



Building Safety Act 2022

2022 CHAPTER 30

PART 5

OTHER PROVISION ABOUT SAFETY, STANDARDS ETC

New build home warranties

144 New build home warranties

- (1) This section applies where a person (“the developer”) carries out a development in England that results in the creation of one or more dwellings (“new build homes”).
- (2) The developer must, at the time of or before granting or disposing of a relevant interest in a new build home—
 - (a) provide to the purchaser a new build home warranty for the new build home, and
 - (b) provide to a prescribed person a new build home warranty for any common parts.
- (3) A “new build home warranty” for a thing is an arrangement, satisfying any requirements under subsection (4), under which—
 - (a) the developer agrees, in specified circumstances, to remedy any specified defect (or any defect) in the thing occurring in a specified period, and
 - (b) a prescribed person obtains the benefit of a policy of insurance relating to specified defects (or any defects) in the thing.

“Specified” here means specified in the arrangement.

- (4) The Secretary of State may by regulations impose requirements about new build home warranties, including in particular requirements as to—
 - (a) the kinds of defect which the developer must agree to remedy;
 - (b) the circumstances in which the developer must agree to remedy a defect (including the minimum duration of the period mentioned in subsection (3)(a));

Changes to legislation: There are currently no known outstanding effects for the Building Safety Act 2022, Cross Heading: New build home warranties. (See end of Document for details)

- (c) the developer agreeing to meet prescribed costs incurred by a person occupying a new build home, where works to remedy a defect are carried out;
 - (d) the policy of insurance (including risks that must be covered, the minimum amount of cover, the minimum duration of the period of cover, and the maximum amount of any excess);
 - (e) the solvency of the insurer or underwriter;
 - (f) the standard of service provided by or on behalf of the insurer in relation to the policy;
 - (g) the ability of a person who has the benefit of the warranty to transfer that benefit to another person.
- (5) The regulations must provide that the period of cover under the policy of insurance must be at least 15 years beginning with the day on which the relevant interest is granted or disposed of.
- (6) In this section—
- “carries out a development”: the reference to a person carrying out a development is to undertaking or commissioning—
 - (a) the construction of a building, or
 - (b) the conversion of, or carrying out of any other works to, a building,
 with a view to granting, or disposing of, relevant interests in one or more dwellings created as a result of the construction, conversion or carrying out of works;
 - “common parts”, in relation to a new build home, means any part of a building, where—
 - (a) that part is provided for the use, benefit and enjoyment of the residents of the new build home and the residents of other dwellings (whether alone or with other persons), and
 - (b) the right to use that part is conferred in connection with the grant or disposal of the relevant interest in the new build home;
 - “defect”: any reference to a defect includes, in relation to land, contamination;
 - “prescribed” means prescribed by regulations made by the Secretary of State;
 - “purchaser” means the person to whom the relevant interest is granted or disposed of;
 - “relevant interest” means a legal estate which is—
 - (a) an estate in fee simple absolute in possession, or
 - (b) a term of years absolute granted for a term of more than 21 years from the date of the grant.

Commencement Information

- I1** S. 144 not in force at Royal Assent, see [s. 170\(5\)](#)
- I2** S. 144 in force at 6.4.2023 for specified purposes by [S.I. 2023/362, reg. 3\(1\)\(z12\)](#)

Changes to legislation: There are currently no known outstanding effects for the Building Safety Act 2022, Cross Heading: New build home warranties. (See end of Document for details)

145 New build home warranties: financial penalties

- (1) The Secretary of State may by regulations make provision for and in connection with the imposition of a financial penalty in cases where the Secretary of State, or a person designated by the Secretary of State, is satisfied beyond reasonable doubt that a person has, without reasonable excuse, failed to comply with section 144(2).
- (2) The regulations may include provision—
 - (a) about the procedure to be followed in imposing penalties;
 - (b) about the amount of penalties;
 - (c) for the imposition of interest or additional penalties for late payment;
 - (d) conferring rights of appeal against penalties.
- (3) The regulations must provide that the amount of a financial penalty (excluding interest or any additional penalty) may not exceed the greater of—
 - (a) 10% of the value of the relevant interest at the time the person granted or disposed of the relevant interest, and
 - (b) £10,000.

Commencement Information

I3 S. 145 not in force at Royal Assent, see [s. 170\(5\)](#)

I4 S. 145 in force at 6.4.2023 for specified purposes by [S.I. 2023/362](#), [reg. 3\(1\)\(z12\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Building Safety Act 2022, Cross
Heading: New build home warranties.