



New charges to be introduced for non-compliance with dispute decisions

The Consumer Code for Home Builders (the Code) is to pilot a new charge for builders who do not comply with decisions made by the Code's Independent Dispute Resolution Scheme (IDRS) within the agreed timeframe (as set out in the [Scheme Rules](#)). The new charge will be effective from 1 April 2025 and piloted for 12 months. It is designed to minimise unnecessary inconvenience to home buyers and strengthen the integrity of the Code.

In most cases, builders instructed by an independent adjudicator to take actions to resolve a dispute, do so within the required 20 working days or agree an alternative timeframe with the homebuyer where required. However, some builders fail to comply with the adjudicator's decision in a timely manner, causing further frustration and inconvenience for home buyers.

Key points:

- A new inconvenience charge of **£5 per calendar day** will apply for every day a builder does not comply with an adjudicator's decision beyond the original deadline.
- The **adjudicator is wholly responsible** for deciding whether the builder has complied.
- The Code reserves the right to **publish the names of those builders** who continue not to comply to protect home buyers and the integrity of the Code Scheme.
- Safeguards have been built in so **builders are not penalised** for non-compliance where home buyers may prevent access to rectify issues.

Following detailed discussions with our IDRS provider, the Centre for Effective Dispute Resolution (CEDR), as well as industry bodies and consumer groups, we have co-designed a firm but fair additional inconvenience charge of £5 per calendar day for every day a builder does not comply beyond the original deadline. The adjudicator is wholly responsible for deciding whether the builder has complied, and the charge will continue until the adjudicator determines their decision has been implemented. The 'Total Non-Compliance Inconvenience Charge' (i.e. the total of the daily inconvenience charges that have accrued) will also need to be paid to the home buyer by the builder in recognition of the additional inconvenience caused.

John Munton, Director of Dispute Resolution Services, Centre for Effective Dispute Resolution, said:

"In developing this charge we have considered what is working well in other industries and how we can apply an effective incentive to encourage compliance. Although in most cases builders readily comply in good time, the Code and its industry partners are showing strong leadership by putting further weight behind compliance with this alternative dispute resolution scheme to benefit consumers."

CEDR will continue to inform the Consumer Code for Home Builders (the Code) of any builders failing to comply with adjudicators' awards. The Code reserves the right to publish the names of those builders to protect home buyers and the integrity of the Code Scheme. This is in keeping with our existing policy to publish the names of builders that have been subject to sanctions for non-compliance with the Code.

Noel Hunter, Code Chair, said:

"When builders don't comply with an adjudicator's decision, it adds further distress for home buyers and has a knock-on impact on the reputation of the Code and the building industry as a whole. We're grateful to our colleagues within the industry for their input and willingness to support efforts to encourage continuous improvement in customer service."

Safeguards have been built into the updated rules so that builders are not penalised for non-compliance in cases where home buyers may prevent access to rectify issues. Builders are only required to implement IDRS decisions where they have been accepted by the home buyer.

The new charge will apply to decisions made on complaints submitted to IDRS from 1 April 2025 and cannot be applied retrospectively. Impact will be assessed throughout the pilot with a view to retaining the new charge long-term if it proves successful in reducing non-compliance and enhancing customer satisfaction.



For more information about the Consumer Code, including resources to aid Code compliance and enhance customer service, visit

www.consumercode.co.uk