



NORTHWOOD
BIRMINGHAM
LTD

COMPLAINTS & DISPUTES

Complaints

A **Complaint** must relate to the provision of services by the **Home Builder**, which are not covered by the terms of the Warranty.

If a **Complaint** relates to matters covered by the **Warranty**, the **Home Buyer** should refer to the **New Home Warranty** Policy Wording and follow the appropriate Complaints Procedure.

Home Builders must have a procedure in place in order to effectively deal with **Complaints**:

- The Home Builder must provide clear information on how the Home Buyer can make **Complaints**, who to and in what format, such as verbally over the phone, by email, in writing or in person.
- When a **Complaint** has been made, the **Home Builder** must promptly acknowledge the **Complaint** and confirm to the **Home Buyer** how their **Complaint** will be responded to.
- A suitable timetable must be provided to the **Home Buyer**, during which time the **Complaint** can be investigated before a response is made.
- The **Home Builder** must provide clear, accurate and reasonable responses to the **Home Buyer**.
- The Home Builder must provide clear information on how the Home Buyer can access **Mediation** and the **Alternative Dispute Resolution Service**.

If the **Home Buyer** disagrees with the **Home Builder** following a **Complaint**, the **Code** will treat any further correspondence between both parties as a Dispute.

Disputes

The **Home Builder** must have a system in place to effectively record and deal with **Disputes** arising from **Complaints**:

- The **Home Builder** must provide the Home Buyer with clear information on how the **Home Buyer** can escalate a **Dispute**.
- If a **Dispute** cannot be settled between both parties, the **Home Buyer** is entitled to raise the **Dispute** with **Build-Zone**.

The **Home Buyer** can choose to escalate a **Complaint** or **Dispute** to **Mediation** and / or the **Alternative Dispute Resolution Service**. However, Mediation cannot be undertaken following a decision made under the terms of the **Alternative Dispute Resolution Service** unless the subject matter of the **Complaint** or **Dispute** is separate from the matter considered by the **Alternative Dispute Resolution Service** facilitator and the **Home Builder** has had the opportunity to respond to the **Complaint** or **Dispute**.

PROFESSIONAL ADVISORS

If the **Home Buyer** appoints a **Professional Advisor**, the **Home Builder** must treat the **Professional Advisor** as if they were the **Home Buyer**. The **Professional Advisor** shall be subject to the same rights under the **Code** as the **Home Buyer**, subject to those rights only being used for and on behalf of the **Home Buyer**.

The **Home Buyer** has the right to deal with the **Home Builder** solely using a **Professional Advisor** and the **Home Builder** must contact the appointed party only, unless permission is provided to the contrary.

If a **Complaint** or **Dispute** is brought before **Mediation** and / or the **Alternative Dispute Resolution Service**, the **Home Builder** must contact the appointed party acting for the **Home Buyer** only, unless permission is provided to the contrary.

BUILD-ZONE MEDIATION

A **Complaint** or **Dispute** can be brought to **Mediation** if a **Home Buyer** is not satisfied with the **Home Builder**, in the following circumstances:

- A **Home Builder** has been notified of a **Complaint** which has not been acknowledged within a 30-day period; or
- A **Home Builder** has acknowledged a **Complaint** but has not provided a resolution, response, or decision to the **Home Buyer** within a 30-day period from the date of acknowledgement; or
- Where a **Home Builder** has responded to the effect that appropriate investigations need to be undertaken relevant to resolving the **Complaint**, the **Home Builder** must provide a reasonable date by which a resolution, response or decision will be made. In this event, the **Home Buyer** may raise the **Complaint** or **Dispute to Mediation** where the **Home Builder** fails to provide a resolution, response, or decision within a 30-day period of the date agreed; or within a 6-month period following the provision of a written decision by the **Home Builder**.

The **Mediation** service will be free of charge to both parties.

The **Home Buyer** and **Home Builder** will be notified of the outcome of the **Mediation** within a 45-day period following the provision of appropriate evidence, unless otherwise agreed in writing by **Build- Zone** and both parties.

The **Mediation** service will be undertaken by a **Chartered Industry Professional** (Qualified with designations from CIOB, RICS, ICE, IStructE or other Body as appropriate) on the instructions of **Build-Zone**.

The outcome of **Mediation** is not legally binding on either party.

The outcome of **Mediation** does not affect the rights of the **Home Buyer** to escalate the **Complaint** or **Dispute** to the **Alternative Dispute Resolution Service**.

The outcome of **Mediation** does not affect the statutory rights of the **Home Buyer** to pursue legal action outside the Code.

BUILD-ZONE ALTERNATIVE DISPUTE RESOLUTION SERVICE

A **Complaint** or **Dispute** can be brought to the **Alternative Dispute Resolution Service** in the event that a **Home Buyer** is not satisfied with the **Home Builder**, in the following circumstances:

- A **Home Builder** has been notified of a **Complaint** which has not been acknowledged within a 30-day period; or
- A **Home Builder** has acknowledged a **Complaint** but has not provided a resolution, response, or decision to the Home Buyer within a 56-day period from the date of notification; or
- Where a **Home Builder** has responded to the effect that appropriate investigations need to be undertaken relevant to resolving the **Complaint**, the **Home Builder** must provide a reasonable date by which a resolution, response or decision will be made. In this event, the **Home Buyer** may raise the **Complaint** or **Dispute** to the **Alternative Dispute Resolution Service** where the Home Builder fails to provide a resolution, response, or decision within a 30-day period of the date agreed; or
- Within 56 days following the provision of a written response by the Home Builder to the **Mediation** decision; or
- following completion of **Mediation**.

The terms, conditions, and processes to be followed by the **Alternative Dispute Resolution Service** will be agreed by the **Centre for Effective Dispute Resolution (CEDR)**, which is independent of the **Home Builder** and **Code Sponsor**, prior to the appointment of an **Adjudicator**.

The following costs, awards and limits 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 £250 plus VAT.
- The **Fee** for **Adjudication** without early settlement for the **Home Builder** is £500 plus VAT.
- Awards for emotional distress and / or inconvenience are subject to a maximum award of £1,000.
- Awards can include reimbursement of the **Home Buyer's** case registration fee of £100.
- The maximum value of any award will be 25% of the contract price of the **New Home** subject to a maximum of £50,000 (inclusive of VAT) in the aggregate for all awards.
- The **Home Builder** may be ordered to satisfy and comply with a performance award that will be advised by the Adjudicator, e.g., where the **Home Builder** must carry out Works to the **New Home**.
- The **Home Builder** may be ordered to satisfy and comply with any combination award, i.e. a combination of reimbursement of financial loss, compensation for emotional distress and inconvenience (subject to the limits above) and carrying out Works to the **New Home**.

- The **Home Builder** may be referred to the **Disciplinary and Sanctions Panel** following the decision of the Adjudicator.
- All awards made by the **Alternative Dispute Resolution Service** are INCLUSIVE OF VAT.

All costs, awards and limits stated relate to matters separately considered by the **Alternative Dispute Resolution Service**. A new **Complaint** raised during the **Alternative Dispute Resolution Service** process which the **Home Builder** has not had the opportunity to respond to will not form part of the **Alternative Dispute Resolution Service**.

Under the terms of their registration with the **Code**, the **Home Builder** is required to honour any award made against them under the **Alternative Dispute Resolution Service**.

The **Adjudicator's** decision cannot be appealed against. It can only be accepted or rejected by the **Home Buyer**. Should the **Home Buyer** reject the **Adjudicator's** decision this does not affect their statutory rights to take further legal action outside the **Code** against the **Home Builder**.

DISCIPLINARY & SANCTIONS

The **Home Builder** can be referred to the Disciplinary & Sanctions Panel following the outcome of **Complaints, Disputes, Mediation**, and the **Alternative Dispute Resolution Service**.

The Disciplinary & Sanctions Panel comprises 3 professionals who have been appointed by the **Code Sponsor**.

The members of the Panel will comprise a Local Authority Trading Standards Representative, an independent Construction Industry Professional and an independent Insurance Professional. The Panel will be chaired by the Local Authority Trading Standards Representative.

Decisions made by the Panel will be based on a majority opinion.

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**.

The Disciplinary & Sanctions Panel will have the power to sanction **Home Builders** for any breach of the terms of the Code.

The Disciplinary & Sanctions Panel may impose sanctions on the **Home Builder**, including but not limited to:

- Option 1: Written warnings regarding the specific breach, including a training programme to be undertaken, at the direction of a party to be appointed by the Panel and at cost to

the **Home Builder**, to assist the **Home Builder** in rectifying the breach.

- Option 2: A financial penalty or fine, equivalent to reasonable costs which were incurred by the **Home Buyer** and / or **Code Sponsor** because of the breach, awarded to each party for their respective losses.

- Option 3: The **Code Sponsor** being instructed to no longer provide **Code** or **Warranty** services to the Home Builder or to any party associated with a Director or Senior Manager of the **Home Builder**, either at present or in the future. The imposition of a ban on the **Home Builder** will either be defined by a period of time or will be indefinite. Where a **Home Builder** is referred to the Disciplinary & Sanctions Panel on a second occasion, the Panel will only consider Option 2 or 3 above.

Where a **Home Builder** is referred to the Disciplinary & Sanctions Panel in respect of a breach of the **Code** relating to a **Vulnerable Consumer**, the Panel will only consider Option 2 or 3 above.

The Disciplinary & Sanctions Panel may share details of sanctioning with other Code Sponsors and New Home Warranty Providers who operate a similar Code.

For all complaints correspondence please contact:

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