STAKEHOLDER UPDATE

CONSUMER CODE FOR HOME BUILDERS

SUMMER 2018

www.consumercode.co.uk



WELCOME TO OUR NEW LOOK NEWSLETTER

We have been investing in some communications activity designed to help raise awareness of the Code. This comes at an important time, as the government is reviewing the need for stronger redress in the housing market – you can read the headlines from our consultation response in this newsletter.

As well as making our voice heard within government, we've launched a news section on our website which gives our member the opportunity to share good news stories - see page 4 for details.

Also in this issue, we share top line findings from the annual Independent Dispute Resolution Scheme report, an update on recent independent compliance visits and announce our new 'Train the Trainer' package designed to help home builders improve customer service.

We are moving into a period of change and it's particularly important that we all work together to promote best practice in customer service. Please share your successes with our team - and follow us on Twitter @TheCode_CCHB

Noel Hunter, Chairman

HAVING OUR SAY ON PROPOSALS TO **STRENGTHEN CONSUMER REDRESS** IN THE HOUSING MARKET

In February 2018, the Government launched a public consultation on strengthening redress in the housing market, including looking at ways to give consumers access to simple and effective routes to complain, and access resolution when problems arose.

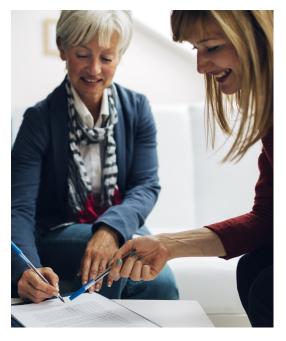
Whilst the CCHB fully supports the Ministry of Housing, Communities and Local Government's desire to improve consumer protection and make it easier to seek redress when problems arise, we are concerned that consumer protection could actually be undermined with a simplified process in place. In addition, we believe the proposals should be widened to incorporate raising standards and improving compliance within the industry.

In summary our response highlighted that;

- The CCHB does not believe a single housing ombudsman would improve consumer protection but we do support simplifying the process for consumers.
- Any changes should enhance the strength of protection already available through training and compliance visits such as those conducted by the CCHB.
- Whilst the CCHB is very willing to work towards a single code for new homes for consumers, we feel the Government should consider setting minimum warranty standards to prevent consumers from losing out.
- The CCHB is keen to remove barriers to the Independent Dispute Resolution Scheme (IDRS) such as the fee. However, consideration needs to be given to alternative funding options to maintain the quality and independence of the dispute resolution service.
- The CCHB would welcome greater independence from industry, but also recognises the benefit of industry participation to identify and implement practical solutions.
- Given the amount of issues which generally relate to 'snagging', the CCHB has proposed an independent study to review the way in which quality issues are dealt with and to consider where access to an IDRS may be better than seeking redress through the warranty scheme.

Our full response is available to download at http://bit.ly/CCHB consultation_response

The consultation closed in April. Following a change in minister, we are not yet clear what the next step will be but will keep stakeholders informed via our news page and twitter feed.



ANNUAL DISPUTE RESOLUTION

REPORT NOW AVAILABLE

The annual report summarising use of and outcomes from the Independent Dispute Resolution Scheme (IDRS) is now available to download.

According to CEDR Ltd (provider of the IDRS), cases referred to the Code's Independent Dispute Resolution Scheme dropped by 13% in 2017 compared with 2016. This is despite the fact that there was an 18% increase in the number of homes built compared with 2016. This suggests that standards are improving.

The report confirms that pre and after sales support, call handling and advertising materials continue to be the most common sources of complaint for new home buyers. The total compensation awarded to home buyers in 2017 was over £77,000 (18% more than in 2016 despite fewer cases).

To download a copy of the full report, which includes a number of case study examples, visit http://bit.ly/lDRS_Report_2017-18

JAMES BROKENSHIRE ANNOUNCED AS NEW HOUSING SECRETARY



Following Sajid Javid's promotion to Home Secretary on 30 April 2018, James Brokenshire has taken on the role of Secretary of State at the Ministry of Housing Communities & Local Government.

Brokenshire was previously Northern Ireland secretary until his resignation in January, as a result of ill health, but has since returned to the Cabinet.

After the announcement, Brokenshire tweeted, 'looking forward to taking the Government's agenda forward especially on building the homes our country needs.'

The CCHB looks forward to working with the new Housing Secretary and Ministry of Housing to understand upcoming developments in housing policy.



HOMEOWNER SATISFACTION WITH NEW HOMES REMAINS HIGH

Delivering high levels of customer service is an absolute priority for home builders, according to the latest annual Home Builder's Federation (HBF) Customer Satisfaction Survey. Headlines from the 2016/17 survey include;

- 92% of new homebuyers were happy with the internal design of their new home
- 90% of those surveyed said they would buy a new build home again, with 86% of those stating they would recommend their home builder to a friend (a 2% year-on-year increase)
- 87% were happy with the external design of their new home
- Both satisfaction with the handover process, and information given by the home builder on the day of moving, scored 83%
- 81% were happy with the service provided during the buying process

The survey is one of the most comprehensive, large scale surveys of its type carried out in the UK. Since its launch over a decade ago, more than half a million survey returns have been received, making it one of the largest continuous industry research exercises in the country.

After significant increases in housing supply, this year's survey was sent to 93,000 homeowners and received an outstanding return rate of 62%. Scores in all question areas have improved significantly since its introduction, and the survey continues to be a barometer for the industry and individual builders looking to gauge performance and drive improvements.

Visit http://bit.ly/CCHB_HBFsurvey to read more and download HBF's full report including star ratings for individual home builders.

NEW 'TRAIN THE TRAINER' SYSTEM TO HELP BUILDERS IMPROVE CUSTOMER SERVICE

Our new 'Train the Trainer' programme, designed to help home builders improve customer service, is now available to all home builders registered with our supporting home warranty bodies

Following an initial pilot with Bellway Homes, 'Train the Trainer' provides all the skills and resources required to run in-house group training sessions to help home builders share knowledge and skills across their organisation more efficiently. The comprehensive suite of course materials features a presentation, delegate handouts and full guidance notes.

The CCHB's original online training package was designed to ensure those involved in the sale of new homes understand the expectation of the Code and are clear on how to support consumers through the home buying process. 'Train the Trainer' now provides a more accessible option, where sales teams can learn together as a group.

Contact Carol Brady at secretariat@consumercode.co.uk for a free copy.





EXTERNAL AUDITORS APPOINTED TO BOOST CUSTOMER SERVICE STANDARDS

As part of our ongoing commitment to help home builders maintain and improve service quality across the home building industry, we appointed specialist consultants Quincetree Limited to carry out compliance monitoring. The benefits of compliance monitoring include the encouragement of continuous improvement in standards, rather than solely focusing on dealing with complaints if things go wrong.

Assessment visits were piloted in the North East in February 2018 to complement the desktop auditing work that has been ongoing since October 2017. The visits have focused on requirements leading up to reservation stage and the point of completion when the keys are handed over. For the larger developers, the exchange and completion stages are usually being dealt with off-site by other staff members and are therefore picked up as part of the self-assessment audits.

Good practice:

- All sites visited complied with the requirement to display the Code logo raising awareness for home buyers.
- Staff were knowledgeable and approachable and happy to accommodate the auditors requests, indicating a high level of customer care which, if translated into the approach towards customers, would lead to a positive customer experience.
- A clear focus on process ensured consistent outcomes for customers with many examples of processes and systems being in place and good evidence that the Code was being followed both in the letter and the spirit.
- Evidence of staff having undertaken training on the Code including use of the on-line learning.

Improvements needed:

 Few staff were able to talk knowledgeably about the home warranty policy that covers the home albeit this is another form of strong consumer protection.

Next steps:

Feedback is being given to home builders on what was found. As this was a pilot to test the approach, Quincetree is also making improvements to the auditing process/self-assessment forms following feedback. Once this has been completed, the compliance visits will be rolled out to other developers/home builders and estate agents.

SHARING YOUR NEWS

We've recently launched a news section on our website where we will be sharing the latest Code news and updates from the industry. To make this as informative as possible we would like to also feature good news stories from home builders and other stakeholders under a "member news" category.

If you have a story you would like to share please email it to secretariat@consumercode.co.uk for CCHB approval prior to publishing.

Recent articles include:



Raising homebuyers awareness of the Code

To help strengthen homebuyers' awareness of the Code, we have produced a short leaflet summarising the key responsibilities of home builders and protections for consumers. Copies can be downloaded directly from the Consumer Code website - https://bit.ly/2s4ELBZ



6,000 staff complete online training course

During the past 12 months over 6,000 front line staff completed the training which covers important issues such as explaining how registration fees work, setting out service and after sales standards, and raising awareness of the Independent Dispute Resolution Scheme. The course is free and only takes an hour to complete leading to a partner-endorsed CPD certificate of achievement. Visit our training page to find out more.



Please send us your feedback, both on the Code itself and on information you would like us to cover in future newsletters, by emailing Carol Brady at secretariat@consumercode.co.uk

WHO SUPPORTS THE CODE



















