

Consumer Code for Home Builders

This document contains the
Consumer Code requirements
together with non-mandatory
good practice guidance for
Home Builders



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Meaning of words

In this document, the following words have special meanings:

- **Agent** – a person, firm or company used by a Home Builder to deal with any matter on behalf of a Home Builder (for example, an estate agent or contractor).
- **Consumer Code** or **Code** – a set of requirements to be adopted by Home Builders.
- **Contract of Sale, Contract Exchange, Legal Completion** – the legal document and the formal stages used during the sale of a property.

In Scotland these stages are known as **Builder's Missive, Exchange of Missive, Conclusion of Missive** and **Date of Entry** and must be read as such throughout the document.

- **Dispute Resolution Scheme** – an independent process set up to deal with disputes under the Code that do not fall within the Home Warranty Body's Home Warranty cover.
- **Home** – a property registered by a Home Builder with a Home Warranty Body to obtain Home Warranty cover, excluding those listed in the Scope on Page 5.
- **Home Builder** or **You** – a builder or developer of new or newly converted Homes for sale to the public, and who is registered with a Home Warranty Body.
- **Home Buyer** – a person who Reserves or buys a Home, excluding those noted in the Scope on page 5. For Homes Reserved or bought jointly by two or more people, the rights of the Home Buyer will be joint.
- **Home Warranty** – an insurance-backed warranty for the protection of Home Buyers.
- **Home Warranty Body** – any organisation that:
 - maintains a register of builders and developers;
 - provides Home Warranty cover;
 - has agreed to support the Consumer Code for Home Builders Scheme;
 - has undertaken to enforce the Code.

Details of participating Home Warranty Bodies are available from the Consumer Code web site: **www.consumercodeforhomebuilders.com**

- **Reservation** – When a Home Buyer and a Home 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** carries the corresponding meaning.

Introduction

- 1 The Consumer Code comes into force on the 1st April 2010. It sets mandatory requirements that all Home Builders must meet in their marketing and selling of Homes and their after-sales customer service.
- 2 Home Builders may adopt the standards of good practice, procedures and information, as detailed in the guidance against each requirement, unless they decide to adopt a different approach to satisfy the requirements. Where a different approach is adopted, the Home Builder must provide a similar level of information and achieve a comparable outcome to the same level as detailed in the guidance.
- 3 The purpose of the Code is to ensure that Home Buyers:
 - are treated fairly;
 - know what service levels to expect;
 - are given reliable information upon which to make their decisions; and
 - know how to access speedy, low-cost dispute resolution arrangements if they are dissatisfied.
- 4 The Code applies to all Home Buyers and Homes as set out in the Scope on page 5.
- 5 The Home Warranty Bodies have agreed to require all their registered builders to adopt and comply with the Code as a condition of their registration. If a Home Builder is found to be in serious breach of the Code, Home Warranty Bodies can apply a range of sanctions, including removal from the relevant Home Warranty Body's register and exclusion from all registers run by other Home Warranty Bodies that take part in the Code scheme.
- 6 Home Buyers who think they have a dispute because a Home Builder has failed to meet the requirements of the Code, may refer their dispute to an independent Dispute Resolution Scheme. See Appendix A for details.
- 7 Surveys will be carried out to check how well the Code is working and measure consumer satisfaction. In carrying out the surveys, the relevant sections of the Data Protection Act will be complied with.
- 8 To establish how well the Code is being applied, or whether it needs to be amended or updated, there may also be:
 - random audits;
 - mystery shopping surveys;
 - reviews and assessments of customer satisfaction feedback and complaints;
 - training for Home Builders.
- 9 Nothing in the Code affects Home Buyers' existing legal rights.

Further information

Further information, including the code documents and the scheme Rules, can be obtained from the Consumer Code web site: www.consumercodeforhomebuilders.com.

Scope

When reading this document, please bear in mind the following provisions and limitations:

- 1 The Code applies to all Home Buyers who Reserve to buy a new or newly converted Home on or after the 1st April 2010 and which has been built by a Home Builder under the insurance protection of one of the Home Warranty Bodies.
- 2 The Code requirements apply from the 1st April 2010.
- 3 The Code is only for complaints arising and made in writing to the Home Builder within two years from the start date of the Home Warranty cover.
- 4 Second or subsequent Home Buyers benefit from the Code Requirements but only in respect of after-sales matters that are reported within two years from the start date of the Home Warranty cover;
- 5 The Code does not apply to:
 - second-hand properties (for example, homes taken by Home Builders in part exchange and re-sold);
 - properties acquired by registered social landlords;
 - properties acquired by corporate bodies and partnerships and others for investment purposes;
 - properties built by self builders for their own occupation;
 - properties built under architects' certificates.
- 6 The Code and the associated Dispute Resolution Scheme do not apply to:
 - personal injury claims;
 - loss of property value or blight;
 - claims relating to the land conveyed and its registered title;
 - Claims where the amount of redress claimed exceeds the limits of the Dispute Resolution Scheme.
- 7 Matters better dealt with by other dispute resolution or ombudsman schemes should be referred to the relevant organisation. In such cases, these other schemes will take precedence over this Code and associated Dispute Resolution Scheme.

The Consumer Code for Home Builders – builder guidance

1. Adopting the Code

1.1 Adopting the Code

Requirement

Home Builders must comply with the requirements of the Code and have regard to the good-practice guidance.

Guidance

You are expected to comply with all the requirements of the Code. If you wish, you could do so by incorporating the Code requirements into a customer charter.

You may wish to adopt a different approach to satisfy the requirement; however, if you do, you must provide a similar level of information and achieve a comparable outcome to the same level or standard as detailed in the guidance.

1.2 Making the Code available

Requirement

The Home Builder must display the Code and give, without charge, a copy to customers who ask for it and to all Home Buyers who reserve a Home.

The Home Builder should also inform their customers that further guidance is available and how they can get this.

Guidance

You should provide, without charge, a copy of the Code. You should make it available on your first contact with a Home Buyer, must give it to anyone who asks for it, and give it automatically to any Home Buyer who Reserves a Home.

For Home Buyers who have special needs (for example, if their first language is not English or if they have impaired sight) you should consider providing the Code in alternative formats.

The Code should be clearly displayed. For example, it may be:

- *contained in sales packs, brochures or Home Buyer reservation packs;*
- *displayed in a public place such as the site sales office;*
- *made available on your website.*

The guidance for builders contained in this document on how to operate the scheme is freely available to Home Buyers and can be downloaded from the Consumer Code web site at www.consumercodeforhomebuilders.com.

1.3 Customer service

Requirement

The Home Builder must have suitable systems and procedures to ensure it can reliably and accurately meet the commitments on service, procedures and information in the Code.

Guidance

You should have formal processes to provide reliable and consistent service to your Home Buyers and to resolve issues that may arise with a Home Buyer and their Home.

1.4 Appropriately trained customer service staff

Requirement

The Home Builder must provide suitable training to all staff who deal with Home Buyers about their responsibilities to them and what the Code means for the company and its directors.

Guidance

You should train your staff to understand:

- the detail of the Code;
- the company's key legal responsibilities; and
- their own responsibilities to Home Buyers.

Not all staff need be trained to the same level. The extent of their training will depend on their role and how much they are involved with Home Buyers.

Where you use external agencies to sell your Homes, you should try to ensure that the agency staff are also trained to the same level.

1.5 Sales and advertising

Requirement

Sales and advertising material and activity must be clear and truthful.

Guidance

Your sales and advertising material should be clear and truthful, and comply with the law.

The Property Misdescriptions Act 1991 says that any services offered must not be wrongly described and information must not be false or misleading.

The Consumer Protection from Unfair Trading Regulations 2008 requires all traders to deal fairly with consumers and not to use aggressive or misleading practices.

You can get further guidance from the Advertising Standards Authority.

2. Information – pre-contract

2.1 Pre-purchase information

Requirement

Home Buyers must be given enough pre-purchase information to help them make suitably informed purchasing decisions.

In all cases this information must include:

- a written Reservation agreement;
- an explanation of the Home Warranty cover;
- a description of any management services and organisations to which the Home Buyer will be committed and an estimate of their cost.

Guidance

During the pre-reservation, Reservation and pre-contract periods, you should give the Home Buyer appropriate information about the Home to help them make informed decisions about the purchase before they make a binding commitment to it.

The information should be fair and reliable, in plain language and without jargon, and include:

- a Reservation agreement in writing setting out the key terms and price (see 2.6 below for the minimum required content);
- a list of the contents (for example white goods, curtains, carpeting, etc.) and of the standards to which the Home is being built;
- brochures or plans reliably showing the layout, appearance and plot position of the Home;
- the nature of the Home Warranty cover provided (see 2.3 below);

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Also, if a Home is not yet completed, the information must include:

- a brochure or plan reliably showing the layout, appearance and plot position of the Home;
- a list of the Home's contents;
- the standards to which the Home is being built.

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- a description of any management services (Scotland: factoring) and organisation to which the Home Buyer will be committed, with an itemised estimate of the management service charges, maintenance costs and fees. The information must also state on which terms the charges and fees may change.

If the Home is complete and the Home Buyer has had the opportunity to view the finished property, you do not need to provide plans or a list of contents.

When a Reservation agreement has been entered into, your solicitor should send the Home Buyer's legal representative the proposed contract, legal title and other relevant documents and approvals, including information about town planning and other statutory approvals and consents.

2.2 Contact information

Requirement

Home Buyers must be told how their questions will be dealt with and who to contact during the sale, purchase and completion of the Home.

Guidance

You should tell Home Buyers how you will deal with their questions and who to contact during the Home sale, purchase and completion process.

This information should show how they can contact you – email, phone, letter or SMS text, for example.

2.3 Warranty cover

Requirement

Home Buyers must be given accurate and reliable information about the insurance-backed warranty provided on the Home.

Guidance

Before exchange of contracts, the Home Buyer should receive:

- the name and contact details of the provider of the insurance-backed Home Warranty that is included in the transaction;
- a summary of the insurance cover protection provided by the insurance-backed Home Warranty. The Home Warranty Bodies may assist by providing literature for this purpose.

2.4 Health and safety for visitors to developments under construction

Requirement

Home Buyers must be informed about the health-and-safety precautions they should take when visiting a development under construction.

Guidance

You should inform all Home Buyers who visit a working building site about the health and safety precautions that both parties should take.

You must make clear to visitors that they are personally responsible for following health and safety procedures and signs.

2.5 Pre-contract information

Requirement

Home Builders must advise Home Buyers to appoint a professional legal adviser to carry out the legal formalities of buying the Home and to represent their interests.

Guidance

You should advise Home Buyers to choose and appoint an independent professional legal adviser when they reserve a Home, to look after their interests in all aspects of the transaction.

This should include, for example, dealing with the legal formalities of the transaction, including examining the terms of the contract, formal exchange of contracts, and legal completion.

You must not restrict the home buyers' choice of legal representative.

2.6 Reservation

Requirement

Home Buyers must be given a Reservation agreement that sets out clearly the terms of the Reservation, including, but not limited to:

- the amount of the Reservation fee;
- what is being sold;
- the purchase price;
- how and when the Reservation agreement will end;
- how long the price remains valid;
- the estimated cost and nature of any management services the Home Buyer must pay for.

The Reservation fee must be reimbursed if the Reservation agreement is cancelled. The Home Buyer must be told of any deductions that may be made.

While the Reservation agreement is in force, the Home Builder must not enter into a new Reservation agreement or sale agreement with another customer on the same Home.

Guidance

You should provide enough information for the Home Buyer to fully and properly understand the terms of a Reservation agreement.

Among other matters, the Reservation agreement should clearly state:

- the amount of the Reservation fee;
- what is being sold (for example plot number, postal address (if available), garage or parking space);
- the purchase price;
- the deadline date when the Reservation agreement will end if contracts are not exchanged;
- how long the price will remain valid;
- a reliable estimate of the costs and a summary of the management services (Scotland: factoring) that the Home Buyer must commit to and pay for;
- the Reservation agreement should clearly indicate that it is "subject to contract";
- any dependent or conditional matters, for example part-exchange terms.

The Reservation agreement should be signed by both the Home Buyer and Home builder in recognition and acceptance of the stated terms.

Once the Reservation agreement is signed, you must not sell or attempt to sell the Home to another buyer within the time period stated in the Reservation agreement.

The Home Buyer has the right to cancel the Reservation agreement at any time during the Reservation period ending with the deadline stated for exchange of contracts. The Reservation deadline may be extended by agreement between you and the Home Buyer.

If the deadline date is not extended and contracts not exchanged, the Reservation agreement automatically expires.

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When the Reservation agreement is cancelled or expires, you must return the Reservation fee to the Home Buyer, less the reasonable administrative and other costs you may have incurred in processing and holding the Reservation. The nature and extent of the likely cost of deductions from the Reservation deposit should be set out in the Reservation agreement.

Clause 3.4 below gives further guidance on handling and protecting deposits, refunds and pre-payments.

Arrangements with prospective Home Buyers that provide a right of first refusal on a Home (for example, early-bird or pre-reservation waiting lists) are not recognised as a Reservation agreement and are not covered by this Code.

3. Information – exchange of contract

3.1 The Contract

Requirement

Contract of sale terms and conditions must:

- be clear and fair;
- comply with the Unfair Terms in Consumer Contracts Regulations 1999;
- clearly state the contract termination rights.

Guidance

You should ensure that the contract terms are clear and fair and comply with the Unfair Terms in Consumer Contracts Regulations 1999. In particular:

a) Spoken and written statements

To avoid disputes over spoken statements, you should ensure that, immediately before exchange of contracts, the Home Buyer through their legal representative states in writing what spoken statements they are relying on when entering into the contract.

You should then confirm these spoken statements in writing, or resolve any problems as appropriate, before contracts are exchanged.

b) Changes you make to the design or construction of the Home

After exchange of contracts, where a change to the design, construction or materials to be used in the Home that would significantly and substantially alter its size, appearance or value, you must formally consult the Home Buyer and get their agreement.

The Home Buyer has the right to end the contract and get their deposit and Reservation fee back without deductions if they find these changes unacceptable. You must tell them of this right and the specific circumstances when they could exercise it. (See 3.3 below).

Minor changes which do not significantly and substantially alter the size, appearance or value of the Home should still be notified, but the Home Buyer's agreement is not required.

Important note

If you agree to do extra work or incorporate additional items

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that the Home Buyer will pay for, and these are not specifically included in the Reservation agreement or sale contract, they must be set out and agreed in writing using a separate quotation and written order signed by the parties. You must make clear the terms of this agreement, including cancellation and refund rights.

If, as a result of this extra work, you need more time to complete the Home beyond that originally stated in the sale contract, this must be agreed and recorded by the legal advisers acting for the parties. (See also 3.2 below.)

This Code does not cover agreements for extra work, or agreements made between the Home Buyer and other contractors, regardless of whether you have agreed to this extra work.

3.2 Timing of construction, completion and handover

Requirement

The Home Buyer must be given reliable and realistic information about when construction of the Home may be finished, the date of Legal Completion, and the date for handover of the Home.

Guidance

a) Construction of the Home

You should warn Home Buyers that weather and other matters beyond your reasonable control make the time to construct a Home difficult to predict.

It would be unreasonable to give or expect to be given a definite date months in advance; however, certainty should increase as the Home nears completion.

What you tell the Home Buyer about when the Home is likely to be ready will depend on what stage it is at when you provide the information. You may follow your own process and methods. However, you may wish to use the following example:

- *before completing the foundations and floor – give the **calendar quarter** when the Home is likely to be ready;*
- *when the roof is completed and the building weatherproof – give the **month** when the Home is likely to be ready;*
- *when the Home is decorated and main services are connected – say what **week** the Home is likely to be ready.*

The construction stages and time periods will vary according to the type of development; for example, whether you are building flats or houses.

It is important that you consider carefully the anticipated date given in the Contract of Sale by which notice of Legal Completion should be served and that it is consistent with the information you give the Home Buyer before exchange. The Home Buyer has the right to withdraw from the contract if there has been unreasonable delay beyond the date given in the contract. (See 3.3 below).

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b) Legal completion

In the Contract of Sale, you should give the anticipated date by which notice of Legal Completion should be served, which should be based on the guidance given in a) above, or should follow similar guidelines.

The Contract of Sale must clearly define the notice period within which Legal Completion will occur; for example:

'14 days from the serving of notice to complete'.

If a Home is complete, the contract may state a fixed date for Legal Completion.

c) Handover and occupation

You should arrange to hand over the Home to the Home Buyer and to show its facilities and how they work.

You may ask the Home Buyer to sign a document to confirm they have had a demonstration and received keys and other items.

d) Completeness of the Home and building work

You must explain to the Home Buyer the arrangements to complete any work outstanding at handover, including for example roads and landscaping.

On large developments, the information should relate to the relevant phase of the development for that Home and the facilities directly affecting the Home.

You must tell the Home Buyer about any warranty protection and bonds that provide security for the completion of such work.

If, by agreement with the Home Buyer, you do extra work that affects the date of Legal Completion, you and the Home Buyer's legal advisers must agree and record such a change of date. (See Important note under 3.1 above.)

3.3 Contract termination rights
Requirement

The Home Buyer must be told about their right to terminate the contract.

Guidance

You should tell the Home Buyer about when they have the right to end the contract.

The Home Buyer may serve notice to end the contract where there is:

- *a substantial and significant change to the Home (see 3.1 above);*
- *unreasonable delay in finishing the construction of the Home and serving the notice to complete.*

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Unreasonable delay may be defined by incorporating the following clause in the Contract of Sale:

'The Home Buyer may terminate the contract if the Home Builder fails to serve notice on the Home Buyer to complete the sale within [x] months from the anticipated date stated in the Contract of Sale.'

The period [x] months must be no more than 6 months for houses or 12 months for apartments if the Contract of Sale is exchanged before the roof is completed and the building weatherproof. If the Contract of Sale is exchanged at an advanced stage of construction, this period must be no more than 2 months for houses or 4 months for apartments.

The aim of these time periods is to take into account possible delays in things like third parties providing services or facilities to the development that are essential to occupation – for example, electricity substations or sewerage plant and other matters outside the reasonable control of the Home Builder.

3.4 Contract deposits and pre-payments

Requirement

The Home Builder must clearly explain how Home Buyers' contract deposits are protected and how any other pre-payments are dealt with.

Guidance

You should have arrangements to protect contract deposits paid by Home Buyers. The Home Warranty Body's insurance cover may include this protection.

If a Reservation is cancelled, you should return the Reservation fee to the Home Buyer, less any reasonable administrative or other costs incurred in processing and holding the Reservation.

If the Home Buyer ends the contract because of substantial and significant change in design, or for unreasonable delay as defined in the Contract of Sale (see 3.3 above), then you must return the contract deposit and Reservation fees in full and without deductions.

You should repay Home Buyers as quickly as possible, preferably within 14 calendar days of the cancellation.

4. Information – during occupation

4.1 After-sales service

Requirement

The Home Builder must provide the Home Buyer with an accessible after-sales service, and explain what the service includes, who to contact, and what guarantees and warranties apply to the Home.

Guidance

You should provide an after-sales service and let Home Buyers know what it is and how to use it.

You should, for example:

- *say who to contact during the first two years from the start date of the Home Warranty cover, including names, addresses and telephone numbers;*

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- explain the process for handling emergencies; you may wish to give examples of what qualifies as an emergency that you will deal with;
- make clear how long the after-sales service is available for;
- give details of any other standard guarantees (for example for electrical appliances, central heating systems and boilers) that are included in the transaction and will benefit the Home Buyer, with any relevant contact details.

You should also tell Home Buyers about the dispute resolution services provided by the Home Warranty Body.

The above obligation to inform does not apply to second and subsequent owners. However, you are still obliged to take responsibility for after-sales matters that are reported within two years from the start date of the Home Warranty cover, and are covered by that warranty.

4.2 Health and safety for Home Buyers on developments under construction

Requirement

Home Buyers must be told about the health and safety precautions they should take when living on a development where building work continues .

Guidance

You should inform Home Buyers who move into a Home on a development that is still under construction about the health and safety precautions the Home Buyer should take.

You should give the Home Buyer the health and safety file for the Home in compliance with the relevant Construction (Design and Management) Regulations 2007.

5. Complaints and disputes

5.1 Complaints handling

Requirement

The Home Builder must have a system and procedures for receiving, handling and resolving Home Buyers' service calls and complaints.

The Home Builder must let the Home Buyer know of this, and of the dispute resolution arrangements operated as part of this Code, in writing.

Guidance

The information you give the Home Buyer must explain the complaints procedure.

You should deal with all complaints within a reasonable time. The time may vary depending on the nature of the issues raised and the preparation work required. You should let the Home Buyer know the likely timescale.

If the complaint is not dealt with in a reasonable time or if the Home Buyer is not satisfied, they may refer the complaint to their Home Warranty Body. Where appropriate, the Home Warranty body may refer a Home Buyer to the Consumer Code independent Dispute Resolution Scheme.

A summary of the independent Dispute Resolution Scheme is given in Appendix A.

The Home Builder should tell the Home Buyer that their normal legal rights are not affected by these processes.

5.2 Co-operation with professional advisers

Requirement

The Home Builder must co-operate with appropriately qualified professional advisers appointed by the Home Buyer to resolve disputes.

Guidance

There should be proper, prompt and professional co-operation between you and appropriately qualified professional advisers appointed by the Home Buyer.

Appropriate consumer representatives will include trading standards departments, citizens advice bureaux, consumer centres and professional advisers formally appointed under the rules of a relevant professional institute.

Appendix A

Consumer Code independent Dispute Resolution Scheme

Disputes are resolved using an adjudication process. During this process, a trained adjudicator reviews written submissions from both parties and issues an award based on his or her conclusions. They will decide whether or not a Home Buyer has a legitimate dispute and has suffered financial loss as a result of their Home Builder failing to comply with the Consumer Code requirements.

The following is a summary of this process. More detailed information will be given with each application for adjudication and is also available from the Consumer Code web site.

1. A Home Buyer must first complain to their Home Builder and give the Home Builder the opportunity to investigate and put things right.
2. If the Home Buyer is not satisfied with the Home Builder's response, the Home Buyer should contact the Home Warranty Body that issued the warranty on their Home.
3. The Home Warranty Body will:
 - 3.1 deal with the complaint under the terms of their Home Warranty policy; or
 - 3.2 where the complaint falls outside the Home Warranty Body's own disputes resolution scheme, offer the Home Owner the opportunity to refer their complaint to the independent Disputes Resolution Scheme provider. The Home Buyer must bring the claim within three months of the date of the Home Builders' final response to the original complaint, or within three months after the date of the original complaint, whichever is the later
4. If a Home Buyer decides to refer a complaint to the independent Disputes Resolution Scheme provider, the following adjudication process happens:
 - 4.1 If the Home Buyer wishes to use this scheme, they must complete an application form and send it to the independent Disputes Resolution Scheme provider with their statement of evidence and a case registration fee of £100 plus VAT⁽¹⁾. Their statement of evidence must contain all the information relevant to the complaint and copies of receipts or other evidence of expenditure.
 - 4.2 The independent Disputes Resolution Scheme provider will ask the Home Builder to respond to the Home Buyer's statement of evidence. The Home Builder may at this stage resolve the complaint without a formal adjudication going ahead – this is called 'early settlement' and will cost the Home Builder a reduced case fee of £100 plus VAT⁽¹⁾.
 - 4.3 If 'early settlement' does not happen, the Home Builder must submit their response to the Home Buyer's statement of evidence together with a payment of £300 plus VAT⁽¹⁾. The Home Buyer will be given a copy of the Home Builder's response for their information, and for them to respond to if they wish. At this stage, no further new complaints relating to this adjudication from the Home Buyer will be allowed.
 - 4.4 The adjudicator will consider both submissions and decide whether or not the Home Buyer has a legitimate dispute and has suffered financial loss as a result of the Home Builder's failure to comply with the Consumer Code. In any case, the Home Builder and the Home Buyer will be expected to have acted reasonably and to have controlled their costs.

⁽¹⁾ Case fees subject to annual review

- 4.5 The adjudicator will make a decision based on the information submitted and send it to both parties. The decision may be to issue a performance award (where the Home Builder has to do something), or a financial award (where the Home Builder has to pay money to the Home Buyer), or a combination of the two; the adjudicator may also decide to reject the claim. The maximum value of the combined award available under this adjudication scheme is £15,000 inclusive of VAT.
- 4.6 If the adjudicator makes an award, they may also make a discretionary award for inconvenience, up to a maximum of £250. The £15,000 maximum award would include any award for inconvenience. A Home Buyer cannot claim an award for inconvenience alone.
- 4.7 The adjudicator will use his discretion when considering whether to award compensation for any inconvenience a Home Buyer may have suffered as a result of how their complaint was handled by the Home Builder.
- 4.8 The adjudicator will also decide whether or not the Home Builder must reimburse the Home Buyer their case registration fee. This will be in addition to the award referred to in 4.5 above.
- 4.9 The adjudicator's decision cannot be appealed; it can only be accepted or rejected by the Home Buyer.
5. Under the rules of registration, the Home Warranty Bodies will require each registered builder to honour any award made against them under the independent Dispute Resolution Scheme. If the Home Buyer accepts the award, the courts will usually recognise this as evidence of the validity of a Home Buyer's claim.
6. A Home Buyer may refuse to accept the award, but if they do so any subsequent legal action is likely to take account of the decisions reached in any previous adjudication.
7. A Home Builder remains liable for an award, even if they are removed from a Home Warranty Body's register.

Please note: This Consumer Code Dispute Resolution Scheme is independent of the Home Warranty Bodies. Adjudication decisions made under the Consumer Code independent Dispute Resolution Scheme are not insured under the Home Warranty Bodies' Home Warranty schemes.

**CONSUMER CODE for
HOME BUILDERS SCHEME**

Consumer Code Secretariat - care of:

NHBC House
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improving living in scotland

