

Changes to developer registration fees

from 1 January 2027

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Changes to the New Homes Quality Board fee model

What is changing?

The New Homes Quality Board (NHQB) and New Homes Ombudsman Service (NHOS) are currently funded in full by an annual registration levy based on turnover.

From **1 January 2027**, the NHQB will introduce a revised fee model consisting of:

- An annual registration levy based on **private new home completions** in your most recent complete financial year.
- **A two-tier NHOS complaint fee** for all valid complaints (£300 for cases closed via early resolution, and £500 for cases requiring a full Ombudsman decision). All developers will get the first three complaints for free each calendar year.

Why is it changing?

NHQB is a not-for-profit organisation, and the fees paid by registered developers cover the operation of both NHQB and the NHOS. As the number of complaints received by NHOS has more than doubled over the past year, the cost of providing Ombudsman services has increased significantly.

Following consultation with developers, we have reviewed the fee model to ensure it is fair, transparent and sustainable. The new model creates a clearer link between developers who generate more complaints and the costs of handling those complaints, so that developers with few or no complaints are not contributing disproportionately to the cost of Ombudsman investigations.

What does it mean for you?

Moving from a model based on developer turnover to one based on private new home completions means your annual registration levy may increase or decrease depending on your completed volumes. In addition, developers with higher numbers of Ombudsman complaints will contribute more towards NHOS costs, while those with fewer or no complaints will pay less (and those with up to three complaints will only pay the annual registration levy).

To help you understand the impact of the revised fee model, we have created a [fee calculator](#). You can now use this to **estimate your annual registration levy from your next renewal date**. Later in 2026, we will ask you to confirm the number of private new home completions in your most recent financial year to ensure your final levy is calculated accurately.

What further details can you expect to receive and when?

This first communication is to give you notice of the change that is coming so you can factor this into your budget planning.

We will be issuing a series of further communications ahead of the revised levy taking effect on 1 January 2027. A timetable of planned communications is provided in Page 3 of this report.

Frequently Asked Questions (FAQs)

We have published an initial set of FAQs, which are available on the [developer portal](#). These FAQs will be reviewed and updated regularly as we receive further questions and feedback from developers in the lead-up to implementation of the revised fee model. If you have a question which is not covered in the FAQs, please email developers@nhqb.org.uk.

Summary of consultation feedback and how we have responded

You said	We did
Our annual fees should be based on private new homes completed in the previous financial year.	Your annual registration levy will now be based on the number of private new home completions in your most recent complete financial year - making it fairer for SMEs and low-volume developers.
Only complaints which are upheld should be charged to us.	Every complaint accepted by NHOS incurs a cost, as each case must be assessed and managed regardless of whether it proceeds to a full Ombudsman decision. We have listened to feedback and replaced the proposed single complaint fee with a two-tier structure: £300 for early resolution and £500 for full Ombudsman investigations - this better reflects the costs involved. Developers with fewer complaints or who resolve them early will pay less for the Ombudsman service. In 2026 so far, c65% of complaints have been resolved via early resolution.
We think larger developers should get more than three free complaints.	Having a small number of free complaints means that small and micro developers are not disproportionately affected by these additional costs. This is in line with similar ombudsman schemes.
We need clarity on 'valid' complaints and the NHOS process.	We have clarified what constitutes a valid complaint (see FAQs) and NHOS will publish additional guidance on eligibility and the complaint journey over the next few months.
We are concerned about Ombudsman review timescales.	NHOS has invested and continues to invest in additional resources and operational improvements to reduce complaint closure times and improve transparency, which is supported by the revised fee model.
We would like more guidance, transparency and sector learning.	NHQB and NHOS will continue to expand guidance, case studies, trend reporting and developer support resources.

Communications timetable: Key updates and next steps

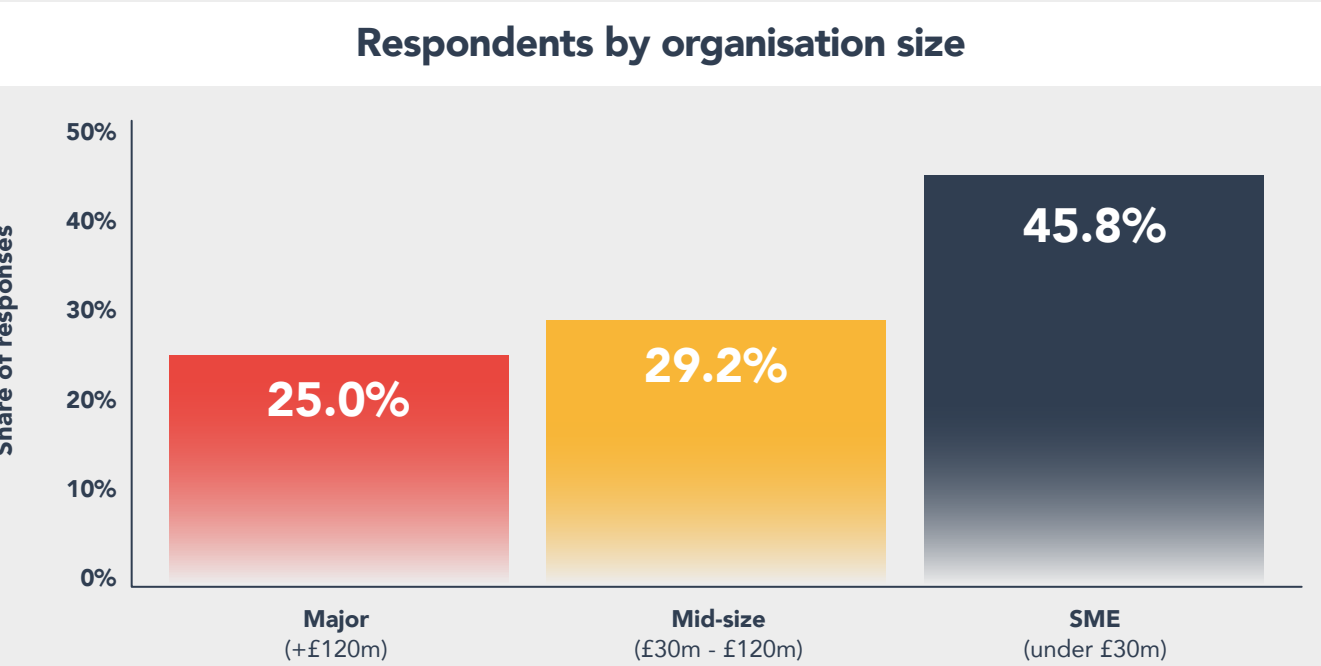
Below is a timetable setting out the updates and next steps for the remainder of 2026. As we transition to the revised fee model, this timetable may be updated to reflect feedback received or the need to provide further guidance and information.

Date	Communication details
July 2026	- This report and the accompanying FAQs are published on the developer portal. - An NHQB fee calculator is available on the fees section of the NHQB website, allowing developers to estimate their annual registration levy from their next renewal date. - Please review this report and FAQs before contacting the industry engagement team with any questions.
August 2026	Individual communications will be issued to developers whose renewals fall between 1 October and 31 December 2026 to confirm their invoicing arrangements.
September 2026	NHOS will publish additional guidance to help developers with their understanding of areas such as what constitutes frivolous or vexatious complaints, and principles used when assessing compensation levels.
October 2026	- NHQB will issue a data request to confirm developers' private new home completions in the most recent complete financial year, enabling the annual registration levy to be calculated. - Updated Scheme Rules will also be issued, and developers will need to acknowledge receipt in advance of 1 January 2027.
November 2026	Individual communications will be sent to all developers confirming their new annual registration levy, together with invoicing and payment arrangements.
From 1 January 2027	- The revised fee model comes into effect on 1 January 2027. - Communications will confirm this has come into effect after 1 January 2027. - Credit notes or invoices will be issued to reflect the changes to developers' annual registration levy.
January 2027 onwards	Levy invoices will be issued on renewal. Complaint fees, where applicable, will be invoiced quarterly (in arrears).

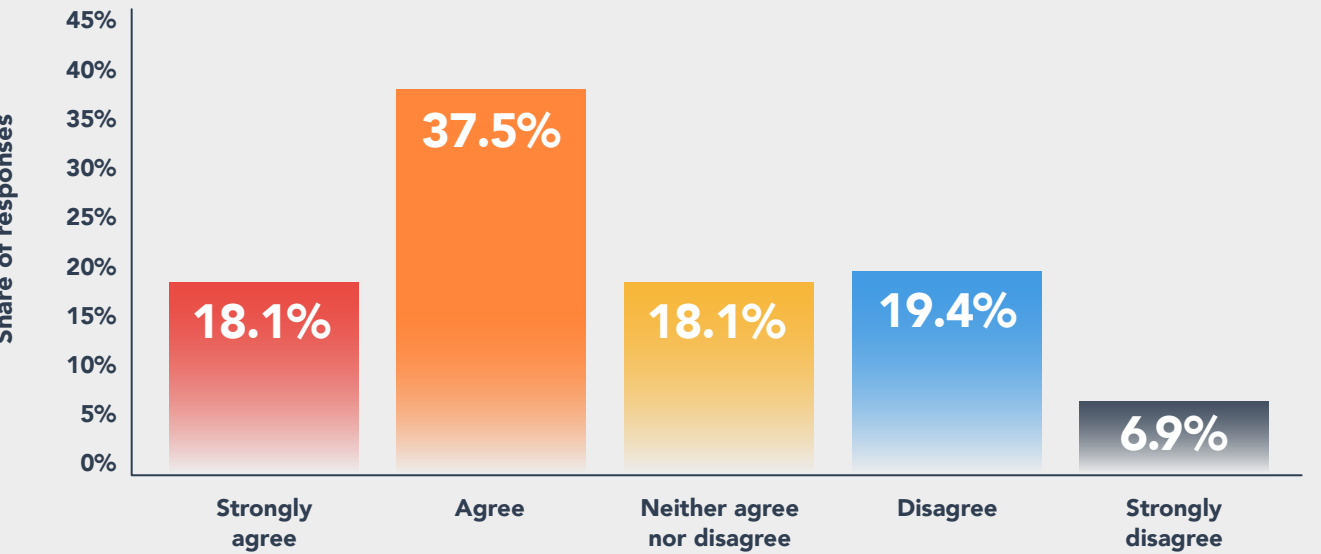
Appendix: Detailed consultation results

Respondents represented a broad cross-section of registered developers, including SMEs, mid-sized businesses and major housebuilders.

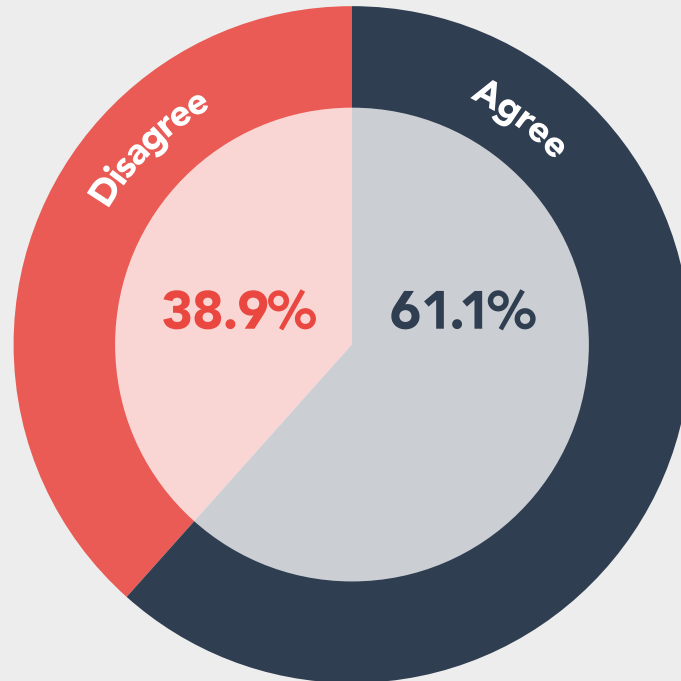
Note that not all developers answered every question.



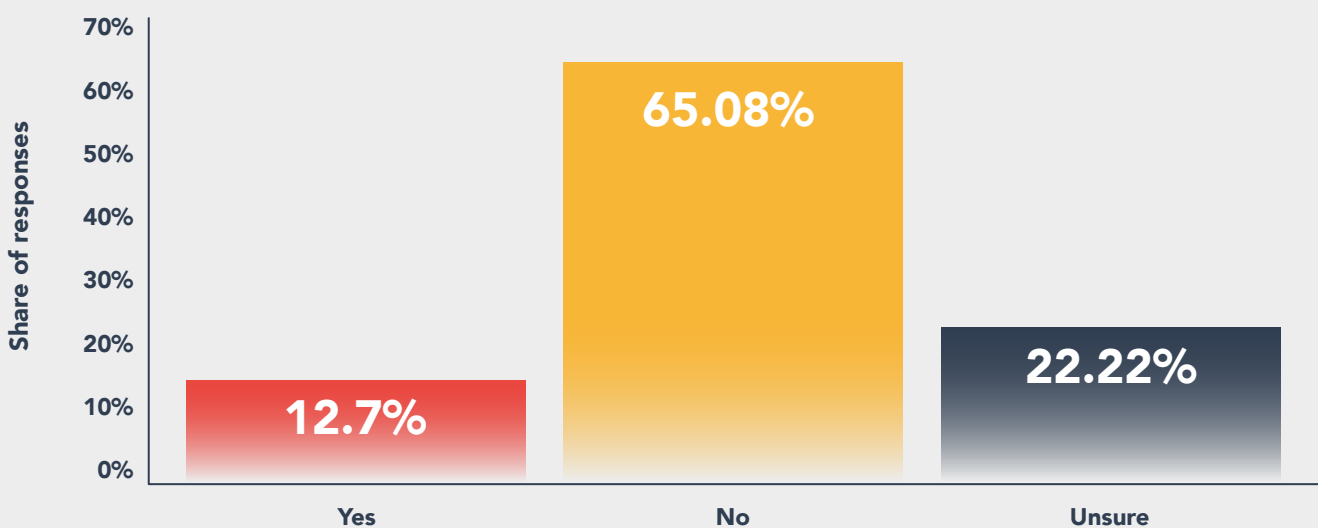
Q4: Do you believe that introducing a fee per complaint (£500 per valid complaint), so that developers with more complaints pay higher fees, is fair?



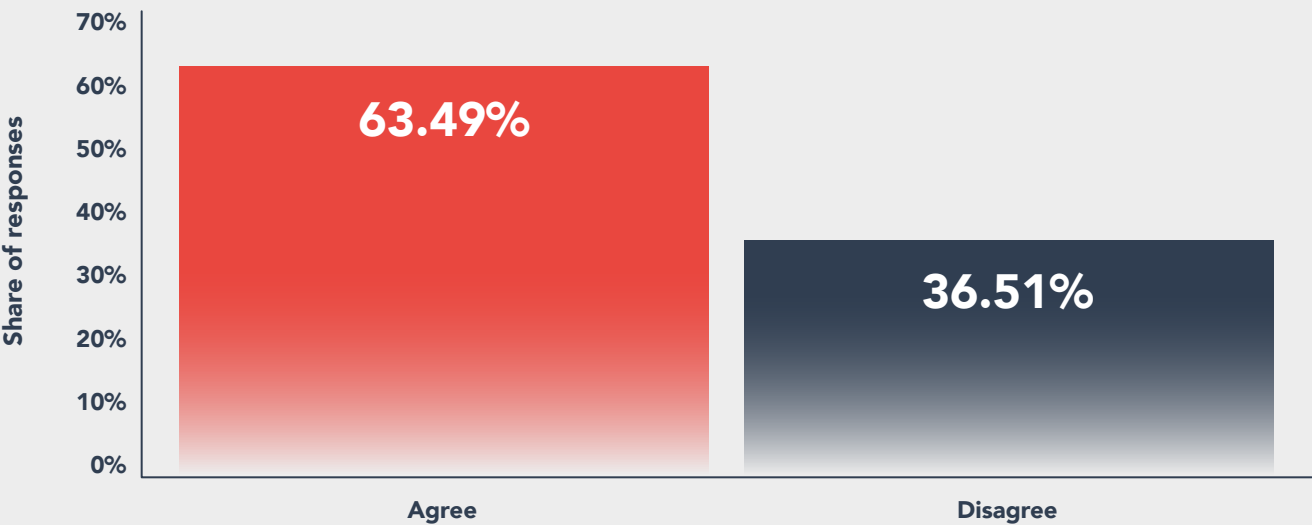
Q5: Do you agree that a fee of £500 per valid complaint is fair?



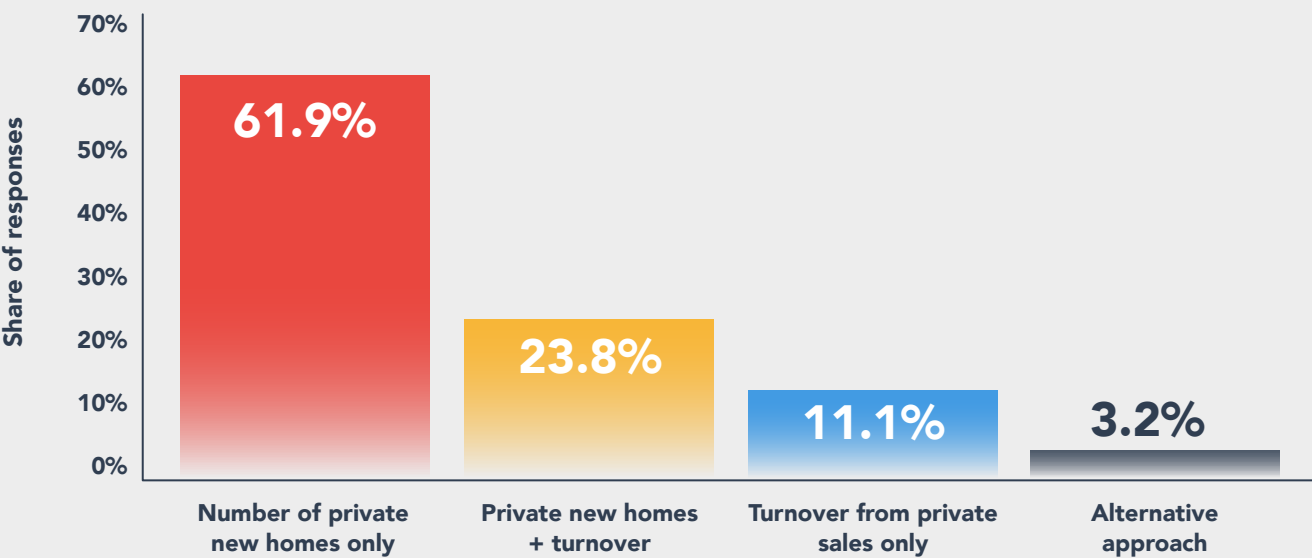
Q7: Do you think introducing a separate complaints fee would change your organisation's approach to complaints handling (i.e. are you more likely to try to resolve complaints internally, to avoid paying a £500 charge)?



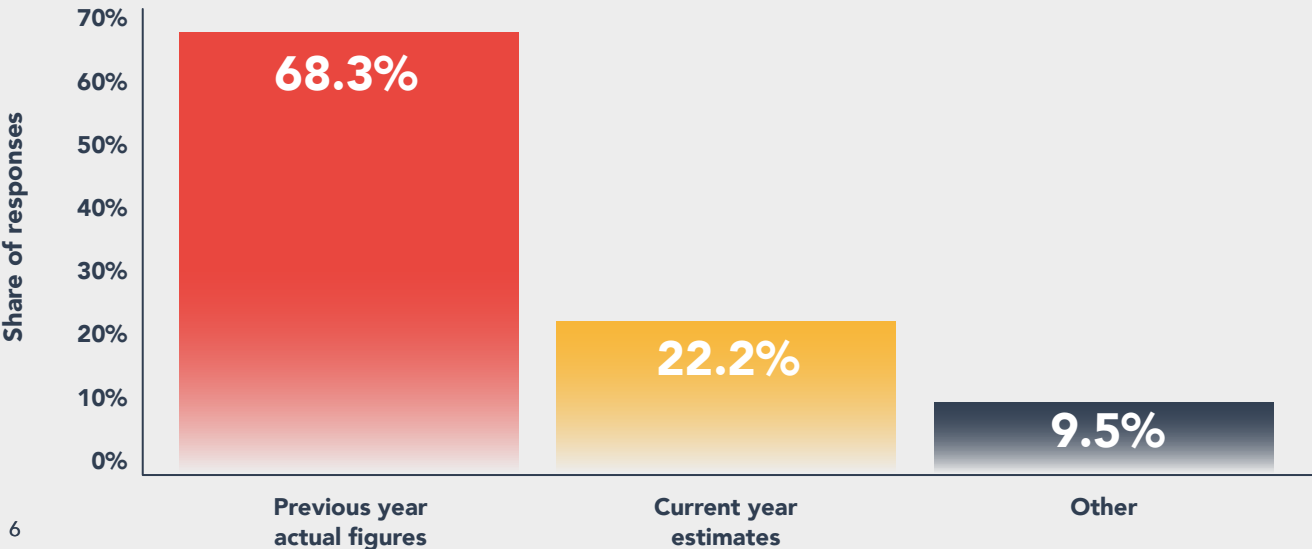
Q8: Do you agree that the three free complaints per developer a year is fair?



Q9: How should the NHQB annual fee be calculated?



Q10: To calculate the annual fee, should NHQB use:



If you have any questions about the revised fee model, please refer to the Frequently Asked Questions (FAQs) available on the [developer portal](#), which provide further detail on many of the topics covered in this report.

If your question is not addressed in the FAQs, please contact the industry engagement team at: developers@nhqb.org.uk

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