



NEW HOMES
OMBUDSMAN SERVICE

Summary Statement of Terms of appointment of the New Homes Ombudsman Service



The appointment of the New Homes Ombudsman Service [NHOS]

1. The New Homes Ombudsman Service has been appointed by the New Homes Quality Board Ltd.
2. The appointment is for 5 years from the commencement of the service.
3. The appointment was procured in accordance with the Nolan principles and through an open competitive tendering process, which was widely advertised.
4. The New Homes Ombudsman Service is operated by The Dispute Service Ltd, and the service overseen through its dedicated subsidiary NHO Service Ltd.
5. The New Homes Ombudsman Service has been validated as an Ombudsman by the Ombudsman Association.

The funding of the New Homes Ombudsman Service

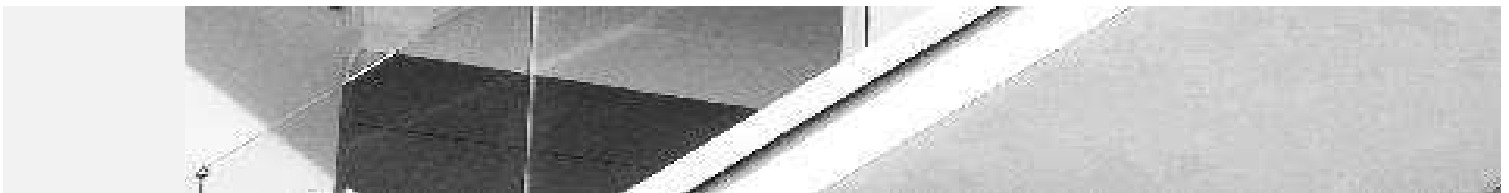
6. The New Homes Ombudsman Service is fully funded by the New Homes Quality Board, via a levy on Registered Developers.
7. There is no charge for customers to use the New Homes Ombudsman Service.

Staff appointed to operate the New Homes Ombudsman Service

8. The Dispute Service Board appoints a person to hold the office of the **New Homes Ombudsman** on a fixed term employment contract linked to the length of the NHOS contract with the New Homes Quality Board of five years. Should the NHOS contract be renewed, the renewal or alternative appointment of New Homes Ombudsman will be made following an open recruitment process with no pre-determined outcome.
9. The **New Homes Ombudsman** heads the **Ombudsman's Office** [the team of lead Ombudsman and Assistant Ombudsman who issue Draft and Final Decisions in the name of the New Homes Ombudsman]. The New Homes Ombudsman reports directly to the Board of NHO Service Ltd.
10. The Dispute Service Chief Executive is responsible to the Board of NHO Service Ltd and The Dispute Service Ltd for the delivery of the contractual obligations to the New Homes Quality Board and plays no role in complaint Decisions.

Independence

11. The New Homes Ombudsman Service is impartial, free from bias and is independent from the industry and those subject to investigation by them. For the avoidance of doubt this includes the Boards of the New Homes Quality Board [who commissioned the Service], The Dispute Service Ltd and the Board of NHO Service Ltd who deliver the new Homes Ombudsman Service.
12. The person who holds the post of New Homes Ombudsman and the directors of NHO Service Ltd must not have had an appointment with a Registered Developer or a developer subject to the jurisdiction of the New Homes Ombudsman in the 3 years preceding their appointment.



13. The Board of the New Homes Quality Board, the Dispute Service Board and the NHO Service Board must always have a majority of directors who are not subject to the jurisdiction of the Service.

Termination of appointment

14. The appointment of the **New Homes Ombudsman Service** may only be terminated in accordance with the contract between the New Homes Quality Board and The Dispute Service Limited. These are the grounds for termination:
 1. **Failure to perform adequately.** This will be measured with reference to the agreed contractual Key Performance Indicators.
 2. **On the event of a Force Majeure** so that the contract services cannot be performed.
 3. **Specified external factors**, such as a material change of relevant policy or law, additional consumer redress provision which significantly impacts on the role of extent of the NHOS, a material change in the industry or by creation of a different or connected Ombudsman which undermines the ability of one or both parties to perform the contract as intended.
 4. **Change of control, insolvency and financial difficulties by the NHQB or NHOS** which undermines the ability of one or both parties to perform the contract as intended.
15. For the avoidance of doubt, the NHQB cannot terminate the contract as a consequence of a decision or non-decision of the Ombudsman in relation to any consumer complaint.
16. The appointment of the person holding the office of **New Homes Ombudsman** may only be terminated by The Dispute Service on the following grounds:
 - i. On the expiry of the fixed term of the employment.
 - ii. if the Ombudsman is found guilty by the Board of dishonesty, gross misconduct or gross negligence.
 - iii. if the Ombudsman is convicted of any criminal offence (other than an offence under any road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed).
 - iv. if the Ombudsman is convicted of, or in the reasonable opinion of the Board, is guilty of any offence under any regulation or legislation in force from time to time relating to insider dealing.
 - v. if the Ombudsman is declared bankrupt or makes any arrangement with or for the benefit of his/her creditors or have a county court administration order made against him/her under the County Court Act 1984 or have an interim order issued against him/her under the Insolvency Act 1986.
 - vi. if the Ombudsman, in the opinion of a medical practitioner who is treating him/her, becomes physically or mentally incapable of performing his/her duties and may remain so for more than three months and the medical practitioner has given a medical opinion to the Board to that effect.
 - vii. if The Dispute Service loses its contract with the New Homes Quality Board or the Secretary of State.
 - viii. if the Ombudsman is guilty of any serious or (after warning) repeated breach of the terms of the employment contract.

