



NEW HOME WARRANTY CODE



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BW BUILD WARRANTY*



5.0 out of 5

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GLOSSARY OF TERMS

Adjudication	The process by which an Adjudicator reviews evidence and statements set forth by opposing parties in a Dispute Resolutions Scheme (DRS) process.
Adjudicator	The Adjudicator refers to the Property Ombudsman, acting under the Dispute Resolution Scheme (DRS), to resolve disputes between buyers and developers.
Administration Fees	Fees incurred by the Developer pursuant to the Developer's management of the property during the Reservation Period.
Agent	A person, sole trader, partnership, company, or other organisation (such as an Estate Agent) who is authorised to act on behalf of the Developer to create a legal relationship with the Buyer.
Approved Inspector	A person, sole trader, partnership, company, or other organisation registered with the New Home Warranty Code and authorised by the Construction Industry Council to carry out building control inspections
Building Regulations	Statutory instruments that seek to ensure that the policies set out in the relevant legislation are carried out. Building Regulations approval is required for most building work carried out in the UK.
Buyer(s)	Any person, social landlord, corporate body, partnership, or Limited Company who reserves or buys a new or newly converted Home (except those excluded in Clause 2.5) from the Developer.
Code	The New Home Warranty Code (this document).
Completion	The point at which the Buyer(s) takes ownership of the Property from the Developer. In Scotland, this process is known as the "Conclusion of Missive" and "Date of Entry".
Construction Design and Management Regulations 2015 (CDM)	Regulations governing the way construction projects of all sizes and types are planned in the UK.
Contract Exchange/ Exchange of Contracts	The point at which the Contract of Sale is exchanged between the Developer and the Buyer. In Scotland, this process is known as the "Exchange of Missive".

Developer	A person, sole trader, partnership, company, or other organisation that constructs new, or newly converted Homes under Contract and is a registered member of the Code and bound to adhere to the New Home Warranty Code.
Digital Markets, Competition and Consumers Act 2024	A UK legislative framework designed to promote fair competition, enhance consumer protection, and regulate the behaviour of digital platforms and markets. The Act addresses issues such as anti-competitive practices, digital market dominance, and the protection of consumer rights in the online marketplace.
Directory of Developers	The list of registered Developers.
Dispute	A written complaint made by the Buyer of the Home to the Developer, as a result of the Developer failing to comply with the requirements of the Code. The Buyer must make the complaint, within 2 (two) years, (24 (twenty-four) months) of the date of practical Completion. Complaints covered by the Code are subject to a maximum award of £50,000 or 25% of the original Contract price (inclusive of VAT).
Dispute Resolution Scheme (DRS)	A structured process where disputes between the Buyer and Developer are resolved. If unresolved by the Developer, the complaint is referred to the Dispute Resolution Scheme, with adjudication conducted by the Property Ombudsman.
FCA	The Financial Conduct Authority who regulates the Financial Services Industry within the UK.
Home	A property registered by a Developer (who is a member of the New Home Warranty Code) and covered by a Warranty Provider policy.
Leasehold	The length of time as defined in the lease, for which the Buyer has ownership of the Home.
Management Services	The maintenance, supply, service obligations and charges the Buyer may be liable to pay on Completion of the Home purchase. In Scotland, this is known as “Factoring”.
Material Fabric	Any fixture, structure or surface that is connected or associated with the Home, which is not freestanding.
Membership Rules	The mandatory membership rules all Developers must agree to abide by when joining the New Home Warranty Code.
Part Exchange Scheme	A process by which the Developer agrees to use the Buyers existing property as part payment for a new Home.

Policyholder	The purchaser or owner of the Home, which is subject to the Warranty Provider policy (or their successor in title, for a maximum period of 24 (twenty-four) months from the date of practical completion).
Purchase Price	The price that has been agreed upon by the Buyer and the Developer for the Home.
Reservation Agreement	A written legal agreement between the Buyer and the Developer, giving the Buyer an exclusive period of time to enter into a Contract to buy a Home at a confirmed Purchase Price (irrespective of whether or not a fee is paid). Reservation, Reserve and Reserved shall be construed accordingly.
Reservation Fee	A fee payable by the Buyer to the Developer that reserves the Property following the signing of the Reservation Agreement. The Reservation Fee will be deducted from the final Purchase Price of the Home or subject to refund on cancellation (minus any Administration Fees). The Home will be withdrawn from the market by the Developer, on receipt of payment.
Reservation Period	An agreed period of time stipulated within the Reservation Agreement between the Buyer and the Developer, during which the Developer agrees not to market the Home for sale.
Snagging	The process of inspection necessary to compile a list of minor defects or omissions in building works for the Developer to rectify. Although the Warranty Provider policy does not cover Snagging, this complaint would be addressed under the terms of the Code.
Specification	A description of the main materials used to construct the Home (including wall, roof, and floor construction; types of bricks and roof tiles; windows; internal and external doors; bathroom and kitchen tiles; equipment; furnishings; appliances; central heating; and vacuuming systems).
Structural Defect	A fault in the design of the load bearing portions or weatherproofing of the Home (including foundations; external and internal walls; floors; and roof structures), caused by the failure of such load-bearing portions. Weatherproofing portions include the outside wall face, windows, doors, and the roof covering of the Home.
Structural Warranty Policy	The Certificate of Insurance issued on behalf of the insurer, which signifies acceptance of the Home for insurance, following the notification of satisfactory practical Completion by the appointed Approved Inspector.

The Business Protection from Misleading Marketing Regulations 2008	Prohibit misleading business-to-business advertising and impose further restrictions on how businesses compare their products to rival products from other companies.
The Consumer Rights Act 2015	To establish consumer rights and provide free, effective and efficient enforcement of those rights.
The Property Ombudsman	An independent and impartial service for the resolution of a Dispute between the Buyer and the Developer, on behalf of the Warranty Provider.
The Royal Institute of Chartered Surveyors	A global professional organisation that establishes and enforces standards for valuing, operating, and developing.
Vulnerable Customer	A Buyer, who by virtue of their personal circumstances is especially susceptible to detriment. Reasons could include, but not limited to age; infirmity; language; disability; or those who have suffered a recent bereavement, separation, or divorce; or who for reasons of experience, knowledge or illness find the process difficult or stressful.
Warranty Provider	Build Warranty Insurance Services Ltd (the Warranty Provider) and/or the insurer responsible for providing the Structural Defect Insurance policy applicable to the Property.
Water Ingress	The Ingress (or entering) of water into the Home through its external walls, roofing, external doors, windows, and cladding.

1. INTRODUCTION

- 1.1 The New Home Warranty Code (Code) sets out the mandatory requirements that members of the Directory of Developers must adhere to when marketing and selling their Homes. The Code is designed to make the home buying process fair, transparent and accessible to Buyers and to promote high standards of customer service and consumer protection.
- 1.2 For the avoidance of doubt, every Developer who purchases a Warranty Provider insurance policy agrees to subscribe to and comply with the Code.
- 1.3 The Code is designed to ensure that a Buyer of a new or newly converted Home, built by a member of the Directory of Developers:
 - 1.3.1 Is treated fairly by the Developer at all times;
 - 1.3.2 Can be assured that their individual circumstance, particularly if they are Vulnerable (will not preclude them from receiving high levels of customer service);
 - 1.3.3 Has access to reliable, accurate and timely information about the Property both before and after their purchase;
 - 1.3.4 Is informed that they can access the Dispute Resolution Scheme (DRS), should they have need to seek a remedy; and
 - 1.3.5 Is reassured that their Developer is not only a member of the Code but adheres to its requirements.
- 1.4 The Code is in addition to any pre-existing legal rights, which the Buyer may avail of in respect of the sales, marketing, and purchase of the new Property. The Code contains a number of specific terms, which are highlighted in bold and defined in the Glossary of Terms at the beginning of this document.
- 1.5 The Warranty Provider has sole responsibility for the management and control of the Code, which applies to all Buyers and Developers. In signing and agreeing to be bound by the rules of the Code, the Developer must honour any sanction made against them as part of the Dispute Resolution Scheme (DRS). Any Developer found to be in serious breach of the Code, will be liable to a range of sanctions (which may include their removal from the Directory of Developers and their potential ineligibility for a future Warranty policy).
- 1.6 For Disputes outside of the remit of the Warranty policy, the Dispute Resolution Scheme (DRS), as detailed in clause 28 of the Code, is available to any Buyer on submission of a written complaint made within the 24 (twenty-four) months of the practical Completion date.

- 1.7 The Warranty Provider will conduct continual audits, customer surveys and other statistical evaluations (including mystery shopping surveys, member self-assessments and analysis of customer complaints) to assess how well the Code is being applied. This data will be used to inform:
 - 1.7.1 Amendments to the Code;
 - 1.7.2 Training for members of the Directory of Developers, and/or
 - 1.7.3 Monitoring compliance with the Code.
- 1.8 All Code members must have a system for the receipt, management, and handling of service calls and Disputes.
- 1.9 An annual subscription fee is to be paid by a member if they wish to remain part of the Code. Should there be any amendment to the Code and on renewal, members will be informed and asked to digitally sign and accept the amendment and/or the renewal.
- 1.10 The Warranty Provider will review this Code at least annually, and sooner where required, to ensure continued compliance with applicable legislation, regulatory requirements, industry standards and consumer protection obligations.
- 1.11 The Warranty Provider will monitor compliance with this Code, analyse complaint trends, review customer feedback and maintain appropriate performance measures to assess the effectiveness of the Code and identify opportunities for improvement.
- 1.12 When reviewing this Code, the Warranty Provider may seek feedback from Buyers, Developers, Dispute Resolution providers, regulators and other relevant stakeholders to support continuous improvement.

2. FEATURES OF THE WARRANTY PROVIDER POLICY

- 2.1 The Warranty Provider policy is intended to provide protection for Buyers of new and newly converted Homes against specified risks, subject to the terms, conditions, exclusions, limits and excesses contained within the policy documentation.
- 2.2 The Warranty Provider policy may include:
 - 2.2.1 Structural defect insurance protection;
 - 2.2.2 Deposit protection;
 - 2.2.3 Protection in the event of Developer insolvency;
 - 2.2.4 Access to dispute resolution arrangements; and
 - 2.2.5 Such other benefits and protections as may be specified within the policy documentation.

- 2.2.6 The scope of cover, policy limits, excesses, exclusions and any additional benefits will be detailed within the individual policy documentation issued to the Buyer.
- 2.2.7 Buyers should refer to their Warranty Provider policy documents for full details of the cover available and any applicable conditions or limitations.

3. SCOPE OF THE CODE

- 3.1 This Code is applicable to all new build Homes where a Warranty Provider policy has been issued on or after the 1st of July 2019.
- 3.2 The Code applies when the Buyer has made a complaint in writing to the Developer, within 24 (twenty-four) months of practical Completion (as stated in the Warranty Provider policy).
- 3.3 Any subsequent Buyer can also rely upon the Code, but only where the date of their complaint is within 24 (twenty-four) months of the practical Completion date (as stated in the Warranty Provider policy).
- 3.4 If the Developer fails to attend to a Snagging complaint raised in writing by the Buyer within 24 (twenty-four) months of the practical Completion date (as stated in the Warranty Provider policy), this complaint would be addressed under the terms of this Code. However, a Warranty Provider policy does not cover Snagging.
- 3.5 The Code does not apply/cover:
 - 3.5.1 Claims covered by a Warranty Provider policy;
 - 3.5.2 Claims related to the land conveyed or its registered title;
 - 3.5.3 Claims that exceed the Dispute Resolution Scheme (DRS) limits;
 - 3.5.4 Part exchange properties;
 - 3.5.5 Homes constructed under a self-build or owner-commissioned arrangement where the Warranty Provider policy has been purchased directly by the consumer;
 - 3.5.6 Properties acquired by registered providers;
 - 3.5.7 Properties acquired by social landlords for rent;
 - 3.5.8 Properties acquired by corporate bodies, partnerships for investment purposes;
 - 3.5.9 Properties acquired for short-term tenancy agreements;
 - 3.5.10 Properties built by self-builders, or under a Contract between the Developer and an individual for their own occupation;
 - 3.5.11 Properties built under an architect certificate;

- 3.5.12 Homes assigned or sold before legal Completion by an investor; and
- 3.5.13 Personal injury claims.
- 3.6 Other complaints, which fall within the ambit of other Dispute resolution or ombudsman's schemes. In such cases, these schemes will take precedence over the Code and its associated DRS.

4. ACCESS TO THE CODE

- 4.1 The Developer must make the Code available to all potential and existing Buyers, free of charge. The Developer must ensure the Code is in a format that enables the Buyer to take the Code away for further scrutiny.
- 4.2 The Code should be made available in a variety of formats (printed, electronic, accessible digital formats, braille, large print, etc.) as may be required by the Buyer. The Developer must fulfil the reasonable request of a Buyer for an unavailable format, within 10 (ten) working days of the initial request.
- 4.3 The Developer must display the Code in the public show house, sales office or other public areas that are related to the sales process. The Code must be included in the Reservation Agreement.
- 4.4 The Developer is responsible for providing appropriate contact details by which the Buyer can contact the Developer. This includes telephone number, e-mail, and correspondence address.
- 4.5 The Developer must make available to the Buyer details of the Code, including – systems and procedures; parameters (including the 24 (twenty-four) month time period in which a Buyer can make a complaint) exclusions; and details of the Dispute Resolution Scheme (DRS).

5. IMPLEMENTATION OF THE CODE

- 5.1 Where a Buyer is dissatisfied in respect of matters covered by the Code, the Buyer should initially approach the Developer and seek remedy from within the Developer's own complaints procedure.
- 5.2 If the Developer fails to respond to a complaint from the Buyer within 30 (thirty) days, the Buyer may then refer the complaint under the Code.

6. CUSTOMER SERVICE

- 6.1 The Developer should have suitable systems and procedures in place, which are commensurate with the responsibilities under the Code.
- 6.2 Further independent advice can be made available to the Buyer at:
 - 6.2.1 Homeowners Alliance www.hoa.org.uk/services
0203 397 3292
 - 6.2.2 Citizens Advice Bureau (England and Wales) www.adviceguide.org.uk
0800 144 8848
 - 6.2.3 Citizens Advice Bureau (Northern Ireland) www.adviceguide.org.uk
0289 590 6505
 - 6.2.4 Citizens Advice Bureau (Scotland) www.adviceguide.org.uk
178 1225

7. VULNERABLE CUSTOMERS

- 7.1 The Developer should give particular care when dealing with Vulnerable Customers and ensure that their staff are suitably trained with respect to interactions with Vulnerable Customers.
- 7.2 The Developer should ensure that Vulnerable Customers:
 - 7.2.1 Understand the Code;
 - 7.2.2 Can make informed decisions;
 - 7.2.3 Understand the process of purchasing a Home;
 - 7.2.4 Understand their respective responsibilities; and
 - 7.2.5 Make use of a translator, if required.
- 7.3 Where vulnerability is obvious to the Developer (or where the Buyer declares a vulnerability), the Developer must assess the potential effect this may have on the purchasing process and act accordingly. The Developer should seek to understand the Buyer's circumstances and needs, by acting in a professional and sensitive manner that will not cause offence.
- 7.4 The following links provide valuable sources of reference information when dealing with Vulnerable Customers:

7.4.1	The Care Quality Commission (CQC) 0300 061 6161	The Independent Regulator of Health and Social Care in England.
7.4.2	Social Care and Social Work Improvement Scotland 0845 600 9527	The new unified independent scrutiny and improvement body for care and children's services and works to improve services for adults and children across Scotland.
7.4.3	Healthcare Inspectorate Wales (HIW) 0292 092 8850 hiw@wales.gsi.gov.uk	Protects the interests of people whose rights are restricted under the Mental Health Act.
7.4.4	Care and Social Services Inspectorate Wales (CSSIW) 0144 384 8450 cssiw@wales.gsi.gov.uk	Encourages the improvement of social care, early years, and social services. It regulates, inspects and reviews services and provides professional advice to Welsh ministers and policy makers.
7.4.5	The Regulation and Quality Improvement Authority (RQIA) 0289 051 7500 info@rgia.org.uk	The independent health and social care regulatory body for Northern Ireland.
7.4.6	The Disability Law Service (DLS) 0207 791 9800 advice@dls.org.uk	Provides telephone or written community care law advice. This service is free to disabled people, their family, and carers by appointment.
7.4.7	Ableize www.ableize.com	The largest and most viewed UK disability resource offering collection of disability, mobility and health websites and social media pages in the UK and Europe.
7.4.8	Citizens Advice Bureau (CAB) www.adviceguide.org.uk	On-line free advice service.
7.4.9	Business Companion https://www.businesscompanion.info/focus/consumer-vulnerability	Offer a service specifically tailored to businesses.

8. STAFF TRAINING

- 8.1 The Developer should ensure that their staff understand the content of the Code and the importance of its obligations.
- 8.2 The Code requires the Developer to ensure that staff training is refreshed on an annual basis. The Developer may be required to evidence the completion of staff training as part of their membership of the Code. In the interests of continuity, this training provision should also be extended to temporary workers and or agency workers employed by the Developer.
- 8.3 The Warranty Provider provides a Members Welcome Folder as well as a platform of training information and a Buyers Information Pack to be used by Developers to present to the Home Buyer to help enhance the level of customer service. All information is available in printed and digital format.
- 8.4 As part of the Code criteria the Warranty Provider monitors the effectiveness of the implementation of the Code practices to its members. The Warranty Provider encourages members to log into the member portal and follow the simple checklist to ensure they are taking every step to comply with the Code. We also provide a Home Buyers review, to encourage members to promote as an additional measure to gauge the customer satisfaction for both the Developer and the success of the New Home Warranty Code.

9. SALES AND ADVERTISING

- 9.1 All sales and marketing literature should be in plain, simple English. Guidance for these standards may be found at www.clearest.co.uk.
- 9.2 The content of any such literature should be:
 - 9.2.1 Clear;
 - 9.2.2 Truthful;
 - 9.2.3 Transparent;
 - 9.2.4 Comply with any relevant code of advertising, such as:
 - 9.2.4.1 The Television Advertising Standards Code;
 - 9.2.4.2 The Radio Advertising Standards Code;
 - 9.2.4.3 The UK code of no-broadcast advertising, sales promotion and direct marketing;
 - 9.2.4.4 Any other relevant code.

- 9.2.5 Where applicable, comply with any relevant regulatory requirements relating to the fair treatment of customers; and
- 9.2.6 Be compliant with any other relevant Consumer Protection Legislation.
- 9.3 The Developer is responsible for ensuring their sales and or marketing literature complies with the Digital Markets, Competition and Consumers Act 2024 (this legislation prohibits a lack of transparency) and The Business Protection from Misleading Marketing Regulations 2008, before making it available to prospective Buyers.
- 9.4 The Developer must make it clear in all of their advertising literature that they are members of the New Home Warranty Code and that they comply with all of its obligations.
- 9.5 The Developer should not mislead a Buyer in any way (for example, about the availability; value; size; Specification; price; Completion date; energy performance rating; available energy grants or tariffs; mobility adaptations; access; warranty provision; future development; and facilities).
- 9.6 The Developer shall likewise not use high-pressure selling techniques to influence the Buyer's decision, such as:
 - 9.6.1 Suggesting that there is a time imperative, or implying that there are other interested parties;
 - 9.6.2 Intimating that there may be an imminent price increase;
 - 9.6.3 Offering a financial incentive to secure an immediate decision; and/or
 - 9.6.4 Encouraging a reservation by refusing the opportunity to personalise the Home when this could still be facilitated given the stage of the construction.
 - 9.6.5 The Developer must ensure that all staff are aware of their associated responsibilities and requirements under the Code.

10. PART EXCHANGE SCHEMES

- 10.1 When the Developer offers a Part Exchange Scheme to the Buyer, the terms must be transparent, unambiguous, and not used to pressurise the sale. The terms of the Part Exchange Scheme must be in plain written English and must include, as a minimum the following details.
 - 10.1.1 The full terms and conditions that apply (including any Leasehold requirements);
 - 10.1.2 How a fair full market value would be derived through an independent valuation process using more than one valuation source. Each valuation source should either

be a member of The Royal Institute of Chartered Surveyors or the Ombudsman Scheme;

- 10.1.3 Any deductions that would be made from the valuation; and
- 10.1.4 How a prospective Buyer would qualify for the scheme.
- 10.2 When a Part Exchange Scheme is offered, the Developer must clearly state:
 - 10.2.1 The full terms and conditions that apply (including any Leasehold requirements);
 - 10.2.2 All of the fair market valuations that have been obtained;
 - 10.2.3 From whom the market valuations were obtained;
 - 10.2.4 Which valuation is acceptable to the Developer;
 - 10.2.5 Any deductions from the valuation;
 - 10.2.6 The date by which the Buyer must accept the offer;
 - 10.2.7 The consequences to the Buyer of not accepting the offer by the stated date; and
 - 10.2.8 The anticipated date by which the Part Exchange Scheme and purchase of the new Home would be completed.
- 10.3 The Developer will provide all potential Buyers (and particularly Vulnerable Customers) with adequate time to consider and deliberate upon any information supplied about the new Home and any Part Exchange Scheme offer.

11. HEALTH AND SAFETY FOR VISITORS TO DEVELOPMENTS UNDER CONSTRUCTION

- 11.1 Potential Buyers must be provided with the relevant Health and Safety advice when they visit a development under construction. Where applicable, appropriate Health and Safety apparel (e.g. hard hat, safety boots and high-visibility jackets) should be provided.
- 11.2 It is the sole responsibility of the Developer to make it clear to any visitors visiting the development site that they are personally responsible for adhering to any Health and Safety procedures and signage process, whilst on the site.
- 11.3 Potential Buyers should sign a document confirming that they have received, read, or listened to Health and Safety advice for the development site. This advice being pursuant to the relevant Construction (Design and Management) Regulations 2015.
- 11.4 The Developer must ensure that a Buyer is provided with:
 - 11.4.1 Clear signage;
 - 11.4.2 Clear mobility access; and
 - 11.4.3 Where appropriate, a responsible adult for guidance and supervision.

- 11.4.4 The Developer should make additional effort to sensitively assist Vulnerable Buyers, as appropriate.

12. HEALTH AND SAFETY FOR BUYERS LIVING ON DEVELOPMENTS UNDER CONSTRUCTION

- 12.1 The Developer must ensure that all Buyers are given relevant Health and Safety advice regarding living on a construction site where building work is ongoing, as well as made aware of the measures the Developer has taken to protect them.
- 12.2 The Developer must give the Buyer a Health and Safety file, in compliance with the relevant Construction (Design and Management) Regulations 2015. This information should form part of the aftersales service pack supplied by the Developer to the Buyer.

13 PRE-PURCHASE/CONTRACT INFORMATION

- 13.1 The Buyer must be given sufficient pre-purchase information to enable them to make a suitably informed purchasing decision.
- 13.2 In all cases this information must include:
- 13.2.1 A written Reservation Agreement;
 - 13.2.2 A summary of the relevant Warranty Provider policy, including full contact details for Warranty Provider;
 - 13.2.3 Instructions on where and how to locate a copy of the Warranty Provider policy;
 - 13.2.4 A description of any Management Services and/or organisations to which the Buyer will be committed to and an estimate of these costs;
 - 13.2.5 Where the Home may be subject to Leasehold arrangements and the detail of these Leasehold arrangements;
 - 13.2.6 A list of the Home contents (e.g. white goods, carpets, floor coverings, wardrobes, curtains, etc.); and
 - 13.2.7 A Specification for the Home identifying the standard of cosmetic finish that the Buyer can expect.
- 13.3 Where the Home is not yet finished, accurate information must be supplied which identifies:
- 13.3.1 An accurate plan or brochure of the layout;
 - 13.3.2 Plot position;
 - 13.3.3 Appearance;
 - 13.3.4 Price;

- 13.3.5 The utilities supplied and their location;
- 13.3.6 Energy performance ratings;
- 13.3.7 Any applicable renewable energy grants;
- 13.3.8 Proposed mobility adaptations to the Home;
- 13.3.9 The future build phases of the development and the facilities associated with the Home;
- 13.3.10 Confirmation that the Home is being constructed in compliance with relevant Building Regulations; and
- 13.3.11 The Developer's estimate as to when the Home will be ready for Completion.

14 CONTACT INFORMATION

- 14.1 The Developer must provide accurate and current contact information (including a telephone number and e-mail address) to the Buyer before, during and after the Completion process.
- 14.2 The Developer should respond to any queries from the Buyer within 7 (seven) days and complaints within 30 (thirty) days.
- 14.3 The Developer must ensure well-trained and knowledgeable staff are made available to provide this service.

15 INSURANCE COVER

- 15.1 The Developer must supply the Buyer with accurate and reliable information about the Warranty Provider policy provided on the Home. This will identify the insurance documents that the Buyer will be provided with on the date of Completion when the ownership of the Home transfers to the Buyer. This information should include contact details for the Warranty Provider.

16 PROFESSIONAL ADVISORS

- 16.1 The Developer, if requested by the Buyer to advise about conveyancing services, should advise the Buyer to seek independent professional legal advice (through a solicitor or conveyancer) to advise them on the legal aspects of the purchase before Exchange of Contracts. Should the Buyer ask the Developer to recommend suitable legal advice, the Developer should recommend the Buyer consult with:
 - 16.1.1 The Law Society – <https://www.lawsociety.org.uk>; or

- 16.1.2 The Homeowners Alliance – <https://hoa.org.uk/advice/guides-for-homeowners/i-am-buying/finding-the-right-solicitor-or-conveyancer>.
- 16.2 The Developer must provide the Buyer with the names and contact details of those people who will deal with any questions, queries, or complaints the Buyer may have during the sales process.

17 RESERVATION AGREEMENT

- 17.1 As part of the conveyancing process, the Buyer must be sent a written Reservation Agreement. This must be in plain English (see Clause 8.1).
- 17.2 The Reservation Agreement must:
- 17.2.1 Confirm the amount of the Reservation Fee;
 - 17.2.2 Explain any circumstances whereby a Reservation Fee may or may not be refundable;
 - 17.2.3 Include itemised Administration Fees (if any). Administration Fees should be reasonable and should include an explanation as to where and why they apply and the likely cost of any deduction;
 - 17.2.4 Clearly state that the Reservation Agreement is not a Contract of Sale;
 - 17.2.5 Describe the type of Home being purchased (identifying the specific plot number, development name, property type and parking arrangements);
 - 17.2.6 Clearly state the Purchase Price;
 - 17.2.7 Explain how and by when the Reservation Agreement can be cancelled;
 - 17.2.8 Explain how and when the Reservation Agreement will terminate;
 - 17.2.9 Specify the date by which the Exchange of Contracts will happen;
 - 17.2.10 Contain copies of all the pre-purchase information (such as any documentation provided in support of the sales process);
 - 17.2.11 Detail the Part Exchange Scheme terms, if applicable;
 - 17.2.12 Include details of any verbal statement and how the Buyer can have this included in the Contract;
 - 17.2.13 Details and cost of any Management Services;
 - 17.2.14 Explain what happens if the Developer becomes insolvent; and
 - 17.2.15 Specify the process through which alterations to the Home can be requested.

- 17.3 The Developer must supply the Buyer with a copy of the Reservation Agreement, duly signed by both parties.
- 17.4 The Developer must not enter into a new Reservation Agreement or sale agreement with any other potential Buyer whilst a Reservation Agreement is already in force between the Developer and the Buyer for the same Home.
- 17.5 Prior to signature of the Reservation Agreement, the Developer must inform the Buyer of any potential deductions from the Reservation Fee in the event of a cancellation. The Buyer can cancel the Reservation Agreement within the agreed period. Should the Buyer cancel the Reservation Agreement within 14 (fourteen) days of signing the Reservation Agreement then the Reservation Fee must be refunded in full. Should the Buyer cancel the Reservation Agreement within the agreed period then the Reservation Fee must be refunded to the Buyer, within 14 (fourteen) days of the notice of cancellation.
- 17.6 A Reservation Agreement between the Buyer and the Developer can be extended by mutual agreement.
- 17.7 In the event that an extension to the Reservation Agreement has not been agreed and/or a Contract of Sale has not been exchanged within the agreed Reservation Period, then the Reservation Agreement will automatically lapse. In this event, the Reservation Fee, less any pre advised deductions, must be refunded to the Buyer within 14 (fourteen) days.
- 17.8 The Developer must hold the Reservation Fee (unless paid by credit card) in a designated client account held on trust. The Developer cannot access this deposit until Completion.

18 THE CONTRACT OF SALE

- 18.1 The Developer is responsible for ensuring the validity of the information at the time it is given and must also provide the Buyer the following information:
 - 18.1.1 The projected date and construction on the Home will finish and be ready for occupation; and
 - 18.1.2 Regular updates to enable the Buyer to make timely and informed decisions and arrangements.
- 18.2 The Developer's solicitor will send all Contract of Sale documentation and approvals to the Buyer's solicitor (Independent Advisor) as soon as reasonably possible after the co-signing of the Reservation Agreement. The Buyer should also be provided with the name and contact details of the Warranty Provider, along with details of the Warranty Provider policy.
- 18.3 The Contract of Sale terms and conditions must:

- 18.3.1 Be written in plain English;
 - 18.3.2 Clearly set out the process and timing at which ownership of the Home will transfer from the Developer to the Buyer on Completion;
 - 18.3.3 Clearly set out any Contract Deposit amount;
 - 18.3.4 Clearly state the circumstances in which the Buyer can terminate the Contract, (for example, where there are material differences to the description of the Home);
 - 18.3.5 Comply with The Consumer Rights Act of 2015; and
 - 18.3.6 Clearly explain what will happen should the Home not be ready for ownership by the Buyer on the date advised by the Developer.
- 18.4 Should the Buyer seek to rely on any spoken statement made immediately before Contract Exchange, the Developer should ensure that the Buyer (through their Independent Advisor) records in writing the statements to be relied upon.

19 CONTRACT TERMINATION RIGHTS

- 19.1 The Buyer must be told about their rights to terminate the Reservation Agreement and/or the Contract of Sale, under conditions such as the following:
- 19.1.1 An alteration to the Home, which directly or materially affects the value of the Home;
 - 19.1.2 Misrepresentation of features and amenities; and
 - 19.1.3 Delay in finishing the construction of the Home and serving the notice to complete.
- 19.2 The Buyer must be informed if the Warranty Provider policy has been issued for the Home and if not, the reasons as to why it was not issued.

20 14 DAYS COOLING OFF PERIOD

- 20.1 The New Home Warranty Code provides protection for buyers of new homes. One of the key provisions is the 14-day cooling-off period. This period allows buyers to change their minds after signing a reservation agreement without incurring penalties or losing their reservation deposit.
- 20.2 The cooling-off period begins once the reservation agreement is signed, giving buyers the opportunity to cancel the agreement within 14 days. If a buyer chooses to cancel during this time, they can receive a full refund of their reservation fee by providing written notice to the developer or builder.

- 20.3 This provision is designed to give buyers the time and space to make a well-informed decision about purchasing a new home, recognising that it is a significant financial commitment. It's important to review the terms of the reservation agreement carefully, as there may be specific conditions or exceptions related to the refund.

21 DOCUMENTATION ON COMPLETION

- 21.1 The Developer will provide an information pack to the Buyer. This should include, as a minimum:
- 21.1.1 The Warranty Provider policy documents. An explanation should be provided if the documents are not available;
 - 21.1.2 The Warranty Provider Buyers Guide;
 - 21.1.3 The Developers complaints procedure;
 - 21.1.4 A checklist of matters covered by the Code;
 - 21.1.5 A checklist of matters covered by the Warranty Provider policy;
 - 21.1.6 A clear explanation of how to submit a complaint under the Code; and
 - 21.1.7 A clear explanation of any available escalation routes, including the Dispute Resolution Scheme and the relevant Ombudsman or redress scheme where applicable.

22 AFTER CONTRACT EXCHANGE

- 22.1 Should a change occur to the design, construction, or materials to be used in the Home, which will materially alter its value, the Developer must formally consult the Buyer and obtain their written consent to such changes.
- 22.2 Where the alterations materially affect the value of the Home and the Buyer does not agree with those alterations, they may cancel the Contract without loss of deposit or the withholding of any fees.
- 22.3 The Developer must inform the Buyer that the Reservation Fee is held in a deposit account in trust and cannot be accessed by the Developer until Completion, when the conditions of the sale have been satisfied.
- 22.4 Minor changes, which do not significantly or substantially alter the size, appearance, or value of the Home, should still be communicated to the Buyer. In these circumstances, the Buyer's written agreement is not required. However, the Buyer should be told to consult with their solicitor (Independent Advisor) as the changes may affect the Home.

- 22.5 Should the Buyer have requested changes to the Home (and have agreed to pay for the changes that are not included in the Reservation Agreement or the Contract of Sale) these changes must be agreed in writing between both parties. This written agreement should include:
- 22.5.1 Specification of cancellation and refund rights;
 - 22.5.2 The estimated impact on the date of Completion; and
 - 22.5.3 Revised date (if necessary) that the Home will be available for occupancy.

23 COMPLETION AND HANDOVER

- 23.1 The Developer must provide the Buyer with a schedule detailing the timing of key stages, including Completion and the date the Home will be ready for occupancy. These details should be part of the Buyer Information Pack. It is the responsibility of the Developer to regularly update the content of the Buyer Information Pack and to ensure all details are accurate at the time of inclusion.
- 23.2 The point at which the Developer tells the Buyer that the Home is ready for handover, will be informed by the build stage that the Home is at, at the time of notification. The Developer may communicate such staged guidance to the Buyer, at established points in the build development, for example:
- 23.2.1 The expected quarter of the year in which Completion is anticipated, typically when the foundations are to be poured;
 - 23.2.2 The month of Completion, typically when the roof and weatherproofing is completed; and
 - 23.2.3 The week of Completion, typically when the decoration is complete, and the main services are connected.
- 23.3 The handover of the Home to the Buyer should be a thorough and detailed process, where any outstanding work within the Home or to any other areas of the development, which may affect the Home, are identified, and communicated to the Buyer.
- 23.4 At this point, the Developer must provide the Buyer of the Home with:
- 23.4.1 Guidance on what Snagging is and how to address any Snagging issues which are discovered;
 - 23.4.2 A clear explanation that Snagging is not covered by the Warranty Provider policy;
 - 23.4.3 A clear explanation, which should there be a Dispute in reference to Snagging, this may be covered by the Dispute Resolution Scheme (DRS);

- 23.4.4 An explanation as to how all the appliances operate;
- 23.4.5 Full details of any additional guarantee or Warranty that accompany the Home such as:
- Tanking guarantees;
 - Timber treatment guarantees; and
 - Ground remediation guarantees.
- 23.4.6 A full explanation of how long these guarantees/warranties last, the level of cover and any responsibilities that the new Buyer takes over on Completion;
- 23.4.7 Full details of any after sales services, including contact details, length of cover and emergency procedures; and
- 23.4.8 Details of the Dispute Resolution Scheme (DRS).

24 AFTER-SALES SERVICE

- 24.1 The Developer will provide the Buyer with a comprehensive after sales pack, which includes the following information:
- 24.1.1 The contact details for the Developer in relation to the after sales service;
 - 24.1.2 The process for handling any emergencies;
 - 24.1.3 Details of the guarantees and warranties that may apply to the Home; and
 - 24.1.4 Details of the duration and extent of the after sales service.
- 24.2 The Developer must not use premium rate telephone numbers for the after sales service but instead provide a national or local rate number if a free phone number is unavailable.
- 24.3 All guarantees, warranties, instruction manuals, etc. for components (e.g. white goods, boilers, etc.) which are not part of the Material Fabric of the Home, should be given to the Buyer on Completion.
- 24.4 Should it be necessary for the Developer to visit the Home to carry out works after Buyer occupancy, the Developer should:
- 24.4.1 Agree a mutually convenient time for such work;
 - 24.4.2 Ensure a responsible adult can be present to represent the Buyer;
 - 24.4.3 Not enter the Home if a responsible adult is not available (at the pre-arranged time) to represent the Buyer, but instead arrange an alternative time; and
 - 24.4.4 Provide identification prior to entering the Home.
- 24.5 Once entry to the Home has been gained, the Developer should:

- 24.5.1 Ensure work clothes are clean and presentable so as not to cause damage to the Home;
- 24.5.2 Be compliant to any reasonable requests of the Buyer or their representative;
- 24.5.3 Ensure that appropriate care is taken whilst in the Home, (such as covering floor surfaces etc);
- 24.5.4 Ensure that the Home is left clean and tidy and that all debris etc. is removed;
- 24.5.5 Not smoke in the Home (save with the Buyers express consent); and
- 24.5.6 Always act in a professional and considerate manner.

25 COMPLAINTS AND DISPUTES

- 25.1 The Developer must have a system and procedure in place for receiving, handling and resolving complaints, service calls and Disputes.
- 25.2 The Developer must inform the Buyer how to access these systems, processes, and procedures.
- 25.3 The complaints procedure should clarify that the Developer:
 - 25.3.1 Must acknowledge the Buyer's complaint within 14 (fourteen) days of receipt;
 - 25.3.2 Responded to the Buyer within 30 (thirty) days of the complaint being made, with an estimate of the extent of the remedial work and timescales for Completion; and
 - 25.3.3 Will inform the Buyer at the earliest possible opportunity if the time frame needs to be extended by the Developer and the reason for the delay;
 - 25.3.4 Developers should maintain appropriate records of complaints, actions taken and outcomes achieved.
- 25.4 The Developer should provide the Buyer with a copy of the Dispute Resolution Scheme (DRS) operated as part of this Code. It should be made clear within this document that the Dispute Resolution Scheme (DRS) can only deal with matters as defined in Clause 2 – Scope of the Code.

26 DEFINITION OF A DISPUTE

- 26.1 A Dispute can occur if the Developer has failed to comply with the requirements of the Code and as a result, the Buyer believes they have suffered:

- 26.1.1 A financial loss;
- 26.1.2 Emotional distress; and/or
- 26.1.3 Inconvenience.
- 26.2 The Buyer may then refer the Dispute to the Dispute Resolution Scheme (DRS), which is adjudicated by The Property Ombudsman Limited.
- 26.3 The Dispute Resolution Scheme (DRS) is the process by which the Dispute will be resolved.
- 26.4 A Dispute covered by the Code does not include any Dispute covered by the Warranty Provider policy or between the Warranty Provider and the Buyer, or any matter that does not fall within the scope of the Code.
- 26.5 In terms of the Dispute process, the Buyer must first complain in writing to the Developer and give the Developer an opportunity to remedy the complaint as per the Developer's complaints procedure. If the Buyer is not satisfied with the outcome of the Developer's response or does not receive a response from the Developer within 56 (fifty-six) calendar days, the Buyer may refer the complaint to the Dispute Resolution Scheme (DRS).

27 CO-OPERATION WITH PROFESSIONAL ADVISORS

- 27.1 The Developer must fully co-operate with appropriately qualified Agent appointed by the Buyer to resolve the Dispute.
- 27.2 The Developer must provide the same level of co-operation to any intermediary Agent appointed by the Buyer, as they would offer to the Buyer.

28 DISPUTE RESOLUTION SCHEME (DRS)

- 28.1 The Dispute Resolution Scheme (DRS) is independent of the Developer and of the Warranty Provider. Any matter referred to this scheme is solely regarding a Dispute under the Code. Decisions are not insured under the Warranty Provider policy.
- 28.2 The Buyer may refer a Dispute to the Dispute Resolution Scheme (DRS) within 30 (thirty) days of receiving a final response from the Developer.
- 28.3 Any conciliation or Adjudication will be an independent process conducted by the offices of The Property Ombudsman under the Dispute Resolution Scheme (DRS) (<https://www.tpos.co.uk>) at no cost to the Buyer.

- 28.4 The Adjudicator will decide if the Buyer has a legitimate Dispute and if so, will decide if they have suffered financial loss, and/or emotional distress and/or inconvenience because of the Developer's breach of the Code. The Adjudicator will quantify the financial loss.
- 28.5 The Developer must:
 - 28.5.1 Comply with the Adjudicator's decision(s), accepted by the Buyer and is/are within the remit of the Code;
 - 28.5.2 Pay the Buyer the amount which the Adjudicator has awarded; and
 - 28.5.3 Pay such an award within the time frame stated by the Adjudicator.
- 28.6 The Adjudicator may impose an award or decision, including the following:
 - 28.6.1 A financial award of up to 25% of the Purchase Price of the Home subject to a maximum of £50,000.00 (inclusive of VAT) from the Developer;
 - 28.6.2 Completion of the work required to the Home which is agreed by the Adjudicator and falls within the financial limits of the Dispute;
 - 28.6.3 A combination of financial compensation and Completion of the work to the Home within the financial limits of a Dispute;
 - 28.6.4 Discretionary compensation for inconvenience, of up to £1,000.00;
 - 28.6.5 May rule that the complaint is not substantiated and reject the Dispute;
 - 28.6.6 Refer the Developer to the Disciplinary and Sanctions panel.

29 DISPUTE RESOLUTION SCHEME ADJUDICATION PROCESS

- 29.1 Escalation Process Overview:

The escalation of complaints follows these steps:

 - 29.1.1 Complaints are first raised with the Developer using their complaints procedure;
 - 29.1.2 If unresolved, complaints are escalated to the Dispute Resolution Scheme (DRS) within 30 days of the Developer's final response;
 - 29.1.3 The DRS Adjudication is carried out by The Property Ombudsman, who reviews evidence and issues a binding resolution.
- 29.2 The Buyer must:
 - 29.2.1 Complete an application form;
 - 29.2.2 Send the completed form to the Dispute Resolution Scheme (DRS);
 - 29.2.3 Include all supporting evidence, including copies of receipts and/or invoices.
- 29.3 The Adjudicator will:
 - 29.3.1 Ask the Developer to respond to the Buyers statement;

- 29.3.2 Facilitate the Developer in resolving the Dispute through Early Settlement.
- 29.4 The cost to the Developer for Early Settlement is £250.00. In the event that Early Settlement does not happen, the Developer must:
 - 29.4.1 Submit a response to the Buyers statement; and
 - 29.4.2 Include a payment of £500.00 (plus VAT).
- 29.5 The Buyer will then be given a copy of the Developer's statement and asked to respond. At this stage in the process the Buyer cannot make any further complaint about the Dispute.
- 29.6 The Adjudicator will:
 - 29.6.1 Review all written statements submitted by both parties;
 - 29.6.2 Decide if the Buyer has a bona fide claim;
 - 29.6.3 Quantify any financial loss and/or emotional distress and/or inconvenience because of the Developer's breach of the Code; and
 - 29.6.4 Make a decision or award and communicate this to both parties.
- 29.7 The Adjudicator's decision is final for the purposes of the Dispute Resolution Scheme. Acceptance of the decision does not affect any statutory rights or legal remedies that may otherwise be available.
- 29.8 Both parties will act in good faith and have mind of the proportionality of any costs.

30 AWARDS ACCEPTANCE, REFUSAL AND LIABILITY

- 30.1 The Developer who has signed the Membership Rules and who has taken out a Warranty Provider policy is required to honour any award made against them under the Dispute Resolution Scheme (DRS). If the Buyer accepts such a reward, the courts may recognise this as evidence that the claim was valid. Likewise, should the Buyer refuse to accept any subsequent award, a court may take cognisance of the Adjudication process.
- 30.2 The Developer remains liable to pay the Adjudicator's award, even if the Warranty Provider decline to quote for any further business.
- 30.3 Under the Membership Rules, the Developer agrees to comply with the terms and conditions of the Code and to honour any decision given as a result of the Dispute Resolution Scheme (DRS). In the event that the Developer refuses to accept such an award the Warranty Provider (at its sole discretion) may choose to take legal action against the Developer to enforce the Membership Rules.

31 DISCIPLINARY AND SANCTIONS PANEL

- 31.1 Breaches of the Code are treated seriously by the Warranty Provider. The Warranty Provider at its sole discretion, may refer the Developer to the panel should they have been convicted of an offence (or signed for a formal caution) under regulation 12 and schedule 1, paragraph 4 of the Digital Markets, Competition and Consumers Act.
- 31.2 Where required, the Warranty Provider may convene a Disciplinary and Sanctions Panel. The panel will include any 3 (three) people from the bodies listed below:
- 31.2.1 2 Insurance professionals;
 - 31.2.2 A trading standards professional;
 - 31.2.3 A construction industry professional; and
 - 31.2.4 A surveyor or engineer (RICS, CIOB's professional).
- 31.3 The panel will also appoint a Chairperson.
- 31.4 In the event the Developer fails to comply with the decision of the panel, the following are examples of the possible sanctions that the panel may recommend:
- 31.4.1 A training or improvement regime to be adopted by the Developer. This will be designed to reinforce the meaning of the Code and to put in place systems; or
 - 31.4.2 A requirement that the member takes additional measures (either temporarily or permanently). This could entail a change in working practices;
 - 31.4.3 Fines for breaches of the Code;
 - 31.4.4 That Warranty Provider refuses to quote for any new business;
 - 31.4.5 Dissemination of the Developer's refusal to honour its obligations under the Code to other Warranty Providers;
 - 31.4.6 Suspension of the Warranty Membership;
 - 31.4.7 Termination of the Warranty Membership; or
 - 30.4.8 The Warranty Provider takes legal action against the Developer for the breach of the Code.

NEW HOME WARRANTY CODE AGREEMENT

(To be completed by the applicant requesting a Build Warranty policy. Where a question is not applicable to your circumstances, please enter 'N/A'.)

Number of Customer-Facing Sales Staff / Agents (if applicable): <i>Please state the number of employees, representatives or appointed sales agents who are directly involved in marketing or selling new homes to Buyers.</i>	
Anticipated Number of Homes Completed Per Year: <i>Please estimate the number of new homes or residential units you expect to complete within a 12-month period. If this application relates to a single property or one-off project, please enter "1".</i>	
Annual Business Turnover (if applicable): <i>Please provide your approximate annual business turnover. If you are applying as a private individual or self-builder and do not operate through a trading business, please enter "0".</i>	
Business Name (if applicable): <i>If applying as a private individual, please enter your full name.</i>	
Company Registration Number (if applicable): <i>If you are not a registered company, please enter "N/A".</i>	
Registered Business Address (or Home Address if applying as an individual):	
Contact Name:	
Phone Number:	
Mobile Number:	
Email Address:	
Development / Project Address: <i>Please provide the address of the property or development to which this application relates.</i>	

I/We confirm that I/we have read and understood the New Home Warranty Code and acknowledge the responsibilities placed upon Developers and other applicable Members participating in the Build Warranty scheme. I/We agree to comply with the relevant requirements of the Code where applicable to my/our role and the development covered by this application.

Signature of Member:	
Print Name:	
Date:	

MEMBERSHIP FORM

(To be completed by the applicant requesting a Build Warranty Structural Defects Insurance policy.)

This information is required to process your application for Build Warranty Structural Defects Insurance.

To apply for a Build Warranty Structural Defects Insurance policy, applicants must hold a valid Build Warranty Membership.

- New applicants will automatically be registered as part of the application process.
- Existing Members with a current and valid membership do not need to apply again.
- Membership is valid for 12 months from the date of acceptance.
- Where membership renewal is required, Build Warranty will advise you during the application process.

SECTION 1 – PROOF OF IDENTITY

If you are applying as a sole trader, partnership or private individual (i.e. you are not a UK registered limited company), you must provide two forms of identification, one of which must show your current address.

Please indicate which documents you are providing:

- ☐ Current UK Driving Licence
- ☐ Current Passport
- ☐ UK Birth Certificate
- ☐ Utility Bill or other proof of address (dated within the last three months)

SECTION 2 – APPLICANT DETAILS

Director / Owner/ Applicant Name:	
Business Name (or Individual Name if applying as a private individual):	
Company Registration Number (if applicable):	
Registered Business Address (or Home Address if applying as an individual):	

Telephone Number:	
Mobile Number	
Email Address:	

I/We confirm that the information provided on this form is true and accurate to the best of my/our knowledge.

I/We acknowledge that Build Warranty will verify my/our membership status as part of the application process and the requirements of the New Home Warranty Code, where applicable.

Applicant / Authorised Representative:

Signature:

Print Name:

Position (if applicable):

Date:

DEVELOPER COMPLIANCE CHECKLIST

This Checklist is intended to assist Developers in understanding and complying with the requirements of the New Home Warranty Code. It should be used alongside the full Code and does not replace the Developer's obligation to comply with all applicable requirements.

SECTION 6 – VULNERABLE CUSTOMERS	
The Developer should give particular care when dealing with Vulnerable Customers and ensure that their staff are suitably trained with respect to interactions with Vulnerable Customers.	A Developer should ensure that Vulnerable Customers are: ✓ Given every assistance to help them in making a decision; ✓ Are treated fairly; ✓ Are given reliable information upon which to make a decision; ✓ Work with a translator if required to do so.
SECTION 8 – SALES AND ADVERTISING	
The Developer shall NOT mislead the Buyer in anyway.	For Example: ✓ Size ✓ Specification ✓ Pricing ✓ Completion dates ✓ Energy performance ratings ✓ Available energy grants/tariffs ✓ Mobility adaptations ✓ Access ✓ Warranty provisions ✓ Future developments ✓ Facilities on the completed development
The Developer shall likewise not use high-pressure selling techniques to influence the Buyer's decision.	Such as: ✓ Encourage a reservation by implying there are other interested parties.; ✓ Imminent price increases; ✓ Offering financial incentive for an instant decision; ✓ Encourage a reservation by refusing the opportunity to personalise the property where the stage of construction would still permit.
SECTION 9 – PART EXCHANGE SCHEMES	

When the Developer offers a Part Exchange Scheme to the Buyer, the terms must be transparent, unambiguous and not used to pressurise the sale. The terms of the Part Exchange Scheme must be in plain written English.	They must include, as a minimum the following details: ✓ Full terms and conditions; ✓ Any deductions made and how a fair valuation was reached which must be independent and from more than one course and who must be a member of the Property Ombudsman Scheme; ✓ Qualifying criteria for Buyer.
When a Part Exchange Scheme is offered by the Developer.	It must clearly state: ✓ Full terms and conditions; ✓ Details of all fair market valuations obtained and source; ✓ Any deductions of valuations; ✓ Offer acceptance date and/or deadline and consequences of not accepting offer by stated date; ✓ Date of proposed Part Exchange; and ✓ Completed purchase date.
SECTION 10 AND 11 – HEALTH AND SAFETY	
Visitors to Developments Under Construction.	✓ Both Buyers and/or consumers must undertake a site induction course or be provided with relevant and appropriate health and safety information PRIOR to entering the construction site; ✓ Appropriate Personal Protective Equipment (PPE) must be worn at all times subject to the requirements of the induction and/or risk assessment carried out by the Developer; ✓ The Developer must ensure that the Buyer and/or Customer are fully aware of their responsibilities whilst on site and ensure that they sign the relevant induction paperwork accordingly; ✓ Access to the site must remain clear with signage at all times e.g. pathways and clear appropriate signage displayed at all times.

Living on Developments Under Construction.	✓ All Buyers must be informed of the Health and Safety requirements of the Developer whilst a resident is on site; ✓ The Developer must show due diligence to the requirements of the Construction Design Management Regulations 2015 (as amended). It is recommended therefore that this information is included within the after sales documentation.
SECTION 12 – PRE-PURCHASE/CONTRACT INFORMATION REQUIREMENTS	
The Buyer must be given sufficient pre-purchase information regarding a plot to enable them to make an informed decision.	This will include: ✓ List of contents of dwelling e.g. type and standard of fixtures and fittings; ✓ A copy of the plans indicating items such as location, size, and utilities provided such as gas, water, electricity, etc; ✓ Likely date which property will be available for occupation; ✓ Details of after sales maintenance and period of service together with costs; ✓ Copy of relevant detailed Reservation Agreement; ✓ Summary of the Warranty Provider cover including company contact details.
SECTION 13 – CONTACT INFORMATION	
The Developer must ensure contact details are always available.	Which include: ✓ Pre-Contract, during and after handover to ensure the Buyer received information within a reasonable time period; ✓ Minimum contact details include telephone numbers (landline and mobile), e-mail address and times when the Developer and their staff will be available, including weekend times; ✓ The Developer must ensure that there are sufficient staffing levels at all times and that the staff are knowledgeable and well trained.
SECTION 15 – PROFESSIONAL ADVISORS	

It is important that the Developer can provide advice to the Buyer (if requested) on professional assistance with the purchasing of a Home BEFORE exchanging Contracts.	✓ If the Buyer seeks a recommendation of an advisor from the Developer, then the Developer must recommend more than one independent advisor wherever possible. ✓ The Buyer must be informed if there is a commission in referring a particular Conveyance Service. ✓ The Developer must also ensure that contact details of competent personnel are provided to the Buyer in case any questions or problems arise BEFORE Completion including who to contact if they should have any complaint under the Code.
SECTION 16 – RESERVATION AGREEMENT	
A Reservation Agreement is frequently used in the sale of new Homes, when the Buyer reserves the right to buy the property for a period of time (the Reservation Period) and pays a fee.	✓ The Developer states that they will not sell the property to another during the Reservation Period. ✓ If the Buyer decides to buy the property, any fee is deducted from the deposit paid on Exchange of Contracts. ✓ If the Buyer decides not to proceed with the purchase, they can cancel the Reservation Agreement at any time during the Reservation Period and the Developer will reimburse the Reservation Fee after deduction of expenses (e.g. legal and administrative expenses).
As part of the conveyancing process, the Buyer must be sent a written Reservation Agreement.	A Reservation Agreement must state: ✓ The amount of the Reservation Fee; ✓ What is being sold (for example, plot number and garage or parking space if separate); ✓ The Purchase Price; ✓ How long the price will remain valid; ✓ The deadline date when the Reservation Agreement will end if Contracts are not exchanged; ✓ The expenses that will be deducted from the Reservation Fee if Contracts are not exchanged. Once the Reservation Agreement has been made between both parties, the Developer’s legal representative will forward the

	Contract of Sale and associated documentation to the Buyers legal representative.
The Buyer must be in receipt of a Reservation Agreement in a format which is understood and in plain English.	This will include: ✓ Details of plot including price, house type, plot number, development name, etc; ✓ Details of Reservation Fee and terms (refundable or non-refundable); ✓ Any Administration Fees applied by Developer; ✓ Confirmation of the details of the Reservation Agreement; ✓ Expiry date of agreed price; ✓ Contract exchange date and additional information such as statements written or otherwise; ✓ Pre-purchase information; ✓ Part exchange terms; ✓ Details and costs of any Management/Maintenance services. The Buyer must be in possession of the summary of the Warranty and relevant contact details of the Warranty Provider. N.B – The Warranty covers complaints within a 10 (ten) year period from practical Completion. However, the 2 (two) year period alluded to in the Warranty Provider policy is the contractor liability period whereby the Developer is liable for the rectification of any major Structural Defects that causes a claim against the policy. Therefore, this does not affect the Consumers right to complain during the 10 (ten) year period of cover.
The Developer and Buyer must be in possession of:	✓ A signed copy of the Reservation Agreement and the Developer must not attempt to sell the plot to a third party until such time as the Reservation Agreement has expired.

Cancellation/Extension of the Reservation Agreement	✓ The Reservation Agreement may be cancelled by the Buyer or extended by mutual agreement between both parties. The Reservation Agreement automatically expires if no Contract of Sale takes place within the specified time frame.
The Reservation Fee	✓ The Reservation Fee must be refunded in full if the Buyer cancels within 14 (fourteen) calendar days or be reimbursed in full within 14 (fourteen) days if it expires less any agreed amounts payable to the Developer; ✓ The Reservation Fee must be held in a designated separate client account by the Developer unless a credit card payment has been made.
Changes to the Buyer's request and agreement.	✓ Any changes to the Buyer's request and agreements regarding payments must be set out and agreed formally in writing and signed by both parties in relation to either the Contract and/or Reservation Agreement and must include both Cancellation Rights and Refund Rights and details of timescales for the Completion and occupation of the plot.
SECTION 17 – THE CONTRACT OF SALE	
The Developer's legal representative shall forward the Contract and all associated documentation to the Buyer's independent legal representative at the earliest opportunity after the date of the signing of the Reservation Agreement.	The terms and conditions of the Contract must: ✓ Define the legal Completion notice period; ✓ Be written in plain English and be fair and clear; ✓ Comply with the Consumer Rights Act 2015; ✓ Clarify and define any verbal agreements between the parties in writing; ✓ Inform Buyers of reasons and rights of termination such as unreasonable misrepresentation of the plot details or excessive delay in Completion and hand over. An information pack should also be issued to the Buyer which should include: ✓ A Warranty Provider policy and all associated documentation;

	✓ A Warranty Provider Buyers guide; ✓ The Developers complaints procedure; ✓ Details of how to submit complaints under the Code and information regarding available escalation routes, including the Dispute Resolution Scheme and any applicable Ombudsman or redress scheme; ✓ A checklist of matters covered by the Warranty Provider policy.
SECTION 20 – AFTER CONTRACT EXCHANGE	
The Developer must formally consult with the Buyer and receive a written agreement:	✓ If the value of a plot is altered due to a change of design and/or Specification; ✓ If the Buyer does not agree with the alterations that have materially affected the value of the plot, then they may cancel the Contract and have their deposit and/or withholding fees returned; ✓ The Buyer must be made aware of the deposit protection covered by both the Warranty and Reservation Agreement within the Code; ✓ Any minor changes or alterations to the plot to either the size, appearance and/or value should be communicated to the Buyer; ✓ All information should be conveyed to the Buyer who may want to consider consulting their independent legal advisor; ✓ The Buyer's solicitor must contact the Warranty Provider once the sale has been completed to confirm the Buyers name and details so that the Final, or Insurance Period, Certificate can be amended and therefore remain valid. Please note that any amendments done to any documentation provided by the Warranty Provider, such as the policy certificates or policy wording, will immediately render the policy invalid without the prospect of refund or reimbursement.
SECTION 21 – TIMINGS OF PRACTICAL COMPLETION AND/OR HANDOVER	

The Developer must provide the Buyer with a schedule detailing the timing of key stages, including Completion and the date the Home will be ready for occupancy.	✓ These details should be part of the Buyer Information Pack, which should be frequently updated and as accurate as possible; ✓ Practical Completion will depend upon the build stage, but the Developer should inform the Buyer at what point the plot is likely to be ready. The process is usually governed by stages of construction and conveyed to the Buyer either monthly and/or quarterly. For example, indicate the week that decoration is likely to be completed; ✓ Before handover of the plot to the Buyer takes place, a final internal and external inspection should be undertaken, and identification of any outstanding works noted via a Snagging list. In addition, the Developer must provide guidance on Snagging and inform the Buyer on how to report any issues; ✓ Details of all Warranties and Guarantees for the plot should also be produced. The Developer must provide information on each Warranty including their responsibilities which may affect cover; ✓ Contact details and information concerning after sales service and emergency protocol should also be provided, including complaints procedures to be followed; ✓ No misrepresentation including high pressure selling of additional warranties, guarantees, cover, costs, or benefits are to be undertaken at any time or under any circumstance during this process.
SECTION 22 – AFTER SALES SERVICE	
The Developer must provide the Buyer with a comprehensive 'After Sales Pack'.	Which includes the following information: ✓ Duration of after sales service; ✓ Guarantees and warranties which apply to the property; ✓ Procedure for dealing with emergencies; ✓ Contact details, including who to contact during the first 2 (two) years of the Warranty Scheme; ✓ Developer should NOT use a premium rate number.

	If the Developer is required to visit the property to undertake works, then they should ensure: ✓ A mutually convenient appointment has been made with an adult present to represent the Buyer; ✓ Contractor or sub-contractor acting on their behalf should provide appropriate identification BEFORE entering the property; ✓ Be respectful and polite; ✓ Leave the work area clean and tidy and remove all debris from site; ✓ Ensure appropriate protection is provided to fixtures and fittings; ✓ Wear overshoes where necessary; ✓ Ensure work clothes are clean and presentable.
SECTION 23 – COMPLAINTS AND DISPUTES	
The Developer must have a system in place for receiving, handling and resolving the Buyers complaint and/or Dispute and must inform the Buyer how to proceed with a complaint and/or Dispute.	✓ The complaints procedure should include a timeframe for both acknowledging, handling and resolving the complaint and/or Dispute; ✓ The Developer must provide the Buyer with a written document outlining the parameters of the Dispute Resolution Scheme (DRS) operated within the Code; ✓ The Buyer who believes they have suffered either financial loss or psychological harm because the Developer has failed to meet the requirements of the Code may refer the Dispute to Dispute Resolution Scheme (DRS) which is Adjudicated by The Property Ombudsman Limited; ✓ The Buyer must first raise the complaint with the Developer but if after 30 days have elapsed and the Developer has not responded, the Buyer can escalate the complaint to mediation and if after 56 (fifty-six) calendar days the Buyer may refer the matter to Alternative Dispute Resolution regardless.

	Examples of Dispute Resolution include: ✓ Financial compensation due to repair of a property; ✓ Financial compensation due to incomplete works to a property; ✓ Discretionary inconvenience compensation due to financial and/or psychological related issues such as ill health due to stress.
SECTION 25 – COOPERATION WITH PROFESSIONAL ADVISORS	
The Developer must co-operate with appropriately qualified professional advisors and third parties appointed by the Buyer to resolve Disputes.	✓ The Developer must also provide the same level of co-operation to anyone who acts on behalf of Buyers as they would offer to the Buyer. ✓ The Buyer, who believes a Developer has failed to meet the Code requirements, may refer their Dispute to the Dispute Resolution Scheme (DRS).
SECTION 26 – DISPUTE RESOLUTION SCHEME (DRS)	
The Dispute Resolution Scheme (DRS) is independent of the Developer and of the Warranty Provider. Any matter referred to the scheme is solely regarding a Dispute under the Code.	✓ The Developer shall use their best endeavours to negotiate in good faith and settle amicably any Dispute with the Buyer that may arise out of or in relation to the policy and/or any accepted claim made in the first 2 (two) years from the date of Final Certificate. ✓ If the Developer fails to remedy any defect and any resultant damage notified to it or the Buyer is not satisfied with its response then the Scheme Administrator may, at its sole discretion, offer a Conciliation Service. Any conciliation or Adjudication will be an independent process conducted by the offices of the Property Ombudsman under the Dispute Resolution Scheme (DRS) (https://www.tpos.co.uk) at no cost to the Buyer.
SECTION 27 – DISPUTE RESOLUTION SCHEME ADJUDICATION PROCESS	
The Alternative Dispute Resolution Scheme Adjudication is independent of the Developer and the Warranty Provider and decisions are not insured under the Warranty Provider policy.	This will involve the following:

	✓ A trained independent Conciliator which will review the written submissions from both parties and make recommendations and the service is free to the Buyer. ✓ Once the Conciliator has reached a decision and make recommendations, if either party involved in the Dispute does NOT accept the findings, then the Dispute may be referred to the Adjudicator. ✓ The Adjudicator will then review and decide if the Buyer has a legitimate Dispute and if so, if they have suffered financial loss as a result and if so, how much they have reasonably suffered. The Developer must comply with: ✓ Any award and/or discretion made and accepted by the Buyer; ✓ Pay the Buyer of any such award if accepted by the Buyer within the period for payment required by the Adjudicator; ✓ The Developer must pay the fee of the Buyer if they wish to refer the Dispute to the Adjudicator. Types of Decisions: ✓ Performance award e.g. work undertaken to the plot as agreed by the Adjudicator Financial award e.g. the extent of the financial loss that is to be reimbursed by the Developer to the Buyer ✓ Combination award e.g. a combination of works to the plot and reimbursement of financial loss ✓ Complaint rejection (this is self-explanatory) ✓ Discretionary award e.g. in addition to the maximum award value, a maximum sum of £1000.00 may be awarded for inconvenience and reimbursement of the Buyer's case registration fee. ✓ Refer Developer to the 'Disciplinary and Sanctions Panel' (see Section 29)
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SECTION 29 – DISCIPLINARY AND SANCTIONS PANEL

When required, the Warranty Provider will convene a Disciplinary and Sanctions Panel.

Made up of the following:

- ✓ 2 Insurance professionals;
- ✓ A nominee from the Chartered Institute of Building (CIOB)
- ✓ A Trading Standards professional;
- ✓ A Construction Industry professional.

The panel may impose any of the following sanctions:

- ✓ Specify an improvement plan for the Developer;
- ✓ Suspend the Developer from the Warranty Membership Scheme;
- ✓ Terminate the membership of the Developer from the Warranty Membership Scheme.

