



WELCOME

Welcome to the Winter 2020 Code Newsletter. In this issue, you can find out about the latest improvements to the Code, changes to our approach to adjudication compliance and learning points from recent site audits.

We've recently made some changes to our website to increase the amount of information available to consumers and the industry - read on to find out more.

Much of our time recently has been focused on behind the scenes efforts to tackle some of the challenges that currently get in the way of providing a simpler service to consumers. We're awaiting feedback on the work we've undertaken with other Codes operating within the industry in relation to developing a single consumer code and work is ongoing in respect of a best practice warranty standard which it is anticipated will underpin this. In the meantime, we are supporting the work being overseen by the Home Builders Federation and are looking at the legal steps we may need to take to allow us to adapt the structure of the Consumer Code for Home Builders Limited to enable greater independence from the industry when it comes to decision-making. Work is also continuing on the development of the New Homes Ombudsman.

Reflecting on the past 12 months, I'm encouraged by the positive strides we have made to improve services for consumers, including introducing a Code helpline and removing the fee so that home buyers can raise a complaint using our Independent Dispute Resolution Scheme free of charge which mirrors the practices already adopted by Ombudsman schemes.

There is much still to do and I'm looking forward to working with colleagues this year to continue improving standards in the home building industry as well as strengthening consumer redress.

Noel Hunter, Chairman

APPLYING THE LEARNING FROM OUR AUDITS

Independent audits are one of the ways we work with the industry to help ensure the Code is being applied correctly and that new home buyers receive a good service when purchasing their home.

The audits conducted to date identified a number of positive examples, including developers who were going above and beyond the Code to support home buyers. However, there were also instances where builders and/or their agents have fallen short of Code requirements and have been able to take action once the gaps were highlighted.

The principle behind the audits is not about catching people out but to help with promoting proactive best practice. With that in mind, we've summarised the main findings from the audits to benefit all builders and provide some useful pointers to help you comply with the Code. The factsheet can be downloaded from our [website](#).

We've already received lots of positive feedback from builders that have seen this factsheet and are keen to share their best practice with us. If you have some useful best practice to share, please get in touch via secretariat@consumercode.co.uk



TOUGHENING UP ON ADJUDICATION COMPLIANCE

The Management Board of the Consumer Code has adopted a tougher stance to adjudication compliance in response to feedback from consumers and in line with many ombudsman schemes.

Moving forward, any builder that has been removed from one of our supporting home warranty body's register for not complying with an adjudicator's decision following a complaint made via the Code's Independent Dispute Resolution Scheme (IDRS), will be named on our website and in our annual report.

In the majority of cases, builders do comply with the decisions from the IDRS and take the required action. In some cases, however, developers have failed to comply despite repeated follow up both from the IDRS administrators and the Code's Disciplinary and Sanctions Panel to do so. This failure impacts on confidence in the IDRS and could lead to home buyers concluding that it's not worth pursuing a complaint.

Consumer feedback - including complaints - is an essential part of helping the industry continue to improve. By adding this extra sanction, we hope to see 100% compliance with adjudications from now on.

Builders will still be issued with reminders from the IDRS and the Disciplinary and Sanctions Panel before any disciplinary action is taken and before the final decision to publicise for non-compliance is made.

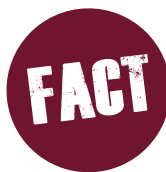
If you have any queries about this change or would like to speak to someone about compliance, please contact secretariat@consumercode.co.uk

FACT OR FICTION?

We're continuing to raise awareness of what the Code does and doesn't cover, tackling some of the misperceptions that exist.

Some believe that we are opposed to a New Homes Ombudsman, but this is not the case.

"The Code and the wider industry are not opposed to a New Homes Ombudsman".



However, an ombudsman alone is not sufficient as it would not have the jurisdiction to proactively improve standards and reduce the number of incidents where problems occur. We are therefore encouraging the government to look at a more comprehensive and robust solution which tackles the issue of build quality at the point of delivery.

LATEST NEWS ON THE NEW HOMES OMBUDSMAN

The dust is only just beginning to settle after the General Election in December 2019. As such, the timing for the implementation of a statutory New Homes Ombudsman is unclear, but as an industry, we are continuing to work on improvements which will improve consumer redress.

The Home Builders Federation, in conjunction with UK Finance, is working with Warranty Providers to develop a best practice warranty standard to give all home buyers access to good quality cover for their new home. Alongside this, industry Code schemes are working together to develop a single Code, which all builders should comply with regardless of their warranty provider. Both of these moves will simplify the home buying process. However, delivering these initiatives is not straightforward and we are particularly keen to ensure that efforts to provide a more uniform approach doesn't lead to a reduction in service standards for consumers.

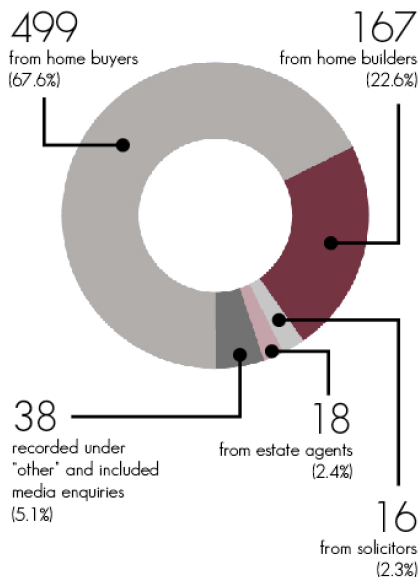
In a separate move, prior to the general election, Natalie Elphicke OBE had been appointed as New Homes Quality Champion with the task of setting up a new independent Ombudsman scheme for the industry and is expected to be making recommendations to the industry and government within the next few months.

A statutory ombudsman is likely to take over a year to set up which is why it's important that we continue to work hard now to drive up quality and service in the new homes industry.

HAVE YOU READ OUR ANNUAL REPORT?

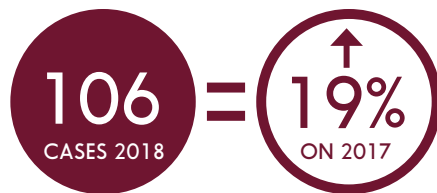
The 2018-19 Annual Report was published in the summer and is available to download from our [website](#).

The report provides a useful summary of the Code's work over the last 12 months and includes details of the number of cases we dealt with. In 2018, over 700 general enquiries were received about the Code which can be broken down as follows:



Our supporting home warranty providers also gave information about the Code to 880 policyholders.

We saw a 19% increase in cases sent to the IDRS compared with 2017 - we believe this is partly due to the overall increase in homes built that year as well as our increased efforts to publicise the Code. We anticipate cases will rise again in 2019 following the removal of the fee. However, we also encourage builders to be more proactive in complying with the Code and offering excellent service, reducing the need for home buyers to seek redress.



The most common cause for complaint was failing to provide adequate pre-sales information, followed by concerns over inadequate call and complaints handling. Over 10% of complaints also related to breaches in the builders' requirement to refund reservation fees, with unclear or inaccurate sales and marketing literature also featuring as a common cause for complaint.

The annual report also includes some useful case studies to help both the industry and consumers and includes information on how you can keep in touch with Code news.



USING THE CODE IN YOUR MARKETING

When it comes to marketing your homes, promoting your membership of the Consumer Code can help give buyers confidence that they will receive a good service and that help is available should they need it.

As part of the Code requirements, you must clearly display the Code logo at your site sales offices (and those of any appointed agent) and give a copy of the Code to home buyers who go on to reserve a home. But there's a difference between complying with the requirements and actively embracing excellent customer service. Take a look at our blog for suggestions on how you can make the most of your Code membership and enhance compliance with some additional support for consumers.

<https://consumercode.co.uk/blog/using-the-code-in-your-marketing/>

LOOK OUT FOR NEW AND INFORMATIVE BLOGS AND VIDEOS ON THE CODE WEBSITE

We've been making some changes to the website to make sure consumers, builders and other agents involved in new home selling and purchasing have access to useful guidance and information.

We've launched a new section on the website for [videos and blogs](#) where we will be sharing advice and information about different aspects of new homes. Our first video summarises the main sources of help available to new home buyers and our first blogs cover protection for home buyers as well as tips for builders in using the Code to enhance your marketing.

Members are encouraged to promote the videos and blogs, where relevant, via your own websites and social media channels as well as pointing home buyers to the Consumer Code website for more information.



SHARE YOUR NEWS

If you've got a good story to share, whether it's training your staff on the Code or feedback from a customer about your service, drop us a line at secretariat@consumercode.co.uk and we'll do our best to share your successes.

For general enquiries relating to the Code, please call us Monday to Friday between 10am to 4pm on 0345 608 9797* or email our enquiries team at: enquiries@consumercode.co.uk

*Calls to 0345 numbers usually cost the same as standard UK landline numbers. Please check with your network provider.

WHO SUPPORTS THE CODE

