



Consumer Code for

**NEW HOMES**



## **CODE OVERVIEW FOR DEVELOPERS**

Consumer Code for New Homes - [www.consumercodefornewhomes.com](http://www.consumercodefornewhomes.com)

## Overview of the Consumer Code for New Homes

The Consumer Code for New Homes, approved by the Chartered Trading Standards Institute, establishes mandatory requirements that apply to all Developers registered with the Code, to ensure that best practice is followed in respect of the marketing, selling and purchasing of New Homes and to set high expected standards for after sales customer care service.











It has been developed 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.



This underlying principle is echoed in the approach of the Consumer Code for New Homes Code Users (the Warranty Bodies who are registered with us) whose site surveying activities help to improve quality of construction in house-building.





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.

The Code ensures that Buyers of New Homes:

-  are treated fairly by the Developer (and their Agent)
-  are confident about the Developer's legal and professional status as a company
-  are given clear and reliable pre- contract information upon which to make decisions about purchasing a New Home
-  are reassured that their reservation deposit is protected and that they have 14 days to cancel the agreement
-  know what standards of construction to expect from the Developer
-  know what service levels to expect from the Developer (and their Agent)
-  are given reliable and realistic information about construction, completion and handover dates
-  understand what they have to do to maintain their New Home and address any problems that may arise
-  know how to make a complaint and access speedy, low-cost Dispute resolution arrangements if they are dissatisfied.
-  in a vulnerable position are identified and given suitable support to help assist them in making decisions.

## What does the Code cover?

The Consumer Code for New Homes sets higher levels of consumer protection above and beyond the law. The Code covers the New Home buying process to ensure that the selling activities the Developer engages in are of a consistently high standard. This includes:

-  **Pre-Purchase Stage:** ensuring high standards of customer service, fair and clear documentation, adequate information provision
-  **Contract Exchange Stage:** governing the Contract of Sale, requiring minimum standards for fair and transparent contracts, accurate information about when the property will be available and protecting deposits
-  **Handover and After Sales:** providing minimum standards for handover and after sales processes, ensuring consumers' health & safety and ensuring they have suitable information for maintaining and living in your property
-  **Complaints & Disputes:** giving consumers access to clear, speedy and low cost dispute resolution if things don't go according to plan










## What do Registered Members have to do?













The Consumer Code for New Homes has been developed to be of maximum benefit and protection to consumers who buy New Homes sold by registered Developers. And this places a number of requirements on those Developers to provide a consistently high-quality service at every stage of the sales process.

Being a registered Member of the Code, you will need to do the following:

-  Sign a Code Member Agreement
-  Annually provide Member information to maintain your registration
-  Commit to meeting the Code requirements by adapting your systems and procedures
-  Publicise your commitment to the Code on your website and wherever you sell New Homes
-  Train all your consumer-facing staff so that they fully understand the Code requirements
-  Undertaking Customer Feedback processes (which the Code can assist with)
-  Provide regular monitoring information to assist us with measuring the effectiveness of the Code

## Benefits to Registered Developers

Protecting your customers and demonstrating your commitment to a quality and consistent approach goes hand in hand with building quality New Homes, which is why the Consumer Code for New Homes offers a range of benefits to Registered Developers:

-  **Selling point to your customers:** since you are a member of an industry-led, consumer-focused Code for selling New Homes which demonstrates a consistent and high-quality approach
-  **CML Compliant:** your New Homes can be sold with mortgages since the approach of the Consumer Code for New Homes is approved by a number of major high street lenders
-  **Insurable Properties:** Ability to work with approved Warranty Bodies to provide structural warranties on New Homes which are underwritten by UK-based insurers, regulated by the FCA and covered by the Financial Services Compensation Scheme
-  **Regular inspection of New Homes during construction:** our Warranty Bodies commit to a minimum of four key stage inspections of all your plots
-  **Helping you protect your customer deposits:** monitoring arrangements for protecting the deposits paid by consumers during New Home purchase process
-  **Independent Dispute Resolution:** you and your customers have access to a completely Independent Dispute Resolution Scheme which provides a fast, effective and low-cost solution to helping you resolve disputes if you need it
-  **Pragmatic and consistent approach:** to consumer protection with extensive experience in the New Home construction market
-  **Approved Code:** The Consumer Code for New Homes has been approved by the Chartered Trading Standards Institute - it is now part of the Approved Codes Scheme
-  **Assured Advice from Trading Standards:** The Code has entered a Primary Authority Partnership with Kent Trading Standards. As a member of the Code, you will have access to standard template documents and assured advice
-  **Help & Support:** Access to a range of useful tools and information accessed via our Members Pages

## Independent Dispute Resolution Scheme

One of the fundamental aspects of the Consumer Code for New Homes is the provision of access to a low-cost and effective dispute resolution scheme in the event that a dispute arises between a Buyer and a registered Developer. This can help to avoid costly and protracted legal action.

The Consumer Code for New Homes Dispute Resolution Scheme is operated by:

**Centre for Effective Dispute Resolution**



The scheme is independent of Developers and Warranty Bodies and any matter referred to this scheme concerns Disputes under the Consumer Code for New Homes only. The adjudication will be independent and conducted by a trained independent Adjudicator who must be a member of the Centre for Effective Dispute Resolution (CEDR).

Find out more about the CCNH Dispute Resolution Scheme at: [www.consumercodefornewhomes.com/dispute-resolution](http://www.consumercodefornewhomes.com/dispute-resolution)

## How is the Consumer Code enforced?

Our members are important to us and we know that by registering with us, you are demonstrating your commitment to improving the experiences of consumers in the New Homes market. However there may be situations which occur which require intervention by the Code and we think it is important to ensure that our members understand exactly what that intervention may be.

Developers registered with the Consumer Code for New Homes must comply with the requirements of the Code and any contravention of the Code by a Developer (or their Agent) will be treated as a very serious matter by the Code. When a contravention occurs or the Adjudicator's Decision from the Independent Dispute Resolution Scheme recommends it, the Code will convene its Disciplinary & Sanctions Panel to determine what action should be taken, depending on the seriousness of the breach of the requirements.

## How can I find out more?

You can find out a lot more about the Consumer Code for New Homes on our website: [www.consumercodefornewhomes.com](http://www.consumercodefornewhomes.com)

Once you are registered with the Code, you will also have access to the CCNH Developer Requirements Guide which sets out clearly how you can comply with the Code as well as a range of materials to help you comply including checklists and toolkits to provide to your teams.

If you would prefer to contact us, you can use one 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