do, don't appoint anyone who is personally employed on the project, such as the architect or engineer who is working on the build, as they are unlikely to be perceived as neutral by your neighbours. Equally you can't appoint yourself or a relation!

Timeline

Day one: You serve notice to all the legal owners citing the relevant sections of the Party Wall Act and stating when the works will start, which must be in at least two months' time.

Day 15: Your neighbour must have agreed in writing to your notice. If they fail to reply they are deemed to have dissented. If they dissent you should send them another letter stating they must appoint a party wall surveyor within 10 days or you will appoint one on their behalf.

Day 26: Your neighbour should have decided at this point whether they wish to appoint a surveyor. If they haven't you can appoint one on their behalf, but this must not be the same surveyor you are using. You pay for all surveyors' fees, so it's in your interest to get your neighbour to agree to share a single surveyor.

Day 27: From this point on you are in the hands of the appointed surveyor(s), who will make a record of the existing condition of your neighbour's property so any damage can be fairly assessed later. You will also receive a party wall award laying out rules your builder will have to follow, such as restrictions on when and how the party wall works should be carried out, and any additional work needed to protect your neighbour's property. Your builder will also be allowed to legally trespass on your neighbour's property if the surveyors deem it necessary to carry out the party wall works.

Day one plus two months: Work can begin if the party wall award has been agreed by all surveyors.

Day one plus 12 months: Work must have started by now.



Our Party Wall Fee Structure

The fees below are based on a standard rear extension or loft conversion to a residential building.

Our fixed price packages for making Party Wall Awards are as follows:

£975.00	1 Neighbour as Agreed Surveyor -	£725 as the Building Owners Surveyor
£1095.00	2 Neighbours as Agreed Surveyor -	£845 as the Building Owners Surveyor
£1195.00	3 Neighbours as Agreed Surveyor -	£945 as the Building Owners Surveyor
£1245.00	4 Neighbours as Agreed Surveyor -	£1045 as the Building Owners Surveyor

(The 'Agreed Surveyor' is when the Surveyor is appointed by both the Building owner and the Adjoining Owner).

- prepare and serve Party Wall Awards on the owners
- enter and inspect your neighbour(s) properties before building work commences
- make notes of the condition and take photos during the inspection
- make a comprehensive Schedule of Condition during the inspection
- provide you and your neighbour with copies of the Schedule of Condition and keep a copy on our file
- provide copies of Party Wall Notice, Consent Form and any drawings
- control working times and execution of notifiable works
- set out provisions for dealing with damage without the need for Civil claim when required
- control all rights of access

Party Wall Notices served: £75.00 per Notice

- prepare and serve a professional and bespoke notice(s) to your neighbour(s) by 1st Class Post together with a stamped reply envelope (unless you choose to hand deliver).
- perform Land Registry search to verify your neighbour(s) identity and address and write to letting agents when required.
- * annotate your designer's drawings to ensure the notice is valid and for clarity. (* The Party Wall Act only requires the Notice of Excavation to be accompanied by an explanatory drawing)
- provide explanatory notes where required
- provide an Acknowledgement / Form of Consent
- provide a follow-up "Ten Day Notices" if required
- Notices can omit or include the offer of a Schedule of Condition (we recommend a Schedule of Condition)



Schedule of Condition

To make a Schedule of Condition with one Adjoining Owner for ANY domestic project:

Flats

Studio Flat Fees from £390

- 1 Bedroom Flat Fees from £410
- 2 3 Bedroom Flat Fees from £430

Houses

- 1 3 Bedroom House Fees from £450
- 3 plus Bedroom House Fees from £480

Other Property

Depending on the complexity the fee can be from £500 upwards

Our fees are paid by the beneficiary of the works, usually this is the Building Owner. In some cases the Adjoining Owner may be liable for some costs. We can advise you on this.

Where your neighbour appoints their own Surveyor you will also be responsible for the reasonable fee of that Surveyor. Where complications arise we reserve the right to charge extra. For complete clarity and confirmation of our costs, our hourly rates of our surveyors are £90 per hour.