#### STATUTORY INSTRUMENTS

#### 1979 No. 381

# **BUILDING AND BUILDINGS**

# The House-Building Standards (Approved Scheme etc.) Order 1979

Made - - - 28th March 1979

Laid before Parliament 28th March 1979

Coming into Operation 18th April 1979

The Secretary of State for the Environment, in exercise of the powers conferred on him by section 2(3), (4) and (6) of the Defective Premises Act 1972(a) and of all other powers enabling him in that behalf, hereby makes the following order:-

- 1.—(1) This order may be cited as the House-Building Standards (Approved Scheme etc.) Order 1979 and shall come into operation on 18th April 1979.
  - (2) In this order "the Act" means the Defective Premises Act 1972.
- 2.—(1) The National House-Building Council Scheme 1979 ("the Scheme") consists of the documents listed in the Schedule to this order one copy of each of which has been certified as such by the Secretary of State on the making of this order.
- (2) The Scheme is hereby approved for the purposes of section 2 of the Act in respect of any dwelling application for the inspection of which is made to the National House-Building Council after the coming into operation of this order.
- 3. The types of document headed Standard Notice of Insurance Cover and Common Parts Notice of Insurance Cover and numbered HB6(1979), HB6B(1979), HB6C(1979) and HB6D(1979), being documents which state that the requirements as to design or construction imposed by or under the Scheme have, or appear to have, been substantially complied with in relation to the dwelling therein referred to, are hereby approved for the purposes of section 2 of the Act.

#### **SCHEDULE**

# DOCUMENTS CONTAINED IN THE NATIONAL HOUSE-BUILDING COUNCIL SCHEME 1979

The Rules of the National House-Building Council numbered HB1 (1979).

The House Purchaser's Agreements numbered HB5 (1979), HB5B (1979) and HB5C (1979).

The House Purchaser's Insurance Policies, numbered HB7 (1979), HB7B (1979) and HB7C (1979).

The documents headed Standard Notice of Insurance Cover and Common Parts Notice of Insurance Cover and numbered HB6 (1979), HB6B (1979), HB6C (1979) and HB6D (1979).

Peter Shore,
Secretary of State for the Environment.

28th March 1979.

#### **EXPLANATORY NOTE**

(This Note is not part of the Order.)

- 1. By this Order, made under section 2 of the Defective Premises Act 1972 ("the 1972 Act") (which does not apply to Scotland or Northern Ireland), the Secretary of State approves the Scheme to be operated from 18th April 1979 by the National House-Building Council ("the Council"), and the forms of Notice of Insurance Cover issued by the Council in relation to dwellings erected pursuant to the Scheme. The Notices of Insurance Cover state that the Council's requirements as to design and construction, which are imposed under the Scheme, and are approved from time to time by the Secretary of State for the Environment without making an order, have, or appear to have, been substantially complied with in relation to those dwellings.
- 2. In relation to any dwelling falling within the approved Scheme and in respect of which a Standard or Common Parts Notice of Insurance Cover is issued, no action can be brought by any person having or acquiring an interest in the dwelling for breach of the duty imposed by section 1 of the 1972 Act (which relates to building standards). Section 6(2) of the 1972 Act, however, provides that any duty imposed by or enforceable by virtue of any provision of the 1972 Act is in addition to any duty a person may owe apart from that provision.
- 3. The Scheme is designed to benefit any person for whom a dwelling is built or to whom a newly built dwelling is sold (whether leasehold or freehold) for occupation by him or his tenants or licensees as a residence. Such persons' mortgagees in possession and subsequent purchasers who acquire the dwelling are also within the scope of the Scheme.
- 4. The Scheme applies to dwellings erected by House-Builders and Developers whose names are entered on the Council's Register. Under the Scheme purchasers of dwellings enter into agreements in the appropriate form with House-Builders or Developers, or in certain cases Public Authorities, and are insured against defects in the state of the dwellings.
- 5. The Scheme differs from the National House-Building Council Scheme 1977 ("the 1977 Scheme") principally in that the maximum insurance cover in respect of a dwelling is in all cases to be the purchase price of the dwelling (up to a maximum of £50,000 or, if more, twice the national average purchase price of dwellings), which figure will rise in line with increases in costs; and in that the liability of the National House-Building Council in respect of failure by the Builder or Developer to remedy a defect during the two years following the issue of a Notice of Insurance Cover excludes 10 per cent. of the amount otherwise payable in respect of a claim up to a maximum of 2 per cent of the purchase price of the dwelling, also adjusted in line with increases in costs. Persons whose rights derive from the 1977 scheme will not be affected by the 1979 Scheme.

Copies of the 1979 Scheme are available for inspection on application within normal working hours at any of the undermentioned offices of the Department of the Environment, the Welsh Office or the National House-Building Council.

### Department of the Environment

2, Marsham Street, London, SW1P 3EB

Five Ways House, Islington Row, Middleway, Birmingham, B15 1SR

Wellbar House, Gallowgate, Newcastle-upon-Tyne, NE1 4TD

Cranbrook House, Cranbrook Street, Nottingham, NG1 1FB City House, Leeds, LS1 4JD

Sunley Buildings, Piccadilly Plaza, Manchester, M1 4BE

Froomsgate House, Rupert Street, Bristol, BS1 2QN

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Welsh Office Oxford House, The Hayes, Cardiff, CF1 2SY

## National House-Building Council

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