

New Homes Quality Board Code of Practice

Desktop Audit April 2026

Background information

New Homes Quality Board was launched in 2022 offering protection for buyers of new homes. Developers registered with NHQB agree to follow the Code and findings of the New Homes Ombudsman Service. The Code has a set of ten principles that members agree to comply with.

Since 2022, when they became CTSI Codes Stage 1 approved, they have developed and monitored the day-to-day workings of the Code. They currently have 415 members of the Code.

When the NHQB introduced the New Homes Quality Code it committed to having the Code regularly reviewed by an independent council, with an in depth review every third year. The most recent consultation closed on 24th November 2024, and the new version of the Code was published on 2nd March 2026, after approval from CTSI.

Audit Process

Two qualified Trading Standards Practitioners from the Chartered Trading Standards Institute carried out the desktop audit.

The audit focused on the following areas:

- Member Application Process
- New members
- Existing member Inspections/Audits
- Membership Withdrawal and Sanctions for Non-Compliant Member Businesses
- Marketing and Advertising by Member Businesses
- Terms and Conditions and Other Pre-Contractual Information

Member Application Process

Developers submit their application for membership of NHQB and the Code via the application portal. All applicants are subject to detailed 'due diligence' checks upon applying for membership. NHQB have a robust, comprehensive and systematic application policy that is followed for all applicants.

The NHQB accepts applications from developers of new build homes that are built for private sale and shared ownership and currently excludes developments solely for buy to let properties. In October 2025, the New Homes Quality Board (NHQB) was appointed by the Shared Ownership Council to take on the role of operating the Shared Ownership Code, the Code runs separately alongside the NHQB Code, it is not a CTSI approved Code and is not covered by this audit. Properties are to be located in England, Scotland or Wales. NHQB have launched an Advisory Group to also extend the Code to cover Northern Ireland.

Applicants will be required to provide various details, including

- type of legal entity (e.g. PLC, public limited company, sole trader)
- previous year's turnover from new homes for private sale and this year's estimated turnover
- number of new homes for private sale built in the last financial year and forecast to build in this and the next financial year

The applicant will be subject to a credit check, a Companies House check and a technical check. The technical check includes details of Home Warranty provider, details of building experience and a check is made to establish if any action has been taken by the Health and Safety Executive against the developer.

Once the application has been accepted and the membership fee paid, the developer is then provided all the resources applicable to adopting and achieving compliance with the Code.

This includes:-

- the Code
- Code logos for use in sales offices and on marketing material
- template documents (e.g. reservation form, statement of incomplete works, complaints handling procedure)
- access to training on the Code
- Developer Guidance document

New members then sign a declaration to confirm the following:-

- they consider themselves complaint with the Code as necessary
- they will comply with the findings of the New Homes Ombudsman Service
- all of their customer-facing employees have completed the training
- their customer services contact details have been published
- their complaints handling process is compliant with the Code and has been supplied to home buyers
- home buyers are given the opportunity for a pre-completion inspection

NHQB's Developer Guidance document provides non-prescriptive guidance as a supplement to the Code. Guidance is provided where the requirements of the Code may require some practical interpretation to assist Developers in compliance with the requirements. Where such interpretation is not necessary the statement "See New Homes Quality Code for mandatory requirements" appears.

Member Monitoring

NHQB have developed a suite of monitoring measures to ensure that their members are complaint with the Code and it's principles.

Self-Assessment - All members must complete a desktop self-assessment each year. The audit includes a set of questions and a requirement for the developer to upload a number of documents to provide evidence on Code compliance. This process is administered for NHQB by In-House Research. The developers' answers to the audit questions and uploaded documents are assessed by In-House Research. Members are allowed three attempts to pass the self-assessment and will be supported by NHQB as necessary with guidance provided relating to processes and the introduction of correct documentation to achieve compliance.

On-Site Audits – These were launched in September 2024 and until January 2026, were carried out by Retail Active. The role is now fulfilled by Performance in People. The auditor visits the sales offices of members by prior appointment. The audit covers the facilities provided for consumers, the visibility of the Code logo (in the office and on documents), the compliance of the documentation with the templates provided and reviews the sales office teams understanding of the Code.

For the purposes of this audit, the self assessment audit process and results were supplied. Five on-site audit reports were supplied for review. The reports are comprehensive and include photographic evidence.

The previous report from the appointed statistician, Oldfield Consultancy, recommended that the audit programme will be revisited after one year. As the membership of the Code has remained broadly the same, this was not considered to be appropriate.

NHQB have developed a useful guidance document 'Developer Hints and Tips: Audits' which provides details of common non-compliances to assist developers. NHQB continue to support developers with compliance requirements and will be looking to host webinars relating to compliance in future, following the success of the previous year's events.

Recommendation:

Some analysis of the results of on-site audits and the self-assessment audits should be detailed in the NHQB Annual/Impact Report 2026 to provide some assessment of compliance of developers.

Membership Withdrawal & Sanctions for Non-Compliant Member Businesses

The Code provides for a Disciplinary and Sanctions Committee to be convened if necessary and is empowered to consider any allegations of a breach of the Code. Details of the one disciplinary case that has occurred since the last audit were supplied for review.

The Disciplinary and Sanctions Committee consist of an independent chair appointed by the board, two board members and two independent members who neither sit on the NHQB Board or are employed by them.

The Committee includes one industry representative (from the board) to help the Committee to understand the context of the sector. The representative appointed to each Committee convened, will be the most appropriate (small developer, medium developer or large developer) to match the developer facing the disciplinary procedure.

Prior to commencing any meeting the Committee will ensure that each of its members has no conflict of interest or involvement with any of the parties involved.

The sanctions available to the Committee include but are not limited to:-

- writing, speaking or meeting with the developer outlining the issues and seeking to agree a resolution
- seeking a compliance undertaking from the developer

- requiring a formal confirmation from the Chief Executive Officer and Chairman of the developer

- providing advice/guidance on compliance with the Code.
- requirement for retraining to be completed within a specified time.
- suspension from the Code pending the developer fulfilling a specific requirement e.g. retraining
- removal from the Code
- financial penalty
- publication by NHQB of details regarding a sanction and/or the non-compliance
- referral to Trading Standards

Marketing and Advertising by Member Businesses

The Code requires that the content of all sales and marketing material published is not misleading, it must be clear, fair and written in plain language, and must comply with all relevant codes of advertising and legislation.

Developers must state in all sales and marketing literature that they are members of the NHQB Code. The code logo must be displayed in all areas that relate to the process of selling new homes, for example the sales office and selling agents' offices.

Developers are required to make the Code available, free of charge, to any customer who expresses an interest in buying a new home. The Code must be available in appropriate formats and languages.

The NHQB on-site monitoring audits include checking that the logo is displayed as required. The self-assessment audit requires the developer to confirm that all information provided to prospective customers complies with Point 1.2 of the Code - 1.2 Sales Information and Marketing.

Recommendation:

Members of the Code are required to confirm that all their marketing material is clear, fair and not misleading. In any instance of a complaint against a developer, their marketing material could be required to be submitted for review by the compliance team.

Terms and Conditions and other Pre-Contractual Information

The Code requires that terms and conditions and any pre contractual information be supplied during the self-assessment. These are reviewed by the compliance team and any issues addressed with the builder/developer.

To date no examples of non-compliance have been identified.

Customer Service Provisions

Developers are required to confirm that:-

- All customer facing employees/agents have completed the NHQB training
- Details of their after-sales service are published and provided to all home buyers.
- Their complaint handling procedure is compliant with the Code and is provided to all home buyers.
- The opportunity is given for all home buyers to have a pre-completion inspection before legal completion is in place.

Consumer Complaints Process

The Code requires that when a developer sells a new home, they must provide a full and accessible after-sales service for at least two years following the date of completion. The Code also requires that developers have a process for receiving and dealing with any complaints made by consumers in relation to their home or any non-compliance with the Code.

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 the Code.

A written statement must be made available to consumers detailing the process, a template complaint handling procedure is provided to developers.

The Code requires the developer to:-

- acknowledge any complaint, in writing, within 5 days
- indicate how they will investigate the complaint within 10 days
- issue a complaint assessment and response within 30 days
- issue an update on progress within 56 days (if necessary)

If the consumer is not satisfied with the outcome of the developer's complaints process, they must be provided with information on how to refer the complaint to the New Homes Ombudsman Service who provide ADR for the Code.

Customer Satisfaction and Feedback

NHQB use the National New Homes Customer Satisfaction Survey, run by the Home Builders Federation (HBF). This is the longest running measure of customer satisfaction with new build homes. The survey is run by NHBC, Premier Guarantee and LABC in association with the University of Reading and Ipsos MORI.

NHQB publishes results for eligible developers for five questions from the survey. The questions displayed are those the NHQB believe to be most closely correlated to overall satisfaction

NHQB are planning on working with NHBC to provide a comparison of customer satisfaction levels for NHQB registered developers compared to those not registered with NHQB. No progress made with this yet due to the change in how NHBC calculate their scores. This may be revisited this in 2027.

Comment:

The NHQB website has a useful search facility for consumers to review the feedback from the HBF survey in relation to developers whose properties they may be interested in which is updated quarterly.

Conclusion

The NHQB have a set of principles that makes their expectations of their members very transparent to help realise their mission to improve the experience of buying and moving into a new home for all consumers.

The number of developers registered with NHQB has remained broadly stable.

NHQB has a robust member monitoring process and guidance for developers to achieve compliance is published.

NHQB continues to promote enhanced consumer protection in the sale of new build properties.