



**HOMEPROOF**  
— STRUCTURAL WARRANTIES —

# Consumer Code for Residential Warranties

Improving standards and customer experience

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# DEFINITIONS OF TERMS

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Certain words have specific meanings when they appear in this **Code**. These meanings are shown below and appear throughout this **Code** in bold type. Where words are plural, they have the same meaning as when they are singular and one gender is taken to also mean the other. All other words have their normal meaning. Please note that Scottish terms described below are interchangeable throughout this document with the equivalent term used in England, Wales, and Northern Ireland.

|  |   |
|--|---|
| <b>Aedis Warranties Ltd<br/>T/As “HomeProof”</b> | Provider of the HomeProof New Build 10 Residential Warranty.  |
| <b>Agent</b>                                     | Person, firm or company appointed by a <b>Builder</b> to deal with any matter on behalf of a <b>Builder</b> . Examples include an estate agent, solicitor, or contractor.   |
| <b>Builder</b>                                   | A builder or developer of new or newly converted homes for sale to the public who has registered the <b>Home</b> with <b>HomeProof</b> for a <b>HomeProof New Build 10 Residential Warranty</b> and who is registered as a member with <b>HomeProof</b> and from whom the <b>Buyer</b> contracts to buy a <b>Home</b> .   |
| <b>Buyer</b>                                     | Person(s) who reserve or buy a <b>Home</b> from a <b>Builder</b> , excluding those listed in <b>section 2</b> of the <b>Code</b> . Where a <b>Home</b> is reserved or purchased by more than one <b>Buyer</b> the rights of the <b>Buyers</b> will be joint.  |
| <b>Code</b>                                      | This document: <b>HomeProof Consumer Code for Residential Warranties</b> .  |
| <b>Completion</b>                                | The moment when the <b>Home</b> is transferred from the ownership of the <b>Builder</b> to the ownership of the <b>Buyer</b> . In Scotland this is known as ‘Conclusion of Missive’ and/or ‘Date of Entry’.   |
| <b>Contract/Contract of Sale</b>                 | The legally binding document that commits the <b>Builder</b> to sell and the <b>Buyer</b> to buy the <b>Home</b> . In Scotland, this is known as ‘Builder’s Missive’.   |
| <b>Contract Exchange</b>                         | The moment when the <b>Contract</b> comes into effect. In Scotland this stage is known as ‘Exchange of Missive’. In Northern Ireland, this is known as ‘Formation of Contract’.   |
| <b>Dispute</b>                                   | <p>A written complaint by the <b>Buyer</b> to the <b>Builder</b> within two years of the effective date of the <b>HomeProof New Build 10 Residential Warranty</b> where the <b>Builder</b> has failed to comply with <b>Code</b> requirements and has failed to resolve the complaint to the satisfaction of the <b>Buyer</b>.</p> <p>Complaints covered by the <b>Code</b> are subject to a maximum aggregate award of £50,000 inclusive of VAT and maximum awards for financial loss of 25% of the purchase price of the <b>Home</b> and maximum awards for emotional distress and/or claims for inconvenience of £1,000.</p> |

|  |  |
|--|--|
| <b>Dispute Resolution Scheme</b>                   | The procedures for dealing with <b>Disputes</b> between the <b>Buyer</b> and the <b>Home Builder</b> which cannot be resolved informally, as set out in <b>section 17</b> of the <b>Code</b> .   |
| <b>Home</b>  | A property registered by a <b>Builder</b> with <b>HomeProof</b> to obtain a <b>HomeProof New Build 10 Residential Warranty</b> , excluding those <b>Homes</b> and matters referred to in <b>section 2</b> of the <b>Code</b> .   |
| <b>HomeProof New Build 10 Residential Warranty</b> | An insurance-backed warranty providing the <b>Buyer</b> with cover for loss of <b>Contract Exchange</b> deposits and damage caused by defects as set out in the policy documents; a summary of which is made available under the terms of this <b>Code</b> with the pre-purchase information.  |
| <b>Management Services</b>                         | Maintenance, supply and service obligations and charges to which the <b>Buyer</b> will be committed after the <b>Home</b> is purchased. <b>Management Services</b> are not applicable to all properties. In Scotland, this is known as 'Factoring'.  |
| <b>Membership Register</b>                         | Register of <b>Builders</b> maintained by <b>HomeProof</b> .   |
| <b>Reservation Agreement</b>                       | An agreement in writing signed by a <b>Buyer</b> and a <b>Builder</b> giving the <b>Buyer</b> an exclusive period of time to enter into a <b>Contract</b> to buy a <b>Home</b> irrespective of whether a fee is paid.  |
| <b>Snagging</b>                                    | Minor issues of a cosmetic nature with the building work relating to the <b>Home</b> which remain outstanding at <b>Completion</b> .   |
| <b>Specification</b>                               | The general description of the main materials used to build the <b>Home</b> including wall, roof and floor construction, bricks and roof tiles, windows, internal and external doors, equipment, furnishings, taps, heating systems, paint, and carpets.   |
| <b>Vulnerable Buyer</b>                            | A <b>Buyer</b> whose ability to make a sound decision is impacted by a one or more of the following reasons: their age, infirm, language, disability or learning difficulty or vulnerable at times of stress. They are likely to find it difficult to choose or access essential products and services which are suitable for their needs or are unable to do so without disproportionate effort, cost, or time. |

# INTRODUCTION

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The **Code** is a compulsory set of requirements to make sure **Builders** adopt best practice before, during and after the purchase of a **Home**.

Specifically, the **Code** covers the marketing, selling, purchasing and after-sales service of new **Homes** backed by a **HomeProof New Build 10 Residential Warranty**.

## MANAGING THE CODE

The **Code** will be managed by **Aedis Warranties Ltd T/As HomeProof**.

Managing the **Code** will include regular surveys, audits, and analysis to see if the **Code** is being applied and delivered properly.

For more information, and how to obtain copies of the **Code**, please email [info@awlhomeproof.com](mailto:info@awlhomeproof.com).

# 1 PURPOSE OF THE CODE

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The **Code** will improve the customer experience delivered by all **Builders** registered with **HomeProof**.

The **Code** encourages transparency and best practice at all stages of the **Home** sale process.

**Builders** are required to comply with the **Code** and will be committed to improving customer service.

A key part of the **Code** is to provide **Buyers** with an appropriate voice should they need to raise any issues.

The **Code** makes sure that:

- **Buyers** are confident about the **Builder's** legal and professional status.
- **Buyers** are treated fairly by the **Builder** (and their **Agent**).
- **Buyers** know what service levels to expect.
- **Buyers** are given clear, reliable, and appropriate information and contact details.
- **Buyers** know how to access speedy, low-cost **Dispute** resolution arrangements.
- **Vulnerable Buyers** are identified and given the appropriate support.

**Note:**

The **Code** does not affect the existing legal rights of the **Buyer**.

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experience

## 2 SCOPE OF THE CODE

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The **Code** applies to all **Homes** with a **HomeProof New Build 10 Residential Warranty** with an effective date after **19 July 2016**. The Code is applicable for a period of 3 years from the date of completion of the New Home.

All **Builders** who are registered with **HomeProof** and provide a **HomeProof New Build 10 Residential Warranty** are required to comply with the **Code**.

Where a **Builder** is found to be in serious breach of the **Code**, **HomeProof** reserve the right to apply a range of sanctions/orders, including removal from the **Membership Register**, and may, as appropriate, recommend removal from registers maintained by other home warranty providers/ bodies.

The **Code** outlines the **Dispute Resolution Scheme** for written complaints made to the **Builder** within two years from the effective date of the **HomeProof New Build 10 Residential Warranty** that are not covered by the **HomeProof New Build 10 Residential Warranty** and cannot be resolved by the **Builder**.

In addition, the **Code** offers benefits to subsequent **Buyers** of the **Home** in respect of after-sales matters reported within two years from the effective date of the **HomeProof New Build 10 Residential Warranty**.

The **Code** does not apply to properties that are:

- Second-hand (for example, homes taken by **Builders** in part exchange and re-sold).
- Acquired by registered providers.
- Acquired for investment purposes.
- Let on short-term or long-term assured tenancy agreement.
- Built under architects' certificates (unless a warranty body has also issued a structural warranty)
- Built by an individual (or under **Contract** between a **Builder** and an individual) intended to be used as their main place of residence for a minimum of 12 months on **Completion** (self-builder).

The **Code** does not cover disputes over:

- Claims made after the two-year builder guarantee period (which are covered by the **HomeProof New Build 10 Residential Warranty**).
- Personal injury claims.
- Loss of property value or any other financial loss not included as part of the **Code**.
- Claims relating to the land conveyed and its registered title.
- Claims where the amount of redress exceeds the limits of the **Dispute Resolution Scheme**.

Matters relating to other dispute resolution or ombudsman schemes should be referred to the relevant organisation. Such schemes will take precedence over the **Code** and its associated **Dispute Resolution Scheme**.

**Note:**

The **Code** is in addition to, and does not replace, existing legislation affecting sales and marketing of new homes to the **Buyer**.

## 3 ADOPTING THE CODE

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- 31 **Builders** must comply with requirements of the **Code** and have regard to good practice at all times and assume responsibility that persons employed by, or contracted by them, embrace the same principles.
- 32 **Builders** must ensure they understand the **Code** and their associated responsibilities.
- 33 The **Code** sets the marketing, sales and customer service requirements that **Builders** must achieve before, during and after the **Home** sale.
- 34 The **Code** does not affect the existing legal rights of the **Buyer**.
- 35 The **Code** encourages transparency and best practice at all stages of the **Home** sale process.

## 4 MAKING THE CODE AVAILABLE

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- 41 **Builders** must make the **Code** available to customers at no cost and in a format(s) that allows the customer to access the **Code** away from the **Builder** sales office e.g. online.
- 42 **Builders** must display the **Code** in the public show house, sales office or other public areas related to the sales process.
- 43 Pre-purchase information must include a copy of the **Code** or details of how to access the **Code**.
- 44 **Builders** must fulfil reasonable requests to make the **Code** available in a other formats (such as large print or languages other than English) within **ten working days**.
- 45 **Builders** must provide the correct level of support to **Vulnerable Buyers** to help them make informed decisions.
- 46 The **Builder** should provide details for the Citizens Advice Service who can represent and support the **Buyer** if required.

## 5 CUSTOMER SERVICE AND STAFF TRAINING

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- 51 **Builders** must have processes and procedures and deliver associated training and monitoring necessary to comply with the **Code**. This must include training on how to identify and support **Vulnerable Buyers**.
- 52 Agency staff and/or temporary staff (those who are not directly employed by the **Builder**) must be subject to the same processes, procedures, and training as permanent staff.
- 53 **Builders** must monitor and, if required, refresh staff training on an annual basis and provide documentary evidence if requested by **HomeProof**.



## 6 SALES AND ADVERTISING

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- 61 The **Builder** must ensure sales material and advertising uses plain English. The content must be clear, honest and comply with relevant advertising standards and legislation.
- 62 **Builders** must make it clear in their advertising that they are members of, and adhere to, the **Code**.
- 63 **Builders** are expected to conduct themselves with integrity and embrace ethical principles in dealing with potential **Buyers**. Information provided regarding all matters relating to the sale must be accurate and clear.
- 64 **Builders** must **NOT** mislead the **Buyer** about:
- Size of the property.
  - **Specification** of the property.
  - Pricing of the property.
  - Mobility and accessibility of the property.
  - Warranty provision.
  - Future development phases.
- 65 **Builders** must **NOT** mislead or adopt high-pressure selling techniques to influence the **Buyer's** decision, examples of which can include, but are not limited to:
- Encouraging a reservation by suggesting there are other interested parties.
  - Stating there is an imminent price increase.
  - Offering a financial incentive for an immediate decision.
  - **Part-exchange schemes** – When a **Builder** offers a part-exchange scheme for **Buyers**, the terms must be clear and must not be used to pressurise a sale. The scheme details must be in writing in plain English and include full details of:
    - Terms and conditions that apply.
    - Independent market valuation from a member of the Property Ombudsman Scheme.
    - Qualification to the scheme.
    - Date by which the **Buyer** must accept the offer.
    - Consequences of not accepting the offer by the stated date.
    - Anticipated date when the part-exchange and purchase of the **Home** will be completed.

## 7 VULNERABLE BUYERS

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- 71 **Builders** must give particular consideration to **Vulnerable Buyers** and ensure that their staff are suitably trained in related matters.
- 72 Where vulnerability is apparent to the **Builder**, or where the **Buyer** declares a vulnerability, the **Builder** must assess the potential effect this may have and act in a professional and sensitive manner.
- 73 Builders must provide all **Buyers** adequate time to consider and absorb information provided.
- 74 If no vulnerability is declared but it becomes apparent that there may be a vulnerability, the **Builder** should seek clarification from the **Buyer** and/or their representative. This must be done in a professional, sensitive, and considerate manner and should not be interpreted as discriminatory.
- 75 Resources for managing customer vulnerability can be found [here](#).

## 8 HEALTH AND SAFETY FOR SITE VISITS

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- 81 **Buyers** who visit a building site or development to view **Homes** must be given appropriate health and safety advice and, where applicable, appropriate safety equipment e.g. hard hat, high-visibility vest and protective footwear to wear on site. The **Builder** must make it clear that visitors are personally responsible for following health and safety procedures and signage.
- 82 **Buyers** should be asked to sign a document confirming they have received and read (or listened to, in the case of audio or live induction) health and safety advice for the development and this must be made available to **HomeProof** on request.
- 83 **Builders** should make sure **Buyers** are provided with:
- Clear and accessible signage in accordance with the Disability Discrimination Act 1995.
  - Clear and easy mobility access into and around the site.
  - An appropriate adult to accompany them where needed.

## 9 MONITORING AND CONTINUOUS IMPROVEMENT

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- 91 The **Code** has been developed to meet the needs of **Buyers**.
- 92 To ensure those needs are met and the **Code** continues to provide the best possible performance, it is vital that the effectiveness of the **Code** is appraised.
- 93 **Aedis Warranties Ltd T/As HomeProof** will monitor the performance of the **Code** against a range of criteria and report back those findings as appropriate.

### DATA AND EVIDENCE GATHERING

- 94 To provide the evidence required to effectively monitor and improve performance of the **Code**, a number of research techniques are used such as:
- Random audits/spot checks.
  - Mystery shops.
  - Customer surveys.
  - Builder surveys.
  - Analysis of operational data (compliments, complaints, sales, membership).

### MAKING THE FINDINGS PUBLIC

- 95 **Aedis Warranties Ltd T/As Homeproof** will present an Annual Report to the Trading Standards Institute (for review under the Consumer Codes Advisory process) and this will be published on the **Code** website for public information and scrutiny with opportunities for feedback from interested parties.

## 10 PRE-PURCHASE

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**101**    **Buyers** must be given sufficient pre-purchase information to help them make an informed decision about purchasing a **Home**, including:

- Copy of the **Builder's** standard **Reservation Agreement**
- An explanation of the **HomeProof New Build 10 Residential Warranty** (including contact details and where to locate or obtain a copy of the policy).
- A copy of the **Code** or details of how to access the **Code**.
- List of the **Home** contents included in the price e.g. white goods, curtains, carpeting.
- Information relating to the standards to which the new **Home** is being built.

**102**    If the **Home** is not already finished, the **Buyer** must be provided with:

- The **Builder's** estimate of when the **Home** will be ready for occupation.
- A plan detailing the size, **Specification** (including cosmetic finish, layout, plot, position, utilities, and energy performance ratings) and mobility and accessibility adaptations.

**103**    The **Builder** must recommend to the **Buyer** that they should seek independent advice from a solicitor or licensed conveyancer before **Contract Exchange**.

**104**    If the **Buyer** asks the **Builder** to recommend an adviser, the **Builder** should avoid making any specific recommendations and refer to website of appropriate body.

**105**    The **Builder** must provide the names and contact details of who can help with any questions or problems the **Buyer** may have before **Completion** or complaint raised by the **Buyer** under the **Code**. Where applicable, this should be included as part of the **Builder's** own Customer Charter.

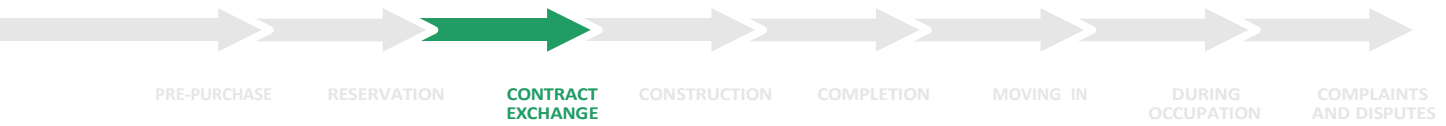
# 11 RESERVATION



- 111**    **Buyers** must be given a **Reservation Agreement** that clearly sets out the terms of the reservation, including:
- Amount of the reservation fee.
  - Terms under which the reservation fee is refundable or non-refundable, and any administration fees or similar which the **Builder** may deduct.
  - Confirmation that the **Reservation Agreement** is not a **Contract** for the sale/purchase of a **Home**.
  - What is being sold (type of **Home**, plot number, development name, parking arrangements etc.).
  - Purchase price of the new **Home**.
  - How long the quoted price and **Reservation Agreement** remain valid.
  - Date by which **Contract Exchange** must take place.
  - Details of how the **Contract of Sale** deposit will be protected and what happens if the **Builder** becomes insolvent.
  - Details of any **Management Services** and an estimate of their costs.
  - Pre-purchase information.
  - Part-exchange terms (if applicable).
  - Potential scope for changes to the new **Home** i.e. decoration, design and **Specification**.
  - Details of how a **Buyer** can include in the **Contract** any spoken statement that is to be relied on.
- 112**    The **Builder** must give the **Buyer** a copy of the **Reservation Agreement** signed by both parties.
- 113**    While the **Reservation Agreement** remains valid, the **Builder** must not enter into a **Reservation Agreement** with, or sell, or attempt to sell the **Home** to anyone else.
- 114**    The **Buyer** may cancel the **Reservation Agreement** during the agreed reservation period.
- 115**    The reservation period may be extended by mutual agreement between the **Buyer** and **Builder**. If the deadline date is not extended and the **Contract of Sale** has not been exchanged, the **Reservation Agreement** automatically expires.
- 116**    If the **Buyer** wishes to cancel the reservation for any reason within 7 working days of signing the **Reservation Agreement**, the reservation fee must be refunded in full.
- 117**    If the **Reservation Agreement** is cancelled or expires, the reservation fee must be reimbursed within **14 days** (less any deductions the **Buyer** was told about).
- 118**    Unless the **Buyer** has paid the reservation fee to the **Builder** by credit card, the **Builder** must hold the reservation fee in a separate client account designated for holding such fees.
- 119**    The **Builder** must tell the **Buyer** of any reasonable deductions that may be made from the reservation fee if the **Buyer** cancels at a later stage.

## 12 CONTRACT EXCHANGE

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### CONTRACT OF SALE

- 121** The **Builder's** solicitor will send the **Contract** and all relevant documents to the **Buyer's** independent adviser as soon as reasonably possible after the **Reservation Agreement**.
- 122** The **Contract** terms and conditions must:
- Be clear, fair, and written in plain English.
  - Comply with the Unfair Terms in The Consumer Rights Act 2015.
  - Clearly set out the process and timing for advising the **Buyer** of the **Completion** date.
  - Clearly state the circumstances in which the **Buyer** can terminate the **Contract**.
- 123** The **Contract** must define the Legal Completion Notice Period from serving of notice to **Completion**.
- 124** To avoid disputes over spoken statements, before **Contract Exchange** the **Builder** should make sure the **Buyer**, through their legal representative, states in writing what spoken statements they are relying on when entering into the **Contract**.

### TERMINATION RIGHTS

- 125** Buyers must be told about their right to terminate the Contract. Examples include:
- Alteration to the Home that directly and materially affects the value.
  - Excessive or unreasonable misrepresentation of features or amenities
  - Excessive or unreasonable delay in finishing the construction of the Home and serving the notice to complete.

## 13 CONSTRUCTION



### CHANGES TO THE PROPERTY AFTER CONTRACT EXCHANGE

- 126** If a change occurs to the design, construction or materials in the Home that will materially alter its value, the Builder must consult the Buyer and get their written agreement to the changes.
- 127** Where the alterations materially affect the value of the Home and the Buyer does not agree, they may cancel the Contract without loss of deposit or withholding of any fees.
- 128** The Builder must ensure that the Buyer is aware of the deposit protection covered under the HomeProof New Build 10 Residential Warranty, provided that this is operative. If not operative, the Builder must make the Buyer aware at the time of requesting such deposit.
- 129** Minor changes which do not significantly and substantially alter the size, appearance or value of the Home should still be communicated to the Buyer, but the Buyer's agreement is not required. The Buyer must be advised that they may want to consider consulting their independent adviser.
- 1210** Changes the Buyer requests and agrees to pay for that are not included in the Reservation Agreement or Contract must be set out and agreed in writing signed by the parties. This written document must include:
- All cancellation and refund rights
  - Estimated impact on Completion date.

### CONSTRUCTION TIMINGS

- 131** The Builder must provide the Buyer with a schedule detailing timing of key stages and practical completion for the Home. Builders must ensure all information is accurate at the time it is given.

### PRACTICAL COMPLETION

- 132** The Builder should have established internal processes and methods, but if not, then consideration must be given to the following time guidelines:

| Stage   | Estimated time Home is likely to be ready |
|---|---|
| Before foundations and floor completion         | Estimate of <b>month</b> when ready       |
| Roof completed and home weatherproofed          | Estimate of <b>month</b> when ready       |
| Decoration complete and main services connected | Estimate of <b>week</b> when ready        |

## CONSTRUCTION (CONTINUED)

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### COMMUNICATING WITH THE BUILDER

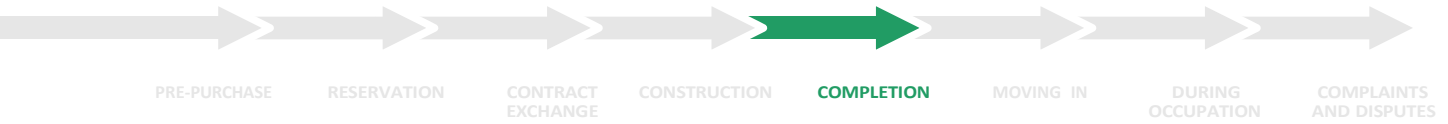
**133** The **Builder** must make it as easy as possible for **Buyers** to contact them before, during and after **Completion**. The **Builder's** contact details must include:

- Address.
- Telephone number (and details when the phone number is active).
- Email address.

**134** The **Builder** must ensure well-trained and knowledgeable staff deliver this service.

## 14 COMPLETION

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### CUSTOMER INFORMATION ON COMPLETION

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**Buyers** must be told whether the **HomeProof New Build 10 Residential Warranty** has been issued for the **Home** and, if not, inform the **Buyer** why.

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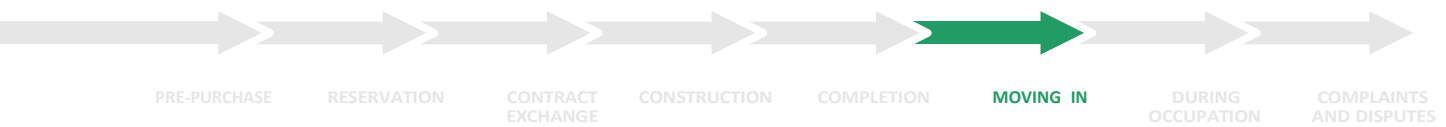
**Buyers** should be provided with an '**Information for Buyers**' pack which, as a minimum, must include:

- **HomeProof New Build 10 Residential Warranty** and other warranty documents where available or an explanation with reasons why they are not yet available.
- **HomeProof New Build 10 Residential Warranty** Home Buyer's Guide.
- The **Builder's** complaints procedure.



## 15 MOVING IN

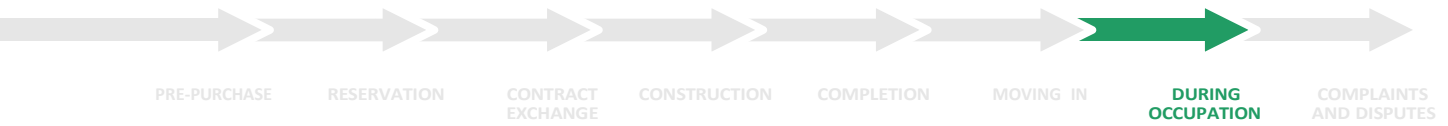
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- 151** Handover of the **Home** to the **Buyer** should include a final walk-through, identifying any outstanding work within the **Home** or to other areas of the development serving the **Home**.
- 152** The **Builder** must provide the **Buyer** with a '**Guide to your New Home**' pack which includes:
- Details of after-sales service.
  - **Builder's** contact details during first two years of **HomeProof New Build 10 Residential Warranty**.
  - Guidance on how to report any problems with the **Home**.
  - Details of what to do in case of emergencies.
  - Technical instructions and details of guarantees/warranties for appliances and equipment included in the purchase of the **Home**.
  - Details of any other guarantees/warranties and any **Buyer's** responsibilities that affect cover.
- 153** The **Builder** must **not** use a premium rate number for incoming customer calls. In the absence of a freephone number being provided, a national or local rate telephone number must be used.
- 154** **Builders** must act ethically and with integrity when offering additional warranties or guarantees.
- 155** The **Builder** must:
- Provide the **Buyer** with guidance on **Snagging**, what it is and how to report any **Snagging** problems they encounter at the **Home**.
  - Make it clear that **Snagging** is **not** covered by the **HomeProof New Build 10 Residential Warranty**.
  - Make it clear that any dispute in respect of **Snagging** will be subject to the provisions of the **Code**.

## 16 DURING OCCUPATION

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### HEALTH AND SAFETY FOR BUYERS LIVING ON DEVELOPMENTS

- 161**   **Buyers** must be informed about health and safety precautions when living on a development where building work is continuing.
- 162**   **Builders** must carefully plan any remaining work while homes are inhabited and must not move **Buyers** in if there are undue concerns over their safety.
- 163**   The **Builder** must give the **Buyer** a health and safety file for the **Home** in compliance with the relevant Construction (Design and Management) Regulations 2007.

### VISITING A HOME AFTER IT'S OCCUPIED

- 164**   If the **Builder** needs to visit or carry out works on the **Home** after it's occupied, the **Builder** should always make an appointment with the **Buyer**. The appointment must be made when a responsible adult will be present to represent the **Buyer**.
- 165**   On attending the **Home** the **Builder** should remain courteous and professional at all times.

# 17 COMPLAINTS AND DISPUTES



## COMPLAINT AND DISPUTE HANDLING

- 171** The **Builder** must have systems and procedures in place for receiving, handling, recording, and monitoring **Buyer's** complaints.
- 172** Complaints procedures must include the time frame for:
- Acknowledging the complaint;
  - Estimated time to reach a decision; and
  - How long it will be until an estimate can be provided of time to reach a decision, if applicable.
- 173** The maximum time for a **Buyer** to receive a response from the **Builder** is **30 working days** of the complaint being lodged.
- 174** The **Builder** must give the **Buyer** a written document outlining the **Dispute Resolution Scheme** operated as part of this **Code**.

## WHAT IS A DISPUTE?

- 175** A written complaint by the **Buyer** to the **Builder** within two years of the effective date of the **HomeProof New Build 10 Residential Warranty** where the **Builder** has failed to comply with **Code** requirements and has failed to resolve the complaint to the satisfaction of the **Buyer**.
- 176** A **Dispute** covered by the **Code** does not include a dispute under the **HomeProof New Build 10 Residential Warranty** or between the **Buyer** and **HomeProof** or any matter not within the scope of the **Code**.
- 177** The **Buyer** must first bring the complaint to the **Builder**. If the **Buyer** is not satisfied with the **Builder's** response or does not receive a response within **56 calendar days**, the **Buyer** may refer the matter to the Aedis Independent Alternative Dispute Resolution Service (AIADRS) provided by the Centre for Effective Dispute Resolution (CEDR).
- 178** A **Buyer** who believes they have suffered financial loss because a **Builder** has failed to meet the **Code** requirements may refer the **Dispute** for independent review as outlined in the **Dispute Resolution Scheme**.
- 179** The following costs would apply:
- The case registration fee for Adjudication for the Home Buyer is £100 plus VAT
  - The Fee for Adjudication with early settlement for the Home Builder is £150 plus VAT
  - The Fee for Adjudication without early settlement for the Home Builder is £650 plus VAT
- 17.10** Dispute resolution includes:
- A maximum aggregate award of £50,000 inclusive of VAT and maximum awards for financial loss of 25% of the purchase price of the **Home**; or
  - Completion of work to the **Home**, agreed by the adjudicator within the financial limits of a **Dispute**; or
  - Combination of financial compensation and completion of work to the **Home** within the financial limits of a **Dispute**; or
  - Maximum awards for emotional distress and/or claims for inconvenience of £1,000.

# COMPLAINTS AND DISPUTES (CONTINUED)



## PROFESSIONAL ADVISERS

- 17.11** The **Builder** must cooperate with appropriately qualified professional advisers appointed by the **Buyer** to resolve disputes. Professional advisers would include solicitors and qualified surveyors.
- 17.12** The **Builder** must provide the same level of cooperation to an intermediary who acts on behalf of a **Buyer** as they would offer to the **Buyer**.

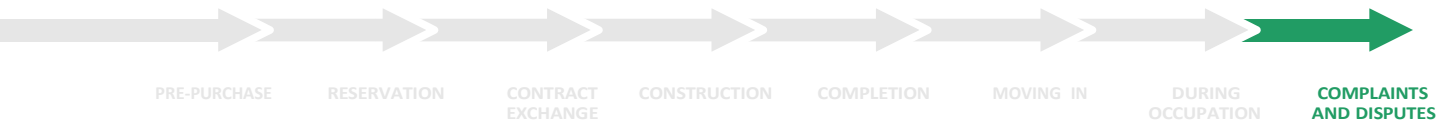
## DISPUTE RESOLUTION PROCESS

- 17.13** The **Buyer** may bring the **Dispute** to **HomeProof** within **twelve months** of the date of the **Builder's** final response to the original complaint.
- 17.14** **HomeProof** will refer the **Buyer** to Independent Dispute Resolution for Mediation by an approved Alternative Dispute Resolution provider (Aedis Independent Alternative Dispute Resolution Service (AIADRS)).
- 17.15** Depending on the circumstances, **Aedis Warranties Ltd T/As HomeProof** may also decide to take action against the **Builder** in accordance with the Terms and Conditions for Members.

## INDEPENDENT DISPUTE RESOLUTION

- 17.16** The Aedis Independent Alternative Dispute Resolution Service (AIADRS) scheme is independent of the **Builder** and **HomeProof** and decisions are not insured under the **HomeProof New Build 10 Residential Warranty**.
- 17.17** This is applicable where there is a **Dispute** between a **Buyer** and their **Builder** and agreement cannot be reached within **56 calendar days** of the complaint being raised with the **Builder**.
- 17.18** The service is free to the **Buyer**.
- 17.19** The Aedis Independent Alternative Dispute Resolution Service (AIADRS) scheme provides for a trained independent mediator to review written submissions from both parties and make appropriate recommendations. Regulations require that AIADRS must deal with the dispute within **twelve months** from the **Builder's** final response.
- 17.20** If either party in the **Dispute** does not accept the findings/recommendations then the **Dispute** may be referred to the adjudicator.
- 17.21** The **Builder** must:
- Comply with any award and/or discretion made and accepted by the **Buyer**.
  - Pay the **Buyer** any such award, if accepted by the **Buyer**, within the period for payment required by the adjudicator.
  - Pay the fee of the **Buyer** if they wish to refer the **Dispute** to the adjudicator.

## COMPLAINTS AND DISPUTES (CONTINUED)



1722 Types of decisions are:

| Decision                   | Description   |
|----------------------------|---|
| <b>Performance Award</b>   | Carry out work to the <b>Home</b> as agreed by the adjudicator.                       |
| <b>Financial Award</b>     | Extent of financial loss to be reimbursed by the <b>Builder</b> to the <b>Buyer</b> . |
| <b>Combination Award</b>   | Combination of works to the <b>Home</b> and financial reimbursement.                  |
| <b>Discretionary Award</b> | May award additional sums for inconvenience up to £1000.                              |
| <b>Complaint Rejection</b> | Refer <b>Builder</b> to the 'Disciplinary and Sanctions Panel'.                       |

### DISCIPLINARY AND SANCTIONS PANEL

1723 Contraventions of the **Code** by a **Builder** (or their **Agent**) will be investigated thoroughly.

1724 Where required, **HomeProof** will convene a Disciplinary and Sanctions Panel which may be made up of:

- An independent insurance professional.
- An independent consumer protection professional.
- An independent construction industry professional.

1725 A Chair will be appointed by the Disciplinary and Sanctions Panel and all decisions made will be based on a majority.

1726 If the **Builder** is in breach of the **Code** (fail to comply), the Disciplinary and Sanctions Panel may impose a range of sanctions depending on the severity of the breach(es) such as :

| Sanction                | Description  |
|-------------------------|--|
| <b>Improvement Plan</b> | Where the breach is of a minor nature, further training to make sure the <b>Builder</b> (or their <b>Agent</b> ) attain future compliance.   |
| <b>Suspension</b>       | Where the breach is of a serious nature, the <b>Builder</b> (or their <b>Agent</b> ) will be suspended from the <b>Membership Register</b> until they can demonstrate improvements to result in no further breaches of the <b>Code</b> .                           |
| <b>Removal</b>          | Where the breach is of a serious nature, the <b>Builder</b> (or their <b>Agent</b> ) will be removed from the <b>Membership Register</b> if they refuse to implement improvements and/or the Disciplinary and Sanctions Panel believe further breaches are likely. |

The Disciplinary & sanctions Panel will have the power to enforce, through legal means, any failure of the Home Builder to comply with the decision of the Alternative Dispute Resolution Service.

1727 Any **Builder** who is removed from the **Membership Register** will not be permitted to re-join the **Membership Register** for a minimum period of three years and then only after they have demonstrated they have implemented necessary improvements to ensure future **Code** compliance.

# Improving standards and customer experience

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