



**Department for
Communities and
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Our Ref: 649158
Your Ref: AAL19356

19 JAN 2015

Dear George

Thank you for your letter of 17 November, addressed to Jo Swinson MP at the Department of Business, Innovation and Skills, concerning the NHBC and consumer rights for housebuilders. I am replying as the issue falls within my Department's remit and I apologise for the delay.

The Consumer Code for Homebuilders (the Code) is an industry led scheme which gives protection and rights to purchasers of new homes, ensuring that new homebuyers are treated fairly and are fully informed about their purchase. Its Management Board sets out progress and future plans for ensuring that consumers continue to be well-protected through publication of an annual report. Government officials monitor this progress through periodic meetings with senior representatives from the Code.

The Government has no plans to give homebuyers, including purchasers of new homes, statutory rights under the Sale of Goods Act 1979 (as amended) and similar consumer protection legislation. This is because we believe that consumers are more likely to be supported by independent professional advice from lawyers and others capable of giving advice to their clients and because the terms of the contract are more likely to be negotiated.

That does not of course mean that a home buyer who considers that the seller has not performed its obligations under the contract has no redress as they can take action through the courts for monetary compensation or to have the contract performed properly. Consumers can also use the independent dispute resolution service offered by the Code that determines a builder's responsibilities without the consumer having to take legal action.

Under the Code, builders are required to have a system for dealing with complaints. If a homebuyer is not happy with their response, they should contact the home warranty provider who will either deal with the complaint or provide the home buyer with information to enable the complaint to be referred to the independent dispute resolution service, referred to above. Further information is available on the Code's website at:

<http://www.consumercodeforhomebuilders.com>.

Joan Swi

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