

# Code Compliance Checklist



This checklist provides a quick check of what you need to do in order to comply with the Consumer Code for New Homes. Please use this checklist in conjunction with the Developer Requirements & Good Practice Guidance.

Please note: at all times, you must consider the needs of Customers who may be vulnerable.

## Point of Sale Requirements

- Do you have a procedure/system in place to ensure that your company or a selling Agent working for your company complies with the Code?
- Have you updated your internal systems & procedures to include Code Requirements?
- Have you trained your sales staff or those employed by selling Agents about their responsibilities under the Code, particularly with regards to their responsibilities towards Customers who may be vulnerable?
- Is the Code readily accessible to Customers from your website and on any software applications you use? Have you considered Customer vulnerability where appropriate?
- Have you prominently displayed the Code Scheme Logo in your sales office and in your sales brochures and incorporated into your website and other sales literature?
- Is your sales and advertising material clear and truthful and compliant with all relevant legislation?
- Have you declared any commission received for recommending certain products or services where appropriate?
- Have you established a procedure to provide the Guide for Buyers of New Homes to each prospective Buyer?

## Pre-Contract Information

Do you have the following information available for those who wish to Reserve a New Home:

1. A written Reservation Agreement compliant with the Code.
2. Contact details of the Structural Warranty Body and an explanation of the cover provided by the Structural Warranty.
3. A description of any Management Services / charges that will apply, an estimate of the costs and how they will be administered.
4. The nature and method of assessment of any Event Fees such as transfer fees or similar liabilities.
5. Whether the New Home is leasehold or freehold.
6. The Detailed Planning Consent reference number and details of any future build phases of, and the facilities on, the expected completed Development.
7. A list of contents that are included in the price.
8. A specification for the New Home including the type of materials being used for the main structure.
9. Information about the standards that the New Home is being built to and the expected energy performance standards.
10. Any exceptional restriction on using, living in, or the appearance of the New Home and its grounds.
11. Details of any services, facilities and responsibilities that may not immediately transfer to the Buyer on Legal Completion.



### Pre-Contract Information (continued)

If the New Home is not completed, have you provided all appropriate information including:

1. A provisional estimate of when the New Home will be ready for occupation?
2. A brochure or plan showing size, specification, general layout, plot position and orientation of the New Home?

Have you given the Buyer the following information:

1. Have you told the Buyer, in writing, who to contact to deal with their questions during the sales/completion process?
2. Have you given the Buyer information about the Structural Warranty cover?
3. Have you informed the Buyer of health & safety precautions on-site?
4. Have you advised the Buyer to appoint an independent legal adviser once the New Home is reserved?
5. Have you given the Buyer a Reservation Agreement that complies with the Code? (See [Requirement 2.2 of the Code](#)).
6. Have you explained in plain English the terms of any Part-Exchange Scheme if used?
7. Have you given the Buyer a copy of your Complaints Procedure? (see [Requirement 5.2 of the Code](#))

Have you considered the following Health & Safety requirements for each project:

1. Have you employed, or do you have access to, competent Health & Safety advice?
2. Have you ensured that your policies & procedures clearly comply with the relevant Health & Safety legislation? (especially the CDM Regulations)
3. Have you carried out a Risk Assessment for permitting visitors to access live construction sites?

### Contract Exchange

Are the Contract of Sale terms and conditions:

1. Clear, fair and written in plain English?
2. Compliant with all relevant legislation?
3. Inclusive of the contract termination rights?

Do the Contract of Sale terms and conditions:

1. Define the Legal Completion notice period?
2. Clearly state what will happen if there is a delay in the construction?
3. Explain how Contract Deposits are to be protected?

Have you made suitable arrangements for protecting Buyer Deposits & Prepayments:

- Either: Insurance arranged through the Structural Warranty?
- Or: All pre-payments and deposits to be held in a client account (solicitor held)?



### Contract Exchange (continued)

Are your staff (including Agents who sell your New Homes) aware of:

1. The need to formally consult Buyers, in writing, and get their agreement to any major change to the design, construction or materials to be used if this significantly alters the size, appearance and value of the New Home?
  2. The Buyer's cancellation rights?
  3. The fact that extra work or the incorporation of extra items that the Buyer has agreed to pay for should be set out in writing using a separate quotation and written order together with cancellation and refund rights? Extra time for completion should be agreed by the legal adviser to both parties.
- If you have agreed extra work with the Buyer, does the agreement to extra works incur additional time in the building programme and has this been agreed between legal advisers?

Have you told the Buyer about their right to terminate the Reservation Agreement and Contract of Sale and the circumstances under which it may be used?

### Legal Completion

Have you given the Buyer reliable information about the date construction will be finished, Legal Completion and the date of handover?

At the point of Legal Completion have you:

1. Completed the construction to the standards required?
2. Carried out your final quality-assurance inspection and given the Buyer a schedule of any Defective, Faulty or Incomplete Works with a statement of timescales for completing/remedying them?
3. Agreed or given the Buyer an appointment for a New Home demonstration?
4. Given the Buyer:
  - 4.1 The Structural Warranty Cover Note or Insurance Certificate and the Structural Warranty Policy Document?
  - 4.2 The opportunity (in writing) to carry out a Pre-Completion Inspection?
  - 4.3 A copy of your Complaints Procedure?
  - 4.4 The Health and Safety File (in accordance with the CDM Regulations)?
  - 4.5 A statement of incomplete works, not part of the New Home but which serves and directly affects it and indicative timescales for completion?
  - 4.6 An explanation of how the appliances operate?
  - 4.7 Full details of any guarantees and warranties? (NB: these should be plot specific and not generic)
  - 4.8 A copy of the Building Regulation Control Certificate and Inspection records if requested? (Habitation Certificate in Scotland).

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

Have you told the Buyer about the health & safety precautions to be taken on the Development if building work is continuing?

Have you carefully planned the remaining building work on the Development to protect the inhabitants of properties which are occupied? You must not move Buyers into New Homes early if the remaining works (particularly traffic management) cannot be carried out by complete segregation of the building works and the public areas.

### After-Sales Service

Have you provided the Buyer with the following information about your After-Sales Service:

1. An After-Sales Contact telephone number and e-mail address?
2. An explanation of what the After-Sales Service includes?
3. An explanation of how Emergency Issues should be dealt with (including timescales)?
4. How arrangements for any inspections will be made?
5. How confirmation of any relevant remedies will be provided?
6. How arrangements for access to the New Home will be made, where needed?
7. A written statement about your After-Sales Service, including timescales for how service calls will be managed and including:
  - 7.1 Dealing with Snags
  - 7.2 Rectifying Defective, Faulty or Incomplete Works
  - 7.3 Repairing or replacing appliances and mechanical and electrical equipment
  - 7.4 Remedying problems associated with any fixtures and fittings
8. Details of how the Buyer can make a formal complaint if they are not satisfied with the After-Sales Service?

Are all the staff (including any Agents) who will provide the After-Sales Service fully trained in their responsibilities under the Code?

Have you made sure your After-Sales contact number is either freephone or national / local rate?   
A premium-rate number should not be used.

### Co-operation with Professional Advisers

Have all staff (including any Agents) been made aware that they need to co-operate with Professional Advisers (or agreed intermediaries) appointed by the Buyer to help with the purchase of the New Homes, any Pre-Completion Inspection and in the resolution of any Complaints before they become a Dispute?

## Complaints and Disputes

Have you got a Complaints Procedure in place and have you let the Buyer know in writing about this, how it operates and about the Code's Independent Dispute Resolution Scheme?

Is your Complaints Procedure easily accessible on your website?

Does your Complaints Procedure state the following:

1. You will provide a written acknowledgement of the Complaint to the Buyer within five working days.
2. The Buyer can expect a more detailed response from you within 20 working days.
3. If the Complaint becomes a Dispute the Buyer may refer it direct to the Independent Dispute Resolution Scheme.
4. Using the Complaints Procedure or the Independent Dispute Resolution Scheme does not affect the Buyer's normal legal rights
5. A Dispute may be brought to the Independent Dispute Resolution Scheme after 56 days have passed since the Buyer first raised the Complaint with the Developer, and no later than 12 months after the Developer's final response to the Complaint.



*A reassuring presence for new home buyers*