

SCHEDULE 6

Exception from home condition report for specific new homes warranties

PART 3

Minimum cover for specific new homes warranties

Warranty period

6. The warranty period for the new homes warranty must be at least 10 years from the commencement date.

Certificate of cover and copy of new homes warranty

7. Under the new homes warranty, a warranty provider must provide the policy-holder with—
- (a) a certificate confirming the existence of the new homes warranty and the commencement date; and
 - (b) a document setting out all the terms of the new homes warranty.

Transfer of cover to future owners

8. The new homes warranty must be capable of being transferred during the warranty period—
- (a) by a current policy-holder to a subsequent owner of the property; and
 - (b) no payment or consideration in kind must be charged to anyone for doing so.

Cover for design and building

9. Under the new homes warranty, a warranty provider must undertake that—
- (a) it has conducted reasonable checks and inspections during the building or conversion of the property and a final inspection of the property, all for the purposes of ensuring—
 - (i) that the property is physically complete; and
 - (ii) it is designed and finished to a reasonable standard; and
 - (b) the inspections described in sub-paragraph (a) lead a warranty provider to believe that—
 - (i) most of such structural features as exist at the property will withstand normal residential wear and tear for 60 years from the commencement date, if properly maintained; and
 - (ii) the building of the property meets all the statutory requirements which apply at the commencement of building work and, in particular, those of the Building Act 1984(1) and the Building Regulations 2000(2).

Developer cover

10.—(1) This paragraph applies—

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- (1) c. 29.
 - (2) 2000/2531. The Building Regulations 2000 were amended by the Building and Approved Inspectors (Amendment) Regulations 2006 (S.I.2006/652), the Building (Amendment) (No. 3) Regulations 2004 (S.I. 2004/3210), the Building (Amendment) Regulations 2004 (S.I. 2004/1465), the Building (Amendment) Regulations 2003 (S.I. 2003/2692), the Building (Amendment) (No. 2) Regulations 2002 (S.I. 2002/2871), the Building (Amendment) Regulations 2002 (S.I. 2002/0440) and the Building (Amendment) Regulations 2001 (S.I. 2001/3335).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (a) where the new homes warranty makes provision for a developer's obligations to the policy-holder in respect of the matters described in paragraphs 11(1)(a), 11(1)(b) and 12(2)(a) of this Schedule, or any other any defects or damage to the property; and
 - (b) such a defect is apparent or such damage occurs at any time during the warranty period.
- (2) Under such a new homes warranty, a warranty provider must undertake that—
- (a) a warranty provider will meet all such obligations if the developer fails to do so (or no longer exists and has no successor), or provide financial compensation in respect of the obligations;
 - (b) it will provide a resolution or conciliation service—
 - (i) the aim of which is to resolve any disputes between the policy-holder and the developer relating to such obligations and their timely fulfilment; and
 - (ii) for which no payment or consideration in kind is charged to the policy-holder;
 - (c) if the resolution or conciliation service described in paragraph (b) recommends that remedial work to the property should be conducted by the developer, a warranty provider will use all reasonable endeavours to ensure that the developer carries out such work;
 - (d) if the developer fails to carry out such remedial work (or no longer exists and has no successor), a warranty provider will carry out the work instead, or provide financial compensation for it; and
 - (e) if the resolution or conciliation service described in paragraph (b) does not prove satisfactory to the policy-holder, it will make available to the policy-holder another form of resolution or conciliation service which is independent to that warranty provider.

Structural defects cover to property and common parts throughout the new homes warranty

11.—(1) Under the new homes warranty, a warranty provider must undertake that it or the developer will put right, arrange to put right or provide financial compensation for—

- (a) any actual destruction of or damage to the property caused by any defects—
 - (i) of such structural features as exist at the property and common parts; and
 - (ii) occurring during the first 10 years of the warranty period; and
- (b) any conditions caused by defects in the design, workmanship, materials or other components—
 - (i) of such structural features as exist at the property and common parts;
 - (ii) which cause an imminent danger of destruction or damage to the property; and
 - (iii) which are apparent during the first 10 years of the warranty period.

(2) The carrying out of the obligations described in sub-paragraph (1) may be shared between a warranty provider and the developer.

Additional defects cover for property – first two years

12.—(1) This paragraph applies to such of the following as exist at the property and common parts—

- (a) electrical wiring and connections;
- (b) equipment and fixtures for the collection and distribution of gas, water, heating and ventilation;
- (c) drains;
- (d) other mechanical and electrical apparatus that are intended to be lasting—

- (i) including boilers; and
 - (ii) excluding lifts;
 - (e) wall partitions;
 - (f) internal windows;
 - (g) plaster applied to walls and ceilings;
 - (h) tiling to walls, floors or ceilings;
 - (i) other floor coverings that are intended to be lasting;
 - (j) internal and external doors;
 - (k) finishes to surfaces; and
 - (l) fixtures.
- (2) Under the new homes warranty, a warranty provider must undertake that it or the developer will put right, arrange to put right or provide financial compensation—
- (a) for any—
 - (i) defect in any of the items described in sub-paragraph (1); and
 - (ii) damage to the property caused by such a defect; and
 - (b) where such a defect is apparent or such damage occurs during the first two years of the warranty period.
- (3) The carrying out of the obligations described in sub-paragraph (2) may be shared between a warranty provider and the developer.

Cover for costs of alternative accommodation

13. Subject to paragraph 18 of this Schedule, under the new homes warranty, a warranty provider must undertake to pay to the policy-holder (or another person as agreed with the policy-holder) all costs and expenses—

- (a) that are incurred by those normally living at the property for—
 - (i) the removal and storage of belongings; and
 - (ii) securing alternative accommodation; and
- (b) occurring due to the property becoming uninhabitable as a result of any liability on the part of a warranty provider under the new homes warranty or otherwise.

Professional fees

14. Subject to paragraph 19 of this Schedule, under the new homes warranty, a warranty provider must undertake to pay such professional and other fees—

- (a) as are incurred by the policy-holder relating to the complete or partial re-building of or rectifying work to the property—
 - (i) as a result of any liability on the part of a warranty provider under the new homes warranty or otherwise; and
 - (ii) excluding the actual costs of carrying out such work; and
- (b) for which the prior written permission of a warranty provider is sought by the policy-holder, and given accordingly.