



LEARNING FROM CODE ADJUDICATIONS: ADVICE FOR HOME BUILDERS

FACTSHEET 1: SALES AND ADVERTISING MATERIALS

Reviewing complaints provides an opportunity to learn and improve and is an essential component of customer service and business success.

In this factsheet, we take a closer look at some of the decisions made by adjudicators acting for our Independent Dispute Resolution Scheme in relation to Requirement 1.5 - that sales and advertising material must be clear and truthful. This Requirement was one of the four most frequently breached requirements recently according to the Code's IDRS report. To read about the others, download the remaining factsheets from our website.

SECTION 1.5: Sales and advertising material and activity must be clear and truthful.

Adjudicators found evidence of breaches such as:

“the information was not entirely clear and may, at the least, have caused confusion”

“the impression given in the brochure was not corrected by the Home Builder, and that, as his discussions with the Home Builder followed these were not then consistent with the Home Builder’s intention”

“the Home Builder should have taken reasonable care during the sale of the property that the Home Buyer fully understood what he would be getting”

KEY LEARNING POINTS

- Being transparent and addressing potential issues early on can reduce the risk of complaints arising.
- Share accurate and up to date information with home buyers and **record that you have done so**.
- If changes are made to the home (and/or fundamental changes are made to the garden/landscape drawings or wider environment) which differ to that shown in the brochure, and on which the home buyer relied when reserving the home, bring it to the home buyer’s attention.
- Evidence that you have made the home buyer aware of any changes which significantly and substantially alter the size, appearance or value of the home from what was shown to the home buyer in the Reservation agreement and sale contract, and importantly, that you have obtained their agreement to the changes, preferably **in writing**. Minor changes to the home’s appearance that do not significantly alter the size, appearance or value, should still be notified to the home buyer.
- Remember that this Requirement applies throughout the sale process and that you should always keep the home buyer updated.

TOP TIP:

Keep notes of conversations with home buyers, including dates/times, who has spoken to them and about what. Follow up discussions in writing/email, including how any concerns raised have been addressed. This will help reduce the risk of misunderstandings as well as creating an audit trail both you and your buyers can refer back to.



FEEDBACK

Don't forget that online training is available to you, your staff and your agents to help improve customer service and compliance with the Code.

For more information or to suggest ideas for information you would like to receive, please email: secretariat@consumercode.co.uk