



Consumer Code for

**NEW HOMES**



**DEVELOPER REQUIREMENTS**

## INTRODUCTION

The Consumer Code for New Homes ensures that best practice is followed by Registered Developers in respect of the marketing, selling and purchasing of New Homes and sets expected standards for after sales customer care service.

The Code has been established to be of maximum benefit to consumers and its ultimate aim is to provide a genuine commitment to consumers, to improving standards of construction and customer service in the New Homes market, recognising that part of that commitment is providing consumers with a voice when things simply don't go according to plan when they buy a New Home.

And through this quality focused approach, the Consumer Code for New Homes demonstrates a real desire to have a truly industry-led Consumer Code which can be of maximum impact in the New Homes market and can respond to real practices and trends in the industry.

***And you are now part of that commitment and journey!***

### Using this Guide

We have developed this Developer Requirements Guide to provide you with support and guidance to ensure you can seamlessly incorporate the requirements of the Code into your existing systems and procedures.

Since you are registered with us, you are likely to concentrate on maintaining your brand reputation and providing a high-quality customer journey, so it is likely that you already undertake much of what the Code requires, so therefore you will simply need to review your processes and procedures and make sure they comply with the Code.

And for areas where you may not already have templates, processes or procedures, we have made a number of downloads available on the Members' Area of our website for you to use and adapt as necessary.

### Need additional support?

If you need additional support to incorporate the Code Requirements into your company processes and procedures, please don't hesitate to contact us for help.

There is a significant amount of information about the Code on our website:

[www.consumercodefornewhomes.com](http://www.consumercodefornewhomes.com)

As a Registered Code Member, you will have access to areas of the site which other people do not – you should have received your login details when your Registration Certificate was issued. However, please contact us to have these reissued.

You can reach us on any of the following methods:

**Call:** 0333 900 1966

**Email:** [admin@ccnh.co.uk](mailto:admin@ccnh.co.uk)

**Write:** 11 Milbanke Court, Milbanke Way, Bracknell, Berkshire, RG12 1RP

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## CODE REQUIREMENTS CHECKLIST

Each section of this document explains in more detail what you are required to do in order to comply with the Consumer Code for New Homes. Below we provide a checklist to guide you through the process:

CODE SECTION	REFER TO SECTION	WHAT YOU NEED TO DO	
3.2 Making the Code Available	<a href="#">1.1</a>	Add information about the Code to your Website	<input type="checkbox"/>
	<a href="#">1.1</a>	Display a copy of your Code Member Certificate in all Sales Centres	<input type="checkbox"/>
	<a href="#">1.1</a>	Display Code Marketing Materials in all public areas where you sell New Homes	<input type="checkbox"/>
	<a href="#">1.1</a>	Provide the Homeowner Guide to the Code to each prospective Buyer	<input type="checkbox"/>
3.3 Customer Service Standards	<a href="#">1.2</a>	Update your internal systems & procedures to include Code Requirements	<input type="checkbox"/>
3.4 Training of Customer Service Staff	<a href="#">1.5</a>	Ensure any customer facing staff (including Agents who sell on your behalf, Site Managers and After-Sales Teams) have completed the Code Training Requirements	<input type="checkbox"/>
3.5 Sales & Advertising	<a href="#">1.3</a>	Ensure all sales & advertising for each new development is clear, truthful, uses plain English and complies with all relevant legislation	<input type="checkbox"/>
	<a href="#">1.3</a>	Show your commitment to the Code on all sales & advertising materials about your new developments: display your Code Member logo and the standard wording	<input type="checkbox"/>
	<a href="#">1.3</a>	Ensure your procedures and training cover avoiding misleading Buyers	<input type="checkbox"/>
3.6 Vulnerable Consumers	<a href="#">1.4</a>	Ensure your procedures and training cover dealing with Vulnerable Consumers	<input type="checkbox"/>
	<a href="#">1.5</a>	Ensure any customer facing staff (including Agents who sell on your behalf, Site Managers and After-Sales Teams) have completed the Code Training Requirements for Vulnerable Consumers	<input type="checkbox"/>
4.1 Pre-Purchase Information	<a href="#">2.1</a>	Provide suitable Pre-Purchase Information to all potential Buyers and ensure it complies with Code Requirements	<input type="checkbox"/>
	<a href="#">2.5</a>	Ensure your Reservation Agreement complies with Code Requirements	<input type="checkbox"/>
4.2 Structural Warranty Cover	<a href="#">2.2</a>	Provide a summary of Structural Warranty Cover to each potential Buyer	<input type="checkbox"/>
4.3 H&S for Visitors to Sites under Construction	<a href="#">2.3</a>	Ensure your policies & procedures clearly comply with the CDM Regulations 2015	<input type="checkbox"/>
	<a href="#">2.3</a>	Ensure you run all of your projects in compliance with the CDM Regulations 2015	<input type="checkbox"/>
	<a href="#">2.3</a>	Ensure you have access to competent Health & Safety advice	<input type="checkbox"/>
	<a href="#">2.3</a>	Develop a clear procedure for visitors to live construction sites	<input type="checkbox"/>
	<a href="#">2.3</a>	Carry out a Risk Assessment of each site prior to permitting visitors onto site	<input type="checkbox"/>
4.4 Appointment of Professional Advisors	<a href="#">2.4</a>	Update your internal systems & procedures to include Code Requirements	<input type="checkbox"/>
4.5 Reservation Agreements	<a href="#">2.5</a>	Ensure your Reservation Agreement complies with Code Requirements	<input type="checkbox"/>
	<a href="#">2.5</a>	Ensure you draw up a clear procedure for preparing and issuing Reservation Agreements and make sure the Reservation Agreement clearly includes information exclusivity and cancellation	<input type="checkbox"/>
	<a href="#">2.5 / 3.4</a>	Ensure that all reservation fees are held in a separate Client Account	<input type="checkbox"/>
4.6 Part Exchange Schemes	<a href="#">2.6</a>	Develop clear information about your Part Exchange Scheme which complies with Code Requirements	<input type="checkbox"/>



CODE SECTION	REFER TO SECTION	WHAT YOU NEED TO DO	
5.1 The Contract of Sale	<a href="#">3.1</a>	Ensure your Contract of Sale template complies with Code Requirements	<input type="checkbox"/>
	<a href="#">3.1</a>	Ensure all spoken statements are put into writing before Contracts are exchanged	<input type="checkbox"/>
	<a href="#">3.1</a>	Make sure you provide documentation in a timely manner	<input type="checkbox"/>
5.2 Timing of Construction, Completion & Handover	<a href="#">3.2</a>	Develop a template so that you can provide Buyers with a clear schedule of key timings	<input type="checkbox"/>
5.3 Contract of Sale Termination Rights	<a href="#">3.3</a>	Prepare a standard statement for Buyers which explains termination rights and the process for terminating contracts – it must be fair and clear	<input type="checkbox"/>
5.4 Protecting Buyer Deposits and Pre-Payments	<a href="#">3.4</a>	Prepare a standard statement for Buyers which explains how any money you take from them is treated and what happens in the event that they need to seek a refund.	<input type="checkbox"/>
	<a href="#">3.4</a>	Obtain Key Facts Information from your Warranty Body for any Deposit Protection	<input type="checkbox"/>
	<a href="#">3.4</a>	Ensure that any monies taken from Buyers which are not insured are kept in a Client / Statutory Trust Account held by your Solicitor until legal completion of the property sale. Provide your Warranty Body with signed confirmation of this from your Solicitor.	<input type="checkbox"/>
5.5 Information on Completion	<a href="#">3.5</a>	Prepare a Completion of Sale Pack to provide to the Buyer which complies with Code requirements	<input type="checkbox"/>
5.6 Changes to the Property after Contract of Sale Exchange	<a href="#">3.6</a>	Ensure your procedures and policies comply with the Code in respect of changes made to the property after Contract of Sale Exchange	<input type="checkbox"/>
	<a href="#">3.6</a>	Ensure you obtain the Buyer's written agreement to changes as required by the Code	<input type="checkbox"/>
6.1 Handover of Property	<a href="#">4.1</a>	Provide the Buyer with clear information about handover dates	<input type="checkbox"/>
	<a href="#">4.1</a>	Prepare a Buyer Handover Pack which complies with the Code Requirements	<input type="checkbox"/>
	<a href="#">4.1</a>	Ensure your procedures and policies comply with the Code in respect of High-Pressure Selling Techniques	<input type="checkbox"/>
	<a href="#">4.1</a>	Ensure you declare to the Buyer any commissions you receive for recommending post-sale items	<input type="checkbox"/>
6.2 After Sales Service	<a href="#">4.2</a>	Prepare an After Sales Service process which complies with the Code Requirements, to provide to the Buyer in their Handover Pack	<input type="checkbox"/>
	<a href="#">4.2</a>	Ensure your procedures and policies comply with the Code in respect of Visiting a New Home after Handover	<input type="checkbox"/>
6.3 H&S for Buyers living on Developments under Construction	<a href="#">4.3</a>	Prepare information to provide to Buyers about Health & Safety on Developments under Construction which complies with the Code Requirements	<input type="checkbox"/>
	<a href="#">4.3</a>	Ensure your procedure and policies comply with the Code in respect of H&S of Buyers living on Developments under Construction	<input type="checkbox"/>
7.1 Complaint Handling	<a href="#">5.1</a>	Prepare a Complaints Procedure which complies with the Code Requirements	<input type="checkbox"/>
	<a href="#">5.1</a>	Make your Complaints Procedure available on your website and ensure Buyers know how to access it.	<input type="checkbox"/>
7.2 Co-operation with Professional Advisors	<a href="#">5.1</a>	Ensure your procedure and policies comply with the Code in respect of Co-operating with Professional Advisors.	<input type="checkbox"/>
7.3 Warranty Body Mediation Process	<a href="#">5.2</a>	Obtain information from your Warranty Body about their Mediation Process	<input type="checkbox"/>
7.4 Independent Dispute Resolution Scheme	<a href="#">5.3</a>	Ensure your procedure and policies comply with the Code in respect of Dispute Resolution	<input type="checkbox"/>
9 Monitoring the Effectiveness of the Code	<a href="#">6.1</a>	Ensure your post-sales procedures allow for collecting information and providing it to the Code as required	<input type="checkbox"/>

## 1. ADOPTING THE CODE

There are some requirements you will need to have in place before you start selling New Homes registered with the Code to make sure your systems and personnel understand the requirements of the Code and have information available.

### 1.1 Making Information Available



**Website Changes:** the Code needs to be available to all your potential Buyers so you will need to add a page to your website to provide clear information about the Code and a link to our website.

We have provided a template for you to use at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre). Please make sure you also download your Code Member Logo and include that on the page you create.



**Display Your Commitment to the Code:** you need to display your registration with the Consumer Code for New Homes in all public areas where you will sell New Homes which means Show Homes, Sales Offices and on any marketing materials / sales promotion material used by Estate Agencies where remote sales are being conducted.

We will provide you with a **Code Member Certificate** which you should make copies of to display in these areas and you will also need to obtain some display materials from us to use in all these public areas.

You will find display materials available at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre).



**General Information about the Code for Consumers:** you need to provide potential Buyers with information about the system and procedures of the Code and about how to access the Dispute Resolution Scheme.

You can download the **Homeowner Guide to the Code** from [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre).

### 1.2 Having Suitable Systems

You will need to have appropriate systems & procedures in place to meet the requirements of the Code which must cover compliance, service, information provision, marketing, training procedures and monitoring activities (including monitoring staff performance as well as customer satisfaction).

We recommend ensuring you adapt your existing systems and procedures to accommodate any additional elements to comply with the Code and please note, this will be audited as part of your membership with the Code.

*Of course, if you need any support or assistance in doing this, please contact us.*

## 1.3 Sales & Advertising



**Clear, Truthful & Legally Compliant Marketing:** you need to ensure that all sales & advertising you do to promote your new developments complies with the requirements of the Code, particularly Section 3.5 which requires that all sales & advertising material relating to a New Home is clear, truthful, uses plain English and that it complies with all relevant legislation.



**Code Commitment:** all sales & advertising materials about new developments should state that you are registered with and comply with the Consumer Code for New Homes.

*We would recommend you use your Code Member Logo to support this.*



**Avoid Misleading Buyers:** you must be careful not to mislead Buyers and potential Buyers (at any stage of the process) in respect of the New Home - make sure your procedures and training cover situations where your sales staff and agents may need to change information themselves to suit programme and on-site realities, ensuring they know how important it is to be truthful and to ensure the Buyer is made fully aware of any details or amendments.

## 1.4 Vulnerable Consumers



**Who are Vulnerable Consumers?** The Code defines Vulnerable Consumers as *“consumers whose ability to make a sound decision about the purchase of a New Home may be impacted for any one or more of the following reasons: vulnerable due to their age, infirmity, someone with a language barrier, someone with a disability or a learning difficulty, or someone who becomes vulnerable at a time of high stress (such as purchasing a New Home) or illness”*.

The Code requires that you, as a Developer selling New Homes, ensure you are able to deal with Vulnerable Consumers so that your staff can identify their needs and provide appropriate support during the process of buying a New Home from you.



You will need to include guidelines in your standard procedures for dealing with Vulnerable Consumers and ensure that all customer-facing staff (and any Agents you use) are fully trained in this area of the procedures.

Make sure you cover the following as a minimum:

- ensure that Vulnerable Consumers understand the Code, the purchase and their responsibilities

*Examples: where there is a language barrier, you should recommend that a translator is appointed as the Buyer's representative; or if someone is blind, you may wish to provide a copy of the Code, the Contract etc. in Braille format or ensure you read the information clearly to the Buyer. We can order braille copies of the Code for you. Please get in touch for more details.*



- ensure that staff engaged in the sales process understand their obligations in relation to identifying and supporting Vulnerable Consumers and that the necessary arrangements are made to provide appropriate advice and assistance suitable to their needs.

*Example: A consumer may be moving due a recent bereavement or separation. So the purchase of a new home and future move for them is an additional burden at a time of great stress and loss. As a result they may need extra time and personal support to guide them through the process and should be allowed more time to make decisions.*

- do not make assumptions about the degree of knowledge that a potential Buyer has.

*Note: The home buying process is a specialised area of law. Even if a consumer has purchased homes several times before, they still may not be aware of all the legal and contractual elements of the purchase of a New Home (such as understanding management fees for communal areas of the development their New Home is part of). It is best practice to ensure all consumers are given all the information, advice and guidance they require in a clear and easy to follow format to assist them in making an informed decision when buying a New Home.*

- you should take the Vulnerable Consumer's specific needs into account in any information or guidance they are given.

*Note: This could mean asking if the consumer would like a large print version of the paperwork, or inviting the consumer to go through paperwork face to face and providing hard copies, rather than emailing them copies of documents. It may be necessary to spend longer than normal explaining certain information if the consumer is struggling to understand and you may want to suggest that they seek their own independent advice or seek support from a friend or family member if that would assist them.*

- if a potential Buyer declares vulnerability at the commencement of negotiations or it is obvious that the potential Buyer has a vulnerability, you must consider the possible effect of that vulnerability on the proposed transaction.

*Note: You must be satisfied that a Vulnerable Consumer is aware of the legal and contractual implications of the purchase of a New Home. If you have any doubts that they fully understand what legal and contractual obligations they are entering into, you should repeat the information and guidance. If necessary also take steps to ensure a legal representative, or friend or family member can assist the consumer with their understanding.*

- if no vulnerability is declared by the potential Buyer, but it becomes apparent that there may be vulnerability, you should seek clarification from that person and/or their representative. Enquiries must be of a nature that are considerate, unlikely to offend and can in no way be interpreted as discriminatory.

*Note: Listen out for comments or look for behaviour that could indicate that a consumer is vulnerable. Are they struggling to read the documents? Are they hard of hearing? Have they made comments such as "my husband used to deal with such matters", "this is my first home", or "can I have a copy of that brochure? I don't know how to do email". All of these can indicate vulnerability.*

- if you are advised of, or perceive there to be, vulnerability, then further information should be sought from the appropriate organisation specialising in that vulnerability.

*You may wish to refer to the following websites for further information:*

[www.gov.uk](http://www.gov.uk) for a comprehensive list of organisations that offer advice and information on specific mental health issues

[www.ableize.com](http://www.ableize.com) which is run by disabled people and provides links to local and national support and advice groups



## 1.5 Training Staff



**General Code Training:** you need to make sure you provide appropriate training to any customer facing staff (including Agents who sell on your behalf as well as Site Managers and After-Sales Teams). This training must provide your representatives with enough information about your systems and procedures for:

- complying with the Code
- the company's commitment to the Code
- giving them enough information to explain to Buyers (and potential Buyers) about the Code
- the importance of proper sales & advertising
- avoiding misleading Buyers
- avoiding high-pressure selling techniques
- the customer service standards which the company expects to be met
- information which will need to be provided to Buyers at each stage of the process,
- reservation and contract procedures
- after-sales service expectations.



**Vulnerable Consumers:** Anyone who is consumer facing must also be specifically trained on the company's procedure for identifying and dealing with Vulnerable Consumers.

*Please refer to [Section 1.4](#) of this document for further information.*

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We have developed a number of training and information materials available for you to use for training your staff and any Agents you use on the requirements of the Code.

You will find these at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre).

***We can also arrange in-house training sessions for your staff and Agents – please contact us at [admin@ccnh.co.uk](mailto:admin@ccnh.co.uk) to discuss your particular requirements.***

## 2. PRE-CONTRACT STAGE

### 2.1 Pre-Purchase Information



**Information for Buyers:** you must provide Buyers with enough suitable pre-purchase information to help them make an informed decision about purchasing a New Home from you.

The Code requires that this information must include:

- a written **Reservation Agreement** (further information in [Section 2.4](#))
- an explanation of the Structural Warranty cover (further information in [Section 2.2](#))
- a description of any Management Services & organisations to which the Buyer will be committed and an estimate of the associated cost
- details of any leasehold arrangements to which the New Home is subject
- details of any future build phases of, and the facilities on, the anticipated completed development
- a list of contents in the New Home which are included in the price
- a specification for the New Home including a statement confirming the standard of cosmetic finish that the Buyer should expect to be achieved
- information relating to the standards to which the New Home is being built, including confirmation that the build is in compliance with the Building Regulations

You may wish to simply adapt the sales information you already provide to Buyers to include this specific information.

Alternatively, we have developed a Code Pre-Purchase Buyer Information template which you can complete and provide to each Buyer to ensure you have covered the minimum information requirements of the Code.

Template available at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)

### 2.2 Structural Warranty Cover



**Information for Buyers:** you must provide Buyers with accurate and reliable information about the Structural Warranty Cover provided on the New Home they are buying from you.

To make this easy for you, each of the Warranty Bodies registered with the Code has prepared a summary of the Structural Warranty Cover which covers the requirements of the Code and which you can provide to your Buyers.

Find your Warranty Body's summary at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)

## 2.3 Health & Safety for Visitors to Sites under Construction



**Complying with CDM Regulations 2015:** as a competent Developer operating in the UK, you should already be familiar with the requirements of the Construction (Design & Management) Regulations 2015 which applies to the whole construction process on all construction projects, from concept to completion.

If you are not familiar with the CDM Regulations 2015, then you will need to ensure that you obtain some advice about what you need to do.

Use the following resources to find out more information about the CDM Regulations 2015:

- [www.hse.gov.uk/construction/cdm/2015/responsibilities.htm](http://www.hse.gov.uk/construction/cdm/2015/responsibilities.htm)
- [www.hse.gov.uk/pubns/priced/l153.pdf](http://www.hse.gov.uk/pubns/priced/l153.pdf)
- [www.citb.co.uk/health-safety-and-other-topics/health-safety/construction-design-and-management-regulations/](http://www.citb.co.uk/health-safety-and-other-topics/health-safety/construction-design-and-management-regulations/)

The legislation is available at: [www.legislation.gov.uk/ukxi/2015/51/contents/made](http://www.legislation.gov.uk/ukxi/2015/51/contents/made)

**Your Warranty Body may also be able to help you if you need guidance and advice.**



**Health & Safety of Visitors:** in order to improve standards of construction and provide adequate protection to consumers, the Code includes specific requirements about the Health & Safety of visitors to sites under construction.

In order to comply with the Code requirements, you need to demonstrate that you have adequately planned for having visitors to live construction sites – this is something you should already be doing in order to comply with the [CDM Regulations 2015](#) and the [Health & Safety at Work Act 1974](#) anyway.

In general terms, this means you need to carry out an adequate Risk Assessment for visitors to site and to implement any precautionary or mitigation measures into your Construction Phase H&S Plan for the project.

Specifically, the Code requires that you ensure that:

- There is suitable and safe access to the live construction site before permitting site visitors to access the site.
- You have taken the relevant needs of the site visitor into consideration when making the decision as to whether access is suitable and safe.
- Site visitors are accompanied at all times by an appropriately trained and experienced member of the site team. Visitors to site shall not be permitted access to live construction sites unaccompanied.
- All site visitors are informed about the appropriate health and safety precautions they should personally take when visiting a development under construction.

- Any relevant risks are clearly explained to any site visitors prior to permitting them to access the live construction site.
- A site induction is provided to site visitors which is appropriate to the site conditions at that particular time.
- Site visitors are required to sign a document confirming that they have received a site induction and have understood the health and safety advice given to them for the site visit.
- Emergency arrangements are clearly explained by your Site Representative to all site visitors.
- A register of all visitors is maintained by the Fire Marshall and Emergency Co-ordinator.
- Appropriate personal safety equipment (e.g. hard hat, hi-visibility vest and protective footwear) is provided to any site visitors prior to taking them onto a live construction site.
- You make it clear to any visitors to site that if they refuse to comply with any of the health and safety instructions given to them by you, then they will not be permitted to access the live construction site.

To demonstrate compliance with the Code, you will need to provide evidence of your policies, procedures and risk assessments relating to site visitors and make sure that all of the points above have been addressed.

If you need additional assistance with this, we would recommend discussing it with your Company Health & Safety Advisor.

**Your Warranty Body may also be able to help you if you need guidance and advice.**

We have also provided a template checklist to help you assess the risks to site visitors, which is available at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)

## 2.4 Appointment of Professional Advisors



**Conveyancing Solicitors:** under the requirements of the Code, Developers are not permitted to restrict the Buyer's choice of legal representative.

If the Buyer asks your Sales Team for advice or if they ask you to recommend an advisor, then you should ensure that:

- You recommend that the Buyer seeks independent advice from a solicitor or licensed conveyancer before Contract Exchange
- you recommend more than one solicitor / licensed conveyancer wherever possible
- you make it clear to the Buyer that you are receiving commission for recommendation, if applicable

## 2.5 Reservation Agreements



**Preparing the Reservation Agreement:** under the requirements of the Code, you must provide Buyers with a Reservation Agreement which clearly sets out the terms of the Reservation.

We have developed a Reservation Agreement template which you can complete and provide to each Buyer to ensure you have covered the minimum information requirements of the Code.

The template Reservation Agreement is covered by the Primary Authority Partnership with Kent Trading Standards which means that if you use the template correctly, you can be reassured that the Reservation Agreement has been approved by Kent Trading Standards as being compliant with Consumer Protection legislation.

Within the template, there are fields where you can add your own information, and you can add your own corporate logo and style, but the template content should not be altered in any way otherwise it will not be compliant.

We strongly advise that you make use of this template: it is not mandatory to use it, but if you choose to use an alternative format, you must ensure it complies with Consumer Protection legislation and supply a copy to us.

Template available at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)



**Issuing the Reservation Agreement:** it is important that you ensure that the Reservation Agreement is signed by the Buyer and your representative.

You must then ensure that the Buyer is provided with a copy of the fully signed Reservation Agreement. It is acceptable for this to be an electronic version, emailed to the Buyer at their request – providing an electronic copy will ensure you have a clear audit trail of the information you provided to the Buyer.



**Reservation Fees:** in order to comply with the requirements of the Code, when a Buyer makes payment of the Reservation Fee you must ensure:

- The full Reservation Fee must be held in a separate Client Account (also known as Solicitors Account or Statutory Trust Account) designated for holding such fees.



**Exclusivity:** once you have entered into a Reservation Agreement with a Buyer, whilst the Agreement remains valid you must not enter into a new Reservation or Sales Agreement with another customer on the same New Home.



**Cancellation of Reservation Agreement:** you must permit the Buyer to cancel the Reservation Agreement during the agreed reservation period:

- If the notification to cancel is given within 7 days of Reservation Agreement date, the Reservation Fee must be refunded in full.
- If notification to cancel is given after 7 days, the Buyer must be told in advance of any reasonable deductions that are to be made from the Reservation Fee.
- In both cases, the Reservation Fee is to be refunded within 14 days of the date of notification to cancel.

You can extend the reservation period by mutual agreement between the Buyer and you.

If the deadline date is not extended and contracts have not been exchanged, the Reservation Agreement automatically expires.

## 2.6 Part Exchange Schemes

In order to comply with the requirements of the Code, if you offer a Part Exchange Scheme to Buyers, the terms must be transparent and must not be used to pressurise a sale.



**Terms of the Scheme:** ensure when you draw up the terms of your Part Exchange Scheme that you explain them clearly in plain English, and include full details of:

- the full terms and conditions that apply including any applicable Leasehold requirements.
- how a fair market valuation will be arrived at.

*Remember that when you obtain a market valuation it must be obtained from more than one independent source, each of which must be a member of the Property Ombudsman Scheme.*

- any deductions that will be made from the valuation.
- how a Buyer can qualify for the scheme.



**Making a Part Exchange offer:** when you make a Part Exchange offer, you must clearly state:

- the full terms and conditions that apply including any applicable Leasehold requirements
- all of the fair market valuations that have been obtained and confirm who provided them
- which valuation is acceptable to the Developer and the reason(s) why
- any deductions from the valuation

- the date by which the Buyer must accept the offer
- the consequences of not accepting the offer by the stated date; and
- the anticipated date by which the Part Exchange and purchase of the New Home will be completed.

Ensure you provide all prospective Buyers (particularly Vulnerable Consumers) with adequate time to consider and absorb the information provided about the Part Exchange Scheme offer – do not pressurise the Buyer into a sale.

**We would suggest that you outline a Step-by-Step Guide to Part Exchange if you are considering offering it to prospective Buyers: if you need assistance from CCNH to ensure that your scheme complies with the Code, please contact us on 0333 900 1966 or at [admin@ccnh.co.uk](mailto:admin@ccnh.co.uk).**



## 3. EXCHANGE OF CONTRACTS STAGE

### 3.1 The Contract of Sale



**Terms & Conditions:** ensure when you have your Contract of Sale drawn up, that it:

- is clear, fair and written in plain English.
- complies with the [Consumer Rights Act 2015](#).
- clearly sets out the process and timing for advising the Buyer of the date of Completion.
- defines the Legal Completion Notice Period from serving of notice to Completion.
- clearly states the circumstances in which the Buyer can terminate the Contract of Sale.
- clearly states what will happen if construction of the New Home is delayed and the New Home will not be ready for ownership by the Buyer by the date advised by the Developer.
- clearly explains how Contract Deposits are to be protected



**Spoken Statements:** in order to avoid disputes over spoken statements you should ensure that, immediately before Contract of Sale Exchange, the Buyer, through their legal representative, states in writing what spoken statements they are relying on when entering into the Contract of Sale.

It would be further advisable for Sales Staff / Agents to ensure they write down any verbal promises or terms, and provide them to the Buyer, to avoid any confusion or potential for dispute.



**Provision of Documentation:** The solicitor acting for you should send the Contract of Sale and all relevant documents and approvals to the Buyer's independent advisor as soon as reasonably possible after the date of the Reservation Agreement.

It is advisable to ensure that you have provided a copy of the Code to the Solicitor who deals with your Contracts to ensure that they can incorporate any of these requirements into future Contracts.

*We are currently working with several legal advisers on producing a standard Contract of Sale template to provide to members. Please check back with us regularly if you would be interested in using this.*

## 3.2 Timing of Construction, Completion & Handover



**Provision of Information:** ensure that you provide your Buyer with reliable and realistic information about:

- when construction of the New Home may be finished.
- the date at which ownership of the New Home will transfer from the Developer to the Buyer on Completion.
- the date for handover of the New Home.



**Schedule of Timings:** provide each Buyer with a schedule of timings of the key stages of the Sales Process, including when their New Home will be ready for occupancy

- Make sure you regularly update the schedule to continue to manage your Buyer's expectations.
- Make sure the information you provide on timings is accurate at the time it is provided.

## 3.3 Termination Rights



You must ensure that Buyers are told about their right to terminate the Reservation Agreement or the Contract of Sale. We recommend you prepare a standard statement to provide to Buyers with any Reservation Agreement or Contract of Sale, and we would recommend that your Sales Agents read this through to all prospective Buyers before they sign any paperwork.

Make sure you are clear about the process for termination, make sure it is fair and make sure you are clear about any conditions which would apply in the event of termination.

Refer to the Code, Section 3.3 for specific examples of instances where termination would be applied.

## 3.4 Protecting Deposits & Pre-payments



Whenever you take a Deposit or Pre-payment from a Buyer, you must ensure that it is protected; which basically means either separating it from your business cashflow (in a specially designated Client Account) or by insuring it.

The reason for this is that the Deposit or Pre-payment must be fully refundable to the Buyer (in line with any conditions) if your company faces insolvency. Whichever method you choose, you must clearly explain this to all Buyers and prospective Buyers before you take any money from them.

We recommend that you prepare a standard statement to provide to Buyers before you take any payment from them, explaining how the money is protected and what happens in the event that they need to seek a refund. You should also include a statement about the terms of any refund and any administration fees (or similar) which may be applicable if the Buyer does not proceed with the purchase of the New Home.



**Insuring Deposits:** Under the Structural Warranty, some of the Deposit for a New Home may be insured. If this is the case, your Warranty Body may provide you with Key Facts information to provide to Buyers when they are making a Deposit.

Be sure that the whole Deposit is protected under the insurance. Standard limits apply which usually exclude amounts above 10% of the Purchase Price or sums above £100,000, so you must ensure you tell your Buyers what happens to the rest of the money if they are making a Deposit payment which exceeds the terms of the insurance product.

Pre-payments which are not Contract Deposits are not normally covered by the Structural Warranty – so Reservation Fees and other pre-payments would not be covered by the insurance.



**Separating income from business cashflow:** If Deposits or Pre-payments which you take from Buyers are not insured under the Structural Warranty, you must make arrangements to protect the sums of money in a Client Account or Statutory Trust Account held by a Solicitor until legal completion of the property sale.

Your solicitor will likely already have an account for these purposes, however this type of account is easy to setup with your bank - indeed most High Street banks offer such facilities. The crucial point is that the money is protected from your business cashflow in the event that your business faces insolvency; in the unlikely event that happened, no creditor could call upon the monies within a Client / Statutory Trust Account because they do not belong to your business.

If this is the route that you choose to protect Deposits and Pre-payments, you will need to provide your Warranty Body with signed confirmation from the Solicitor acting on your behalf that all monies taken from Buyers will be paid into such an account.

## 3.5 Completion (of Sale) Information



**Information about the Structural Warranty:** At Completion of Sale, as a requirement of the Code, you must tell the Buyer whether a Structural Warranty has been issued already for the New Home or not.

If a warranty has not been issued at that point, you must:

- tell the Buyer why it has not already been issued
- advise the Buyer when it will be made available

*It is likely you will need to obtain some written confirmation from your Warranty Body that a Structural Warranty will be issued on each unit, if no Insurance Certificate has been issued prior to Completion of Sale, because normally a Buyer will not be able to satisfy the conditions of a mortgage without a Structural Warranty being in place for a New Home.*



**Completion of Sale Pack:** we recommend you draw together a standard pack of information for Completion of Sale. This will ensure you include all of the information that you are required to provide the Buyer under the Code.

Your Completion of Sale Pack should include all of the items listed in Section 5.5 of the Code. Below we list a summary of where you can obtain this information:

	Information Required	Notes	Available from
<b>DEVELOPER TO PRODUCE</b>	<b>Developer Complaints Procedure</b>	You must have a Complaints Procedure that complies with Section 7.1 of the Code. We recommend you make this available on your website.  Make sure your procedure gives clear information about how to contact you with a complaint and also clear information about timescales for your response and taking action.	Your own internal procedures.  If you don't already have one, you can download a template at: <a href="http://www.consumercodefornewhomes.com/mdownload-centre">www.consumercodefornewhomes.com/mdownload-centre</a>  <i>Remember to make the complaints procedure available on your website.</i>
	<b>Health &amp; Safety - moving into a new property</b>	You need to prepare the Buyer for moving into their New Home and must ensure they can do this safely without risk to their health, including information on specific residual risks which the Buyer could not be reasonably expected to know about.	You should prepare an overview for all Buyers so that they are aware of any special precautions / restrictions at Completion of Sale, before they start moving into their New Home.  We have provided a list of suggested criteria you may wish to consider in this process, which is available at: <a href="http://www.consumercodefornewhomes.com/mdownload-centre">www.consumercodefornewhomes.com/mdownload-centre</a>  <i>Please note – this is not an exhaustive set of criteria so You will probably want to consult with your Principal Designer and/or Health &amp; Safety Advisor about this for each development.</i>
<b>WARRANTY BODY TO PRODUCE</b>	<b>Structural Warranty Insurance Certificate etc.</b>	You should provide the Buyer with: - Structural Warranty Insurance Certificate - Structural Warranty Policy Document - Any other documentation the Warranty Body asks you to provide to the Buyer  If the Structural Warranty has not been issued yet, you must provide the Buyer with an explanation as to why it is not yet available and information about when it will be.	When a Structural Warranty is already available for a property, your Warranty Body will normally provide you with a plot-specific Insurance Certificate and a Policy Document explaining the cover provided on the New Home. You can then pass this onto the Buyer.
	<b>Claims covered by the Structural Warranty</b>	The Structural Warranty will normally cover structural defects – details of the cover should be clearly explained in the Structural Warranty Policy Document.	Confirm with your Warranty Body that the Structural Warranty Policy Document covers this information.
	<b>Warranty Body Mediation Process</b>	The Warranty Body will offer a Mediation Process to Buyers and Developers for issues which are covered by the Structural Warranty.	Your Warranty Body will provide you with information about their Mediation Process. You can then pass this onto the Buyer.
	<b>Information about Complaints covered by the Financial Ombudsman Service</b>	The Buyer must be informed about their rights to complain to the Financial Ombudsman Service about matters covered by the Structural Warranty.	Confirm with your Warranty Body that the Structural Warranty Policy Document covers this information.
<b>CODE TO PRODUCE</b>	<b>Checklist of matters covered by the Consumer Code for New Homes</b>	The Buyer should be provided with clear information about which matters are covered by the Code.	You can find this checklist at: <a href="http://www.consumercodefornewhomes.com/mdownload-centre">www.consumercodefornewhomes.com/mdownload-centre</a>
	<b>Information about the Code's independent Dispute Resolution Scheme</b>	Buyers need to know about the Code's IDR Scheme in case they need to refer a dispute to us.	You should provide the Buyer with a copy of the Code, which details full details of the IDR Scheme run by CEDR.  You can also refer the Buyer to <a href="http://www.consumercodefornewhomes.com/dispute-resolution">www.consumercodefornewhomes.com/dispute-resolution</a> .
	<b>Information about Complaints covered by the Code</b>	The Buyer must be informed about their rights to complain to the Code.	You should provide the Buyer with a copy of the Code, which details full details of the Complaints process.  You can also refer the Buyer to <a href="http://www.consumercodefornewhomes.com/feedback-complaints">www.consumercodefornewhomes.com/feedback-complaints</a> .

## 3.6 Changes to the Property after Contract of Sale Exchange

Once you have exchanged Contracts with the Buyer, if changes subsequently need to be made to the New Home, there are certain conditions you need to meet in the way you communicate with the Buyer.



**Material changes you make:** If you intend to make changes to the design, construction or materials to be used in the New Home that will materially alter its value, you must formally consult the Buyer and obtain their written agreement to any changes. We highly recommend you do this before you make any changes.

If the Buyer does not agree with the alterations, under Section 5.6 of the Code, they are entitled to cancel the Contract of Sale and obtain a full refund of the Contract Deposit, with no deductions or withholding of any fees.



**Minor changes you make:** If you make minor changes to the New Home, that do not significantly alter the size, appearance or value of the New Home, although you do not need the Buyer's agreement, you should communicate them to the Buyer and advise them that they may wish to consult their professional legal advisor about the potential effect of the changes under the Contract of Sale.

*We would recommend that you do this in writing to make sure you have an audit trail of communicating the changes to the Buyer.*



**Changes requested by the Buyer:** If the Buyer requests changes to the New Home and agrees to pay for them, anything which is not already included in the Reservation Agreement or Contract of Sale, you must agree in writing between you.

Make sure this written agreement includes details on the rights of the Buyer to cancel or obtain a refund, and also the estimated impact of the changes on the date the New Home will be finished and available for occupation.



## 4. POST OCCUPATION STAGE

### 4.1 Handover of Property



**Informing the Buyer of a Handover Date:** you must clearly communicate the date of Handover to the Buyer. How you do this and what you tell them will depend on the stage of build at the time the information is provided.

The key requirement of the Code is that you adopt a reasonable approach to managing the Buyer's expectations about when the New Home will be available. Within Section 6.1 of the Code, there are some recommended examples about what you should say, depending on build stage, also shown below:

Stage of Build	What timescale to tell the Buyer
Prior to <b>Completion</b> of the foundations and the ground floor	Calendar <b>quarter</b> the <b>New Home</b> is likely to be ready
On <b>Completion</b> of the roof and the weatherproofing	<b>Month</b> the <b>New Home</b> is likely to be ready
When the decoration is complete and main services are connected	<b>Week</b> the <b>New Home</b> is likely to be ready



**Handing over the New Home:** to comply with the Code, you must ensure that a thorough and detailed handover is provided to the Buyer. The table below provides details of the information you should provide and some notes on what to include and where to obtain the information from.

*You may wish to consider developing a standard layout Buyer Handover Pack to make sure you provide consistent information in a standard format each time you handover a property – do make sure you make it specific to the New Home each time however!*

Information Required	Notes	What to provide
<b>Work Outstanding</b>	You must provide details of any work that is outstanding: <ul style="list-style-type: none"> <li>- To the New Home; and/or</li> <li>- To other areas of the development serving the New Home</li> </ul>	You should prepare an <b>overview for each specific Buyer</b> so that they are aware of any outstanding work required on or around the New Home.  <i>Please note – you will probably want to consult with your Principal Designer and/or Health &amp; Safety Advisor about the contents and advice you provide in this overview.</i>
<b>Guidance on Snagging</b>	To help manage Buyers expectations when they move into a New Home, it is important to make sure they know how to snag a new-build property.  You must also make sure Buyers knows how to report any snagging problems they encounter in their New Home.	If your <b>Warranty Body provides a Homeowners Guide</b> (or similar), it may provide guidance to Buyers about snagging – you should check with them as they may be able to provide this information to you.  If they do not, you should draw up a simple but clear guide to snagging, explaining what it involves, what it covers and what the Homeowner should expect when moving into a New Home.  You should draw up a <b>clear procedure for reporting Snagging</b> which you should provide to the Buyer. Make sure you include details about how you will follow up notified issues, and timescales within which you will address issues.



Information Required	Notes	What to provide
<b>Explanation of Operating Appliances</b>	<p>Your Buyers need to know how to operate any appliances you provide in the New Home.</p> <p>If there is something which is non-standard or more complicated to operate (such as eco-heating systems, photovoltaic panels, or any bespoke systems etc.) we would recommend that you have a clear guide drawn up for the Buyer so that they can operate the system properly – particularly where it requires a different way of living from what they may normally expect.</p>	<p>Make sure you provide the Buyer with the <b>Manufacturer's Operational Guide for each appliance</b> you provide and any specific guides / procedures the Buyer might require.</p> <p><i>We would recommend you draw up a schedule of the appliances you provide in the New Home and make a note of which documentation you are providing to the Buyer.</i></p>
<b>Plot-specific Guarantees &amp; Warranties</b>	<p>It is important that Buyers have full details of any guarantees and warranties that accompany the New Home.</p> <p><i>All documentation issued to the Developer for each guarantee or warranty should be passed onto the Buyer and should have been made property specific if that is a requirement of the provider - generic sample documents should not be provided to Buyers.</i></p>	<p>We recommend that a <b>schedule of all available guarantees and warranties</b> is provided, including <b>clear details of how long each guarantee or warranty lasts and any responsibilities the Buyer may have that might affect cover.</b></p> <p>Make sure you also <b>provide each guarantee/warranty</b>, and any <b>information which accompanies the guarantee/warranty</b> from the supplier, manufacturer and/or insurer. Ensure they are <b>plot specific</b>.</p>
<b>After Sales Service Details</b>	<i>Refer to <a href="#">Section 4.2</a> below to comply with <a href="#">Section 6.2</a> of the Code.</i>	
<b>Health &amp; Safety File</b>	<p>As "Client", under the CDM Regulations, you are required to provide a health and safety file to <i>"the person who acquires the Client's interest in the structure [...] ensuring that that person is aware of the nature and purpose of the file."</i></p> <p>The H&amp;S File must include clear information relating to Health &amp; Safety aspects of a new property, including information about specific residual risks which the Buyer needs to know about and any action they will need to take after moving in.</p> <p>Ultimately the purpose of the H&amp;S File is to provide <i>"information about the current project likely to be needed to ensure health and safety during any subsequent work, such as maintenance, cleaning, refurbishment or demolition."</i> When this applies to private house-holders purchasing the New Home from you, you do need to think about how they might use the property: extensions, refurbishments, room in the roof, maintaining external facades or architectural features – which covers information you will be able to provide relating to areas such as ground conditions, the design of the structure and any limitations of the structure etc.</p>	<p>Your Principal Designer is normally required to produce the H&amp;S File under their appointment to a project. They should have agreed a format for the file with you, early on in the project.</p> <p>You will need to provide a plot-specific file to the Buyer, but this is likely to be based on a standard template – do make sure it is plot-specific when it is handed to the Buyer however.</p> <p>Refer to Section 6.1 of the Code for some specific examples of areas which you need to provide information for. Make sure you take advice from your Principal Designer too.</p> <p><i>Note - your Warranty Body may be able to help further with providing Health &amp; Safety Files.</i></p>
<b>Code Dispute Resolution Scheme</b>	Your Buyers need to know how to access the Dispute Resolution Scheme provided by the Code.	<p>Provide a copy of the Code within the Handover Pack and refer the Buyer to Section 7 which clearly outlines the Dispute Resolution Scheme.</p> <p>You can also point the Buyer to the Code website at: <a href="http://www.consumercodefornewhomes.com/dispute-resolution">www.consumercodefornewhomes.com/dispute-resolution</a></p>

*Format of Handover Information: you should make sure any documentation you provide the Buyer is legible and clearly set-out, with headers and indexes wherever possible. If you have to photocopy or scan documents, you should make sure they are a suitable quality for reading all of the information provided.*





**Avoid High-Pressure Selling Techniques:** when it comes to any additional insurance products, warranties, guarantees or other post-completion items which a Buyer can pay additional monies for, you must ensure that your Sales Team does not use any high-pressure selling techniques.

You need to be careful not to misrepresent the costs, coverage or the benefits that any of these additional products provide.

And if you receive any commission for recommending certain products, you must declare that to the Buyer.

## 4.2 After Sales Service

The process of selling a New Home to a Buyer doesn't finish when you hand the keys over. New-build properties are fairly unique consumer purchases because:

- they represent one of the most significant investments a consumer will ever make
- the New Home becomes the Buyer's personal space where they (and their family) should be able to relax and feel safe
- they are built with a mixture of inert and natural materials which may breathe, move and reach an equilibrium in the months following completion.

Because of this, for Developers of New Homes it is incredibly important to have a clear and accessible After Sales Service, to ensure that:

- Buyers' expectations are managed properly and issues dealt with quickly and efficiently
- the Buyer has the best possible customer journey
- and ultimately to ensure the Developer maintains a credible and respected brand.



**What is an After Sales Service?** An After Sales Service should provide the Buyer with a formal way to keep in touch with you once they have moved into their New Home, to make sure they have a way of reporting any issues with the New Home or if they have any queries about their New Home.

It should provide a contact point which they can use in the event they experience any difficulties with, or have any queries about, the New Home.

Ultimately, your After Sales Service should provide support to the Buyer from the point of Handover of the New Home, at least until the expiry of 2 calendar years after Handover; *although you may see the benefit of providing a longer service.*



**Information you provide the Buyer about the After Sales Service:** There are key points of information you need to make sure you provide the Buyer about your After Sales Service. This includes:

- how long the service will last (*remember it must be a minimum of 2 years*)
- accurate and current contact names, numbers and e-mail addresses of the After Sales Service Team
- contact details of other relevant authorities, bodies and persons which will be needed by the Buyer
- details of what to do in an emergency
- details for making a claim under the Structural Warranty including contact details

We would also recommend that you include information about the following points:

- follow up visits / calls: *do you schedule in standard 30-day / 6 month follow up with your customers?*
- quality and customer satisfaction: *what commitment do you make?*
- what level of service customers can expect: *do you have a Customer Charter?*
- what constitutes an emergency with the New Home?
- what would not be included in your after sales service?
- timescales for responding to customer queries: *be specific between emergency and non-emergency requests*

**If you have decided to compile a standard layout *Buyer Handover Pack* (as suggested in Section 4.1 above), you should include a section on the After Sales Service and make sure you cover the points noted above.**



**Visiting the New Home after Handover:** You handed over the New Home to the Buyer and now it has become their home, a place where they and their family will relax and feel secure.

However if there are any snagging items or issues raised once the Buyer has moved in, if you have to send out anyone to the property, you (and your teams) need to remember that the New Home is no longer a building site and as such the way you carry out any subsequent works needs to be addressed with reference to the following points:

- **Arranging a time:** you should agree a suitable appointment time with the Buyer when a responsible adult can be present to represent them.

The need for there to be a responsible adult should be explained to the Buyer – we would recommend that you explain that if a responsible adult is not present, then you will not be able to enter the property.

*Please note - if a responsible adult is not present at the New Home at the time agreed, then your representative should not enter the New Home and you should instead re-arrange the appointment with the Buyer.*

- **Expected Standards for carrying out works:** the Code aims to protect the consumer in the whole process of buying a New Home including setting out standards for the After Sales Service.

However these standards also protect you, the Developer, your brand and your employees and agents, if you clearly set-out your procedures and make sure everyone is trained and knowledgeable about what is expected.

The minimum standards required by the Code include:

- Identification:** show clear and professional identification prior to entering.
- Presentation:** ensure work clothes and equipment are clean and presentable.
- Shoes:** be prepared to remove outdoor footwear or wear clean overshoes.  
If safety shoes are required, they should be clean and covered by overshoes.
- Protection:** ensure appropriate protection is provided for carpets, furnishings and decorations.
- Tidiness:** remove all debris after completing any works and leave the work area clean and tidy.
- No Smoking:** do not smoke in the New Home or in the vicinity of the New Home.
- Consideration:** be respectful and polite, acting in a professional and considerate manner at all times.



**Key things to remember:** Well-trained and knowledgeable staff must provide the After Sales Service.

In providing telephone numbers for Buyers, the Developer must not use premium rate numbers. In the absence of a Freephone number being provided, a national or local rate telephone number must be used.

## 4.3 Health & Safety for Buyers living on Developments under Construction



It is common for Buyers to move into their New Home while there is still work ongoing on the rest of the Development and as a result Developers, and your Contractors, have a responsibility to the Buyer to ensure they (and their New Home) are kept safe and that they are fully aware of any precautions they need to take while living on a Development under Construction.

As a requirement of the Code, you must tell the Buyer about the precautions they must take and the measures you will take to protect them. The Code also requires that you carefully plan the remaining works to fully protect any occupied properties; start with complete segregation of the occupied properties from the construction site, if this can't be completely achieved.

In order to comply with the Code, we would recommend that you prepare a statement of standard guidelines which you should issue to Buyers at Handover of their property, if there is still work ongoing on the rest of their Development. Include within this any actions / measures you will take to protect the Buyer and their family.

*You should ensure that these guidelines are made specific where it is required by the nature of the work going on or the nature of the development / New Home – ultimately ensure the guidance you give to the Buyer is as appropriate as possible.*

*We would advise that you involve your Health & Safety Advisor in drawing up your guidelines so that you have covered everything you need to.*

To help you comply with this requirement of the Code, you will need to consider most of the following:

- Contact Details for the Site Manager (and other appropriate site representatives)
- Emergency Contact Details (including Out of Hours)
- Commitment to Safety
- Traffic Management (segregation of site traffic, including movement of materials)
- Site Personnel
- Working Hours
- Children & Young Adults
- Pets
- Fire Safety
- Noise & Vibration
- Dust
- Scaffolding
- Any specific high risk activities

***Please note: this is not an exhaustive list of requirements. You must ensure that you address all issues which are likely to be pertinent to the development in question and we would recommend you involve your H&S Advisor.***

## 5. COMPLAINTS & DISPUTES

### 5.1 Developer Complaints Procedures



**Developing a Complaints Procedure:** As a key requirement of the Code, Developers must have a system and procedures for receiving, handling and resolving Buyers' service calls and complaints.

To comply with the Code, as a minimum your procedure will need to cover the following points:

- provide the Buyer with clear information about how to access the procedure and systems
- clearly state that the Buyer can expect a response from you within 30 working days of a complaint being made
- inform the Buyer of the estimated time within which a decision will be reached and, where applicable, an estimated time within which required work will be completed
- state that if you & the Buyer cannot reach an amicable resolution to the complaint, then at this point, the complaint becomes a Dispute which the Buyer has the opportunity to refer direct to the independent CCNH Dispute Resolution Scheme or to the Warranty Body for mediation
- provide the Buyer with information relating to the CCNH Dispute Resolution Scheme operated as part of this Code. Within your procedure we recommend you refer the Code website at: [www.consumercodefornewhomes.com/dispute-resolution](http://www.consumercodefornewhomes.com/dispute-resolution) and make sure you provide the Buyer with a copy of the Code.

You may already have a Complaints Procedure in which case we suggest you review it and make sure it covers all the points above.

If you don't already have a procedure, we have developed a standard Complaints Procedure template which you can use to develop your own procedure – this will help you to cover the minimum information requirements of the Code.

Template available at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)



**Accessing the Complaints Procedure:** we recommend that you make your full Complaints Procedure available on your website, with download facility available.

You should ensure that Buyers know how to access your Complaints Procedure at every stage of the process: Reservation, Contract of Sale Exchange, Completion of Sale and Handover - referring the Buyer to the direct link on your website is acceptable, although you may wish to provide a printed copy if you prefer.



**Co-operating with Professional Advisors:** if a Buyer makes a complaint to you, sometimes you may not be able to resolve the issue and it may turn into a Dispute. In such cases, a Buyer may then use appropriately qualified advisors (such as solicitors and qualified surveyors) to assist them or act for them in resolving a Dispute. It is the Buyer's right to do this and the Code does expect that you and your team will co-operate with the Buyer's advisor to work together to resolve a Dispute.

In certain circumstances a Buyer may not be able to act on their own behalf to make a complaint or try to resolve a Dispute and in such cases, you are expected to provide the same level of co-operation to an intermediary representing the Buyer (such as a family member, friend or civil advisor) as you would to the Buyer.

*We would recommend you include these points within your internal procedures for Complaints Handling.*

## 5.2 Warranty Body Mediation Process



Some disputes which arise between you and the Buyer may in fact be covered by the Structural Warranty and not the Code. Where this occurs, the Warranty Body will offer their own Mediation Process to the Buyer, free of charge.

You will find information about your Warranty Body's Mediation Process at: [www.consumercodefornewhomes.com/mdownload-centre](http://www.consumercodefornewhomes.com/mdownload-centre)

## 5.3 CCNH Independent Dispute Resolution Scheme



For situations where the you and the Buyer cannot reach a resolution on a dispute which is covered under the Consumer Code for New Homes, the Code operates an Independent Dispute Resolution Scheme run by the Centre for Effective Dispute Resolution.

It is operated so that either the Buyer or you, the Developer, can refer disputes to the Code in situations where agreement cannot be reached within 56 calendar days of the original complaint being raised by the Buyer.

You will find full details of the Code IDRS at: [www.consumercodefornewhomes.com/dispute-resolution](http://www.consumercodefornewhomes.com/dispute-resolution)



**Developer Obligations under the Code IDRS:** Under the terms and conditions of your registration with the Code, you (the Code Member) are required to take part in the IDRS process if it is instigated by the Buyer. You must also honour any award made against you under the CCNH Independent Dispute Resolution Scheme.

*Please note: as a Developer, you remain liable to pay the Adjudicator's award, even if your company is no longer registered with the Code. If you fail to accept the Adjudicator's award, CCNH may take legal action against you to enforce the terms and conditions of the award.*

## 6. MONITORING THE EFFECTIVENESS OF THE CODE

In order to maintain an effective and workable Consumer Code, it is essential to continually monitor the performance of Code Members & Code Users and as such, regular monitoring activities are undertaken and the data analysed, to enable the reporting of the findings on a regular basis internally.

We also produce an annual report which indicates ratios of performance against the key Code criteria, actions and remedies taken together with a review of the Code's performance in improving the customer experience and quality of completed New Homes.

Ultimately these activities aim to drive up the quality of customer service and construction of New Homes, protecting the consumer from unnecessary headaches or detriment in the process.

### 6.1 Developer Monitoring Requirements



Because buying a New Home in particular is a very relationship-based process, by the time the New Home sale completion has gone through, Developers have a close and developed relationship with the Buyer in most cases.

Therefore, you as our Member are well placed to help us to obtain feedback from the customer on their experiences, and ask for your assistance in carrying this process out.

As a Code Member your monitoring & reporting requirements include:

- Handover Processes
- After Sales Services
- Complaints Handling

Since you are registered with us, you are likely to concentrate on maintaining your brand reputation and providing a high-quality customer journey, so it is likely that you already undertake customer feedback processes to inform and improve your processes, and perhaps you even use some of the results to provide the basis for staff bonuses and internal awards.

Consumer Code for New Homes will complete customer feedback questionnaires when each sale is complete. There may be instances when we require additional information from you to assist us in response to customer feedback.





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