



Consumer Code for  
**NEW HOMES**



**CONSUMER CODE FOR NEW HOMES**  
Code User Application Guidance

### 1. BACKGROUND INFORMATION

Consumer Code for New Homes (**CCNH**) is an independent body set up to oversee and administer the Consumer Code of the same name (**the Code**). The Code was established in 2016 by several Structural Warranty Bodies as an industry-led approach to consumer protection in the New Homes market.

The Consumer Code for New Homes is a mandatory Code which has been established to ensure that best practice is followed by registered Developers in respect of the marketing, selling and purchasing of New Homes, and also sets expected standards for after sales customer care service.

It was 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.

The Code provides a clear consumer complaints process supported by an independent Dispute Resolution Scheme for consumer complaints that arise and are made in writing to the Developer within two years of the date of the Completion of the New Home purchase. This is run independently by the Centre for Effective Dispute Resolution.

The Code is run by the Code Sponsor, Consumer Code for New Homes Ltd and is actively supported in its operational and monitoring activities by the Code Users; the Warranty Bodies which are registered with the Code and which provide Structural Warranties for New Homes.

Code Members are the Developers which work with the Warranty Bodies; membership of the Code provides a signpost of quality to our Members to enhance the New Homes they are constructing and selling.

The Warranty Bodies, as Code Users, sign up to the CCNH Code User Agreement, which ensures they are responsible to the Code for monitoring and enforcing the Code. They are extremely well placed to support our activities since they maintain an annual registration process for each Developer they work with and carry out a programme of site inspections during the construction activities of the Developers, to assess the quality of the build for their own underwriting purposes. This means that every Code Member has been through a rigorous series of registration checks and has oversight during construction to ensure that the New Build Homes are built to a quality standard in line with the Building Regulations and good building practice.

### 2. INFORMATION FOR POTENTIAL CODE USERS

Consumer Code for New Homes welcomes the support of other Warranty Bodies and invites applications from other industry bodies to join us as Code Users. In order to make the process as transparent and fair as possible, we have outlined the key qualifying criteria which each company will be expected to meet in order to become a Code User.

We do not expect every Warranty Body to operate in the same way and therefore the criteria listed below are not intended to be prescriptive.

The aim of the Consumer Code for New Homes is to provide support and protection to consumers purchasing new build homes in the UK, so if you do not quite meet the criteria below, please provide us with additional information on how you believe your different approach offers a similar (or better) level of protection to consumers. Reducing consumer detriment is important, so if you can demonstrate your approach maintains protection for the consumer, we can be pragmatic in our assessment of your application.

In order to become a Code User, please complete the Code User Application Form, providing detail on how you meet the criteria outlined below. Make sure you provide us with enough supporting information to explain your policies, operational processes and corporate objectives. Details of where to submit the completed Form and accompanying information are provided in Section 4 below.

### 3. CCNH TEN KEY CRITERIA FOR CODE USERS

The following criteria are set out to provide a framework of qualification for potential new Code Users of the Consumer Code for New Homes. They are not intended to be prescriptive and where an applicant does not meet the criteria, if they can demonstrate an alternative approach which offers no less protection to the consumer, it will be openly and objectively considered by the Code Sponsor.

In order to meet the Qualifying Criteria to become a Code User of the Consumer Code for New Homes, the applicant should:

1. Operate in the New Build Warranty Sector, providing cover for structural defects to buyers of new homes.
2. Be authorised and regulated by the Financial Conduct Authority, work with an underwriter / insurer which is authorised by the Prudential Regulatory Authority and authorised & regulated by the Financial Conduct Authority, and is covered by the Financial Services Compensation Scheme.
3. Be a properly constituted company and have sufficient funds to fulfil its obligations as a Code User and have a good credit rating.
4. Maintain a register of Developers & Builders, which involves pre-admittance vetting procedures and employ monitoring and sanction procedures for any Developers or Builders who fail to comply with the Technical Standards and/or your requirements.
5. Operate Technical Standards for the design and construction of new homes that follow industry good practice and requires the Developer/Builder to comply with UK Building Regulations.
6. Operate a comprehensive system of inspections during the construction process, assessing the quality of construction against the Technical Standards and carry out a minimum of 4 (per unit) on-site inspections during the construction phase.
7. Carry out a final physical inspection of every New Home that satisfies the requirements of the Council of Mortgage Lenders, and ensure all issues are recorded and actioned prior to the issuing of the Structural Warranty.
8. Operate a consumer complaints process that complies with the Consumer Code for New Homes and agree to abide by the rules of the Code's independent Dispute Resolution Scheme.
9. Commit to upholding the requirements of the Consumer Code for New Homes including monitoring of Code Members and applying disciplinary sanctions as required.
10. Agree to support the Code Sponsor (Consumer Code for New Homes Ltd) and to comply with all CCNH requests for Code related information relating to the administration of the Code, including complaint investigation, monitoring of compliance audits and performance indicator data.

Evidence will be required from each applicant to demonstrate that they meet the ten key criteria above – the Code User Application Form will guide you through that process and will indicate where you need to provide supporting information.

#### 4. APPLICATION PROCEDURE

We invite any interested Structural Warranty companies to submit applications to join the Consumer Code for New Homes as Code Users, to support this industry-led initiative in consumer protection.

##### **Want to discuss your application with us?**

Before you submit your full application, you are welcome to contact us for an initial, no-obligation chat about becoming a Code User. Contact Sarah Langley, General Manager at [sarah.langley@ccnh.co.uk](mailto:sarah.langley@ccnh.co.uk) or on 0333 900 1966.

##### **General Timescales**

In general, a full application to become a Code User can be processed within three months, but this depends on the amount of further information required and the availability of Directors for the face to face meeting.

Do contact Sarah using the details above if you have a particular timetable you would like to aim for and we will aim to accommodate your request if possible.

At every stage of the process, we endeavour to respond within a reasonable timeframe.

##### **Ready to submit a Full Application?**

Once you are ready to submit the full application, you should complete the Code User Application Form (available at [www.consumercodefornewhomes.com/Become-A-Code-User](http://www.consumercodefornewhomes.com/Become-A-Code-User)) and assemble the supporting information you will need for each criteria. The form is a pdf form which can easily be completed electronically.

Once you have all the information together and a completed form, you should submit the form and supporting information by email to [sarah.langley@ccnh.co.uk](mailto:sarah.langley@ccnh.co.uk).

*Please note – we do not accept hard-copy submissions and would suggest that all application documents are provided electronically from original documents (i.e. not scanned) to ensure the quality of print is suitable for assisting with application review.*

Upon receipt of your submission, CCNH will issue you with an invoice for the initial application fee – this is currently £750 + VAT. This invoice will need to be paid before we can process your application any further – we trust you will understand that this is in order to be able to commit the appropriate resource to your application so that it can be adequately assessed in a timely manner.

Payment of the initial application fee should be made via electronic transfer to Consumer Code for New Homes Ltd – account details are provided on the invoice.

Once you have made payment of the invoice, CCNH will then undertake a full assessment of your application and may contact you again if we need any further information from you. At this time, we will also undertake a credit reference check of your company.

Following our assessment of your application, if we are satisfied that your application meets the majority of our requirements, we will invite you a face to face interview so that we can meet you in person, explain more about the Consumer Code for New Homes and to understand more about you and your business.

Following that meeting and once all requirements have been satisfied, your application will then be proposed to the CCNH Board which will ultimately decide on whether or not you can be provisionally accepted as a Code User.

We will contact you by telephone to confirm when you have been successful and will follow that up in writing.

### Provisional Acceptance

Once you have been provisionally accepted as a Code User, CCNH will issue you with the following:

- Invoice for Final Application Fee: £750 + VAT
- Code User Agreement
- Information about the costs for each Code User in order to support operation of the Code

### Formal Acceptance

Your status as a Code User will be approved once we have received payment of the Final Application Fee invoice and have received your signed Code User Agreement.

### What happens if you do not meet our requirements?

At any stage, if your application does not meet our requirements, we will let you know as soon as is feasible with clear guidance on why it does not meet the requirements and provide advice on what we think you will need to do in order to meet the requirements.

We will of course welcome a resubmission of your application; your first resubmission will be included within the costs of your initial application fee, subsequent resubmissions will be charged at an additional £500 + VAT.

We will not limit the number of times you can reapply, however because our application process is designed to be as transparent and fair as possible, we would suggest that if you are not successful after one resubmission, you may not meet the requirements and may wish to think about alternative options.

## 5. CONTACT US

If you have any queries relating to becoming a Code User or about Consumer Code for New Homes, please don't hesitate to contact us with the details below:

**Contact:** Sarah Langley, General Manager

**Tel:** 0333 900 1966

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

You can also write to us at 11 Milbanke Court, Milbanke Way, Bracknell, Berkshire, RG12 1RP – although, we're very 21<sup>st</sup> Century-oriented at CCNH, so it's probably advisable to email or call us for the speediest possible response.

You can also find out more about Consumer Code for New Homes at [www.consumercodefornewhomes.com](http://www.consumercodefornewhomes.com).