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Checkmate Consumer Code for Builders of Homes for Sale

Requirements for Builders of Homes in England,
Wales, Scotland and Northern Ireland providing a
Checkmate Warranty

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Glossary & Definitions

Certain words have specific meanings when they appear in this code document. These meanings are shown below and appear throughout this code document in bold type. Where words are plural they have the same meaning as when they are singular and one gender is taken to also mean the other and vice versa. All other words have their normal meaning. Please note that Scottish terms described below are interchangeable throughout this document with the equivalent term used in England, Wales and Northern Ireland.

Agent

Person, firm or company appointed by a **Builder** to deal with any matter on behalf of a **Builder**. Examples include an Estate Agent, Solicitor or Contractor.

Builder

A builder/developer or developer of new or newly converted homes for sale to the public who has registered the **Home** with **Checkmate** for a **Checkmate Warranty** and who is registered with **Checkmate** and from whom the **Buyer** contracts to buy a **Home**.

Buyer(s)

Person(s) who reserve or buy a **Home** from a **Builder**, excluding those listed in Clause 3. Where a **Home** is reserved or purchased by more than one **Buyer** the rights of the **Buyers** will be joint.

Checkmate

Provider of the New Home Warranty and a division of Lockton Companies International LLP who is Authorised and Regulated by the Financial Conduct Authority.

Checkmate Warranty

An insurance-backed warranty providing the **Buyer** with cover for loss of **Contract Exchange** deposits and damage caused by defects as set out in the policy documents, a summary of which is made available under the terms of this **Code** with the **Reservation Agreement**.

CIADRS

The Checkmate Independent Alternative Dispute Resolution Scheme. See section 21.

Code

This document: Checkmate Consumer Code for Builders of Homes for Sale.

Contract / Contract of Sale

The contract is the legally binding document that commits the **Builder** to sell and the **Buyer** to buy the Home. The Contract is known in Scotland as "Builder's Missive".

Contract Exchange

The moment when the Contract comes into effect. In Scotland this stage is known as "Exchange of Missive".

Completion

The moment when the Home is transferred from the ownership of the **Builder** to the ownership of the **Buyer**. In Scotland this stage is known as "Conclusion of Missive" and "Date of Entry".

Directory

Database of **Builders** maintained by **Checkmate**.

Dispute

A complaint initiated in writing by the **Buyer** to the **Builder** within two years from the effective date of the **Checkmate Warranty** cover and arising from financial loss of less than 25% of the **Contract** price, subject to a maximum of £50,000, as a result of the **Builder** failing to comply with **Code** requirements.

Dispute Resolution Scheme

- a) the **Checkmate** Independent Alternative Dispute Resolution Scheme covers matters that fall within the **Checkmate Warranty** cover;
- b) Checkmate Independent Alternative Dispute Resolution Scheme (also referred to as CIADRS), a third party process which uses an independent adjudicator to resolve Code disputes that do not fall within the **Checkmate Warranty** cover.

Home

A property registered by a **Builder** with **Checkmate** to obtain a **Checkmate Warranty**, excluding those **Homes** and matters referred to in clause 3.

Management Services

Maintenance, supply and service obligations and charges to which the Buyer will be committed after the **Home** is purchased. Management Services are not applicable to all properties. In Scotland this term is known as "Factoring".

Reservation Agreement

An agreement in writing signed by a **Buyer** and a **Builder** giving the **Buyer** an exclusive period of time to enter into a **Contract** to buy a **Home** irrespective of whether a fee is paid and reservation shall be construed accordingly.

Specification

The general description of the main materials used to build the **Home**, including for example; Wall, roof and floor construction, types of bricks and roof tiles, windows, internal and external doors, bathroom and kitchen tiles, equipment, furnishings, appliances, taps etc. Paint manufacturer, type and colours, if fitted carpet manufacturer, type and colours, etc. Central and other heating details.

Vulnerable Consumer

Consumers who find it difficult to choose or access essential products and services which are suitable for their needs or are unable to do so without disproportionate effort/cost/time.

Introduction

The **Code** is a mandatory set of requirements to ensure best practice before, during and after the purchase of a **Home**. The **Code** applies to all homes with a **Checkmate Warranty** that has an effective date after 30 April 2014. All **Builders** who provide a **Checkmate Warranty** agree to comply with the **Code**.

Where a **Builder** is found to be in serious breach of the **Code**, **Checkmate** can apply a range of sanctions, including removal from the **Directory** and may recommend removal from registers maintained by other home warranty bodies.

For **Disputes** that are not covered by the **Checkmate Warranty**, Clause 21 of the **Code** outlines the **Dispute Resolution Scheme** for complaints arising and made in writing to the **Builder** within two years from the start date of the **Checkmate Warranty**. [This is the effective date shown on your warranty certificate]

The **Code** also benefits second and subsequent **Buyers** of the **Home** but only in respect of after sales matters reported within two years from the effective date of the **Checkmate Warranty**.

The **Code** is in addition to, and does not replace, existing legislation affecting the sales and marketing of new homes to the consumer.

1. Adopting the Code

Builders must comply with requirements of the **Code** and have regard to good practice.

The **Builder** may adopt a different approach to satisfy **Code** requirements; however, the **Builder** must provide a similar level of information and achieve a comparable outcome to the **Code**.

The **Code** sets the marketing, sales and customer service requirements that **Builders** must achieve before, during and after the **Home** sale. The **Code** does not affect the existing legal rights of the **Buyer**. The **Code** encourages transparency and emphasises the importance of all stages of the **Home** sale process.

2. Purpose of the Code

The **Code** ensures **Buyers**:

- are treated fairly;
- know what service levels to expect;
- are given reliable information upon which to make decisions;
- know how to access speedy, low-cost dispute resolution arrangements if they are dissatisfied.
- in a vulnerable position are identified and given bespoke tools to help assist them in making decisions.

The **Builder** must have a system and procedures for receiving and handling all service calls and complaints received from the **Buyer**.

3. Scope of the Code

The **Code** applies to **Disputes** that involve the **Home** built by the **Builder** and that has a **Checkmate Warranty**.

The **Code** does not apply to:

- second-hand properties (for example, homes taken by **Builders** in part exchange and re-sold);
- properties acquired by Registered Providers;
- properties acquired for investment purposes;
- properties let on short term assured tenancy agreements;
- properties built by self-builders or under contract between a builder and an individual for their own occupation;
- properties built under architects' certificates

The **Code** does not cover disputes over

- personal injury claims;
- loss of property value or blight;
- claims relating to the land conveyed and its registered title;
- claims where the amount of redress claimed exceeds the limits of the **Dispute Resolution Scheme**.
- claims that are covered by the **Checkmate Warranty**

Matters within the scope of other dispute resolution or ombudsman schemes should be referred to the relevant organisation. In such cases, these schemes will take precedence over the **Code** and its associated **Dispute Resolution Scheme**.

4. Access to the Code

Builders must make the **Code** available to prospective and existing customers at no cost and in a format(s) that allows the customer to take the **Code** away for further study or to access the **Code** remotely from the **Builder** Sales Office [e.g. on the internet or at www.checkmate.uk.com].

Builders must display the **Code** in the public show house, sales office or other public areas related to the sales process. The **Code** must be included in **Buyer's Reservation Agreement**.

Builders must make the **Code** available in a variety of formats [e.g. large print and languages other than English depending on local demographics] and media, and fulfil reasonable requests for an unavailable format [e.g. audio] within ten working days of a customer request.

Builders shall help **Vulnerable Buyers** make informed decisions. Builders shall ensure they understand the **Code**, the purchase and their responsibilities. The **Builder** shall provide details for Citizens Advice Service, a champion for consumer information, who can represent and support the **Buyer** if required.

Citizens Advice Bureau:

www.adviceguide.org.uk

Tell: 0345 4040506

For **Northern Ireland** go to www.citizensadvice.co.uk

For **Scotland** please go to www.cas.org.uk

The **Builder** must give the **Buyer** a document outlining the system and procedures, and how to access the **Dispute Resolution Scheme**. This document must mention the scope of the **Code**, exclusions and deadlines and highlight the fact that all complaints must be made within two years of the start date of the **Checkmate Warranty**.

5. Customer service & staff training

Builders are advised to create processes and procedures to comply with the **Code's** requirements and to monitor staff performance against the **Code**. This should include training on how to identify **Vulnerable Buyers** and ensure appropriate procedures are in place.

In order to provide reliable and consistent service, agency staff (i.e. those who are not full or part-time employees of the **Builder**), must be subject to the same process and procedures as permanent staff.

Builders are advised to monitor and refresh staff training on an annual basis and provide evidence if requested by **Checkmate**.

6. Sales and advertising

Sales material and advertising must use plain English and the content must be transparent, clear, truthful and comply with relevant code of advertising and the law. For Example;

- UK code of no-broadcast advertising, sales promotion and direct marketing
- The television advertising standards code
- The radio advertising standards code
- And any other relevant code

Builders must make it clear in their advertising that they are members of, and adhere to, the Checkmate Consumer Code for Builders of Homes for Sale.

Builders shall not use high pressure selling techniques to influence the **Buyer's** decision and must ensure all staff are aware of their responsibly and requirements under the **Code**, including part time staff.

Builders shall not mislead the **Buyers** about;

- size
- specification
- pricing
- completion dates
- energy performance ratings
- mobility adaptations
- warranty provisions
- future phases
- facilities on the completed development

Builders shall not use high pressure selling, for example builders should not;

- encourage a reservation by implying there are other interested parties or there imminent price increase due where there is neither
- offering a financial incentive for an instant decision
- encourage a reservation by refusing the opportunity to personalise the **Home** where the stage of construction would still allow it.

Part Exchange Schemes - When a **Builder** offers a Part Exchange scheme for **Buyers** the terms must transparent and must not be used to pressurise a sale. The scheme details must be transparent and provided in writing in plain English and include full details of;

- the full terms and conditions that apply
- how a fair market valuation will be arrived at, which must be independent and obtained from more than one source, each of which must be a member of the Property Ombudsman Scheme
- any deductions that will be made from the valuation
- how a Buyer can qualify for the scheme

When a Part Exchange offer is made the **Builder** must clearly state

- the terms and conditions that apply
- all of the fair market valuations that have been obtained and confirm who provided them
- which valuation is acceptable to the **Builder** and the reasons why
- any deductions from the valuation,
- the date by which the **Buyer** must accept the offer
- the consequences of not accepting the offer by the stated date
- the anticipated date by which the Part Exchange and purchase of the **Home** will be completed

Builders shall provide all **Buyers**, and particularly **Vulnerable Consumers**, adequate time to consider and absorb information provided about the **Home** and any Part Exchange offer.

Builders who are unsure whether advertising or sales material is legal, must check the material complies with *The Consumer Protection from Unfair Trading Regulations 2008* and *The Business Protection from Misleading Marketing Regulations 2008* before making it available to the **Buyer**.

Although there is no general requirement under the Regulations requiring disclosure of information to consumers, *The Consumer Protection from Unfair Trading Regulations 2008* prohibits lack of transparency.

7. Health & Safety for visitors to developments under construction

Customers and **Buyers** who visit a building site development to view **Homes** must be given appropriate health & safety advice, and where applicable appropriate safety equipment [e.g. hard hat, high visibility vest and protective footwear] to wear on site. The **Builder** must make it clear that visitors are personally responsible for following Health & Safety procedures and signage.

Customers and **Buyers** should be asked to sign a document confirming they have received and read [or listened to in the case of audio or live induction] health & safety advice for the development.

For **Vulnerable Buyers**, **Builders** shall provide;

- clear signage
- clear mobility access into and around the site
- accompany with an appropriate adult where needed

8. Pre – purchase information requirements

Buyers must be given sufficient pre-purchase information to help them make an informed decision about purchasing a **Home**. Including in all cases:

- a copy of the standard **Reservation Agreement**, setting out the key terms and price;
- a summary of the **Checkmate Warranty** cover, including contact details for **Checkmate**, and where to locate or obtain a copy of the policy. [e.g. www.checkmate.uk.com or email team@checkmate.uk.com or telephone 020 7933 2626];
- a list of **Home** contents [for example white goods, curtains, carpeting etc] included in the price;
- a **Specification** for the **Home** including a statement confirming the standard of cosmetic finish that the **Buyer** can expect to be achieved. If the **Home** is not already finished; plans showing the layout, sizes, and plot position of the **Home**; a statement confirming the utilities provided and whether they are on the mains or not.
- the **Builder's** estimate of when the **Home** will be ready for occupation, [also see clause 9.];
- a description of any **Management Services** that will affect the **Home** and their estimated costs which the **Buyer** will have to pay.

The **Builder** must recommend to the **Buyer** that they should seek independent advice from a solicitor or licensed conveyancer before **Contract Exchange**. If the **Buyer** asks the **Builder** to recommend an advisor the **Builder** should recommend more than one wherever possible.

The **Builder** must give the **Buyer** the names and contact numbers of those people who will deal with any questions or problems the **Buyer** may have before **Completion** and who will deal with any complaint raised by the **Buyer** under the **Code**.

9. Information about Completion

The **Builder** must give the **Buyer** information about when the construction of the **Home** is estimated to be finished and made available for occupation and will regularly update that information to enable the **Buyer** to make informed arrangements. The **Builder** will ensure that the information it gives to the **Buyer** is correct at the time it is given. Please also see paragraph 13, which deals with practical completion dates in more detail.

10. Reservation Agreement

The **Builder's** Solicitor will send the **Buyer's** Solicitor or legal representative the **Contract of Sale**, legal title and any relevant documents and approvals as soon as practically possible after a **Reservation Agreement** has been made between both parties.

The **Buyer** must be given the name and contact details of **Checkmate** along with a summary of the **Checkmate Warranty** protection provided. [www.checkmate.uk.com, email: team@checkmate.uk.com, telephone: 020 7933 2626]

Buyers must be given a plain English [the Plain Language Commission provides guidelines at www.clearest.co.uk] written **Reservation Agreement** which should include:

- what is being sold including the type of **Home**, plot number, development name and parking arrangements if appropriate;
- price;
- confirmation of the reservation fee and terms under which it is refundable or nonrefundable and any administration fees or similar which the **Builder** may deduct;
- confirmation that the **Reservation Agreement** is not a **Contract** for the sale and purchase of a **Home**;
- expiration date of agreed price [i.e. how long the quoted price remains valid];
- date by which **Contract Exchange** must take place;
- details of **Management Services** and an estimate of their costs, if applicable;
- copies of the pre purchase information;
- Part-exchange terms if applicable;
- details of how a **Buyer** can include in the **Contract** any spoken statement that is to be relied on.

The **Builder** must give the **Buyer** a copy of the **Reservation Agreement** signed by both parties.

The **Builder** must not enter into a **Reservation Agreement** with or sell or attempt to sell the **Home** to anyone else until the **Reservation Agreement** has expired.

The **Buyer** may cancel the **Reservation Agreement** during the agreed reservation period. The reservation period may be extended by mutual agreement between the **Buyer** and **Builder**. If the deadline date is not extended and **Contract of Sale** have not been exchanged, the **Reservation Agreement** automatically expires.

The reservation fee must be refunded in full if the **Buyer** wishes to cancel the reservation for any reason with one week of signing the **Reservation Agreement**.

The reservation fee must be reimbursed within 14 days if the **Reservation Agreement** is cancelled or expires, less any deductions the **Buyer** was told about at the time the **Reservation Agreement** was entered in to by both parties.

Unless the **Buyer** has paid the reservation fee to the **Builder** by credit card the **Builder** must hold the reservation fee in a separate client account designated for holding such fees.

11. The Contract

The **Builder's** solicitor will send the **Contract** and all relevant documents and approvals to the **Buyer's** independent advisor as soon as reasonably possible after the date of the **Reservation Agreement**.

The **Contract** terms and conditions must:

- comply with the *Unfair Terms in Consumer Contracts Regulations 1999*;
- be clear, fair and written in plain English;
- clearly set out the process and timing for advising the **Buyer** of the date of **Completion**;
- clearly state the circumstances in which the **Buyer** can bring the **Contract** to an end including if the **Home** is significantly different in size, quality or tenure from that which the **Buyer** agreed to buy.

The **Contract** must define the Legal Completion Notice Period from serving of notice to **Completion**.

To avoid disputes over spoken statements, immediately before **Contract Exchange** the **Builder** should ensure that the **Buyer**, through their legal representative, states in writing what spoken statements they are relying on when entering into the **Contract**.

Buyers must be told about their right to terminate the **Contract**, examples of the circumstances when the right to terminate exists would include:

- an alteration to the **Home** that directly and materially affects the value;
- excessive or unreasonable misrepresentation of features or amenities;
- excessive unreasonable delay in finishing the construction of the **Home** and serving the notice to complete.

Buyers must be told whether the **Checkmate Warranty** has been issued for the **Home** or not, and if not provide the **Buyer** with reasons why it has not been issued.

Buyers should be provided with an information pack, which as a minimum should include the following;

- **Checkmate Warranty** and other warranty documents where available or an explanation with reasons why they are not yet available
- **Checkmate** Home Buyer's Guide
- The **Builder's** complaints procedure
- A check list of matters covered by the **Code** and the warranty, and how to submit complaints covered by the **Code** and the Financial Conduct Authority.

12. After Contract Exchange

If a change occurs to the design, construction or materials to be used in the **Home** that will materially alter its value, the **Builder** must formally consult the **Buyer** and get their written agreement to the changes.

Where the alterations materially affect the value of the **Home** and the **Buyer** does not agree they may cancel the **Contract** without loss of deposit or withholding of any fees.

The **Builder** must ensure that that **Buyer** is aware of the deposit protection covered under the **Checkmate Warranty** and section 10 of the **Code**.

Minor changes which do not significantly and substantially alter the size, appearance or value of the **Home** should still be communicated to the **Buyer**, but the **Buyer's** agreement is not required. However the information should be given to the **Buyer** with the advise that they may want to consider consulting their independent adviser.

Changes the **Buyer** requests and agrees to pay for that are not included in the **Reservation Agreement** or **Contract** must be set out and agreed in writing signed by the parties. This written document must include:

- cancellation and refund rights;
- estimated impact on the date the construction of the **Home** will be finished and available for occupation.

13. Timings, practical completion and handover

Timings

The **Builder** should provide the **Buyer** with a schedule detailing timing of key stages and practical completion for the **Home**. General guidelines for timings and completion should be part of the **Buyer** information pack and frequently updated. **Builders** must ensure all information on timings is accurate at the time it is given.

Practical completion of the Home

The point at which the **Builder** tells the **Buyer** when their **Home** is likely to be ready, will depend on the build stage at the time the information is provided. The **Builder** may follow established internal process and methods, or consider the following example:

- give the calendar quarter the **Home** is likely to be ready before foundations and floor completion;
- give the month the **Home** is likely to be ready when the roof is completed and the home weatherproofed;
- give the week the **Home** is likely to be ready when decoration is complete and main services are connected.

Handover

Handover of the **Home** to the **Buyer** should include a final walk-through, identifying any outstanding work within the **Home** or to other areas of the development serving the **Home**.

The **Builder** must provide the **Buyer** of the **Home** with

- guidance on snagging the **Home** and how to report any problems they may encounter with the **Home**;
- an explanation of how appliances operate.
- full details of guarantees / warranties offered on all appliances and equipment included in the purchase of the **Home**.
- full details of any other guarantees / warranties that accompany the **Home** such as:
 - Tanking guarantees
 - Timber treatments guarantees
 - Ground remediation guarantees

including an explanation of how long each of the guarantees or warranties lasts and any **Buyer's** responsibilities that affect cover.

- The **Builder** must explain how long each guarantee / warranties lasts and any **Buyer's** responsibilities that affect cover.
- full details of the after sales service offered including how long it lasts, contact names and numbers and what to do in an emergency;
- details of the complaints procedure.

Builders shall not use high-pressure selling of additional warranties or guarantees, nor misrepresent their costs, coverage or the benefits they provide.

14. After-sales service

The **Builder** must provide a "Home Buyers Pack" to all **Buyers**. After-Sales service information must be included in the pack and reference:

- who to contact during the first two years of **Checkmate Warranty**;
- contact details;
- process for handling emergencies;
- guarantees and warranties that apply to the home;
- duration of the after-sales service.

The **Builder** must not use premium rate numbers, unless the **Builder** provides a freephone number a national or local rate telephone number must be used.

Warranties and instruction manuals for white goods and any other goods supplied with the **Home** but not part of the material fabric of the **Home** should be given to the **Buyer** at **Completion**.

If the **Builder** needs to visit or carry out works on the **Home** after it is occupied by the **Buyer** the **Builder**:

- should only do so having made a mutually agreed appointment with the **Buyer**;
- the appointment should be made when a responsible adult will be present to represent the **Buyer**;
- if a responsible adult is not present when the **Builder** attends for the meeting they should not enter the **Home**, instead they should rearrange a new mutually agreed time and date with the **Buyer**;
- before entering the **Home** the **Builder** should provide identification.

On attending the **Home** the **Builder** should:

- ensure work clothes are clean and presentable;
- be prepared to remove outdoor footwear or wear clean overshoes, if safety shoes are required they should be clean and covered by overshoes;
- ensure appropriate protection is provided for carpets, furnishings and decorations;
- remove all debris after completing any works and leave the work area clean and tidy;
- not smoke in the **Home** without the **Buyer's** express permission;
- not play loud music;
- be respectful and polite.

15. Health & safety for **Buyers** living on developments under construction

Buyers must be informed about Health & Safety precautions they should take when living on a development where building work is continuing and measures in force if that may affect them.

The **Builder** must give the **Buyer** a Health & Safety File for the **Home** in compliance with the relevant Construction [Design and Management] Regulations 2007.

16. Contact information

It must be easy for **Buyers** to find contact information for the **Builder** before, during and after **Completion**. The **Builder** must provide minimum contact details that include address, telephone number and times during which the phone number is active. The **Builder** must ensure well-trained and knowledgeable staff maintains this minimal service.

The **Builder** is advised to augment the minimum service with several contact channels, which should include SMS and email.

17. Complaints & disputes

The **Builder** must have systems and procedures for receiving, handling and resolving **Buyer's** service calls and complaints, and must tell the **Buyer** how to access the systems and procedures. The complaints procedure should include the time frame for acknowledging the call or complaint and the estimated time for a decision to be reached or by when an estimated date can be given.

The **Builder** must also give the **Buyer** a written document outlining the **Dispute Resolution Scheme CIADRS** operated as part of this **Code** and which also explains that the **CIADRS** can only deal with matters within the scope of the **Code** set out in clause 3.

18. What is a dispute?

The **Buyer** has suffered financial loss as a result of the **Builder** failing to comply with requirements contained within the **Code** [see paragraphs 4 to 17 above inclusive]. A dispute covered by the **Code** does not include a dispute under the **Checkmate Warranty** or between the **Buyer** and **Checkmate** or any matter not within the scope of the **Code** as set out in paragraph 3 above.

A **Buyer** who believes they have suffered financial loss because a **Builder** has failed to meet the **Code** requirements may refer the Dispute for Checkmate mediation [see paragraph 20] or to the **CIADRS** See paragraph 21.

The **Buyer** should first bring the complaint to the **Builder**, if the **Buyer** is not satisfied with the **Builder's** response, or does not receive a response within 56 days the **Buyer** may refer the matter to the **CIADRS** See paragraph 21.

Dispute resolution includes:

- up to 25% of the **Contract** Price subject to a maximum of £50,000 financial compensation to the **Buyer**; OR
- completion of work to the **Home**, agreed by the adjudicator within the financial limits of a **Dispute**; OR
- combination of financial compensation and completion of work to the **Home** within the financial limits of a **Dispute**;
- discretionary inconvenience compensation up to £1000.

19. Co-operation with professional advisors

The **Builder** must co-operate with appropriately qualified professional advisors appointed by the **Buyer** to resolve disputes.

The **Builder** must provide the same level of cooperation to an intermediary who acts on behalf of a **Buyer** as they would offer to the **Buyer**.

A **Buyer** who believes a **Builder** has failed to meet the **Code** requirements, may refer their **Dispute** to the **CIADRS** [See paragraph 21].

20. Checkmate Mediation.

The **Buyer** may bring the dispute to **Checkmate** for mediation within six months of the date of the **Builder's** final response or final offer to the original complaint, or within six months of the date of their original complaint to the **Builder**, whichever is the later date. Mediation is a free service and will be carried out by **Checkmate** within 40 days of the case being brought to **Checkmate**

If **Checkmate** mediation is unsuccessful the **Buyer** still may refer their complaint to **CIADRS**. See paragraph 21 for information about the process and the current scale of submission fees.

Depending on the circumstances **Checkmate** may also decide to refer the **Builder** to the Disciplinary and Sanctions Panel. See paragraph 23.

21. Checkmate Independent Alternative Dispute Resolution Scheme [CIADRS] Adjudication process

The **CIARDS** is independent of the **Builder** and **Checkmate** and decisions are not insured under the **Checkmate Warranty**.

A trained independent Conciliator will review written submissions from both parties and make recommendations; this Conciliation service is free to the **Buyer**.

If either party to the dispute does not accept the Conciliator's recommendations the dispute may be referred to the Adjudicator, the **Builder** must cooperate with any investigation being conducted by the Adjudicator.

The Adjudicator will decide whether or not a **Buyer** has a legitimate **Dispute**, and if so whether as a result they have suffered financial loss and if so how much financial loss they have reasonably suffered.

The **Builder** must comply with;

- any award and/or direction made by the Adjudicator against the **Builder** and accepted by the **Buyer** and which is within the terms of the **Code** and the **CIARDS** terms of reference, and
- pay the **Buyer** the amount of any such award if accepted by the **Buyer** within the period for payment required by the Adjudicator.

The fee for adjudication under the **CIARDS** is £100 for the **Buyer** and £100 for the **Builder** payable direct to the Adjudicator.

The **Builder** must pay their adjudication fee if the **Buyer** wishes to refer the dispute to Adjudicator.

Types of decisions:

- performance award: i.e. carry out work to the **Home** as agreed by the Adjudicator;
- financial award: i.e. the extent of the financial loss that is to be reimbursed by the **Builder** to the **Buyer**;
- combination award: i.e. a combination of works to the **Home** and reimbursement of financial loss;
- complaint rejection;
- discretionary awards: in addition to the maximum award value:
 - £1000 maximum value which may be awarded for inconvenience;
 - reimbursement of the **Buyer's** case registration fee.
- refer the **Builder** to the Disciplinary and Sanctions Panel, see paragraph 23
The maximum award value is 25% of the **Contract** price subject to a maximum of £50,000 inclusive of VAT.

22. The Disciplinary and Sanctions Panel

Where required Checkmate will convene a Disciplinary and Sanctions Panel that will consist of;

- 2 insurance professionals
- a nominee from the Chartered Institute of Building
- a Trading Standards Professional
- a construction industry professional

The panel may impose one or more of the following sanctions;

- specify and improvement plan
- suspension of Checkmate membership
- termination of Checkmate membership