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Contracts by Chat App? The High Court Says 'Yes' - Jaevee Homes Ltd v Mr Steve Fincham (t/a Fincham Demolition) [2025] EWHC 942 (TCC) (16 April 2025)

[Jaevee Homes Ltd v Mr Steve Fincham \(t/a Fincham Demolition\) \[2025\] EWHC 942 \(TCC\)](#)

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Key Words:

Contract Formation, WhatsApp Agreement, Monthly Applications, Validity of Payment Applications/Invoices, HGCRA, Scheme, Payment Notices, Fill the Gaps, Commonsense/Practical Approach, Lump Sum Contract, Adjudication, Set-off, Intention

Summary

This Part 8 claim by Jaevee Homes Ltd (Claimant) sought declarations against Mr Steve Fincham (Defendant) concerning a demolition contract at a former nightclub [1]. The dispute centred on whether a formal written subcontract applied, or whether a basic contract arose from email and WhatsApp communications, and whether four invoices issued by the Defendant constituted valid payment applications under the Housing Grants, Construction and Regeneration Act 1996 and/or the Scheme [1].

An adjudicator had ruled in favour of the Defendant due to the absence of payless notices [2, 3]. Mr Roger ter Haar KC held that a binding contract was formed by WhatsApp messages on 17 May 2023, allowing monthly applications for payment [98, 99, 117], and found three of the four invoices valid [107-109, 127, 144-146].

Key Themes:

1. **Contract Formation:** The judgment analysed contract formation, focusing on informal WhatsApp exchanges versus a formal subcontract [1, 98-99, 53-54, 79, 81-102].
2. **Validity of Payment Applications:** The court considered whether the invoices met statutory requirements under the HGCRA and the Scheme [1, 2, 116-123, 131-141].
3. **Interaction of Contract Terms, HGCRA 1996 and Scheme:** The judgment addressed how the Scheme supplements insufficient payment terms [71-74, 79(94.1-94.3), 89-90, 114(20.2(b)), 114-123].
4. **Interpretation of Informal Agreements:** The court interpreted short WhatsApp exchanges

to establish agreed payment terms [92-95, 103-109].

5. **Common Sense Approach:** *A practical reading of the invoices and conduct was adopted, reflecting the context of a modest construction project [127(47(iv-v)), 142(35.4.3-37), 143].*

Background

The Claimant hired the Defendant for demolition works in Norwich [13-15]. After exchanging a quotation and WhatsApp messages in April-May 2023 [15-19], Mr James (Claimant's CEO) confirmed the job via WhatsApp on 17 May 2023. The Defendant replied with payment terms of 28-30 days post-invoice [21-26]. A formal subcontract and purchase order were emailed on 26 May 2023 but never signed or acknowledged [23-25, 26(19-25), 27, 96-101].

Works commenced on 30 May 2023 [27]. Four invoices followed between June and July 2023 [28-37]. The Claimant paid £80,000 [29, 34, 37], disputing the balance [39], prompting a statutory demand from the Defendant and subsequent adjudication where the adjudicator decided in favour of the Defendant [3, 5, 43-50, 68-69]. The Claimant then issued this Part 8 claim [1].

Legal Issues and Analysis

- **Contract Formation:** The Claimant argued the contract was either under their standard subcontract or via written communications including a "requirement" for monthly applications [1, 82]. The Defendant said it was formed via WhatsApp on 17 May 2023, with payment due 28-30 days post-invoice [51]. The court found that a contract was concluded on 17 May 2023 with agreed price (£248,000), works, start date, and payment terms [94, 98-100, 122]. The subcontract terms were not incorporated as they were sent post-agreement and not accepted [101]. The Judge amended the Claimant's second declaration: the contract was formed by 17 May 2023, including an entitlement (not a requirement) to make monthly applications [112].
- **Validity of Payment Applications:** The Claimant said the invoices weren't valid under the Act or Scheme [1]. The Judge referred to HGCRA sections 110A and 110B and the need to specify the sum due and basis of calculation [115-123]. Since the WhatsApp agreement lacked calculation details, paragraph 2 of the Scheme applied [119-120]. The invoices were assessed in context, including the lump sum contract and prior dealings [120-123, 128, 131-139]. Taking a "commonsense, practical view" [127(47(iv))], the Judge found the invoices adequately detailed their basis of claim [122, 124-126, 128, 137, 139].
- **Interpretation of "Monthly Applications":** The Claimant argued this term allowed only one invoice per calendar month [106], which the Judge accepted [107]. Invoices dated 9 June, 23 June, 14 July, and 27 July 2023 were analysed against monthly cycles from 17 May 2023 [112, 128, 132-135, 142, 145(81.1)]. Invoice 1081 (14 July) was a second application in the June-July period and was invalid [145(82), 146]. Invoices 1078, 1079, and 1083 were valid [146].

Conclusion

The court refused the first declaration (written subcontract) [111] and granted the second in modified form: a contract was formed by 17 May 2023, with an entitlement to monthly applications and payment due 28-30 days after invoice [112]. For the third declaration, only Invoice 1081 was invalid; Invoices 1078, 1079, and 1083 were valid applications [146].

Key Takeaway:

This case underscores the importance of clearly defining payment terms, even in informal communications. While a WhatsApp exchange formed a binding contract, its lack of detail led to reliance on the Scheme. The court took a commonsense, contextual approach to interpreting both

the contract and invoices—especially significant in dealings between smaller entities.

Parting Thoughts

*And so, in *Jaevee Homes v Fincham*, we are reminded—yet again—that in the occasionally surreal world of construction law, a contract for £248,000 of demolition work can be stitched together via WhatsApp, with all the solemnity of a curry order. Yes, the High Court has confirmed what many in the industry have long suspected: that binding agreements don't require 47 pages of bespoke clauses, a watermark, or even a signature—just a thumbs-up emoji and a vague plan to “chat in the morning.”*

Mr Roger ter Haar KC, deploying judicial common sense like a Swiss army knife, brushed aside the notion that the belatedly sent formal subcontract had any contractual weight. Instead, the Court held that the WhatsApp exchange of 17 May 2023 sealed the deal—price agreed, job confirmed, scaffolding imminent. And the payment terms? “Monthly applications” means just that: one per month. Not one-and-a-half. Not two squeezed in because you got enthusiastic.

The ruling is a triumph of pragmatism over pedantry. Courts remain alert to the commercial reality of small contractors and fast-moving projects—and equally alert to those who realise, too late, that informality doesn't always work in their favour. As for the Scheme, it stepped in not as a blunt instrument, but as a statutory patch kit for under-engineered agreements.

The moral? If you're negotiating £248,000 demolition jobs by WhatsApp, you may well succeed. If you're submitting two invoices in a month, you may well fail. And if you think courts will ignore clear messages just because they're casually typed, you may want to update your risk register.

Until next weekend—stay lawful, stay literate, and for goodness' sake, count your invoices.

**#ConstructionLaw #BuildingDispute #TCC #EnglishLaw #DisputeResolution #DDAlegal
#ContractFormation #WhatsAppAgreement #PaymentApplications #HGCRA
#ConstructionScheme #ValidityOfInvoices #Adjudication #InterimPayments
#PaylessNotices #LumpSumContract #InformalContracts #ContractInterpretation
#CommonsenseApproach #Jaevee #Fincham**

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CIARB Arbitration Panel Member since 2006

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