

FREE ADVICE. UNIQUE SERVICE.

Let us talk you through the implications and explain how our service meets the NEW HOMES QUALITY CODE.

TIME FOR CHANGE.



ARE YOU READY?

The Dispute Service has been appointed
NEW HOMES OMBUDSMAN

Use this FREE publication to understand the
NEW HOMES QUALITY CODE
and be sure your business is compliant.



AFTER BUILD

fixed-price after care

FREE!
Make sure your
business is NHQC
compliant.

HISTORY

Many an industry is governed and regulated by an ombudsman who is the last facility of dispute resolution between a customer and their service provider. Until recently, the new homes sector didn't have an ombudsman and it has left a generation of occupants and housebuilders vulnerable to problematic after sales interactions. This is about to change.

DECEMBER 2021

The New Homes Quality Code is published.

NOVEMBER 2021

The New Homes Quality Board has announced they have selected The Dispute Service to be the New Homes Ombudsman. The NHO is an independent entity created to provide redress for purchasers of new build homes that present problems.

JUNE 2021

A consultation into the draft New Homes Quality Code has been published by the New Homes Quality Board. The Code will sit at the centre of the new arrangements being put in place by the NHQB that includes the appointment of an independent New Homes Ombudsman Service.

MAY 2020

The New Homes Quality Board is established, chaired by Natalie Elphicke MP. Its aims are to take responsibility for the quality of new build homes and customer redress. The NHQB will oversee the creation and adoption of a comprehensive new industry code of practice, the New Homes Quality Code.

JUNE 2019

In June 2019, the consultation: "Redress for Purchasers of New Build Homes and the New Homes Ombudsman", was published, which explored the detail of the proposed legislation and how a New Homes Ombudsman will be delivered. It was deemed appropriate that the scheme should be FREE to the consumer and paid for by the housebuilder, with a statutory obligation that builder's of new homes must belong to the scheme.

OCTOBER 2018

The government announced a New Homes Ombudsman to support homebuyers facing problems with their newly built home. The objective is to champion the rights of homebuyers and help ensure that when they buy a new home they get the quality of build they rightly expect. The New Homes Ombudsman will protect the interests of homebuyers and hold housebuilders to account when things go wrong.

WHAT IT ALL MEANS

“Championing quality new homes and better consumer outcomes”

[source:NHQB]



NEW HOMES QUALITY BOARD STATEMENT

The New Homes Quality Board is an independent not-for-profit body which was established for the purposes of developing a new framework to oversee reforms in the build quality of new homes and the customer service provided by developers.

Its objectives are to deliver a consistently high standard of new home quality and service, and to strengthen complaints handling and redress for purchasers of new-build homes where these high standards are not achieved.

An interim board was established in May 2020 to oversee preliminary plans, with representatives from across the sector including consumer bodies, developers, providers of new home warranties, the lending industry, Homes England and independent members to tackle these issues. In January 2021 the NHQB was formally constituted as a legal entity and the board members appointed to it.

Since then, significant progress has been made on the proposals to put in place a New Homes Ombudsman Service and develop a new industry code of practice- the New Homes Quality Code. These will be introduced over the coming months.

“As housebuilder, this may mean a comprehensive review of your business”

[source: After Build]

NEW HOMES QUALITY CODE

“This New Homes Quality Code establishes mandatory requirements which must be adopted and complied with by developers and new homes builders who are registered with the New Homes Quality Board”

[source:NHQB]



As providers of Aftercare and associated site services, we haven't previously seen such a widespread and thorough approach that will change the way the industry operates ... forever.

But it is essential to apply a single, universal standard across the sector that everyone follows; we have followed the governments position on this over the last 4 years and have made certain that our services are aligned with the new code to ensure our clients achieve compliance.

The Code has two parts:

- a) **Statement of Fundamental Principles** - that registered developers agree to apply in their business and their dealings with customers; and
- (b) **Practical Steps** – a statement of what is expected at each stage of the process.

**“For many this may be a steep hill to climb,
but we can hold your hand every step of the way”**

[source: After Build]

FUNDAMENTAL PRINCIPLES

Fairness

Treat customers fairly throughout the home buying and after-sales process.

Safety

Carry out and complete works in accordance with all requisite building regulations and as set out by the Building Safety Regulator.

Quality

Complete all works to a good quality standard and in accordance with the specification for the new home and ensure that legal completion only takes place when a home is complete (as defined in section 2 of this Code).

Service

Have in place systems, processes and training of staff to meet the customer service level requirements of the New Homes Quality Code and not use high-pressure selling techniques to influence a customer's decision to buy a new home.

Responsiveness

Be clear, responsive and timely in responding to customers' issues by having in place a robust after sales service and effective complaints process as required by the Code.

Transparency

Provide clear and accurate information about the purchase of the new home, including tenure and potential future committed costs such as those relating to leasehold or management services.

Independence

Make sure that customers are aware that they should appoint independent legal advisors when buying a new home and that they have the option of an independent accredited pre-completion inspection before legal completion takes place.

Inclusivity

Take steps to identify and provide appropriate support to vulnerable customers as well as to make the Code available to all customers, including in appropriately accessible formats and languages.

Security

Ensure that there are reasonable financial arrangements in place, through insurance or otherwise, to meet all obligations under the Code, including timely repayment of financial deposits when due and any financial awards made by the New Homes Ombudsman service.

Compliance

Be subject to, co-operate and comply with the requirements of the New Homes Quality Board, the New Homes Quality Code and the New Homes Ombudsman service.

TERM

“ The Codes' remit covers the whole period from the marketing and sale of a property through to after-sales and complaints management for issues during the first two years of a new home purchase. ”

Its primary purpose is to provide an independent service to consumers, free for them to access and use, which can impartially assess and adjudicate on issues that have arisen that fall within the Ombudsman's scope.



These are expected to be complaints around the sales, marketing and complaints management processes, or issues or defects that have arisen at or after occupation and which are not major defects. More serious and major defects are likely to be more suitable for legal, insurance or other more substantial redress than the New Homes Ombudsman Service, or for referral to another body, such as the Building Safety Regulator.

All developers registered with the New Homes Quality Board must comply with the Code and agree to adhere to the adjudications of the New Homes Ombudsman service. The Code will apply to each new home from the marketing for sale of the new home and for a period of two calendar years after the date of legal completion of the new home. The Code has been designed for a consumer purchaser who is buying a newly built home for their own occupation, including their household or, for after-sales (section three) only, a subsequent purchaser for that home.

The Code does not apply to:

Business purchases, whether individual or corporate entities, including for investment and/or renting, and which includes sales to a Housing Association, Registered Provider or other party under a part-ownership scheme. Other properties other than a new home, including homes accepted by a developer in part exchange and re-sold. Properties built by self-builders or under contract between a builder and an individual for their own occupation.

FOUR SECTIONS TO THE CODE

SECTION 1

This section deals with the sales and marketing of a new home.

SECTION 2

This section deals with legal documents, information, inspection and completion.

- Complete New Home
- Legal completion
- Incomplete Works



SECTION 3

This section deals with after sales, complaints management and the New Homes Ombudsman.

- After sales service
- After sales issues and complaint management
- Snagging period and resolution of snagging issues
- Complaints process
- Referrals to the New Homes Ombudsman Service

SECTION 4

This section deals with solvency, legal and jurisdiction.

At this stage After Build can help you with Sections 3 & 4.

A strong, well resourced aftercare programme is essential for today's housebuilder. Understanding your warranty obligations and being capable of following the standards set out in the NHQC are crucial. The After Build team is 'warranty build standard trained' and has evolved a programme that supports the occupant from the first day of legal completion, through to the end of the second year.

We are working on adding services to assist with Section 1, in 2022.

SECTION 2

COMPLETE NEW HOME AND LEGAL COMPLETION

COMPLETE NEW HOMES

“ Legal completion can only take place on a Complete New Home. It is a breach of this Code for legal completion to take place on a new home that is not a Complete New Home. ”

A Complete New Home is one that:

(i) has a new home warranty cover note issued in relation to it, and

“ (ii) Either in relation to a house, may be considered complete if all rooms, spaces and facilities are in a finished condition for the purpose for which they are designed and intended and the property is safely accessible; with any further work to the home is to be solely decorative/corrective, or related to shared common areas, or related to transitioning from temporary to permanent utilities and services, and do not affect the owner's ability to live safely in the property and will not cause disruption or significant inconvenience to rectify; ”

“ Or, in relation to an apartment/flat may be considered complete if all rooms, spaces and facilities within the specific apartment/flat are in a finished condition for the purpose for which they are designed and intended and the unit is safely accessible; with any further work being solely decorative/corrective, related to shared common areas and facilities, or related to transitioning from temporary to permanent utilities and services which do not affect the owners' ability to live safely in the apartment/flat and will not cause disruption or significant inconvenience to rectify. ”

The developer must not offer a customer incentives (financial or otherwise) to move into, or complete the purchase of, a new home that is not a Complete New Home.

SOLUTION

QUALITY ASSURANCE INSPECTION

Do not allow yourself to be caught out by insufficient attention to snags. This fixed-price service will provide you with everything you need to ensure you're as close to 'snag-free' as is practicable. Each property is inspected and a report with annotated photographs sent to you within 24 working hours, providing your site team all that they require to address overlooked snags, prior to occupation.

SECTION 2

COMPLETE NEW HOME AND LEGAL COMPLETION

LEGAL COMPLETION

At the point of legal completion, the developer must:

- a) have completed the construction of the new home to the standards agreed.
- b) have carried out their final quality assurance inspection of the new home and provide a customer with a schedule of any incomplete or defective items, and a statement of timescales for completing/remediating such items along with the need for access at suitable times to enable remediation.
- c) have provided an opportunity for the customer to inspect the new home and/or appoint a suitably qualified inspector to complete a pre-completion inspection
- d) have agreed or provided an appointment for a home demonstration.

“

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SOLUTION HOME DEMONSTRATION

Conduct a professional tour of the purchaser's new property and explain everything that they need to know. We explain systems and technology (which helps eliminate user error), demonstrate heating, and hot water, and appliances. We'll explain the Builder's Rectification Period, explain how to report a defect and field any other relevant questions.

“Home demonstrations provide an excellent opportunity to set realistic service expectations”

[source: After Build]

Over the years we have conducted hundreds of home demonstrations. Not only is this the only way to hand over a property to the purchaser, but given the level of systems and technology employed in modern house design, is the most sensible way to explain and demonstrate it.

Often this will be the first point of contact with the aftercare team and as such, provides an excellent opportunity to discuss the way defects are reported and to set some realistic expectations around response times.

SECTION 3

AFTER SALES SERVICE AND COMPLAINT MANAGEMENT

AFTER SALES SERVICE

“ The developer must provide a customer of the new home with a comprehensive and accessible after sales service for a minimum of two years following the date of legal completion. ”



SOLUTION AFTER CARE PROGRAMME

Don't underestimate how much skill, knowledge, resource and technology this takes to do well. It is far more than just answering the phone or responding to an email. Today's consumer expects a great deal more. After Build is the single point of contact for the homeowner who needs to report a defect. The Occupant Portal provides a secure and convenient platform to upload a text description with pictures or video.

A trained warranty coordinator will call the homeowner to clarify specifics and where necessary make arrangements for a contractor to rectify the issue.

We charge a single fixed-price per plot, regardless of the volume of defects reported. This is a national service and it starts at legal completion and runs for the first 2 years. We manage your warranty obligations and respond to defects reported via the Occupant Portal (a secure, cloud based portal). Where work is deemed necessary we manage the original contractor to organise works and an appointment. Out of office emergency cover is also a part of this service

As client you can, should you wish, track every issue reported via the Client Portal.

SECTION 3

UNDERSTANDING THE SERVICE

To make sure a customer understands how to access the after sales service, the developer must provide a customer with suitable information about the service which must include:

- “ a) a clear written statement of their after sales service procedures.
- b) an explanation of their responsibility for remedying any issues or problems (including snags and/or defects) arising in the property during the first two years, and that the customer should identify any issues or problems (including snags and/or defects) and report them to the developer promptly in order for the developer to meet their responsibilities.”
- c) an explanation of how issues or problems and service calls will be managed, including timescales; how they should be reported and the names and contact information of the developer’s staff to whom such issues should be reported and notified to.
- d) allowing the customer, the option to categorise any issue or problem (including snags and/or defects) as a formal complaint if they are unhappy with the developers proposed approach.

SOLUTION MANAGING YOUR NEW HOME

Have access to our unique publication and website 'Managing Your New Home' where we explain the aftercare service to your customer.

“Good communication sits at the heart
of excellent aftercare”

[source: After Build]

SECTION 3

EMERGENCIES

“ e) an explanation of the process for reporting and handling emergency issues including clarity on what qualifies as an emergency issue and how the developer will deal with them. This must include issues relating to health and safety that could materially impact on health and wellbeing or cause injury or loss of life. ”



SOLUTION

OOH EMERGENCY COVER

We provide out of hours emergency cover as a part of our aftercare service. Weekday evenings, weekends and all bank holidays our team will take calls for legitimate emergencies and, where necessary, deploy your nominated contractor.

“The only thing more expensive than aftercare, is no aftercare.”

[source: After Build]

After Build has been providing aftercare in the new homes market for almost two decades and, has developed a system, processes and procedures that meet the developer’s warranty obligations while providing the occupant with excellent levels of support.

SECTION 3

AFTER SALES ISSUES AND COMPLAINTS MANAGEMENT

“ The developer must have a system and procedures for receiving, handling and resolving issues or problems raised by the customer for its after sale service, as well as complaints in line with the requirements, including time periods, set out in the Code. ”



If a Customer is dissatisfied with the resolution of an issue or problem raised through:

Part One: Selling a New Home

Part Two: Legal Documents, Information, Inspection and Completion

Part Three: After-Sales

a complaint may be made in accordance with the developer's complaints process.

It is a requirement that the developer's complaints procedures must include the following mandated minimum steps from the date of the first complaint:

- a) Written acknowledgment
- b) Path to resolution letter
- c) Complaint assessment and response letter
- d) Eight week (56 day) letter
- e) Closure letter

SOLUTION COMPLAINTS POLICY

Let us help you create a professional and robust complaints policy. Just sending the occasional letter is no longer sufficient - you need a process and well written templates to manage the process in accordance with new requirements.

SECTION 3

SNAGGING PERIOD AND RESOLUTION OF SNAGGING ISSUES

It is widely acknowledged that there are some finishing or other issues which need addressing on moving into a New Home and these are commonly known as “snags” and “snagging”. Developers and customers are expected to work collaboratively around identification, access and resolution of snagging following legal completion.

“ The developer must ensure that snags are covered by the after sales service and that, once agreed, they are resolved promptly. Any snags, issues or problems raised through the after sales service process must be acknowledged promptly. It is expected that in most situations a developer should be able to resolve an after sales issue or problem within 30 calendar days, other than where there is a substantial reason for delay. Where there is such a delay, the reasons for that should be communicated clearly to the customer, with no less than monthly updates provided until the matter is resolved. If a customer is dissatisfied with the after sales service a complaint may be made under the formal complaints process of that developer. ”

SOLUTION SNAG MANAGEMENT

If you do find yourself in the unenviable position of having a lot of snags then you need a process with a skilled resource to drive it.

We charge a management fee and work with your original contractors. We start by logging all snags on our system so we have information against which to issue formal job instructions and then monitor progress.

“A developer should be able to resolve an after sales issue within 30 calendar days.”

[source: NHQB]

Subject to the involvement of your original contractors, After Build operates a 30 day window to close all snags/defects.

We hope that you have found our
FREE publication helpful.
Clearly, every business is unique, so your needs
will be specific to your company.

If you feel we can be of further assistance, or you would like to discuss any of our
services (all of which are available individually, or as a package) please let us know.

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Further information about the New Homes Quality Board, the New Homes Ombudsman,
and the New Homes Quality Code can be found at:

www.nhqb.org.uk
