





PROTECTING YOUR HOME

Moving house is exciting, time consuming and exhausting. It's a real mountain to climb but well worth it when you're settled in your new home and enjoying its comforts.

At LABC Warranty we aim to give you the support needed to feel confident in your new home. We may not be able to help you move the boxes in but we can provide you with peace of mind in the form of a structural warranty. That way, you'll know that you're covered regardless of what life throws at you.

What you should expect from your developer

When you are thinking of buying a new home, your developer should share with you the following information to ensure you are fully informed before you commit to buying:

- A summary of the structural warranty cover for the property
- An Insurance Product Information Document
- A copy of the Consumer Code for Home Builders

You can read about these in this guide. Speak to your developer if you have any further questions.

What is a structural warranty and why is it important?

A structural warranty is different to your standard building and contents insurance. It provides cover for a wide range of structural defects that could, albeit rarely, occur during the first 10 years after your home is completed. This means structural faults that might happen during this period will be taken care of with the minimum of fuss.

What's more, you don't need to do a thing to ensure your property is adequately covered. Your developer will have already arranged and paid for this before you buy your home and will provide you with a Certificate of Insurance when you move in.

Who is LABC Warranty?

LABC Warranty is the brand name for a range of structural warranties arranged in conjunction with Local Authority Building Control (LABC) by MD Insurance Services Ltd. LABC Warranty has over 10 years of experience and has become the warranty provider of choice for some of the country's leading developers.

Why else do I need a structural warranty?

Although important, it's not just to do with making sure your home is protected against structural damage. When buying your new home, mortgage lenders are unlikely to release funds unless a warranty is in place from a suitable provider.

LABC Warranty is recognised and accepted by the country's leading banks and building societies. Not only that, but if you decide to sell your home before your warranty expires (10 years from build completion), a policy from LABC Warranty will make your property more attractive to buyers and lenders alike, giving you a real competitive edge in what is a highly competitive market.



FEATURES AND BENEFITS OF STRUCTURAL WARRANTY COVER

LABC Warranty policies can include the following features and benefits. For full details of the cover on your new home check your warranty policy document and Certificate of Insurance.

Insolvency of the Developer during the Building Period *(Relates to Section 3.1 of the policy)*

The policy will reimburse the Policyholder for any loss of deposit if due to insolvency or fraud the Developer does not commence work on a Housing Unit. Alternatively, if due to insolvency or fraud the Developer fails to complete the Housing Unit after work has commenced the policy will pay for either the additional cost required to complete the Housing Unit or refund any deposit paid.

Defects Insurance

(Relates to Section 3.2 of the policy)

During the Defects Insurance Period, a claim will be paid for any costs incurred in repairing, replacing or rectifying a Defect in the Housing Unit for which the Developer is responsible. Such claim has to be discovered during the Defects Insurance Period and notified to the Underwriter within 6 months.

A claim will only be met if:

- The Developer has refused to respond to the claim within a reasonable time period
- The Developer has withheld consent to resolve the dispute by using the Conciliation Service
- The Developer has accepted the decision of a building surveyor after using the Conciliation Service but has failed to carry out the works or repairs recommended in the surveyor's report within the time stipulated
- The Developer has not affected the repairs or works determined by a binding legal process
- The Developer has failed to carry out such repair, replacement or rectification work due to its insolvency.

Structural Insurance

(Relates to Section 3.3 of the Policy)

The policy covers all claims for the cost of complete or partial rebuilding or rectifying work to the Housing Unit which has been affected by Major Damage provided always that the liability of the Underwriter does not exceed the reasonable cost of rebuilding each Housing Unit to its original specification. This section of policy also includes the cost of repairing or making good any defects in the chimneys and flues of each Housing Unit which was newly constructed by the Developer causing an imminent danger to the health and safety of occupants.

Contaminated Land

(Relates to Section 3.4 of the Policy)

This section of the policy covers any Remediation Expenses incurred in treating or isolating or removing any substance from the Policyholder's Land in a controlled manner in accordance with the requirements of any Statutory Notice.

The Certificate of Insurance will show if cover is applicable. It only applies in England and Wales.

Additional Cover for the Local Authority Building Control Function *(Relates to Section 3.5 of the Policy)*

The cost of repairing, replacing or rectifying the Housing Unit where such repair, replacement or rectification cost is the result of a present or imminent danger to the physical health and safety of the occupants of the Housing Unit because the Housing Unit does not comply with Building Regulations that applied to the work at the time of construction, conversion or refurbishment in relation to the following:

- Structure
- Fire Safety
- Site preparation and resistance to moisture
- Hygiene
- Drainage and waste disposal
- Heat-producing appliances
- Protection from falling, collision and impact
- Glazing – safety in relation to impact opening and cleaning

Your Certificate of Insurance will show if cover is applicable. It only applies in England and Wales.

For a copy of the New Home Warranty Summary of Cover or if you require any further information on LABC Warranty, please visit our website. www.labcwarranty.co.uk or call us on 0800 183 1755.

CONSUMER CODE FOR HOME BUILDERS

This property is covered by the Consumer Code for Home Builders.

The Consumer Code for Home Builders ("the Code") was developed by the home-building industry to make the home buying process fairer and more transparent for purchasers.

Buying a brand new home is an exciting time. But with a new home being one of the largest investments you're likely to make, it's important that you understand the process, what you're buying and what help is available should problems arise.

The Consumer Code sets mandatory Requirements that all Home Builders must meet in their marketing and selling of Homes and their after-sales customer service.

The purpose of the Code is to ensure that Home Buyers:

- are treated fairly;
- know what service levels to expect;
- are given reliable information upon which to make their decisions; and
- know how to access speedy, low-cost dispute-resolution arrangements if they are dissatisfied.

HOW THE CODE OPERATES

1. The Code applies to all Home Buyers who have signed a Reservation agreement for a new or newly converted Home on or after the 1 April 2010 and that has been built by a Home Builder registered with one of the Home Warranty Bodies.
2. The Consumer Code Scheme covers complaints made in writing to the Home Builder by Home Buyers who have signed a Reservation agreement and believe the Home Builder has failed to meet the Code's Requirements. The Code Scheme applies to complaints made up to two years from the date on the Home Warranty Body's insurance certificate, which defines the start of the period of cover, about defects or damage caused by a breach of its technical requirements.
3. Second or subsequent Home Buyers benefit from the Code Requirements but only on aftersales matters they report within two years from the date of the Home Warranty Body's insurance certificate, as in 2 above.

4. The Code does not apply to:
 - second-hand properties (for example, homes taken by Home Builders in part exchange and re-sold)
 - properties acquired by registered social landlords for rent
 - properties acquired by corporate bodies, partnerships and individuals buying more than one property on the same development for investment purposes
 - properties built by self-builders for their own occupation
 - Homes assigned or sub-sold by an investor to a third party before Legal Completion
 - personal injury claims
 - loss of property value or blight
 - claims about the land conveyed and its registered title
 - claims that exceed the Independent Dispute Resolution Scheme limits
5. Matters better dealt with by other dispute resolution or ombudsman schemes should be referred to the relevant organisation. In such cases, these other schemes will take precedence over this Code and associated Independent Dispute Resolution Scheme.

THE CONSUMER CODE REQUIREMENTS

1. Adopting the Code

1.1 Adopting the Code

Home Builders must comply with the Requirements of the Consumer Code and have regard to good practice guidance.

1.2 Making the Code available

The Consumer Code for Home Builders Scheme logo must be prominently displayed in Home Builders sales offices, those of appointed selling agents, and in sales brochures. All Home Buyers who reserve a Home should be provided with a copy of the Code Scheme with the Reservation agreement.

1.3 Customer service: before legal completion

The Home Builder must have suitable systems and procedures to ensure it can reliably and accurately meet the commitments on service, procedures and information in the Code.

1.4 Appropriately trained customer service staff

The Home Builder must provide suitable training to all staff who deal with Home Buyers about their responsibilities to them and what the Code means for the company and its directors.

1.5 Sales and advertising

Sales and advertising material and activity must be clear and truthful.

2. Information – pre-contract

2.1 Pre-purchase information

Home Buyers must be given enough pre-purchase information to help them make suitably informed purchasing decisions. In all cases this information must include:

- a written Reservation agreement;
- an explanation of the Home Warranty cover;
- a description of any management services and organisations to which the Home Buyer will be committed and an estimate of their cost;
- the nature and method of assessment of any event fees such as transfer fees or similar liabilities.

Also, if a Home is not yet completed, the information must include:

- a brochure or plan illustrating the general layout, appearance and plot position of the Home;
- list of the Home's contents;
- the standards to which the Home is being built.

2.2 Contact information

Home Buyers must be told how their questions will be dealt with and who to contact during the sale, purchase and completion of the Home.

2.3 Warranty cover

Home Buyers must be given accurate and reliable information about the insurance-backed warranty provided on the Home.

2.4 Health and safety for visitors to developments under construction

Home Buyers must be informed about the health-and-safety precautions they should take when visiting a development under construction.

2.5 Pre-contract information

Home Builders must advise Home Buyers to appoint a professional legal adviser to carry out the legal formalities of buying the Home and to represent their interests.

2.6 Reservation

Home Buyers must be given a Reservation agreement that sets out clearly the Reservation's terms, including, but not limited to:

- the amount of the Reservation fee;
- what is being sold;
- the purchase price;
- how and when the Reservation agreement will end;
- how long the price remains valid;
- the nature and estimated cost and of any management services the Home Buyer must pay for;
- the nature and method of assessment of any event fees such as transfer fees or similar liabilities.

The Reservation fee must be reimbursed if the Reservation agreement is cancelled. The Home Buyer must be told of any deductions that may be made

While the Reservation agreement is in force, the Home Builder must not enter into a new Reservation agreement or sale agreement with another customer on the same Home.

3 Information – exchange of contracts

3.1 The contract

Contract-of-sale terms and conditions must:

- be clear and fair;
- comply with all relevant legislation;
- clearly state the contract termination rights.

3.2 Timing of construction, completion and handover

The Home Buyer must be given reliable and realistic information about when construction of the Home may be finished, the date of Legal Completion, and the date for handover of the Home.

3.3 Contract termination rights

The Home Buyer must be told about their right to terminate the contract.

3.4 Contract deposits and pre-payments

The Home Builder must clearly explain how Home Buyers' contract deposits are protected and how any other pre-payments are dealt with.

4. Information – during occupation

4.1 After-sales service

The Home Builder must provide the Home Buyer with an accessible after-sale service, and explain what the service includes, who to contact, and what guarantees and warranties apply to the Home.

4.2 Health and safety for Home Buyers on developments under construction

Home Buyers must be told about the health-and-safety precautions they should take when living on a development where building work continues.

5. Complaints and disputes

5.1 Complaints handling

The Home Builder must have a system and procedures for receiving, handling, and resolving Home Buyers' service calls and complaints. The Home Builder must let the Home Buyer know of this, and of the dispute resolution arrangements operated as part of this Code, in writing.

5.2 Co-operation with professional advisers

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

You can get more information, including copies of the Code documents and advice on frequently asked questions and the results of audits, surveys and adjudications from the Consumer Code web site: www.consumercode.co.uk

INSURANCE PRODUCT INFORMATION DOCUMENT

Under the Insurance Distribution Directive, anyone looking to buy insurance will benefit from the Insurance Product Information Document, a simple, standardised document, which aims to provide clearer information on the cover, so that consumers can make more informed decisions.

NEW HOMES WARRANTY

Insurance Product Information Document



Company: MD Insurance Services Ltd t/a LABC Warranty

Product: New Homes Warranty V9

MD Insurance Services Ltd. is the Scheme Administrator for LABC Warranty. MD Insurance Services Ltd. is authorised and regulated by the Financial Conduct Authority (FRN 306947). MD Insurance Services Ltd. is registered in England No: 3642459.

This document provides a summary of key information relating to your insurance warranty policy. Complete pre-contractual and contractual information on the warranty policy is provided in the full policy documentation.

What is this type of insurance?

The LABC Warranty for New Homes policy provides you with the comfort that particular types of problems with your home will be corrected. Please note that the policy does not provide any cover for any legal liabilities that you may have to third parties arising out of the use or ownership of the home.



What is insured?

- ✓ The cost of repairing, replacing or rectifying any defect and resultant damage to the home for which the developer is responsible.
- ✓ The cost of complete or partial rebuilding or rectifying work to the home which has been affected by major damage that has been caused by a defect.
- ✓ The cost of repairing or making good any defects in the chimneys and flues of the home which was newly constructed by the developer and which causes an imminent danger to the health and safety of occupants.
- ✓ Remediation expenses incurred in treating or isolating or removing any contaminating substance from the land in a controlled manner in accordance with the requirements of any statutory notice.

The following optional covers may also be included. Please see your certificates and policy wording to confirm which cover options apply to your policy.

- A refund of the deposit paid by the policyholder or payment of the additional cost to complete the home, if the developer does not commence work or fails to complete the home due to insolvency or fraud.
- The cost of repairing, replacing or rectifying the home as a result of a present or imminent danger to the physical health and safety of the occupants because the home does not comply with applicable building regulations.

Additional Cover

Where there is a valid claim under the insurance there is also additional cover for the following:

- Additional costs to comply with building regulations.
- Alternative accommodation and removal and storage of possessions.
- Fees payable to architects, surveyors, lawyers or consulting engineers and other necessary fees.
- Removal of debris and dismantling, demolishing or shoring up the home.



What is not insured?

The below list outlines some key areas and items not included in cover. A full list of exclusions is available in the policy wording:

- ✗ Snagging damage which is purely cosmetic and does not impair the structural stability or weather tightness of the home.
- ✗ Any alteration, modification or addition to the home.
- ✗ Any loss due to a lack of maintenance of the home or normal wear and tear or improper use of the home.
- ✗ Anything the purchaser knew about prior to purchasing the home.
- ✗ Damage caused by fire, smoke or severe weather.
- ✗ Loss caused by theft or accidental damage.
- ✗ Any reservation fee or other fee payable to the developer other than the deposit.



Are there any restrictions on cover?

- ! Any claim under the excess value, as defined on your certificate of insurance.
- ! Any claim amount over the financial limits for each applicable section of cover, as detailed in your policy wording.
- ! Any claim prior to the policy start date or after the policy expiry date, as defined on your certificate of insurance.
- ! Any claim which falls outside the terms and conditions of the policy or which is specifically excluded by the policy.



Where am I covered?

- ✓ The cover is provided for the home which is the subject of this insurance.



What are my obligations?

You must ensure that:

- All policy conditions have been adhered to.
- Any claims are reported in line with the requirements outlined in the policy wording.
- The home is adequately maintained and that all reasonable steps are taken to minimise loss or damage.

If you have any outstanding conditions relating to your policy, make sure these are satisfied as soon as possible.



When and how do I pay?

This policy will be paid in full by the developer or another third party.



When does the cover start and end?

If applicable, cover for your deposit begins when a deposit is paid to the developer and is detailed on your home initial certificate. Cover under this section ends upon completion of the building period.

Cover under all other sections begins and ends on the dates defined on your certificate of insurance.



How do I cancel the policy?

You should make any request for the cancellation of the policy in writing (by post/email). In the event of cancellation there may be charges for our services, please refer to the policy wording. Before cancelling the cover, please check with your mortgage lender, because they may require you to have this cover (or its equivalent) as a condition of their loan.



As a buyer of a newly built home you will be able to provide feedback on your home and your developer to The New Homes Review (NHR).

The NHR uses feedback from buyers of newly built homes to show levels of customer satisfaction and provide ratings for developers. To learn more and have your say or to view the latest annual report, visit www.newhomesreview.com

CONTACT DETAILS

From Sale to End of Year 2

Your Developer is your main point of contact before, during and after the sales process until 2 years after your new homes was built. Your structural warranty Certificate of Insurance will have a date of when cover commenced, if you are unsure.

If you need information on who your Developer is, or you wish to access LABC Warranty's free Dispute Resolution Service during this time, please call 0151 650 4318 or email drs@labcwarranty.co.uk

Years 3-10

You should ensure that you are aware of what is covered by your Policy by reading the Terms and Conditions in conjunction with your Development Initial Certificate / Home Initial Certificate and / or Your Certificate of Insurance and any endorsements attached to them.

If you feel you have a valid claim, please check your Certificates to ensure that cover is included. You should also refer to the relevant section to obtain full details of what we require if you wish to make a claim.

Once you have done this, and feel you do have a claim, contact our claims team on:

T: 0151 650 4318
E: claims@labcwarranty.co.uk
W: labcwarranty.co.uk/homeowners/make-a-claim

For more information on our claims process go online to [**www.labcwarranty.co.uk/homeowners/make-a-claim**](http://www.labcwarranty.co.uk/homeowners/make-a-claim)

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LABC Warranty



LABC Warranty

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