



# Civil Resolution Tribunal

Date Issued: July 3, 2024

File: SC-2022-001285

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Integrateddesignshub Inc. v. Heer*, 2024 BCCRT 632

B E T W E E N :

INTEGRATEDDESIGNSHUB INC.

**APPLICANT**

A N D :

VARINDERJEET SINGH HEER

**RESPONDENT**

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## REASONS FOR DECISION

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Tribunal Member:

Eric Regehr, Vice Chair

## INTRODUCTION

1. The respondent, Varinderjeet Singh Heer, hired the applicant, Integrateddesignshub Inc., to do design work for their new house. The applicant says the respondent has failed to pay its final invoice of \$4,560. It asks me to order the respondent to pay this amount.

2. The respondent says the applicant never completed the design work and they have already paid the applicant a fair amount. The respondent asks me to dismiss the applicant's claim.
3. The applicant is represented by its owner Samir Bansal. The respondent is self-represented.

## **JURISDICTION AND PROCEDURE**

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). The CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
5. CRTA section 39 says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. I have considered the potential benefits of an oral hearing. Here, I am properly able to assess and weigh the documentary evidence and submissions before me. So, any potential benefit of an oral hearing is outweighed by the CRT's mandate to provide proportional and speedy dispute resolution. I find that an oral hearing is not necessary in the interests of justice.
6. CRTA section 42 says the CRT may accept as evidence any information that it considers relevant, necessary, and appropriate, whether or not the information would be admissible in court.
7. Where permitted by CRTA section 118, in resolving this dispute the CRT may order a party to pay money or to do or stop doing something. The CRT's order may include any terms or conditions the CRT considers appropriate.

## **ISSUES**

8. The issue in this dispute is whether the respondent owes the applicant anything for the applicant's design work, and if so, how much.

## **EVIDENCE AND ANALYSIS**

9. In a civil claim such as this, the applicant must prove its claims on a balance of probabilities. This means more likely than not. While I have read all the parties' evidence and submissions, I only refer to what is necessary to explain my decision.
10. The applicant emailed the respondent a written proposal for design services on September 6, 2022. The proposal does not have space for signatures, and the respondent says in their Dispute Response that they never signed it. However, both parties implicitly agree that it sets out the terms of their contract, and I find that it did.
11. The contract says that the applicant would provide design services for the respondent's new single family home. The project was divided into three stages. The first stage was a feasibility study. The contract required the applicant to pay 30% of the \$9,000 total fee for stage one, which was \$2,700. For reasons that are not explained, the respondent paid \$3,000.
12. This dispute is about stage two. Under the contract, the applicant agreed to provide interior 3D renderings and other detailed plans that the respondent's contractors could use. The contract set out a lengthy list of what the applicant would design: "door/window layout, cabinetry, drop ceiling, feature walls, electrical, low voltage, plumbing fixtures, HVAC location and layout, air conditioning and layout, tile/flooring, fireplaces, interior & exterior finishes". The cost was 50% of the total project fee, or \$4,500. The applicant's \$4,560 claim in this dispute represents this \$4,500 fee, less the respondent's \$300 overpayment for stage one, plus GST. This is set out in a June 23, 2023 invoice, which is also when the applicant stopped working on the project. Construction completed in October 2023.

13. The third stage in the contract was \$1,800 for field review during construction. The applicant continued to work with the respondent and their contractors during construction, but this appears to be a continuation of the type of work described in stage two in the contract. I note that the applicant does not claim payment for any stage three work.
14. The respondent's main argument is that the applicant did not fulfill its obligations under stage two and therefore is not entitled to be paid.
15. With respect to incomplete work, the respondent says the applicant never provided all the 3D renderings the contract required, only completing an exterior rendering. The respondent says its contractors were frustrated with the lack of usable plans from the applicant, and the respondent ended up having to do much of the work the applicant was supposed to do.
16. The applicant denies this and says it worked hard for the respondent. The applicant provided photos it took during construction at different phases, but without context, all they prove is that the applicant attended the worksite from time to time. The applicant also provided photos of interior and exterior finishings, such as faucets and marble tiles, from showrooms and websites. Text messages in evidence confirm the parties went to several showrooms together.
17. I agree with the respondent that the applicant did not fully completed the work it agreed to do. There are no 3D interior renderings, and no detailed plans for any interior space. There are architectural floorplans, but it is unclear that the applicant played any part in creating them. The respondent also says they chose their own flooring, light fixtures, plumbing fixtures, and other features after the applicant stopped working.
18. I also accept that the text messages in evidence show that the applicant was not available when needed, which I accept was frustrating and may have delayed construction. The respondent says their contractors struggled to complete tasks

without clear guidance from the applicant, which given the lack of formal work product in evidence, I accept was likely true.

19. The respondent's other complaints are about the quality of the applicant's advice, such as paint colour choices. The respondent says that they changed the look of the house's exterior because the applicant's options were unattractive. Ultimately, these are aesthetic preferences that I find do not show that the applicant's work was substandard.
20. That said, I agree with the respondent that the applicant failed to complete the required tasks set out in stage 2. I do not agree that the applicant is entitled to nothing. The evidence shows that the applicant performed work that provided some value. However, given the absence of written plans that were clearly important to the work the applicant was supposed to do for stage two, I find that the work's value was limited. I also must account for the fact that the respondent paid \$300 towards stage two as part of their initial payment. On a judgment basis, I find that \$750 is fair compensation for the work performed.
21. The applicant claims 24% contractual interest. I infer this is based on the applicant's invoice, which says the applicant would charge interest at 2% per month or 26.625% per year. The law is well established that a party cannot charge interest based on a unilateral assertion in an invoice. The parties must agree to it, and the contract says nothing about interest. I find the applicant is not entitled to contractual interest. Instead, the applicant is entitled to interest under the *Court Order Interest Act* from June 23, 2023, the date of the invoice, to the date of this decision. This equals \$38.89.
22. Under CRTA section 49 and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. The applicant was partially successful, so I find it is entitled to reimbursement of half of its \$175 in CRT fees, which is \$87.50. The applicant did not claim any dispute-related expenses. The respondent did not claim any dispute-related expenses or pay any CRT fees.

## **ORDERS**

23. Within 30 days of this decision, I order the respondent to pay the applicant a total of \$876.39, broken down as follows:
- a. \$750 in debt,
  - b. \$38.89 in pre-judgment interest, and
  - c. \$87.50 in CRT fees.
24. The applicant is entitled to post-judgment interest, as applicable.
25. This is a validated decision and order. Under CRTA section 58.1, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

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Eric Regehr, Vice Chair