



BRiCS
DEVELOPMENT

Let us guide you home

Everything you need to
know about buying a
BRiCS home

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Firstly congratulations on your new BRiCS home.

We've created this guide to take you through all the steps involved in getting you into your new home. From explaining the various stages in the buying process to outlining our customer charter and what it means to you, it contains everything you need to know.

When you've completed your purchase, you'll then receive a homeowner's manual. This will have more details about our customer care policy, how to look after your home and tips on energy conservation.



About BRiCS

Live in a place you're proud of

At BRiCS, we specialise in creating high quality, sustainable new communities in the South and South East of England. Our forte is designing each scheme to be a unique place of its own.

With thoughtfully designed architecture, landscaping, streetscapes and character which respect the local setting, each home is carefully designed for how we live today. Our goal being to create places and homes that people can be proud to live in.

We strive to give our buyers the experience they expect from a new home – high quality, well designed spaces that are immaculately finished and offer low energy costs. All backed up by the level of care and support we'd expect if we were buying a home for our own families.

Throughout this manual any reference made to “BRiCS”, “we”, “us” or “our” is deemed to also include any individual land owning company that forms part of the BRiCS Group of Companies.

Your Buying Guide



Find your perfect BRiCS home.



Join us at a reservation meeting for an overview of your new home.



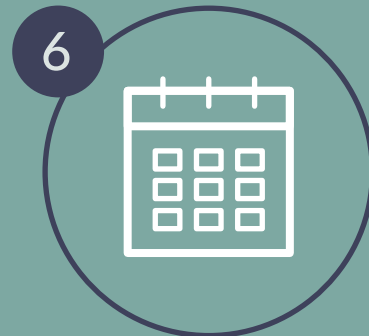
Appoint a solicitor. (We can suggest a few.)



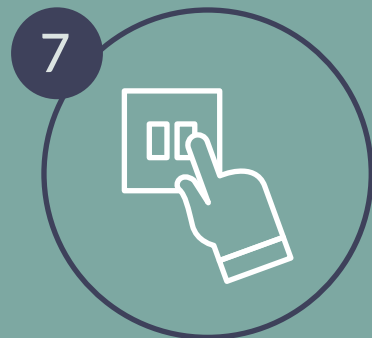
Depending on your home's build stage, you may be able to customise the finishes.



Contracts are exchanged and you pay your deposit.



We agree a completion date.



We give you a Home Demonstration tour, so you know how everything works.



You can inspect your home before completion or get a professional adviser to do this for you.



Legal Completion and Handover occurs and you move into your new home.

1. Find Your New Home

Whether you prefer to start your search online or by speaking to our sales team is up to you. Either way, we're here to help in anyway we can.

2. Reservation Meeting

Found your ideal home? The next step is to join us for a reservation meeting, where we'll take you through all the details of your new home including:

- The purchase terms, including termination rights
- Heating, fittings and finishes
- Plans, layouts and any future development phases
- Management companies and any costs, if applicable
- Details of the home warranty

As well as us giving you lots of information, it's also a chance for you to ask us any questions you may have. When you're happy with all the details, it'll be time to sign the reservation agreement and pay the deposit.

It's very important that you have taken legal and financial advice before doing this however. Once that's all done, we'll be in a position to start the home buying process and will need to:

- Arrange a mortgage appointment (if applicable)
- If you are selling a home and are reliant on the funds from the sale of your property to purchase your new home, your chain must be complete, we will request a 'memorandum of sale' often referred to as the 'MOS' from your estate agent prior to accepting a reservation fee from you.

With all of this done, the price of your new home will be agreed and a reservation fee will be taken, your reservation fee will form part of your 10% deposit when you exchange contracts with BRiCS. All of which will be confirmed in writing.

Your right to cancel

Once you've reserved your home, you'll enter a 14 calendar day cooling-off period (effective from the signed agreement date). During this period, if you decide to cancel your reservation, we'll refund your full reservation fee.*

*Please note: We will refund the reservation fee only and are not liable for any other costs incurred from solicitors or any other third parties. Post 14 calendar day cooling-off period, reasonable admin fees will be retained and deducted off the reservation fee.

3. Legal Assistance

There are a lot of legal aspects to buying a new home, so we would advise you to instruct a conveyancing solicitor to look after your interests.

Our sales team can provide you with a list of suggested firms. However, there is no obligation to go with them and it's important to know we don't receive any financial or benefit of any kind from any third parties we suggest.

Your solicitor should:

- Carry out Land Registry checks on the new home
- Check the contract for your new home, and make sure it includes everything
- Explain the contract and transfer document to you, making you aware of anything important before you sign it
- Organise paying your money to us
- Deal with your mortgage (if you have one) and arrange for funds to be transferred on completion
- Liaise with our legal team or solicitors

Your solicitor may or may not request advance payment for search fees. They will also need to carry out ID checks and obtain information on your source of funds. If you have any questions at any stage of your home purchase journey, our sales team will be on-hand whenever you need them.

4. Choices & Upgrades

Depending on when you buy your home, there may be the option to make choices and/or upgrades to the finishes within it. These can include selecting the flooring, kitchen style and tiles, but the choices you have may vary from development to development and on the build stage and the specification of your new home, so please check with the sales team.

If you would like to make any upgrades to your specification, 50% of these costs are payable when the order is placed. The other 50% is payable upon legal completion. It's also important that you make your solicitor aware of any upgrades you select. Please note, should you wish to cancel your reservation post paying the 50% extras payment, and we are unable to cancel the extra items, this payment will be non-refundable.

5. Exchange of Contracts

This usually occurs 28 days after your solicitor has received the contract and the cooling-off period has expired. However, we sometimes agree to vary this timeframe depending on the circumstances. Your solicitor will be able to confirm the timeline.

Before the exchange of contracts, your solicitor will confirm that they are satisfied with the details of the purchase. They should also have explained the contract and transfer document to you, taking the time to point out anything important or that they feel you should be aware of before you sign it.

Once this has happened, they'll advise you to exchange contracts with us. At this point, if you're buying with a mortgage, you'll need to have this in place and you'll need to pay the deposit. (This'll be 10% of the purchase price.)

Depending on how far along the development is, you will either exchange with a fixed completion date for when you'll get your keys or an on notice completion, where you'll get an anticipated build completion date.

6. Notice to Complete

If you exchanged on notice, we'll provide your solicitor with a notice of legal completion in line with the contract. Usually legal completion then takes place within ten working days from this

notice and requires the completion monies to have been received by us.

7. New Home Demonstration

As your completion date approaches, we'll invite you to a new home demonstration. You'll be taken around your home by a member of the site team, who'll show you where everything is and how everything works. That way, when you move in, you're already familiar with the ins and outs of your new home.

These will include:

- Hot water, heating and kitchen appliances
- How to ventilate your new home
- Servicing and maintenance

If there are any works still in progress on the wider development when you move in – for example, roads, footpaths and landscaping – the sales team will let you know when these will be completed.

8. Pre-completion Inspection

We want you to love your new home. This is why our construction and customer care teams undertake quality inspections to make sure it's all just so. We'll also invite you to inspect your home a few days after the move-in date is agreed.

Additionally, if you'd like to instruct a suitably qualified independent inspector to undertake the visit on your behalf that's absolutely fine. If you do intend to appoint an inspector, please let us know as soon as possible.

Please note that any independent inspector must comply with the following:

- Be a member of a recognised professional association (e.g. RICS, RPSA, etc.)
- Hold relevant Professional Indemnity Insurance
- Only work within their competency
- Inspect the home within the Warranty Provider technical guidelines

When you or anyone visiting on your behalf visits your home, it's important that all safety regulations are followed. Anyone who is breaching the safety rules will be asked to leave by the Site Manager.

9. Legal Completion & Handover

Legal completion is the day you've been waiting for. It's the day your home becomes all yours. To become the legal homeowner, the completion monies will need to have been received by our legal team or solicitor. Once this occurs, the transfer will be completed.

A member of our sales team will arrange to meet you at your home to hand over your keys. They'll also take meter readings and ask you to sign a handover form. Then you can begin moving in.

Customer Care Policy

Pre-Completion and Completion

1. Following the reservation of your new home, you'll be provided with regular progress reports.
2. Before legal completion occurs, you'll be given a home demonstration to take you through various functional aspects of your new home.
3. Upon legal completion, we will arrange to meet you at your new home for a handover meeting. Here we will:
 - 3.1 provide you with your Home Owner's Manual, which contains a variety of useful details about your new home, information about your home's Warranty Provider and some health and safety advice.
 - 3.2 present you with the keys to your new home.
 - 3.3 take meter readings.
 - 3.4 if you haven't already, you'll also have the opportunity to thoroughly inspect your home to check items such as appliances, windows/doors, worktops/units, sanitary ware, tiling and flooring.
4. Upon the completion, we will ensure that your new home is clean and accessible via a safe and clear route.
5. Once you've settled in, you'll be contacted by a member of the site or sales team. If you have any queries, we will endeavour to rectify them within 28 days. You can also reach out to us directly if you'd prefer.



Warranty Cover and After-Sales Service

For complete peace of mind, your new home is covered by a New Homes Warranty from a Warranty Provider. The cover consists of two periods totalling ten (10) years as follows:

For the first two (2) years, from the date of Legal Completion (“the Initial Period”), the BRiCS customer care team will cover your home. As a developer, we are obliged to rectify defects caused by a failure to meet the necessary standards of construction (as defined by the terms of your Warranty Provider). The full details of this cover will be in your Warranty Provider’s documents, you’ll get these from your solicitor.

At BRiCS, we want you to love your new home and as such, take our responsibilities very seriously. In addition to the above, the BRiCS customer care team is committed to resolving all genuine defects that you make us aware of within this Initial Period.

A table of the types of items we will attend to can be found on the following page. It will also be in your Warranty Provider documents. Please note, this is a guide only and not an exhaustive list. If you have any doubt about something, please do not hesitate to get in touch with our customer care team.

Further to this, we also offer second owners the same level of service for the duration of the Initial Period, provided we are satisfied that any defect is not the result of the previous owner’s misuse. (If you are a new owner, please ensure that you contact the BRiCS customer care team so we have your details.)

When the Initial Period is over, your Warranty Provider will be responsible for dealing with any genuine defects that you notify them of, for the next eight (8) years.

Examples of Response Times

Problem	Action	Target Response Time
Failure of hot water system	Check the settings of the timer / check the consumer unit has not tripped	Within 24 hours
External overflow pipe for hot water cylinder is flowing	Occasionally this can occur to correct internal pressures. If this persists, contact Customer Care	Within 7 days
Overflow to toilet pan is flowing	Contact Customer Care	Within 7 days
Total loss of water supply	Check stop taps are turned on / check with building manager in case of a problem with the water pump / check with supplier in case water is turned off for repair	Within 24 hours
Waste pipe smelling	Ensure trap contains water	N/A
Water not draining away	Ensure blockage is not the cause, e.g. remove and clean trap from waste	Within 7 days
Water leak	If source can be identified, close isolation valve to appliance / pipe work. If in doubt, turn off main stop tap to property. If source of water cannot be found and stopped, contact Customer Care or out of hours emergency service asap	Within 24 hours
Blocked toilet / toilet not flushing	Contact Customer Care / out of hours emergency service. N.B. If problem is found to be the result of customer misuse, you will be charged for the cost of the call out	If all toilets in dwelling – within 24 hours. If not, within 7 days
Total power failure	Check with supplier if problem is in local area	Within 24 hours
Loss of power to some sockets	Check consumer unit for tripped MCBs / check other sockets	Within 7 days
Extraction system not working	Check isolator is switched on and also check the consumer unit / test with tissue paper to check for suction. If this persists contact Customer Care	Within 7 days
Kitchen appliances	Please contact your appliance manufacturer directly	N/A
Minor and cosmetic items	We recommend you keep a list of non-urgent items and Customer Care will liaise with you to minimise the visits and disruption	Up to 30 days subject to materials

Initial period

'Drying out' is a phrase that's used in the Initial Period and refers to the process of the moisture that's been absorbed into various building materials during construction drying out and returning to normal levels. It's a standard process for all new build properties, but it's important to be aware of.

Issues such as excessive shrinkage and condensation can be avoided, if your home is slowly acclimatised. To help with this, it's vital that you:

- Keep heat on a low and constant setting. This will help to ensure that any expansion and contraction of the new building materials is minimised and will avoid excessive shrinkage cracks, for example. A home kept at a constant warm temperature is also less likely to suffer from condensation.
- Make sure your home is well ventilated. You can do this by keeping your extraction systems on at all times and when possible, leaving windows open. This will allow moisture that's evaporated to escape and not cause condensation.

Over time, as you live in your home, timber and other materials will shrink. This is a normal occurrence, but it can cause small cracks to appear in the wall and ceiling finishes, and on joints and corners of skirting boards and other interior joinery. These cracks are not structurally significant and can be put right through normal redecoration. Please note, because such minor cracks are inevitable, we are not required to rectify them.

You can minimise cracking by keeping your whole home at a reasonably even temperature, even rooms that aren't being used. While it can be hard, if you move in during the winter, it helps to use your central heating sparingly to begin with, as this allows the structure of your home to warm up and dry out gradually.

Depending on how your home has been built and the weather conditions, the drying out process may take several months. Of vital importance, during this time is keeping your home well ventilated. This allows any evaporated moisture to escape. So try to leave windows, or at least the trickle vents, open as much as you can each day.

When the weather is colder, you may spot some moisture on the felt under the roof tiles of your home. This occurs due to warm moist air from inside your home passing through the ceiling and condensing on the cold timber or felt and should gradually disperse.

Reducing condensation

Condensation is caused when steam or water vapour comes into contact with a cold surface. While it's common in new homes as construction materials dry out, if you let it persist, it can cause mould and in exceptional circumstances, can damage clothes, bedding, floor coverings, decorations and the home itself.

Once the construction materials have dried out, you shouldn't experience significant condensation. That said, normal daily activities can produce a great deal of water vapour, which can cause condensation if it's allowed to spread around the home.

The following advice should help reduce condensation:

- Avoid drying clothes indoors over radiators, when you can dry your washing outdoors. If you use a tumble dryer, make sure that it's properly vented to the outside (unless it is a self-condensing type). DIY vent kits are available.
- If your home is fitted with a ventilation system, don't switch it off.
- If there's visible condensation on the inside of a window or on a mirror, you can encourage air movement to remove moisture laden air by opening windows or using a fan.
- When you're cooking, use the cooker hood and/or extractor fans.
- Keep the doors closed when you're cooking, washing, bathing and drying clothes indoors.

The key to getting rid of the moisture that's naturally produced in your new home is ventilation. The slotted vents in your window frames (known as trickle vents) are there to provide a constant ambient ventilation and should be left open when anyone is in the room.

Effectively using your heating is another way to reduce condensation. If your heating is off all day because you're out, you're more likely to suffer condensation problems, than if you used the heating more continuously, as surfaces are cold.

During cold weather in particular, it's advisable to leave your heating on during the day to maintain an even temperature. You can set it a few degrees lower than usual and turn it up on your return.

While we are building

If when you move, there are still works being undertaken on the wider development, we will do all we can to ensure that you can access your home safely. We will also keep any noise, mess and dust to a minimum.

We ask that you help us keep you safe by staying away from construction areas, keeping on eye on children and following safety notices and traffic calming measures. If you have any queries, please contact our customer care team.

Appliance guarantees

As you'd expect, all the integrated kitchen appliances in your home come with warranties / product guarantees. These aren't covered by BRiCS however. Commencing from the date of legal completion, they are between yourself and the manufacturer.

With this in mind, it's vital that you complete and send back all the relevant warranty forms that are included in your completion pack, so you know you're covered.

If you have any problems with your kitchen appliances, please contact the manufacturer directly. You'll find their details in the relevant warranty booklet. They're also summarised in the Suppliers Directory we've provided.

It's also important to follow each appliance's usage guidelines, and in particular, the maintenance instructions. BRiCS cannot be held responsible for any defects that occur due to lack of maintenance or improper use.

Alterations to the property

If you want to make any significant alterations to your new home, you must seek expert advice as these works could affect your Warranty Guarantee. As you'd expect, all the usual planning approvals and building regulations should be followed, and in some cases you may require the pre-consent of BRiCS.

Standards of construction

Your home has been built to exacting industry standards and complies with Building Control. Frequent inspections have also been undertaken by your Warranty Provider and our own in-house quality control department to ensure the quality of the build.

Property maintenance

It's crucial that you maintain your home, including servicing of the boiler and heating systems, decoration and garden maintenance etc. Carpets and white goods (which fall under the manufacturer's warranty), cosmetic defects, damage caused to roof tiles following the installation of satellite dishes or aerials, natural shrinkage, condensation, materials or appliances installed after your purchase and storm or accidental damage are all excluded from your cover.

We also cannot accept any responsibility for any damage to kitchen worktops, fitted bedroom or bathroom furniture, sanitary ware, appliances or glass that has not been noted on the handover form.

Making a Complaint to BRiCS Customer Care team, your Warranty Provider's Conciliation Service and Alternative Dispute Resolution options, such as Consumer Code Independent Dispute Resolution Scheme/New Homes Ombudsman Service

If you have a complaint about any matter, please refer to our Complaints Handling Procedure. If we haven't provided a final response within eight (8) weeks from the date of your complaint, you can then take the matter up with your warranty body. You will find details of your Warranty Provider in your handover box.

Your Warranty Provider will deal with your complaint under the terms of your warranty. Or where appropriate, they or you may refer it to the Consumer Code Independent Dispute Resolution Scheme (www.consumercode.co.uk), or New Homes Ombudsman (www.nhos.org.uk).

Protecting your money

When you exchange contracts, your deposit is protected up to the point of legal completion. Prior to contract exchange, any fees or money you pay to us are unconditionally protected.

Collectively, this means any fees and payments made to us are protected should the BRiCS entity that you are buying a home from become insolvent up to the point of legal completion.

Customer Charter

At BRiCS, we pride ourselves on delivering beautifully crafted homes in enviable locations. We do this by putting our customers at the heart of every decision and ensuring that our buyers enjoy a level of service that's second-to-none.

This commitment is the basis of our Customer Charter.

1. Our Customer Charter is available to anyone who wants a copy from our sales offices. If you reserve a home with us, you'll also automatically get one.

2. To ensure your experience of buying a new home from us is what it should be, we have a number of systems in place to ensure that:

- You receive all the information and support you need to feel fully informed and confident in your purchase of a BRiCS home; and
- You receive a good after-sales service from us.

3. As well as receiving a customer information pack, which explains the various stages of buying a new home, we'll also meet in person to explain:

- The process.
- The details of your new home.

4. Up to legal completion, our sales team will be on-hand to answer any queries you have regarding your purchase. Once you have completed your purchase, our customer care team will take over this responsibility.

Our sales team undergo in-depth training so they fully understand their personal responsibilities to you, BRiCS legal responsibilities and our commitments to you as laid out in this, our Customer Charter. So if you have questions, please reach out to them.

5. Before you exchange contracts, we'll make sure you have all the pre-contract information you need. It's important to us that you're making an informed decision, so all this information will be written in jargon-free plain English.

The pre-contract information will include:

- A written reservation agreement.
- An explanation of the new home warranty cover.
- An outline of any management services and charges which you'll be responsible for, and an estimate of their costs, where applicable.

You should choose and appoint your own solicitor to:

- Represent your interests.
- Deal with the legal formalities of buying the property including exchange of contracts, legal completion, handover and occupation.

6. To ensure complete clarity, throughout the buying process, we will let you know:

- Who to contact at every stage of your purchase.
- How we will deal with your questions.
- Any relevant choices and options you can consider.

7. If you visit a development whilst it's still undergoing construction, we will make sure that we have fully informed you of the health and safety precautions you'll need to take.

8. All our marketing and advertising will be clear and truthful, and will comply with relevant laws and advertising codes.

9. When you reserve a home, you'll be provided a Reservation Agreement which clearly sets out the terms of reservation, as stipulated in the Consumer Code for Home Builders and New Home Quality Code for Builders.

10. Our contract of sale terms and conditions will be transparent and fair. It will also make clear your cancellation rights.

11. You will receive reliable information about the guarantees and warranties from which you may benefit.

12. For your peace of mind, we will explain how we protect your reservation and contract deposits, and how we deal with any other pre-payments.

13. You will be provided with reliable information regarding the timing of construction, entry date/completion of your BRiCS home. Once a completion date has been agreed, we will make sure that:

- The transfer of ownership takes place.
- The functional facilities and running in of the property are demonstrated to you.

14. Our after sale service commences once you have completed your purchase. You'll be taken through exactly what the service includes, your point of contact and what guarantees/warranties apply to your home.

15. We want your purchase to be as smooth as possible. If for any reason an issue arises, the information we provide you with will contain guides on how to use any further complaint procedures, if you're not satisfied with how we've dealt with your complaint.

If you're not happy with any part of the service you have received from us under our Customer Charter, please contact our customer care team at customer care@brics.co.uk.

16. If there is a dispute, and you appoint with a third party to resolve it on your behalf, we will co-operate fully with them. To do this, however, you will need to write to us to:

- Inform us of who you would like to represent your interests.
- Provide us details of their qualifications.

The reason we ask for their qualifications is that we want to be as open and transparent as possible.

With this in mind, if we think your representative isn't appropriately qualified, we will raise this directly with you.

17. Buying a home is a significant event. It's the biggest financial decision you'll ever make. Our goal is to ensure that it's an enjoyable process from start to finish. To do this, we know we have to acknowledge that everyone has their own requirements and challenges. Whether they're environmental, physical or otherwise, our staff are trained to recognise when someone needs some adjustments or extra help, and we'll do everything we can to assist.

Our Customer Charter commitments do not affect your statutory rights.

Concerns, Complaints and Feedback

Your satisfaction is the most important aspect of our performance. This is why we take a very proactive approach to customer feedback. It's a vital part of us improving every aspect of our business and informs our approach to training, policies and procedures.

If you need to get in touch with us about anything – whether it's an issue you're experiencing, you have a question or just want to provide feedback – please don't hesitate to do so. You can reach our customer care team on 01962 353 270 or by email at customer care@brics.co.uk.

When you first move into a new home, it's common for there to be some finishing or other issues that need to be taken care of. Known as 'snags' or 'snagging issues', most are minor, but some can take longer to rectify – with these we ask that you allow us up to thirty (30) days to resolve them, unless of course it's an emergency.

Our goal is always to offer the very best in terms of build quality and customer service. However we acknowledge that occasionally things go wrong. If you feel dissatisfied with any part of our service or your home's build quality, and would like to make a formal complaint, the process to follow is outlined below.

If the matter relates to a snag, and 30 days have passed since completion, and the snag has not been resolved or if you feel that we have:

- Failed to do something we should have done.
- Treated you unfairly or discourteously.

Then please contact us and allow us the opportunity to put it right.

Making a Complaint

If you want to raise a formal complaint, the easiest way to do so is to contact our customer care team on 01962 353 270 or by email at customer care@brics.co.uk. However, if you wish to write to us, please send your letter to:

BRiCS Compliants Team
5 Mill Court
The Sawmills
Durley, Hants
SO32 2EJ

In all written correspondence please make sure that you include your name, address, contact details and a clear description of your complaint.

If your complaint is in relation to a property not yet moved into and therefore deemed pre-completion, please address your complaint to the sales team located at the development on which you are purchasing.

If your complaint is in relation to a property you have moved into and is post-completion, please contact the customer care team. Contact details for them will be provided within your welcome pack from legal completion.

How Your Complaint Will Be Handled

We always aim to resolve any complaint as quickly and simply as possible. Even if we are able to rectify the situation by phone, we'll still ask you if you would like us to formally acknowledge and respond to your complaint in writing.

If we are unable to resolve the matter within five (5) calendar days of your complaint being received, or you ask us to do so, you will be sent a written acknowledgement of your complaint and confirmation that it has been logged on our internal database.

Within ten (10) calendar days of your complaint being received, you will receive a response outlining our proposed path to resolving it. As well as outlining details of parties we need to contact, it may request access to your home. If we have been able to find a resolution to your complaint, we may also include our findings and a proposal for resolving the situation in the same response.

If your complaint hasn't been resolved after thirty (30) calendar days, you will receive a full complaint assessment response detailing the results of our investigation. This will include whether the complaint has been upheld and if it has, the actions we will take to resolve the matter together along with the anticipated timescales.

In the event that there are extenuating circumstances that mean our investigation has not been completed at this stage, we will write to you to let you know the reason why and when you can expect our resolution response. We will continue to write you at least every twenty-eight (28) days, until we have a resolution response.

While very unlikely, should your complaint be unresolved after fifty-six (56) calendar days, we will send a further response explaining what has caused the delay, what the next steps are and the anticipated date for resolution. As before, we will continue to write to you at least every twenty-eight (28) days, until we have a resolution response. At this stage, you will also have the option to refer your complaint for independent review.

If we have agreed actions with you, we will write again once those actions have been resolved, with our closure response letter.

Throughout the process, your complaint will be investigated by a BRICS team member who is not conflicted and has the authority to deal with the complaint effectively. They will be the person to respond to you on our behalf, once all the internal and external parties involved have been consulted.

Important things to note:

- Your complaint start date is the first working day after the complaint is received.
- A working day is Monday to Friday excluding local bank holidays and certain days over the festive period, when our offices are closed.

Independent Review

We always aim to resolve any complaints without the need for an independent review. If your complaint is unresolved in accordance with our complaint procedure, or you remain dissatisfied with the outcome, then you may decide to refer your complaint to the warranty provider.

They may deal with the complaint directly under the terms of the warranty. Or if the matter relates to a potential breach of the applicable Consumer Code/NHQC, they may refer you to the Code's dispute resolution service. You may also choose to refer to the Code's dispute resolution service directly, although you are under no obligation to do so.

Information about how to contact your Warranty Provider can be found in your policy document, alternatively you can visit their websites.

NHBC
www.nhbc.co.uk/homeowners

Premier Guarantee
www.premierguarantee.com/homeowners

Consumer Code for Home Builders
www.consumercode.co.uk

New Homes Quality Code
www.nhqc.org.uk

The Consumer Code Scheme

Your guide to the requirements your home builder must meet and the protection available to you throughout the process of buying a new-build home.



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Buying a new-build home

If you are planning to buy a new home, the Consumer Code for Home Builders is here to support you.

Buying a new-build home is an exciting time. But as it is one of the largest investments you're likely to make, it's important that you understand the process, what you're buying and what help is available if problems arise.

The Code is designed to help you understand what levels of service to expect from your builder, feel fully informed about your purchase and understand the protection available before and after you move in. In the unlikely event that problems arise, a free and fast Independent Dispute Resolution Scheme is available to deal with disputes if you think your builder has breached the Code Requirements.

Here are some examples of the protection offered by the Code:

- **Your reservation fee.** Your builder must return your reservation fee in full if you change your mind within the cooling-off period. Your reservation fee will still be refunded if you change your mind outside of the cooling-off period, minus any reasonable costs, which your builder must outline in advance.
- **Your deposit.** Your builder must have in place arrangements for protecting your deposit so that they can refund it in the unlikely event they go out of business before completing your home. Your home warranty body also provides cover, which may result in completion of your home.
- **High-pressure sales tactics.** Builders are likely to be found in breach of the Code if they put you under undue pressure to make a sale.
- **Your right to cancel your contract.** If your builder significantly changes the specification of your home and did not get your agreement, or if there is an unreasonable delay in finishing the construction, you may be able to pull out of the purchase, even after exchange of contracts, and receive a full refund.
- **After-sales service.** Home builders are required to provide an after-sales service and an accessible complaints service to support you for up to two years after legal completion.

Since it was launched in 2010, the Code has been regularly updated. This version offers you a broader level of protection and gives you the opportunity to identify defects and get them resolved before you move in (see section 4.1.1).

If you have any questions about the Code's protection, or want to find out more about what to expect from your new home, visit the blogs and resources for home buyers on our website or contact our enquiries team on 0345 608 9797 or enquiries@consumercode.co.uk.

Guide to the document

This document provides you with:

- The Code Requirements that builders must comply with.
- An introduction to how the Independent Dispute Resolution Scheme works.
- A 'meaning of words' section that explains the specific terms we use and what they mean in the context of the Code. These begin with a capital letter to signify they have a special meaning.

Introduction

The Consumer Code came into force on 1 April 2010 and covers Homes built in the UK¹. This fifth edition applies to:

- **all Reservations signed on or after the implementation date of 1 January 2024,² and**
- **all the Buyers and Homes stated in the Scope on pages 32-33.**

The Code sets Requirements that all Builders must meet in their marketing and selling of Homes and their After-sales Service.

In addition to the specific Requirements, we provide Builders with Guidance to help demonstrate ways to support consumers. This information can also help you understand what to expect from your builder and can be found in the [home builders resources](#) section of our website.

Builders must adopt the standards of good practice, procedures and information in the Guidance to meet each Requirement, unless they take a different approach to satisfying the Requirements.

If they take such a different approach, they must provide a similar level of information and achieve a similar outcome to what the Guidance says.

The Code and Guidance should be read alongside the section about the Scope of the Code (pages 32-33).

More advice is available on the Consumer Code website www.consumercode.co.uk

The Code also benefits second and subsequent Buyers of the Home but only regarding after-sales matters reported to the Builder within two years of the date of the Legal Completion of the original Home purchase.

If a Builder is found to be in serious breach of the Code, sanctions are available through the Code Management Board working with the Home Warranty Bodies. These include:

- Removal from the relevant Home Warranty Bodies' register.
- Exclusion from all registers run by other Home Warranty Bodies that take part in the Code Scheme.

The Code is underpinned by an Independent Dispute Resolution Scheme operated through CEDR Ltd. CEDR Ltd is approved by the Chartered Trading Standards Institute as the 'competent authority' acting on behalf of the Secretary of State for dealing with Disputes that are raised with the Builder from the Reservation date until two years after the date of Legal Completion.

Buyers who think they have a Dispute because a Builder has failed to meet the Requirements may choose to refer it to the Independent Dispute Resolution Scheme.

To encourage Builders to adopt the Code and to enable the Consumer Code's Management Board to check how well it is being applied, or whether it needs to be amended or updated, the following activities may be carried out:

- Research.
- Audits, which may include audits of Builders' systems and documents, desktop self-assessment questionnaires and site visits.
- Mystery-shopping surveys.
- Annual returns or reports from Builders.
- Reviews and assessments of customer satisfaction feedback and complaints.
- Training for Builders.

Nothing in the Code affects a Buyer's existing legal rights or replaces Builders' legal obligations or existing legislation regarding the Home. Buyers do not have to make a complaint to the Independent Dispute Resolution Scheme for matters that are covered by the Code. They may decide to take alternative action instead, such as through the civil courts.

Purpose of the Code

The aim of the Code is for all Buyers:

- To be treated fairly by the builder (and their agent).
- To understand the builder's legal status and identity as a company, so the buyer understands who they have bought their new home from.
- To be given clear and reliable information on which to make informed decisions about purchasing a home.
- To know what standards the builder must deliver for the home.
- To know what service levels to expect from the builder (and their agent).
- To receive clear advice about the main aspects of the home that the buyer will need to maintain.
- To know how to access timely arrangements for resolving disputes if they are dissatisfied.
- Who may be vulnerable to be identified and given suitable support to help them make decisions.

Further Information

You can get more information, including copies of the Code documents and advice on frequently asked questions and the results of audits, surveys and adjudications from the Consumer Code website: www.consumercode.co.uk

You can contact the Consumer Code for Home Builders secretariat by emailing: secretariat@consumercode.co.uk

1. Homes in the Isle of Man may also be covered but Buyers should ask their Builder or check the information provided when they reserve their plot.
2. For customers who enter into an Early Bird arrangement but who don't go on to reserve a home, only sections 2.2.5 and 5.2 apply.

Meaning of Words

Wherever any of the following words or expressions are used in the Code and Guidance (including in the Introduction, Purpose of the Code, Scope of the Code, and Introduction to the Independent Dispute Resolution Scheme), it has the meaning given below unless the context requires otherwise.

Term	Meaning
Adjudicator	The person appointed by the Independent Dispute Resolution Scheme to decide the Dispute.
After-sales Service	The service provided by the Builder to deal with any emergency issues; Snags; Defective, Faulty or Incomplete Works; or Complaints for at least two years after the date of Legal Completion.
Agent	A person, firm or company used by a Builder to deal with any matter on their behalf (for example, an estate agent or contractor).
Building Regulations	The Building Regulations that govern the construction of the Home which were in force when the “notice to build” was deposited with the local authority or Approved Inspector (or, in Scotland, at the time the application for the building warrant was submitted to the local authority).
Builder	An individual or a company who: • Is registered with a Home Warranty Body. • Has registered the Home with a Home Warranty Body. • Develops the Home with the intention for selling to the public. This may be a subsidiary created by a parent company with a single purpose (known as a special-purpose vehicle or SPV).
Buyer	A Customer who goes on to reserve or buy a Home from a Builder registered with the Code's supporting Home Warranty Bodies, excluding those listed in the Scope of the Code (pages 34-35). <i>For Homes reserved or bought jointly by two or more people, the Buyer's rights will be joint.</i>
Complaint	An expression of dissatisfaction about an issue brought to the Builder's attention by the Buyer (this may be verbally or in writing).
Consumer Code or Code	A set of Requirements that Builders must meet.
Contract Deposit	A deposit paid by the Buyer to the Builder at Contract Exchange that acts as part-payment towards the purchase of the Home and demonstrates the Buyer's legal commitment to buy it.

Contract Exchange	The term employed in England and Wales used to describe the formal stage at which the Contract of Sale is exchanged between the Builder and Buyer. In Scotland, it is known as Conclusion of Missives . In Northern Ireland it is known as Formation of Contract . Where this document uses the term for England and Wales, the terms for the other countries are implied.
Contract of Sale	A legally binding agreement between the Buyer and the Builder to buy or build the Home. In Scotland, it is known as the Missive (or Builder's Missive).
Cooling-off Period	The 14 days after the Reservation Agreement is signed, during which the Buyer can decide to end the agreement and have their Reservation Fee refunded in full.
Customer	A person making enquiries about buying a Home but who has not Reserved a Home.
Decision	The Adjudicator's written findings in the Dispute, with their reasons, as sent to the Buyer and the Builder.
Defective, Faulty or Incomplete Work	Work not completed, damage or faults (caused by the Builder or their Agents) in completed work that do not meet the quality or finish set out in the Contract of Sale, including the new Home Warranty Body's standards or the manufacturer's standards for that part of the building or Home.
Development	The extent and facilities in the Detailed Planning Consent under which the Home is being constructed.
Dispute	A disagreement about a Complaint made by the Buyer to the Builder (under the Builder's published complaints procedure) where the parties do not agree on the outcome regarding matters covered by this Code.
Early Bird	Arrangements used by Builders whereby a Customer can register an interest in a Home which has not yet been released for sale but which is likely to be released for sale within a defined period of time.
Emergency Issue	An issue that poses an immediate threat to safety, security, health or well-being.
Event Fees	Fees payable under a term of, or relating to, a residential lease of a Home on certain events such as resale or sub-letting. Event Fees may have various names including exit fees, transfer fees, deferred management fees, contingency fees and selling-service fees.

Health and Safety File	As required by the Construction Design and Management Regulations, this is a collection of information appropriate to the characteristics of the project. It contains relevant health-and-safety information needed to allow the safe carrying out of future construction work, including cleaning, maintenance, alterations, refurbishment and demolition.
Home	The new-built, or newly converted property (including its gardens, boundary, fencing, communal areas and curtilage) sold by the Builder as set out in the Contract of Sale.
Home Warranty	An insurance-backed warranty that a Home Warranty Body issues to protect Buyers.
Home Warranty Body	An organisation, approved by the Code Board, which has signed the Membership Agreement. Details of Home Warranty Bodies are available on the Code website: www.consumercode.co.uk
Independent Dispute Resolution Scheme	An independently accredited process set up to deal with Disputes where a Buyer believes the Builder has failed to meet the Code's Requirements. (The process excludes items covered by the Home Warranty Body resolution schemes or other dispute resolution schemes (or both).)
Leasehold	The owner of the Home does not own the land the Home is on, but leases it from the landowner for a fixed period.
Legal Completion	The point at which the Home is transferred from the Builder to the Buyer. In Scotland, this stage is known as settlement .
Legal Completion Period	The time between the date the Builder gives the customer the notice to complete and the date of Legal Completion.
Long-stop Date	The last date agreed by the Buyer and Builder (or their Agents) by which the Home must be completed.
Major change	A change that significantly and substantially affects the size, appearance or value of the Home (including the layout inside) from what the Buyer was shown in the Reservation Agreement or Contract of Sale.
Management Services	The maintenance, supply and service obligations and charges (including Event Fees and Leasehold charges), which (if applicable to the relevant Home) the Buyer will be legally obliged to meet after buying the Home.
Notice to Complete	The formal notice issued by the Builder to tell the Buyer the date the Home will be ready for Legal Completion.
Part-exchange Scheme or Assisted-move Scheme	Schemes offered by some Builders to help Buyers move by offering to buy their existing home.
Pre-completion Inspection	An inspection of the Home carried out by the Buyer or their appointed Professional Adviser before the date of Legal Completion.

Professional Adviser	A suitably qualified person requested, or appointed by, the Buyer to assist them with any or all aspects of the Home purchase. This may include dealing with Complaints that arise and are made to the Builder. Such advisers may include: • Conveyancing professionals appointed under a relevant professional institute's rules such as solicitors, licensed conveyancers, financial advisers or mortgage intermediaries. • Pre-inspection professionals such as qualified surveyors formally appointed under a relevant professional institute's rules complaint handling professionals such as trading standards departments. • Citizens Advice, consumer centres and solicitors.
Reservation, Reserve, Reserved or Reservation Agreement	When a Buyer and a Builder jointly make a written statement of intent (subject to contract and whether or not a fee is paid) to buy and sell a Home. Reserved and Reserve carry the corresponding meaning.
Reservation Fee	The fee payable by the Buyer on entering into a Reservation Agreement with a Builder.
Requirements	The obligations Builders must meet under the Code.
Snag or Snagging	A minor imperfection or fault (caused by the Builder or their Agents) in the Home which does not meet the quality or finish as set out in the Contract of Sale. A snag is usually something that is damaged, broken, not fitted properly or that looks unfinished. Snags may be identified during a Precompletion Inspection or after Legal Completion.
Tenure	The conditions under which land or buildings are held or occupied. This is usually freehold (where the owner of the home owns the land it is built on) or Leasehold (where a third party owns the land and the homeowner pays to lease the land for a specified period).
Vulnerable or Vulnerable Customer	Someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care. Vulnerability may come in many forms and may be temporary, sporadic or permanent. It may need a flexible, tailored response from Builders.

Scope of the Code

This edition of the Code applies to all Buyers who have signed a Reservation Agreement³ on or after 1 January 2024 for a new or newly converted Home that has been built in the UK⁴ by a Builder registered with one of the Home Warranty Bodies, subject to the exclusions listed below.

All Builders must fully comply with the Code.

The Code applies to the Home from the date of signing the Reservation Agreement until two years after the date of Legal Completion as set out in the Requirements.

The Code and the Independent Dispute Resolution Scheme do not apply to:

- Homes that at the time of reservation by the first Buyer are covered by the New Homes Quality Code.
- Homes bought under a shared-ownership scheme.
- Second-hand homes (for example, those taken by Builders in part-exchange and re-sold).
- New-build Homes that were not sold by a Builder registered with a Home Warranty Body.
- New-build Homes for which a New Home Warranty has not been issued by a Home Warranty Body.
- Homes that remain under the Builder's ownership.
- Homes acquired by social landlords for rent.
- Homes acquired by corporate bodies, partnerships, charitable organisations, commercial landlords or other non-consumer purchasers such as individuals acting in the course of trade or business buying a Home for investment purposes.

- Homes acquired by a receiver and sold on to consumers.
- Homes built by self-builders or under contract between a Builder and an individual for their own occupation.
- Homes assigned or sub-sold by an investor to a third party before their ownership transfers from the Builder to the Buyer.
- Homes built under a professional consultant's certificate, unless a Home Warranty Body has also issued a New Home Warranty.

The Code does not cover Disputes that concern:

- Matters that are covered by the New Home Warranty.
- Damaged or faulty items not caused by the Builder or their Agents.
- Snags not reported to the Builder within the Builder's stated timescales for reporting such matters.
- Claims that exceed the Independent Dispute Resolution Scheme's limits unless the complainant opts to restrict their claim to the Scheme limit.
- Personal injury claims.
- Loss of property value or blight.
- Claims about land conveyed or its registered title.
- Complaints already dealt with by an alternative dispute-resolution process including courts and ombudsman schemes.

3. For customers who enter into an Early Bird arrangement but who don't go on to reserve a home, only sections 2.2.5 and 5.2 apply.

4. Homes in the Isle of Man may also be covered but Buyers should ask their Builder or check the information provided when they reserve their plot.

5. Complaints from Buyers who have purchased under a shared-ownership scheme may be considered under an existing statutory Ombudsman Scheme. However, this can be a complex matter. It will depend on the contractual relationship with the housing association (or landlord) and Builder. Help may be sought from a Professional Adviser.

Matters within the scope of other dispute-resolution or ombudsman schemes should be referred to the relevant organisation. In such cases, these schemes may take precedence over the Code and the Independent Dispute Resolution Scheme.

1. Complying with the Code

1.1 Adopting the Code

- 1.1.1 This Consumer Code is mandatory for all Builders.
- 1.1.2 Builders must comply with the Requirements.

1.2 Making the Code Available

- 1.2.1 The Builder must make the Code available, free of charge, to any Customer interested in buying a Home and it must be made available in appropriate formats where requested.
- 1.2.2 The Code must be readily accessible to Customers from the Builder's website, and on any software applications that may be used and referred to in sales literature.
- 1.2.3 The Builder must prominently display the Code logo in public areas related to the Home sales process (including areas such as sales offices and offices of appointed selling Agents), and in sales brochures and on websites.
- 1.2.4 In making the Code available, the Builder must consider the needs of, and comply with, guidance on Vulnerable Customers in section 1.6 – Vulnerable Customers.

1.3 Customer Service Standards

- 1.3.1 The Builder must ensure that they have systems and procedures in place to enable them to accurately and reliably meet their commitments to compliance, service, procedures, information and monitoring in relation to the Code. This includes being able to comply with any awards (including financial) made under the Code's Independent Dispute Resolution Scheme.

1.4 Training of Customer Service Staff

- 1.4.1 The Builder must provide training on the Requirements to all staff (including those employed by any Agents used) who deal with Customers.

1.5 Sales and Advertising

- 1.5.1 The Builder must ensure that the content of any sales and marketing material relating to the Home is clear and truthful and uses plain English. The content must comply with all relevant codes of advertising and the law.
- 1.5.2 The Builder must state in their sales and marketing literature that they subscribe to and comply with the Code.
- 1.5.3 The Builder must not mislead Customers or Buyers, including on the following matters:
 - Size of property.
 - Leasehold.
 - Specification of property.
 - Energy-performance ratings.
 - Pricing of property.
 - Mobility adaptations.
 - Legal completion date.
 - Warranty provisions.
 - Management services.
 - Future phases of the Development.

- Costs, coverage or benefits of any additional products such as insurances or warranties and guarantees.
- 1.5.4 The Builder must not use high-pressure selling techniques to influence a Customer or Buyer's decision.
- 1.5.5 If the Builder receives any commission for recommending certain products or services, this must be declared to the Buyer (see also section 2.3.3).

1.6 Customer Vulnerability

- 1.6.1 The Builder must acknowledge and cater for the needs of Vulnerable Customers and help them make informed decisions.

2. Pre-contract

2.1 Pre-contract Information

- 2.1.1 The Builder must give Buyers or their Professional Adviser (or both) enough pre-contract information to help them make suitably informed purchasing decisions.
- 2.1.2 In all cases this information must include:
 - A written Reservation Agreement.
 - An explanation of the cover provided by the Home Warranty and contact details of the Home Warranty Body providing it.
 - A description of any management services and organisations to which the Buyer will be committed and an estimate of the associated costs.
 - The nature and method of assessment and calculation of any Event Fees.
 - Whether the Home is Leasehold or freehold.
 - The Detailed Planning Consent reference number under which the Home is being built and details of any future build phases of, and the facilities on, the expected completed Development if this is known and for which there is Planning Consent.
 - A list of contents in the Home that are included in the price including white goods, curtains, carpeting, wall tiling, door-entry systems, power points and sanitary-ware fittings.
 - A specification for the Home including the type of materials providing the building's main structural frame (masonry, timber, steel frame or other).
 - Information about the standards the Home is being built to, including confirmation that it will meet the UK Building Regulations, the relevant home Warranty Body's standards and the Home's expected energy-performance standards.
 - Any exceptional restrictions on using, living in or the appearance of the Home and its grounds. This does not include standard terms covered in the title deeds, plot transfer of ownership or equivalent document. The Builder must recommend that the Buyer asks their appointed Professional Adviser about any exceptional restrictions that apply.
 - Details of any services, facilities and responsibilities that may not immediately transfer from the Builder to the Buyer on Legal Completion (for example, responsibility for the water and drainage systems and utilities). If these will transfer to the Buyer on a later date, the Builder must explain this in full and give the Buyer written details.
- 2.1.3 If the Home is not yet complete, the Builder must also give the Buyer:

- The Builder's provisional estimate of when the Home will be ready for occupation.
- A brochure or plan showing the size, specification, general layout, plot position and orientation of the Home.

2.1.4 The Builder must inform Buyers, in writing, how their questions will be addressed and who to contact (with names and contact numbers) during the sale, purchase and transfer of ownership of the Home.

2.1.5 The Builder must give the Buyer a copy of the Builder's Complaints Procedure (see section 5.2 – Complaints and Disputes).

2.2 Reservation Agreements

2.2.1 The Builder must give the Buyer a Reservation Agreement, written in plain English, which has been signed by both parties (digitally or in person) and which sets out clearly the terms of the Reservation, including:

- The company name or the legal title of the seller of the Home.
- The amount of the Reservation Fee.
- The Buyer's right to cancel within the Reservation period and the range of possible monetary costs the Builder may retain.
- The terms under which the Reservation Fee is refundable and non-refundable and any administration fees or similar that the Builder may deduct.
- That it is "Subject to Contract".
- Details of the Home including the property type, plot number, Development name, postal address (if available), parking arrangements.
- The purchase price of the Home.
- How long the price and the Reservation Agreement remain valid.
- How and when the Reservation Agreement will end.
- Date by which Contract Exchange must take place.
- Any dependent or conditional matters for example part-exchange details, if applicable
- details of how the Buyer can include in the Contract of Sale any spoken statement that is to be relied upon.
- The nature and annual estimated cost of any Management Services (Scotland: 'factoring') and other costs that the Buyer must pay, as specified in section 2.1 – Pre-Purchase Information.
- Whether the Home is freehold or Leasehold.
- The nature and method of assessment of any Event Fees.
- Scope and process for administering changes to the Home (such as paint colour, design changes, specification changes).
- How the Buyer can cancel the Reservation Agreement, including as a result of a Major Change (as set out in section 3.3).
- That there is a 14-calendar-day Cooling-off Period, during which the Buyer can cancel the Reservation Agreement and receive a refund of the full Reservation Fee.

2.2.2 The Builder must refund the Reservation Fee (less any stated deductions if appropriate) within 14 calendar days of the date of any notice of cancellation given by the Buyer.

2.2.3 The Reservation Fee must be fully refunded if the Buyer wishes to cancel the Reservation for any reason within 14 calendar days of signing the Reservation Agreement. Refer to section 3.4 – Protecting Buyer Deposits and Pre-Payments.

2.2.4 While the Reservation Agreement remains valid, the Builder does not have the right

to terminate the Reservation Agreement and must not enter into a new Reservation Agreement or sale agreement with another customer on the same Home.

2.2.5 If a Builder offers an Early Bird arrangement and charges a fee, they must:

- Not charge more than £150 (or any future maximum set under the Code).
- Make it clear to the Customer before any fee is paid, how long they have to accept the Early Bird offer and how long they will have to change their mind and still receive a full refund of the fee they have paid.
- Tell the Customer of any administration fees or similar that may be deducted.

2.2.6 Subject to any data protection requirements, at the end of the Reservation Agreement period, the Builder should give the Home Warranty Body full details of the Buyer and the Home they have reserved if the Home Warranty Body requires this.

2.3 Appointment of Professional Advisers

2.3.1 The Builder must make Buyers aware that they should seek and appoint independent legal advice when carrying out the legal formalities of buying the Home.

2.3.2 The Builder must not restrict the Buyer's choice of legal representative, financial adviser, mortgage intermediary, or qualified inspector. However, the Builder may recommend a practitioner from a panel.

2.3.3 The Builder must inform the Buyer if they receive any fee, commission or any other reward or advantage for introducing any adviser (see also section 1.5.5).

2.4 New Home Warranty Cover

2.4.1 At Reservation and before Contract Exchange, the Builder must give the Buyer accurate and reliable information about the New Home Warranty provided for the Home.

2.5 Health and Safety for Visitors to Sites under Construction

2.5.1 The Builder must ensure their sites meet all relevant health-and-safety legislation and guidance.

2.5.2 The Builder must inform Customers/Buyers about the health-and-safety precautions they should take if permitted to visit a live construction site.

2.6 Part-exchange Schemes

2.6.1 When a Builder offers Buyers a Part-exchange Scheme, the terms must be fair, transparent and must not be used to pressure a sale. The Builder must give the Buyer, particularly if they are a Vulnerable Customer, adequate time to consider the information provided.

3. Contract Exchange

3.1 The Contract of Sale

3.1.1 The Builder must ensure that the Contract of Sale terms and conditions:

- Are clear, fair and written in plain English.
- Comply with all relevant legislation.
- Define the Legal Completion notice period, which is from serving a Notice to Complete until Legal Completion.

- Clearly state the circumstances in which the Buyer can terminate the Contract of Sale as set out in section 3.3 – Contract of Sale Termination Rights.
- Clearly state what will happen if construction of the Home is delayed and the Home will not be ready for ownership by the Buyer by the date stated by the Builder.
- Clearly explain how Contract Deposits are to be protected as set out in section 3.4 – Protecting Buyers’ Deposits and Pre-Payments.

3.1.2 The Builder must formally consult the Buyer and get their agreement to a Major Change that occurs after Contract Exchange to the design, construction or materials to be used in the Home, if this significantly and substantially alters the size, appearance or value of the Home from what was shown to the Buyer in the Reservation Agreement and Contract of Sale.

3.1.3 The Builder must tell the Buyer of their right to terminate the Contract of Sale and the specific circumstances when they could use it, if the Major Change is unacceptable to the Buyer, before Legal Completion. The Buyer must have the right to terminate the Contract of Sale and be refunded their Contract Deposit and Reservation Fee and any other pre-payments without deductions. (See also section 3.3 – Contract of Sale Termination Rights.)

3.1.4 The Builder must formally consult the Buyer about any Major Changes to the design, construction or materials of the Home occurring after the Reservation Agreement. It is not sufficient for the Builder to simply put these Major Changes in the Contract of Sale. The Builder must make the Buyer aware of the Major Changes in writing and obtain the Buyer’s agreement to them.

3.2 Timing of Construction, Legal Completion and Handover

3.2.1 The Builder must give the Buyer reliable and realistic information about:

- When construction of the Home is scheduled to be finished.
- The date at which ownership of the Home will transfer from the Builder to the Buyer on Legal Completion.

3.3 Contract of Sale Termination Rights

3.3.1 The Builder must inform Buyers about their right to terminate the Reservation Agreement and Contract of Sale.

3.3.2 The Builder must repay the Contract Deposit, Reservation Fee and pre-payments in full without deductions within 28 calendar days if the Buyer terminates the Contract of Sale because of Major Changes to the Home or for an unreasonable delay, as defined in the Contract of Sale. (See also section 3.3 – Contract of Sale Termination Rights.)

3.4 Protecting Buyer Deposits and Pre-Payments

3.4.1 The Builder must have in place and explain to the Buyer the arrangements for protecting Contract Deposits and any pre-payments paid by Buyers, including Reservation Fees.

4. Legal Completion

4.1 Legal Completion

4.1.1 At the point of Legal Completion, the Builder must:

- Have completed the construction of the Home to the standards identified in section 2.1.2.
- Have carried out their final quality-assurance inspection of the Home and given the Buyer a schedule of any Defective, Faulty or Incomplete Works, and a statement of timescales for completing /remedying them along with the need for access at suitable times to enable the problems to be put right.
- Have agreed or given the Buyer an appointment for a home demonstration.
- Give the Buyer the Home Warranty documents showing that cover is in place.
- Have given the Buyer, or their Professional Adviser, the opportunity (in writing) to visit and carry out a Pre-Completion Inspection.
- Give the Buyer a copy of the Builder’s Complaints Procedure (see section 5.2 – Complaints and Disputes).
- Give the Buyer the Health and Safety File for the Home in compliance with relevant legislation.
- Give the Buyer a statement of incomplete works, not being a part of the Home, but which serve it and directly affect it, as part of the Development under the relevant Planning Consent, and indicative timescales for their completion. (Examples include utilities, roads, open spaces, recreational areas, landscaping.)
- Give the Buyer an explanation of how the appliances included in the Home operate.
- Give the Buyer full details of any guarantees and warranties that relate to the Home and appliances.
- Give the Buyer a copy of the Building Regulation Control Certificate and Inspection Records if requested (‘Habitation Certificate’ in Scotland).

4.1.2 The Builder must not offer a Buyer incentives (financial or otherwise) to move into, or complete the purchase of, a Home that has not been completed to the standards in section 2.1.2.

4.2 Health and Safety for Buyers living on Developments under Construction

4.2.1 The Builder must tell Buyers about the health-and-safety precautions they should take when living on a Development where building work continues and the measures that the Builder applies to protect them.

5. After Occupation Starts

5.1 After-sales Service and Defects Resolution

5.1.1 The Builder must give the Buyer a comprehensive and accessible After-sales Service for at least two years after Legal Completion.

5.1.2 This service should include the following things:

- Dealing with Snags that the Buyer notifies to the Builder during the two years after Legal Completion.
- Rectifying Defective, Faulty or Incomplete Works in the Home that the Builder

becomes aware of during the two years after Legal Completion.

- Repairing or replacing appliances and mechanical and electrical equipment provided by the Builder that develop faults (excluding wear and tear, lack of maintenance, misuse etc.) during the two years after Legal Completion.
- Remedying problems associated with any fixtures and fittings (excluding wear and tear, lack of maintenance, misuse etc.) provided by the Builder. This includes items not supplied as standard with the Home but for which the Buyer paid the Builder.

5.1.3 The Builder must ensure that Snags or Defective, Faulty or Incomplete Works covered by the After-sales Service are resolved as soon as possible and within a mutually agreed timescale.

5.1.4 To make sure the Buyer understands how to access the After-sales Service, the Builder must provide the Buyer with suitable information about the service. It must include:

- A written statement of their After-sales Service procedures.
- An explanation of their responsibility for remedying any Defective, Faulty or Incomplete Works arising in the property for at least two years after the date of Legal Completion, under the terms of the New Home Warranty.
- An explanation of how Snags and Defective, Faulty or Incomplete Works and service calls will be managed, including timescales; how they should be reported and the names and contact information of the Builder's staff to whom such issues should be addressed.
- An explanation of the process for reporting and handling emergencies, including what qualifies as an emergency that the Builder will deal with.
- A written explanation of what constitutes Defective, Faulty or Incomplete Works during the first two years after Legal Completion and the Builder's liability to remedy them, giving references to the relevant Home Warranty Body's standards.
- An explanation of what is normal maintenance and 'running in', which are the Buyer's responsibilities, particularly for maintaining such things as boilers and appliances.
- Details of how the Buyer can make a formal Complaint about any issue or problem (including Snags and Defective, Faulty or Incomplete Works) if they are unhappy with how the Builder proposes to deal with it.

5.2 Complaints and Disputes

5.2.1 The Builder must have, and keep to, a system and procedures for receiving, handling and resolving Buyer's Complaints and Disputes (see section 5.2.4).

5.2.2 The Builder must give the Buyer a written statement of the process for making a formal Complaint and for resolving Disputes if the Builder and the Buyer fail to agree on the resolution. It should include details of how the Buyer can escalate such an issue to the following:

- The Builder.
- The Home Warranty Body regarding any matters that fall under the Home Warranty Body's dispute resolution service or warranty cover.
- The Independent Dispute Resolution Scheme.

5.2.3 The Builder's Complaints Procedure must be given to the Buyer and made available on the Builder's website.

5.2.4 The Builder's Complaints Procedure must clearly state the following:

- That the Builder will provide a written acknowledgement of the Complaint to the

Buyer within five working days of the Complaint being made.

- That the Buyer can expect a more detailed response from the Builder within 20 working days of a Complaint being made. Where applicable, the response should include one or more of the following:
 - An acceptance of the Complaint and what action the Builder is going to take to resolve the issue(s) raised.
 - An estimated timescale for the work required to resolve the issue(s) raised. The time may vary depending on, for example, the nature of the issues raised, investigation work needed, the lead time for sourcing materials, and the preparation work needed.
 - A rejection of the Complaint and details of the reason(s) why the Complaint is rejected.
 - Details of any further investigation work necessary to determine the outcome of the Builder's decision to either accept or reject the complaint, including timescales.
 - That a written final response will be provided as soon as possible after any further investigation has been carried out and that it will set out what part(s) of the Buyer's Complaint the Builder agrees with as well as (where appropriate), what part(s) the Builder disagrees with and why.
- That if the Complaint becomes a Dispute, the Buyer may refer it direct to the Independent Dispute Resolution Scheme or the Home Warranty Body (or both) as appropriate:
 - if the Buyer does not receive any response from the Builder within 20 working days of a Complaint being made
 - if the Buyer cannot reach an amicable resolution to the Complaint with the Builder within 56 calendar days of the Complaint being made
 - if the Defective, Faulty or Incomplete Works or issues arising are not resolved within timescales agreed between the Buyer and the Builder.
- That using their Complaints Procedure or the Independent Dispute Resolution Scheme does not affect the Buyer's normal legal rights. If the issue is not covered by the New Home Warranty, the Home Warranty Body may give the Buyer details about the Code's Independent Dispute Resolution Scheme. See also section 5.1 – After-sales Service and Defects Resolution.
- That a Dispute may be brought to the Independent Dispute Resolution Scheme after 56 calendar days have passed since the Buyer first raised the Complaint with the Builder and no later than 12 months after the Builder's final response to the Complaint.

5.3 Co-operation with Professional Advisers

5.3.1 The Builder must co-operate with appropriately qualified Professional Advisers (or agreed intermediary) appointed by the Buyer to help with the purchase of the Home, any pre-inspection and in the resolution of any Complaints before they become a Dispute.

5.3.2 The Builder must provide the same level of co-operation to an agreed intermediary representing the Buyer (e.g. a family member or friend) as they would to the Buyer.

Introduction to the Consumer Code Independent Dispute Resolution Scheme

The Code is underpinned by an Independent Dispute Resolution Scheme operated through CEDR Ltd. CEDR Ltd is approved by the Chartered Trading Standards Institute as the ‘competent authority’ acting on behalf of the Secretary of State for dealing with Disputes that are raised with the Builder from the Reservation date until two years after the date of Legal Completion.

A Dispute may arise if a Buyer believes the Builder has failed to meet the Code’s Requirements and it falls outside the Home Warranty Body’s resolution scheme for defects or damage. If so, the Dispute may be resolved by the Buyer applying to the Consumer Code’s Independent Dispute Resolution Scheme. This means a trained adjudicator will review written submissions from both parties and issue a Decision based on their conclusions. The Adjudicator will decide whether or not a Builder has breached the Consumer Code’s Requirements and if so, whether or not the Buyer has been caused detriment or suffered financial loss (or both) as a result.

The following is a summary of this process. More detailed information is available in the [‘How are complaints dealt with?’](#) section of our website.

Complaint and response

- 1 A Buyer must first complain to their Builder and give the Builder the opportunity to investigate and put things right.
- 2 If the Buyer is not satisfied with the Builder’s final written response, the Buyer should contact the Home Warranty Body that issued the Home Warranty on their Home.

Action by Home Warranty Body

- 3 If the Buyer refers the complaint to the Home Warranty Body, it will, if appropriate:

- 3.1 Deal with the complaint under its Home Warranty policy or its own dispute resolution scheme, where appropriate, for defects or damage.
- 3.2 If the complaint falls outside its own dispute resolution scheme for defects or damage, give the Buyer information about the Independent Dispute Resolution Scheme. The Buyer can then decide if they want to refer their Complaint to the Independent Dispute Resolution Scheme.

The Independent Dispute Resolution Scheme adjudication process

- 4 If a Buyer decides to refer a Dispute to the Independent Dispute Resolution Scheme, the following adjudication process happens:
 - 4.1 The Buyer must complete an application form and send it to the Independent Dispute Resolution Scheme with any evidence they wish to rely on. The Buyer’s application form should contain all the information relevant to the Dispute and, where possible, identify the Requirements they allege have been breached. The Buyer should also provide copies of receipts or other evidence of expenditure if making a financial claim.
 - 4.2 The Independent Dispute Resolution Scheme will ask the Builder to respond to the Buyer’s application and supporting evidence. At this stage the Builder may resolve the Dispute without a formal adjudication – this is called ‘early settlement’ and costs the Builder a reduced case fee of £150⁶ plus VAT.
 - 4.3 If early settlement does not happen, the Builder must submit their response to the Buyer’s application along with a payment of £500⁶ plus VAT. The Independent Dispute Resolution Scheme will give the Buyer a copy of the Builder’s response and will be invited to respond if they wish. At this stage, the Buyer cannot add any new complaints or issues to the Dispute.
 - 4.4 The Adjudicator will consider both submissions and decide whether or not the Builder has breached the Consumer Code Requirements and, if so, whether or not the Buyer has been caused detriment or suffered financial loss (or both) as a result. Both parties will be expected to have acted reasonably and to have controlled their costs.
 - 4.5 The Adjudicator will prepare a written proposed conclusion to the Dispute, with reasons for that proposed conclusion (“the Proposed Decision”), and send it to both parties. The parties will be invited to provide comments on any factual inaccuracies and/or errors in law.
 - 4.6 The Adjudicator will consider any comments made and has the power to make any amendments they consider appropriate to the Proposed Decision before making their final Decision.

⁶ Case fees are subject to annual review

4.7 The Decision may be a performance award (where the Builder has to do something, such as apologise to the Buyer) or a financial award (where the Builder has to pay the Buyer money) or a combination of the two. The maximum value of the combined award available under the Independent Dispute Resolution Scheme is £50,000 including VAT.

4.8 The Adjudicator may make a discretionary award for upset and inconvenience, up to a maximum of £2,000. They will do so if, in their sole consideration and opinion, the Buyer has been caused more than minor inconvenience as a result of the Dispute or how the Builder handled it (or both). The Buyer will not receive an award for upset and inconvenience if the Adjudicator does not find a breach of the Code. The £50,000 maximum award includes any award for inconvenience.

4.9 The Decision cannot be appealed; it can only be accepted or rejected by the Buyer.

Awards: acceptance, refusal and liability

- 5 Under the rules of registration, the Home Warranty Bodies require each registered Builder to honour any Decision made against them under the Independent Dispute Resolution Scheme. If the Buyer accepts the Decision, the courts will usually recognise this as evidence that the Buyer's claim was valid.
- 6 If the Decision requires the Builder to make a financial award and the Buyer unconditionally accepts it in writing, the Independent Dispute Resolution Scheme will give the Builder written notification of this. The Builder must pay the financial award to the Buyer within 20 working days of the date on which the Independent Dispute Resolution Scheme informs the Builder that the Buyer has accepted the Decision.
- 7 If the Decision requires the Builder to take any other action and the Buyer accepts that Decision, the Builder must complete the necessary action within 20 working days, or within any other timescale the Adjudicator gives. The Builder must tell the Independent Dispute Resolution Scheme that they have done so.
- 8 It may be that the Builder cannot do what is directed in the Decision within 20 working days, or any alternative timescale that the Adjudicator gives. If so, the Builder must tell the Buyer and the Independent Dispute Resolution Scheme why and give a date for the actions to be completed.
- 9 If the Buyer fails to permit the Builder to carry out the actions necessary to comply with the Decision, the Independent Dispute Resolution Scheme will consider the Decision to have been rejected by the Buyer.
- 10 A Buyer should understand that if they refuse to accept the Decision, any subsequent legal action is likely to take account of the Decision.

11 A Builder remains liable to comply with the directions made in a Decision that has been accepted by the Buyer, even if they are removed from a Home Warranty Body's register.

12 The Consumer Code's Independent Dispute Resolution Scheme is independent of the Home Warranty Bodies. Decisions made under the Consumer Code's Independent Dispute Resolution Scheme are not insured under the Home Warranty Bodies' Home Warranty schemes.



**CONSUMER
CODE** FOR
HOME BUILDERS

www.consumercode.co.uk



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New Homes Quality Board Code of Practice

The New Homes Quality Board
launched in 2022, offering
enhanced protections for buyers
of new homes.



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The Register of Developers

As long as a housebuilder or developer has followed the correct registration process, including completing the necessary training, introducing a complaints procedure, and following other processes and procedures that are needed to meet the requirements of this New Homes Quality Code (the code), they will become a registered developer.

Registered developers agree to follow the code and the New Homes Ombudsman Service, including accepting the decisions of the New Homes Ombudsman in relation to dealings with customers. If a registered developer does not meet the required standards, or fails to accept and act in line with the decisions of the New Homes Ombudsman, they may be referred to the NHQB Discipline & Sanctions Committee. This committee investigates whether a breach (of the Code or other disciplinary offence) has occurred by a developer and, if so, what corrective action or disciplinary measures are to be applied. These can range from requiring employees to be retrained, fines being levied, or ultimately removal from the Register of Developers.

The code sets out the requirements that registered developers must meet. We may update the code from time to time to reflect changes to industry best practice as well as the decisions of the New Homes Ombudsman Service. We will decide how and when each amended or updated code will come into force.

All homes built by registered developers must meet building-safety and other regulations. All registered developers should aim to make sure there are no snags or defects in their properties before the keys are handed over to a customer. If there are any snags or defects, these should be put right within the agreed timescales.

What the code covers

For the purposes of this code, 'customer' means a person who is buying or intends to buy a new home which they will live in or give to another person. (If a new home is being bought in joint names, 'the customer' includes all the joint customers.) However, we have also started work to consider other groups of customers and what they should be able to expect from a new home. This includes shared owners and people who are buying a new home to let to other people.

Any changes we make to the code to reflect the needs of other groups of customers will be developed through consultation, and we will continually assess and review the effectiveness of the code, and any new laws or regulations that apply. Other areas which are not covered by the code are claims for loss of property value or blight (where a property falls in value or becomes difficult to sell because of major public work in the area), personal injury or claims that are not covered by the scheme rules of the New Homes Ombudsman Service.

The code has two parts

1. **Statement of principles** – a statement of the core principles that registered developers agree to apply to their business and their dealings with customers.
2. **The practical steps** – a statement of what is expected at each stage of the process.

We may sometimes provide (and amend or add to) **developer guidance** to help registered developers meet the requirements of the code. The guidance may include training materials and example documents.

We may sometimes provide (and amend or add to) **customer guidance** to help customers in matters such as how to make a complaint under the code and what to expect from their registered developer.

There is a **glossary of terms** at the end of this document which explains some of the terms used in the code.

To avoid doubt nothing in this Code supersedes a developer's legal obligations and the developer guidance and customer guidance do not take priority over or replace the statement of principles or the practical steps, which registered developers must keep to.

The transition period

Following their application, developers will have time to confirm they are ready to move to arrangements under the code, including arrangements for training, branding and so on. This is called the 'transition period'. Developers may choose to introduce their new arrangements at different times for different businesses or subsidiaries (if this applies).

There are some legal differences between the laws within the different nations of the UK. Registered developers should get professional advice to make sure they are keeping to all laws that apply to them.

The New Homes Quality Code: Statement of Principles

This statement of principles (the core principles) sets out the main principles which registered developers agree to follow to benefit their customers.

1. **Fairness:** treat customers fairly throughout the buying and after-sales process.
2. **Safety:** carry out and complete work in line with all regulations and requirements that apply to the new home, as set out by the Government, and have the necessary certificates from an appropriately approved body to show they have done this.
3. **Quality:** complete all work to a high standard in line with all building and other standards and regulations that apply, as well as to the specification for the new home, and make sure that completion does not take place until the new home is complete (see section 2 of this code).
4. **Service:** have in place systems, processes and staff training to meet the customer-service requirements of the code, and not use high-pressure selling techniques to influence a customer's decision to buy a new home.
5. **Responsiveness:** have in place a reliable after-sales service and effective complaints procedure to make sure responses to customer queries are clear, thorough and provided in good time.
6. **Transparency:** provide clear and accurate information about buying the new home, including tenure and any costs the customer may have to pay in the future, such as ground rents and service charges.
7. **Independence:** make sure that customers know they should appoint independent legal advisers when buying a new home and that they have the right to ask for an independent pre-completion inspection before completion takes place.
8. **Inclusivity:** take steps to identify and provide appropriate support to vulnerable customers and make sure the code is available to all customers, including in appropriate formats and languages.
9. **Security:** make sure there are reasonable financial arrangements in place, through insurance or otherwise, to meet all their obligations under the code, including repaying deposits when they are due and any financial awards made by the New Homes Ombudsman Service.
10. **Compliance:** meet the requirements of the code and the New Homes Ombudsman Service.

The 10 guiding principles



The practical steps

This part of the code has four parts.



Part 1

Selling a new home



Part 2

Legal documents, information, inspection and completion



Part 3

After-sales service, complaints and the New Homes Ombudsman



Part 4

Solvency, legal rights and jurisdiction



Part 1: Selling a new home

When selling a new home, developers should give customers fair and complete information about the property. They must not give misleading information or use high-pressure sales tactics.

Customers must be able to choose their own legal or other advisers to guide them through the buying process. Developers must be clear about any fees or benefits that they will receive if they recommend a particular professional adviser to a customer.

1.1 Sales information and marketing

Developers must make sure that the content of any sales and marketing material relating to the new home is not misleading. It must be clear, fair and written in plain language, and it must keep to all relevant codes of advertising and laws.

Developers must state in their sales and marketing literature that they are on our register of registered developers.

Developers must prominently display the code logo in public areas related to the process of selling new homes, including areas such as the sales office and selling agents' offices, as well as in their sales brochures and on their websites.

The code must be available, free of charge, to any customer who is interested in buying a new home and must be made available in appropriate formats and languages.

Developers must consider the needs of vulnerable customers in all their sales and marketing literature.

1.2 Describing the new home

Developers must properly inform and not mislead customers, taking into account their obligations set out in part 2, including but not limited to those relating to the following.

- a. Size of property (room and plot dimensions)
- b. Tenure (including the formula for calculating any ground rent and the time left on the lease)
- c. Specification of the property
- d. Indicative energy performance ratings
- e. The price of the property
- f. Mobility adaptations
- g. Estimated completion dates
- h. The warranty that applies to the new home

- i. Management services
- j. Service charges
- k. Future phases of the development
- l. Any agreements or restrictions that may affect the customer if they want to sell the property in the future
- m. Costs and benefits of, and the cover provided by, any additional products such as insurances or warranties and guarantees that are provided
- n. Which Council Tax band the new home is expected to be placed in ('Rates' in Northern Ireland).

1.3 No high-pressure selling techniques

Developers must not use high-pressure selling techniques to influence a customer's decision.

This includes:

- a. encouraging a customer to reserve or buy a new home by suggesting there are other people interested in the property or that the price will soon increase (if this is not true);
- b. offering a financial incentive in return for an immediate decision to reserve or buy a new home;
- c. encouraging a customer to reserve a new home by telling them they will lose the opportunity to personalise it, when the stage of construction would still allow this;
- d. encouraging a customer to buy any unnecessary or inappropriate additional insurance products, warranties or guarantees; or
- e. suggesting that a sale may not go ahead unless a customer uses a specific third-party professional adviser, such as conveyancer or mortgage broker.

1.4 Part-exchange and assisted-move schemes

When a developer offers a part-exchange or assisted-move scheme to a customer, the terms must be clear, fair and not misleading, and must not be used to pressurise the customer into a sale. The developer must give the customer enough time to consider the information they have been given.

The terms of the part-exchange scheme must be explained in plain language and must include the following details:

- a. The full terms and conditions that apply, including any leasehold or tenure conditions. The terms and conditions should include the price offered for the part-exchange property and how long the offer is valid for.
- b. How a fair market valuation has been decided on. This should be independent and come from more than one suitably qualified source.

- c. Any deductions that will be applied to the market valuation.
- d. How the customer can qualify for the part-exchange scheme.
- e. The date the customer needs to accept the offer by.
- f. What will happen if the customer doesn't accept the offer by the date they were given.
- g. The date (or dates) the part exchange and purchase of the new home are expected to complete by, and what will happen if they do not occur on the same date.

1.5 Considering vulnerable customers

Developers must consider whether a customer is vulnerable and, if so, take any appropriate steps to help them make informed decisions.

Developers should take all reasonable steps to provide vulnerable customers with appropriate advice and help that is suitable to their needs, and must make sure that their employees do not make assumptions about the degree of knowledge that a customer has.

Given the infrequent nature of house purchase, Developers should consider all customers as being situationally vulnerable and offer additional support wherever it may be necessary.

1.6 Customer service standards and training

Developers must make sure they have in place all systems, procedures and permissions they need, including permission to share customers' information (if this applies), to be able to accurately and reliably meet the requirements of the code.

Our Compliance and Data Team may ask developers for information about how they are keeping to the code, and the developer must provide this as soon as possible.

We will provide online training on keeping to the code, and developers must make sure that all employees who deal with customers complete this. Also, any agents a developer uses must make sure they are familiar with and meet the requirements of the code.

1.7 Legal and other advisers, commission and incentives for goods and services

Developers must make customers aware that they should get independent legal advice when buying a new home.

Developers may recommend professional advisers to a customer. This includes legal representatives, pre-completion inspectors, financial advisers or mortgage intermediaries.

However, developers must make it clear to the customer that they are free to choose their own advisers and do not have to use one they recommended. Developers cannot offer incentives when recommending a professional adviser.

If a customer is dealing with a developer online (for example, through a website), through an app or by email, and the site, app or email includes a link to the services of a specific professional adviser (such as a legal representative, financial adviser or mortgage intermediary), the developer must clearly identify the specific third-party provider and ask the customer to confirm that they want to continue before leaving the main page by following the link.

If a developer will receive any fee, commission or any other reward or advantage for introducing a professional adviser or recommending certain products or services to a customer, they must tell the customer this when they refer the customer to the professional adviser or when the customer buys or reserves the goods or services.



Part 2: Legal documents, information, inspection and completion

There are a number of stages to buying a new home. These can include the following.

- An opportunity for the customer to reserve a particular plot early. This is sometimes called an early bird or plot-option arrangement (see section 2.1).
- Entering into a reservation agreement. This is a contract between a customer and the developer, where a home is reserved (see sections 2.2 to 2.5).
- The developer makes specific information about the proposed purchase (pre-completion information) available to the customer or their legal adviser (see section 2.6).
- The developer and customer enter into a contract of sale. This is the formal legal document committing both parties to complete the sale unless exceptional circumstances apply (see section 2.7).
- Notice of the completion date is issued. This is the formal notice which tells the customer that their new home will be ready for completion (and for them to move into) from a specific date (see section 2.7a).
- An opportunity for the customer to visit their new home before completion. They can also arrange for a suitably qualified inspector to carry out a pre-completion inspection, using the template pre-completion inspection checklist, before the completion date (see section 2.8).
- Completion. This is when ownership of the new home transfers from the developer to the customer and the customer can move into their new home (see section 2.11).

This part of the code sets out the requirements and expectations that relate to these stages.

2.1 Early bird arrangements

Developers may offer customers an option to be told when a plot (or plots) on a development is available to buy, before it goes on general sale. This is sometimes known as an early bird or plot-option arrangement.

Developers can charge a fee for these arrangements but must meet the following conditions.

- They must not charge more than £150 (or any future maximum amount that we may set).
- They must make it clear to the customer, before the customer pays the fee, how long they have to accept the early bird offer and how long they will have to change their mind and still receive a full refund of the fee they have paid (see below).

If a developer charges a fee, they must refund this in full if the customer tells them, within 24 hours of being told the plot is being released for sale (or within a longer period that the developer tells the customer before they pay the fee), that they do not want to go ahead with the purchase. If the customer tells the developer they do not want to go ahead with the purchase after this time, the

developer may deduct administration costs from the refund they pay, as long as they explained this to the customer when they paid the fee.

If there is any difference between the rights and expectations customers have regarding early bird arrangements and the information given in this code, this code will take priority.

2.2 Reservation agreements

If a customer wants to reserve a new home, they must enter into a formal reservation agreement with the developer.

The customer and the developer should not enter into a reservation agreement until they both have all the relevant facts about the purchase and sale.

The developer must make sure that the terms of the reservation agreement are clear, fair and written in plain language, and that they keep to all relevant legislation.

The developer and the customer must sign the reservation agreement (digitally or in person), and the developer must give the customer a copy.

The terms of the reservation agreement must include the following details.

- Who the customer is buying their new home from.
- The amount of the reservation fee.
- The customer's right to cancel within the reservation period.
- The terms under which the reservation fee can be refunded, and any administration fees or similar costs that the developer may deduct from the refund.
- That there is a 14-day cooling-off period, during which the customer can cancel the agreement and receive a refund of the full reservation fee.
- How the customer can cancel the reservation agreement, including as a result of a major change (as set out in part 2.9).
- That the sale is 'subject to contract' (England, Wales & Northern Ireland only). This means that although the sale has been agreed, it is not legally binding until the contract has been signed.
- Details of the new home, including the type of property, plot number, development name, postal address (if available) and parking arrangements.
- The purchase price of the new home.
- How long the price and the reservation agreement are valid for.
- How and when the reservation agreement will end.
- Contact details for the provider of any warranty for the new home, together with a summary document of the warranty cover provided.
- The date by which exchange of contracts (conclusion of missives in Scotland) must take place. This date should be reasonable in the circumstances of the transaction, taking account of when all the information listed in part 2.6 is provided, and in any case should not be less than six weeks after the reservation date unless the customer asks for an earlier date.
- Any matters that the sale depends on, for example details of the part exchange (if this applies).
- Details of how the customer can include in the contract of sale any spoken statement that is to be relied on.

- p. The estimated yearly cost of any management services (factoring costs in Scotland), together with other costs the customer will have to pay.
- q. The tenure of the new home (for example, leasehold, freehold, commonhold and so on) and all costs associated with this, including how these costs may change in the future.
- r. Any event fees that might apply and how these will be assessed.
- s. The process for asking for changes to the new home, and the type of changes the customer can ask for (for example, paint colour, design changes, specification changes).

The developer must also provide an affordability schedule for any expected costs. This is a list of any costs that are likely to be directly associated with the tenure and management of the new home over the 10 years following the sale, and which the developer can reasonably be expected to be aware of.

The affordability schedule must include the following details.

- a. Details of any ground rent, including the amount, the payment dates and the formula used to calculate it.
- b. Estimated amounts of any additional costs that the developer knows or expects will arise directly from the sale. This includes management fees (for example, to maintain the landscaping, highways that the local authority is not responsible for, and so on), event fees and other charges. This information should bring to the customer's attention any service charges that may increase or be charged in the future as more facilities become available or sinking fund charges that may be introduced for repairs or maintenance. If the developer does not know the actual value of costs or charges, they should give the customer a schedule of costs without including the values.
- c. Details of known or expected costs or charges for regular maintenance of built-in equipment at the development, such as the shared heating system, equipment which collects grey water (water from sinks, baths, showers and washing machines), air-source heat pumps and so on, if these are not already included in the management fees or event fees (for example, following a change of circumstances). If the developer does not know the actual value of costs or charges, they should give the customer a schedule of costs without including the values.
- d. Estimated costs for maintaining the property (for example, painting render and so on) and repairing or replacing any fixtures or appliances as necessary during the first 10 years.

2.3 Cooling-off period

All reservation agreements must include a cooling-off period of at least 14 days. If the customer wants to cancel the reservation, for any reason, during the cooling-off period, the developer must refund the full reservation fee.

2.4 If the customer cancels the reservation after the cooling-off period

The reservation agreement may set out deductions that will be taken from the refund the customer will receive if they cancel the reservation after the cooling-off period.

The developer must refund the reservation fee, less any deductions set out in the reservation agreement, within 14 days of the date of the customer's notice of cancellation (see section 2.2f).

2.5 No right for the developer to cancel the reservation

While the reservation agreement remains valid, the developer does not have the right to cancel the reservation and must not enter into a new reservation agreement or sale agreement with another customer for the same new home.

At the end of the reservation agreement, the developer must give the provider of any home warranty full details of the customer and the property they have reserved.

2.6 Pre-contract of sale

The developer must give the customer's legal adviser suitable and relevant information to help the customer get appropriate advice and make fully informed decisions relating to buying the new home.

In all cases, this information must include the following.

Information about the property and planning matters

- a. A written reservation agreement.
- b. A summary of the cover provided by the home warranty and contact details of the relevant warranty provider.
- c. The tenure of the new home (for example, leasehold, freehold, commonhold).
- d. The reference number of the planning consent which applies to the new home and details of any future building phases that the developer has planning consent for, and any facilities which the developer may build or pay for on the development.
- e. A list of contents in the new home that are included in the price (for example, cooker, fridge, washing machine, curtains, carpets, wall tiles, door-entry systems, plug sockets and bathroom fittings).
- f. Confirmation that the specification of the new home will be as advertised, including the type of materials used for the main structural frame of the building (masonry, timber, steel frame or other).
- g. Information relating to the standards the new home is being built to, including confirmation that it will meet the building regulations, the relevant home warranty provider's standards and the manufacturer's and supplier's performance and installation standards.
- h. Any exceptional restrictions relating to using, living in or the appearance of the new home and its grounds. This does not include standard terms covered in the title deeds, plot transfer of ownership or equivalent document. The developer must recommend that the customer asks their legal adviser about any exceptional restrictions that apply.
- i. Details of any services, facilities and responsibilities which may not immediately transfer from the developer to the customer on the completion date (for example, responsibility for the water and drainage systems and utilities). If these will transfer to the customer on a later date, the developer must explain this in full and give the customer written details.

Information about actual and expected costs

- a. A description of any management services (and the organisations that will provide them) which the customer will be committed to.
- b. An indicative costs schedule. This is a reasonable indication of the costs that are likely to be directly associated with the tenure and management of the new home over the next 10 years, and which the developer can reasonably be expected to be aware of. This includes any obligation to contribute towards the costs of maintaining or replacing services and facilities. It does not include everyday maintenance and replacement costs for things such as systems, equipment and appliances inside the new home, or utilities. The indicative costs schedule must include the following.
 - Details of any ground rent, including the amount, the payment dates and the formula used to calculate it.
 - Estimated amounts of any additional costs that the developer knows or expects will arise directly from the sale, such as management fees, event fees and other charges. This information should bring to the customer’s attention any service charges that may increase or be charged in the future as more facilities become available or sinking fund charges that may be introduced for repairs or maintenance. If the developer does not know the actual value of costs or charges, they should give the customer an indicative costs schedule without including the values.
 - Details of known or expected costs or charges for regular maintenance of built-in equipment at the development, such as the shared heating system, equipment which collects grey water, air-source heat pumps and so on if these are not already included in the management fees or event fees (for example, following a change of circumstances). If the developer does not know the actual value of costs or charges, they should give the customer an indicative costs schedule without including the values.

The developer does not have to tell the customer about the normal costs and charges associated with owning the new home (for example, the cost of utilities, energy bills, Council Tax and home insurance). The customer should make separate enquiries to find out about these and take steps to consider whether they can afford the new home, taking account of information about additional and expected costs relating to the new home.

The indicative costs schedule does not need to set out estimated possible costs which will depend on decisions made by a management or service company and which are not necessary costs associated with maintaining the new home and its facilities. However, it must clearly show who owns and is responsible for the surrounding land, services and facilities (for example, street lighting, parks, landscaping and so on).

If the new home is not yet completed, the developer must also give the customer:

- a. the expected completion date (the developer’s estimate of when the new home will be ready for the customer to move into); and
- b. a brochure or plan showing the size, specification, general layout, plot position and facing direction of the new home. This must include details of any steep slopes in the garden and grounds of the new home and information on how the surfaces and any fences and or boundary walls will be finished. All outbuildings and garages should be clearly marked and include details of finishes and construction if this will be different to the structure of the new home.

The developer must tell the customer (and their legal advisers), in writing, who to contact (with names and contact numbers) if they have any questions before ownership of the new home transfers to them, and how their questions will be answered.

The developer must keep the customer informed about any additional costs that they know or expect will arise for the new home (as far as is reasonably possible) as well as any restrictions that apply to services (for example, gas, electricity, broadband, water, sewerage or other standard services) and the service providers.

2.7 Contract of sale

The developer must make sure that the terms of the contract of sale are clear, fair and written in plain language, and that they keep to all relevant legislation. The contract of sale must do the following.

- a. Define the completion notice period (that is, the period from the date the notice to complete is served to the completion date).
- b. Clearly set out the circumstances in which the customer can cancel the contract of sale. This might include, for example, if there is:
 - a change to the new home that the customer has not agreed to and which affects the size, value or appearance of the new home (including, the size and layout of the rooms); or
 - an excessive or unreasonable delay in completing the construction of the new home and sending the notice to complete to the customer.
- c. Clearly explain what will happen if the new home will not be ready for the sale to complete by the date the developer said it would be ready.
- d. Clearly explain how deposits will be protected.
- e. Make suitable arrangements to provide a two-year builders’ liability period for the customer. This also applies to special purpose vehicles (SPVs*) and other short-term trading arrangements which may be formed to build a specific new home or development.

To avoid disputes over spoken statements, immediately before contracts are exchanged, the developer should make sure that the customer, through their legal representative, states in writing any spoken statements they are relying on when entering into the contract of sale.

2.8 Keeping the customer informed and pre-completion inspection checks

The developer must give the customer an opportunity to visit the new home, and appoint a suitably qualified inspector to carry out the pre-completion inspection on their behalf, before the completion date and within the five days after the notice to complete (Estimated Completion Date in Northern Ireland) has been served (or earlier if the developer and the customer both agree to this).

The inspection should be carried out and recorded in line with the template pre-completion inspection checklist. Inspectors can reproduce the checklist in an electronic or digital format. However, they must carry out the checks shown on the original template.

The completion notice period is usually expected to be at least 14 calendar days (unless the developer and the customer agree otherwise). This is to make sure there is enough time for all the necessary legal requirements to be met and for the pre-completion inspection to be carried out.

*See Glossary

To avoid doubt, the pre-completion inspection checklist is not intended to delay or prevent completion happening in line with the notice to complete, but the developer must respond to the results of the inspection in line with the conditions set out in part 3.

The developer should explain the process for keeping the customer up to date on the timetable for when the new home is likely to be ready and give them updates at appropriate times.

The developer must make sure that their sites meet all relevant health and safety legislation and give appropriate guidance to visitors.

The developer must tell the customer about the health and safety precautions they must take if they are allowed to visit a construction site before the work is finished. The developer can refuse to give the customer (or any representative, inspector or professional acting on their behalf) access if they do not take any health and safety precautions the developer has told them they must take.

2.9 Changes, agreeing to major changes, and the customer's right to cancel

The developer must tell the customer about their right to cancel the reservation agreement and contract of sale and the specific circumstances when they can exercise this right.

The developer must tell the customer in writing if there is a major change to the details shown in the reservation agreement or contract of sale after the customer enters into the reservation agreement. A major change is a change that alters the size, appearance or value of the new home (including the layout inside the home).

The developer should tell the customer that they should ask their professional adviser for advice.

If the customer finds the major changes unacceptable, they have the right to cancel the reservation agreement or contract of sale and receive a full refund of their contract deposit, reservation fee and any other payments they have made, as long as they cancel within 14 days of receiving written details of the major change. The notice to complete cannot be served during the 14-day cancellation period.

The developer must keep the customer informed of changes to the design, construction or materials of the new home which are not major changes. The customer does not have the right to cancel the reservation agreement or contract of sale following changes such as these, and they do not have to formally agree to them. However, home buyers still have the right to complain about any snags even if they have not agreed to the changes.

If the developer has agreed to do extra work for the customer which will change the timescale for finishing the new home, the anticipated completion date may need to be delayed and other amendments may need to be made to the reservation agreement or contract of sale (or both). The developer should tell the customer they should get legal advice about the extra work and any changes this may lead to.

In Scotland, if the developer changes the materials that will be used in the new home, they must make sure that the new materials still meet the relevant building warrant. Nothing in this section relating to discussions with the customer takes away this legal obligation.

2.10 Complete new home

Completion can only take place on a complete new home which meets the building regulations and all building safety requirements that apply. Completion must not take place on a new home that is not a complete new home, and the developer must not offer the customer an incentive (financial or otherwise) to move into, or complete the purchase of, a new home that is not a complete new home.

A complete new home is one that has proof of new home warranty insurance issued for it and meets the following further conditions.

Further conditions for houses

If the new home is a house, it is a complete new home if all rooms, spaces and facilities are in a finished condition for the purpose they were designed and intended for, the property has a safe entrance and emergency exit routes, and any further work needed:

- a. is just decorative or to correct any faults;
- b. relates to shared areas; or
- c. relates to moving from temporary to permanent utilities and services; and this does not affect the owner's ability to live safely in the house and will not cause significant disruption or inconvenience.

Further conditions for apartment and flats

If the new home is an apartment or a flat, it is a complete new home if all rooms, spaces and facilities within the specific apartment or flat are in a finished condition for the purpose they were designed and intended for, the building has a safe entrance and emergency exit routes, and any further work needed:

- a. is just decorative or to correct any faults;
- b. relates to shared areas and facilities; or
- c. relates to moving from temporary to permanent utilities and services; and this does not affect the owner's ability to live safely in the apartment or flat and will not cause significant disruption or inconvenience.

Further conditions for all new homes in Scotland

In Scotland only, a new home is a complete new home if the local authority (Building Control) has confirmed the property is ready to be lived in.

2.11 Completion

At the point of completion, the developer must have done the following.

- a. Completed the construction of the new home to the standards agreed.
- b. Carried out a developer's final quality assurance inspection of the new home and given the customer a schedule of any incomplete work or defects, and a statement explaining the timescales for completing the work or putting right the defects and that they will need access to the home at suitable times to do the work (England, Wales & Northern Ireland only).
- c. Confirmed that the relevant local authority has inspected the new home and issued a habitation certificate to confirm it is ready to be lived in (Scotland only).
- d. Given the customer the opportunity to inspect the new home or appoint a suitably qualified inspector to carry out a pre-completion inspection (see 2.8 above).
- e. Provided an appointment for a home demonstration, including an explanation of how to use any appliances that are included with the new home. This can take place at the same time as the pre-completion inspection.
- f. Provided full details of any guarantees and warranties that apply to the new home and any appliances.
- g. Provided, or arranged for the home warranty provider to provide, clear details of the cover provided by the new home warranty, and given the customer details of any exceptions, exclusions, limits, excesses or conditions that apply to the new home warranty cover.
- h. Given the customer a copy of their complaints procedure.
- i. Provided a health and safety file for the new home in line with relevant legislation. For apartments, the health and safety file should be given to the managing agent or management company.
- j. Given the customer:
 - a copy of the building regulation control inspection records if they ask for this (England, Wales & Northern Ireland); or
 - confirmation that the relevant local authority has inspected the new home and confirmed it is ready to be lived in (Scotland).
- k. Provided the building regulation completion certificate (or habitation certificate in Scotland) if this is available. If the certificate is not yet available, the developer must tell the customer that it will not be available until after completion (for example, if the new home is an apartment, the certificate may not be issued until the whole apartment block is completed).

2.12 Incomplete and additional work

At the point of completion, the developer must give the customer a statement of incomplete work on the development under the relevant planning consent, and timescales for when the work is expected to be completed. This applies to, for example, roads, open spaces, recreational areas and landscaping. The developer should make sure that the customer is kept informed of the progress in fulfilling commitments in the relevant planning consent.

The developer must tell the customer of any future phases of work on the development that they are committed to do. As construction work is carried out, the developer should identify and consider reasonable steps to reduce any significant negative effect on the customer.

The developer should try to keep the customer informed of the design and impact of any utility boxes or other estate infrastructure (such as lamp posts, bins and bike shelters) that will be installed after completion and could have a significant effect on the new home.

2.13 Repaying deposits and fees

The developer must have in place adequate arrangements to protect deposits, reservation fees and other fees. This may include:

- a. insuring the full contract deposit through the new home warranty;
- b. putting the contract deposit, the reservation fee and any other payments the customer has made in a suitable client account designed for holding customers' money (the money must be held in a separate account from the one used for the developer's cash flow and assets, and the developer must not be able to withdraw it until the completion date); or
- c. any other legal arrangement within the developer's course of business which they can reasonably use to repay the above amounts if necessary. This must apply to the whole of the contract deposit or any uninsured amounts (if the developer has arranged insurance in line with a above).

If the customer has paid extra money for adaptations or upgrades but then cancels the contract, the developer should refund the payments less any costs they have had to pay in connection with the adaptations or upgrades.

If the developer changes or cancels the contract of sale, they must give the customer and the New Homes Ombudsman Service (if this applies) accurate information so that they can assess whether the customer is entitled to any compensation.

The developer must refund the contract deposit and pay any other amounts due to the customer within 28 days of the contract being cancelled.

Part 3: After-sales service, complaints and the New Homes Ombudsman

A developer's obligations do not end when a customer becomes the owner of a new home. Developers must provide an after-sales service and a complaints procedure.

Customers have two years from the date of the reservation or completion (whichever is later) to make a complaint under the complaints procedure and to refer the complaint to the Ombudsman if they are not happy with the outcome. If developers arrange for a third party to provide their after-sales service, the developer will still be responsible for providing the complaints procedure and keeping to this code.

3.1 After-sales service

When a developer sells a new home, they must give the customer a full and accessible after-sales service for at least two years following the date of completion.

To make sure the customer understands how to access the after-sales service, the developer must give them suitable information about the service, including the following.

- a. A clear written statement of their after-sales service procedures.
- b. An explanation of the developer's responsibility for putting right any issues or problems (including snags and defects) that arise in the property during the first two years. The customer should identify any issues or problems (including snags and defects) and report them to the developer as soon as possible so that the developer can meet their responsibilities.
- c. An explanation of how the developer will manage any issues or problems and service calls. This explanation should include timescales for dealing with problems, details of how the customer should report any problems and the names and contact information of the people they should report them to.
- d. Details of how the customer can make a formal complaint about any issue or problem (including snags and defects) if they are not happy with how the developer proposes to deal with it.
- e. An explanation of the process for reporting and dealing with emergency issues, including details of what qualifies as an emergency issue and how the developer will deal with them. (Emergency issues include matters relating to health and safety that could seriously affect a person's health and well-being or cause injury or loss of life.)

- f. Clear guidance on what is considered to be normal maintenance which the customer is responsible for.

If building work will continue on the development after the customer buys the new home, the developer must tell the customer about the health and safety precautions they must take while living there and the measures the developer has put in place to protect them.

3.2 After-sales issues and complaints

The developer must have a system and procedures for receiving and dealing with any issues or problems the customer raises about the after-sales service. This applies in addition to the customer's right to make a formal complaint under the code.

The developer must give the customer a written statement of the process for raising an issue or problem they have with the after-sales service, as well as the process for making a formal complaint. The developer can provide the written statement in a letter, brochure or leaflet or by email, or they can provide it clearly on their website.

The information the customer receives must include details of how to refer the complaint or dispute to the New Homes Ombudsman Service if they cannot reach an agreement with the developer as to how to resolve the matter.

Customers have two years from the date of the reservation or completion (whichever is later) to make a complaint under the complaints procedure and to refer the complaint to the Ombudsman if they are not happy with the outcome.

The developer must co-operate with any appropriately qualified professional adviser the customer appoints to help settle a complaint before it becomes a dispute. The developer must provide the same level of co-operation to anyone authorised by the customer to represent them (for example, a family member, friend or professional adviser) as they would to the customer, as long as they keep to their data-protection, confidentiality and health and safety processes.

3.3 Snags

It is widely acknowledged that there are usually some finishing or other issues which need putting right after moving into a new home, and these are commonly known as 'snags' or 'snagging issues'.

After completion, developers are expected to work with their customers to identify and put right any snags.

The developer must make sure that snags are covered by the after-sales service and are dealt with as soon as possible.

The developer must acknowledge any snags, issues or problems raised through the after-sales service as soon as possible. In most situations the developer should be able to settle an after-sales issue or problem within 30 days, unless there is a significant reason for a delay. If there is a delay, the developer should explain clearly to the customer the reasons for this, and should give them

updates at least once a month until the matter is settled. If the customer is not satisfied with the after-sales service, they can make a formal complaint under the developer's complaints procedure.

To avoid doubt, emergency issues are not snags and if the customer is not satisfied with how these are dealt with, they can make a formal complaint from the date of completion.

3.4 Complaints procedure

The customer can make a formal complaint under the developer's complaints procedure if they are not satisfied with the outcome of an issue or problem they have raised in connection with the obligations under:

- Part 1: Selling a new home;
- Part 2: Legal documents, information, inspection and completion; or
- Part 3: After-sales service, complaints and the New Homes Ombudsman.

The developer's complaints procedure must include the following steps (as a minimum).

- a. **Written acknowledgement:** no later than five days from the first business day after receiving the complaint (the complaint start date), the developer will send the customer a written acknowledgement of the complaint.
- b. **Path to resolution letter:** no later than 10 days from the complaint start date, the developer will send the customer a written 'path to resolution' which outlines how they will investigate the complaint. This will include telling the customer whether they can refer the complaint to a dispute resolution service that is offered by their warranty provider, if they are not satisfied with the outcome of the complaints procedure.
- c. **Complaint assessment and response letter:** no later than 30 days from the complaint start date, the developer will send the customer a complaint assessment and response letter. The complaint assessment and response letter must include the following information.
 - Details of and a separate report on each complaint.
 - If a complaint has been settled, what action has been taken to do this.
 - If a complaint has not been settled, and the developer needs more time to look into the matter, an estimate of how long they will need to reach a decision and a brief explanation as to what further steps are needed and why.
 - If a complaint has not been settled but the developer accepts that they need to carry out correction work, details of what that work will be and an estimate of when it will be completed.
 - If further investigation or correction work is needed, when the developer will give the customer an update (which must be within 28 days).
 - If the developer does not accept a complaint, a clear explanation of the reasons for the decision.
 - Information about any dispute resolution service, offered by the warranty provider, that the customer can refer the complaint to.
 - How the customer can refer the complaint to the New Homes Ombudsman Service
- d. **Eight-week (56-day) letter:** if the complaint is not closed, and no later than 56 calendar days from the complaint start date, the developer will send the customer an eight-week letter.

The eight-week letter must include the following information.

- A clear summary of what action has been taken to date.
 - Clear details of what is still outstanding, a reason why and the actions to be taken.
 - An idea of when the complaint will be settled.
 - How often the developer will give the customer updates (which must be at least every 28 days).
- e. **Closure letter:** the developer can send a closure letter to the customer at any stage after the complaint start date.
- The closure letter must include the following.
- A list of the items agreed in the complaint assessment and response letter and confirmation that each item has been resolved.
 - Information about how to refer matters to the New Homes Ombudsman Service if the customer is not satisfied.

To avoid doubt, the developer can choose to combine a number of complaints into a single complaint, but the timetable will apply from the date they received the first complaint.

3.5 Referrals to the New Homes Ombudsman Service

If any defects or snags are not dealt with in line with the developer's complaints procedure, the customer can refer a dispute to the New Homes Ombudsman Service.

In line with established best practice, a complaint that arose within the first two years after the date of completion can be referred to the New Homes Ombudsman Service after 56 days of the complaint start date, whether or not the date the customer refers the complaint to the New Homes Ombudsman Service is within the first two years after completion.

However, the customer should refer the complaint to the New Homes Ombudsman Service as soon as possible. The New Homes Ombudsman Service will follow its scheme rules when deciding whether to look into the complaint.

The developer must co-operate with any request from the New Homes Ombudsman Service to provide all relevant information about a complaint a customer has asked them to review.

3.6 Resale

If the customer sells the new home, the after-sales service provided by the developer applies only to after-sales matters reported within two years of the completion date of the original purchase of the new home. Any potential future owners should get legal advice about this.

Part 4: Solvency, legal rights and jurisdiction

The developer must make sure that the developer (and seller, if different from the developer) has the necessary finances or insurance cover to provide reasonable protection against insolvency and can meet its obligations under this code, including repaying deposits when these become due and any financial awards made by the Ombudsman.

Nothing in this code affects any other rights the customer has by law and does not replace any legislation that applies to the new home. Customers do not have to make a complaint to the New Homes Ombudsman Service if they are not satisfied with a matter that is covered by the code. They may decide to take other action, such as through the civil courts or other ombudsman or regulator.



Term	Meaning
Activation	The final stage of a developer's registration with us. From the activation date, all reservations are covered by the New Homes Quality Code and the New Homes Ombudsman Service.
After-Sales Service	The service, provided by the developer, to deal with any emergency issues, snags, defects or complaints during the first two years following completion.
Agent	A person, firm or company (for example, an estate agent or contractor) used by a developer to deal with any matter on their behalf.
Builder	The firm or person who is responsible for constructing or converting the new home. This may or may not be the same person or firm as the developer.
Building regulations	The building regulations that govern the construction of the new home, which were in force at the time the notice to build was submitted to the local authority or approved inspector (or, in Scotland, at the time the application for the building warrant was submitted to the local authority).
Code	The New Homes Quality Code, which all developers must keep to. The code includes the statement of principles and practical steps, which set the requirements that govern the marketing, sales and after-sales service relating to a new home for two years after completion.
Code council	An organisation which runs and manages the code and reports to us on how effective the code is and whether developers are meeting its requirements.
Complaint	Any spoken or written expression of dissatisfaction, whether justified or not, made by or on behalf of a customer about a service or product a developer has provided or failed to provide, or about a developer not keeping to the code. (See also snags.)
Completion	The point at which ownership of the new home transfers from the developer to the customer. In Scotland, this stage is known as settlement. (See also contract of sale.)
Completion period	The time between the date the developer gives the customer the notice to complete and the date of completion.
Contract deposit	A deposit the customer pays to the developer at exchange of contracts. The contract deposit shows the customer's commitment to buy the new home and acts as part payment towards it.
Contract of sale	A legally binding agreement between the customer and the developer to buy or build the new home. In Scotland, this document is known as the missive (or builder's missive). In Northern Ireland, this is known as a Building Agreement or an Agreement for Lease/Transfer.
Cooling-off period	The 14 days after the reservation agreement is signed, during which the customer can decide to end the agreement and have their reservation fee refunded in full.

Customer	A person who makes enquiries about buying a new home, and who may then go on to reserve or buy a new home from a developer. If two or more people buy or reserve a new home jointly, they will each have the same rights as joint customers.
Defects, defective or faulty items	Incomplete work, or faults in completed work, that does not meet the expected quality or finish as set out in the contract of sale, including the new home warranty provider's standards or the manufacturer's standards for that part of the building or new home. (See also major defects.)
Developer	A person or firm who is registered with us and who: a. meets the description of developer specified in regulations made by the Secretary of State; b. registered the original building plot with the new home warranty provider; and c. carries out or commissions someone else to carry out: • the construction of a new building that will be or include a new home; • the conversion of an existing building so that it is or includes a new home; or • the conversion of an existing building to alter the number of new homes it contains
Development	The buildings and facilities included in the detailed planning consent that applies to the new home.
Dispute	A disagreement where the customer and the developer do not agree on the outcome of a complaint the customer has made (under the developer's published complaints procedure) about a matter that is covered by this code.
Early bird arrangements	Arrangements a developer puts in place to allow customers to register an interest in a new home which has not yet been released for sale but which is likely to be released within a defined period of time.
Emergency issue	An issue that poses an immediate threat to safety, security, health or well-being.
Event fees	A fee charged under or relating to a residential lease or the freehold of a new home if certain events take place (for example, if the property is sublet or sold again). Event fees are sometimes referred to as exit fees, transfer fees, deferred management fees, estate fees, consent fees, covenant fees, contingency fees and selling service fees.

Exchange of contracts	The term used in England, Wales & Northern Ireland to describe the formal stage when the contract of sale is exchanged between the developer and the customer. In Scotland, this is known as conclusion of missives.
Health and safety file	A collection of information appropriate to the characteristics of the development and the new home, which contains relevant health and safety information needed to allow future building work, cleaning, maintenance, alterations, refurbishment and demolition to be carried out safely. Developers must provide a health and safety file under the Construction Design and Management Regulations.
Home warranty provider	Any organisation that provides a warranty for the new home.
Leasehold	This is where the owner of the new home does not own the land the home is on so leases it from the landowner for a fixed period.
Major change	A change that affects the size, appearance or value of the new home (including the layout inside) from what the customer was shown in the reservation agreement or contract of sale.
Major defect	A fault or failure (usually a structural fault) that could lead to an insurance claim through the new home warranty.
Management services	The maintenance and supply services the customer will have to receive under the contract of sale after they buy the new home.
Management services charges	The charges the customer must pay for the management services they receive at the new home after they buy it. Management services charges include event fees and leasehold charges.
New home	The new-build, or newly converted property (including its gardens, boundary, fencing, shared areas and any land) shown in the contract of sale, which the customer buys for their own use.
New Homes Ombudsman Service (NHOS)	The New Homes Ombudsman Service will investigate and settle, make a decision on or make recommendations in relation to disputes and complaints between a customer and a developer, where the customer believes the developer has failed to meet the requirements of the code.
New home warranty	An insurance-backed warranty or insurance policy that provides cover to protect the customer if there are any major defects at the new home.

Notice to complete	The formal notice issued by the developer to tell the customer the date the new home will be ready for completion. In Northern Ireland, this is known as an Estimated Completion Date).
Apart-exchange or assisted-move scheme	Schemes offered by some developers to help customers move by offering to buy their existing home to use as a deposit for the new home.
Pre-completion inspection	An inspection carried out by a suitably experienced inspector, using the pre-completion inspection checklist, before the completion date.
Pre-completion inspection checklist	The standard template checklist which suitably qualified inspectors use to carry out pre-completion inspections by checking the finish of a new home to identify any snags before completion.
Professional adviser	A suitably qualified or accredited person acting for the customer. When dealing with a complaint or dispute, professional advisers may include trading standards departments, Citizens Advice, consumer centres and professional advisers such as solicitors and qualified surveyors, formally appointed under a relevant professional institute's rules.
Reservation agreement	An agreement in which a customer and a developer make a joint written statement giving the customer a certain period of time to enter into a contract of sale to buy a new home.
Reservation fee	The fee a customer must pay when entering into a reservation agreement with a developer.
Requirements	The obligations developers must meet under the code.
Sinking fund	A fund in which money is regularly set aside to cover the cost of replacing assets (such as lifts or play equipment) when necessary.
Snag	A minor imperfection or fault in the new home which does not meet the expected quality or finish as set out in the contract of sale. A snag is usually something which is damaged, broken, not fitted properly or looks unfinished. Snags may be identified during a pre-completion inspection or after completion. Snags that are reported to a developer are not automatically considered a complaint. However, if a developer does not put a snag right within 30 days of the date it was reported to them, the customer can ask for it to be dealt with under the developer's formal complaint process.

Special purpose vehicle (SPV)	A subsidiary created by a parent company with a single purpose. SPVs are used to carry out financial transactions, such as buying assets, construction, joint ventures, or to keep a company's assets or operations separate from its parent company's.
Tenure	The conditions under which land or buildings are held or occupied, usually freehold (where the owner of the home owns the land it is built on) or leasehold (where a third party owns the land and the homeowner pays to lease the land for a specified period).
Transition period	The period between a developer applying to register with us and them becoming a registered developer. During the transition period the developer must make any preparations that are needed to be able to meet the requirements of the code.
Utility	Electricity, gas, water or sewerage services.
Vulnerable customer	A customer who is significantly less able than a typical customer to protect or represent their interests or is significantly more likely than a typical customer to suffer disadvantage during the process of buying a new home. Vulnerability can be temporary or permanent and can come and go. Developers must be flexible when dealing with a vulnerable customer and must tailor their response when necessary.
We (us, our)	The New Homes Quality Board (NHQB). We are the independent organisation who appoints the New Homes Ombudsman Service and the code council.



Contact Information

New Homes Quality Board

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New Homes Ombudsman Service

Email: customer.services@nhos.org.uk
Website: www.nhos.org.uk/
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