



WELCOME

Welcome to the latest newsletter from the Consumer Code for Home Builders.

Despite the various regional lockdowns over the last few months, there has been a growth in demand for new build homes and the construction sector has continued to push ahead with build projects. Accelerated by the Chancellor's stamp duty land tax holiday, the pressure is now on to build more properties to meet the requirement.

For the Code, this has virtually meant business as usual and I am pleased to report that most of our work has continued without disruption. Site audits were temporarily paused, but have now restarted, conducted virtually. In the summer, we published our 2019-20 annual report, and more recently we've been developing new information to help agents and solicitors support developers in complying with the Code.

We are now calling for success stories from developers and agents of how you have adapted your services and innovated in 2020. Perhaps you have utilised technology to offer your services virtually or helped buyers in some other way? Whatever it is, we're looking for best practice examples that will inspire, so please do send us your examples.

Finally, on behalf of the team here at the Code, we wish you a safe and enjoyable Christmas and all the very best for 2021.

Noel Hunter, Chairman

INDEPENDENT SITE AUDITS GO ONLINE

Since October, independent site audits to review compliance with the Consumer Code for Home Builders have been conducted via virtual meetings. Feedback so far suggests the new format is working well.

The audits are carried out by former Trading Standards specialists from Quincetree Ltd to help sites comply with the 19 Requirements set out in the Code. For details, read our [Compliance Auditing leaflet](#).

Sites that have previously taken part in an audit have found the experience helpful in identifying what they do well and spotting areas to improve, which will enhance the service they provide to buyers and reduce the risk of complaints. Learnings from previous compliance monitoring - including self-assessment - are covered in our [Benefiting from Code Monitoring leaflet](#).

Sites across the UK are chosen at random for a virtual audit. If your site is selected, your sales office or agent will be contacted by a member of Quincetree Ltd to book a virtual meeting. The sessions are expected to take approximately an hour and there is no need to prepare anything in advance. However, it will be helpful to have to hand the paperwork that is used when reserving a property; as well as information about any training your team has had on the Code; policies on health and safety; and after-sales care.



THE 2019-20 ANNUAL REPORT IS AVAILABLE TO DOWNLOAD

The Consumer Code for Home Builders' Annual Report 2019-20 summarises our work from April 2019 to March 2020. It includes:



- updates on the use of our Independent Dispute Resolution Scheme (IDRS)
- activities undertaken by our Disciplinary and Sanctions Panel
- steps taken to strengthen the Code and compliance with its Requirements
- an update on the Government's proposals to strengthen redress in the housing market.

During 2019, the Code's supporting home warranty bodies dealt with over 10,400 cases for home buyers through their own dispute resolution service.

2019 (January to December) saw the highest ever number of cases referred to the IDRS. This trend of increasing case numbers is reflected in other industries which use Alternative Dispute Resolution (ADR), where the amount of cases is increasing year on year as consumer awareness of ADR grows.

Summary of Independent Dispute Resolution Scheme Complaints	2019	
	QTY	%
Number of cases found fully or partially in favour of the Home Buyer	81	45%
Number of cases found fully in favour of the Home Builder	62	35%
Number of cases settled	27	15%
Number of cases withdrawn from the Scheme or deemed invalid	8	5%
TOTAL CASES	178	

The annual report also includes some useful case studies to help the industry learn from past experience and help consumers understand the types of complaints typically raised via the IDRS.

[DOWNLOAD THE ANNUAL REPORT](#)

DEVELOPERS AND AGENTS - YOUR SUCCESS STORIES WANTED!

How have you helped home buyers during lockdown? How have you managed to give home owners a great service and comply with the service requirements in the Code, while adhering to social distancing rules? What about sharing information - have you been able to utilise technology and offer your services virtually?

We want to hear about your brilliant new ways of working and how you have quickly adapted your services during 2020. We're looking for best practice examples that we can share and celebrate online to raise awareness of your successes and help inspire others.

Email your success stories to secretariat@consumercode.co.uk.



How have you innovated during the Covid-19 pandemic?

WHAT DO AGENTS NEED TO KNOW

ABOUT THE CONSUMER CODE FOR HOME BUILDERS?

If you're an agent selling new build homes covered by the main warranty schemes, you need to comply with the Consumer Code for Home Builders to give your buyers the best service and reduce the risk of disputes for developers.

How you work with developers will vary from site to site - you might only be responsible for advertising the properties, or you might be providing a full sales service. Whatever your role, it's worth being aware of the Code's requirements so that between you and the developer, you can make sure home buyers are getting what they need.

Here are some of the ways you can help developers comply with the Code:

- Include the Consumer Code logo in new build sales brochures and give buyers a copy of the Code or access to an online version. Although this is a requirement in itself, it's also an opportunity to highlight your commitment to customer service which will give buyers additional confidence. [Download the logo](#) and [order free window stickers](#) from the warranty providers.



- Complete the [free online training](#) on Code Requirements.
- Provide enough pre-purchase information to enable buyers to make an informed decision. This is not only important for compliance with the Code, but can help ensure you don't fall foul of Consumer Protection Regulations by omitting important information. Pre-purchase information must include a written reservation agreement and information about the home warranty and what it covers. Download a [sample reservation agreement](#).
- Ensure the sales contract is clear and compliant with legislation and includes termination rights.
- Provide reliable information about completion dates and legal handover. If these have to change, alert the buyer as soon as possible and explain the reasons why.



- Explain the after sales service, including any applicable guarantees and who to contact for queries or complaints.

It's also a good idea to keep a record of conversations and decisions, so that you can refer back if there are any queries later on.

The Consumer Code website provides lots of useful information about how to comply with the Code, including the [full set of Requirements](#). You can also download our [handy compliance checklist for developers and agents](#).

Although the responsibility for compliance with the Code rests with the developer, agents have an important role to play, and providing clear and accurate information to buyers, will reduce your risk of falling foul of Consumer Protection Regulations for which agents are directly liable.



CODE'S APPROVAL SCHEME CELEBRATES OVER FIVE YEARS OF SUCCESS WITH ADR

The Chartered Trading Standards Institute (CTSI) Consumer Codes Approval Scheme (CCAS) recently celebrated over five years of success with Alternative Dispute Resolution.

The ADR regulations, launched in 2015, improve relations between consumers and traders by encouraging dispute resolution before going to court. Over the past five years, £12.7 million has been recovered for consumers, and the next few years looks likely to provide further exciting growth for the scheme.

The Consumer Code for Home Builders is approved by CTSI's CCAS, and complies with the stringent requirements set by the approval scheme.



The Consumer Codes Approval Scheme celebrates five years of ADR consumer regulations



WHAT SOLICITORS NEED TO KNOW AMID THE STAMP DUTY LAND TAX HOLIDAY

In the rush to help your clients complete within the duty-free window, it's essential that the building blocks are in place to allow transactions to proceed without regret.

This is particularly important at a time when face-to-face meetings are less frequent, meaning homebuyers are likely to have fewer viewings and meetings with sales agents and developers than was the case pre-pandemic.

Noel Hunter outlines what solicitors need to know in The Law Society's [Property in Practice](#) magazine article (accessible to members of the Property Section of the Law Society).

There's also lots of advice available for solicitors on our [website](#), including access to [online training](#).

PROGRESS TOWARDS A NEW HOMES OMBUDSMAN

Progress is being made towards establishing a New Homes Ombudsman (NHO).

The legal structure of the New Homes Quality Board (NHQB), which will lead this activity, has been agreed. The NHQB has approached the Ombudsman Association (which oversees the setting up and approval of ombudsman schemes) with details of its proposals to tender for and appoint an NHO.

In partnership with other codes, we are continuing to support the work of the NHQB to establish a new, universal industry code of practice to which all developers will have to adhere once adopted. The NHQB plan to consult the industry on the new code ahead of implementation.

The Home Builders Federation recently reported that "the intention remains to have a NHO service in place in the first half of next year, after which builders will then have a transition period to sign up." The HBF is also working with Royal Institute of Chartered Surveyors and the Residential Property Surveyors Association to design a standard pre-completion inspection and a form of accreditation system for inspectors. For more details visit www.hbf.co.uk

We will continue to share the latest updates about the NHO as we receive them so keep an eye on our [news page](#).



LOOK FOR THE LOGO

All developers covered by the Consumer Code should display the joint Code and Consumer Codes Approval Scheme logo.

HOME BUYERS

This logo shows that a developer is covered by our Code and must meet the customer service requirements we set.

Don't see the logo? Ask your builder about the Consumer Code for Home Builders. If a new home is protected by one of our member warranty bodies - NHBC, Checkmate, Premier Guarantee or LABC Warranty, you will be covered by our Code and your builder should inform you about the protection it offers.



DEVELOPERS

Covered by the scheme but not displaying the logo? Act now! Displaying the Consumer Code logo is a requirement of the Code and can help reassure your customers that you offer a high level of service.

[DOWNLOAD THE LOGOS](#)

Don't forget your virtual shop window

Have you highlighted the Code on your website? Although not a Code requirement, with so many sales now taking place virtually, displaying the Code logo on your website is the equivalent of displaying it in your sales office - which is required by the Code. Help make consumers aware of the support available to them by displaying our logo with a link to www.consumercode.co.uk

Be proud - if you send us a picture of the Code logo on display in your office or online, we'll share your image with CCAS and promote it on Twitter and LinkedIn to raise awareness of your compliance with the Code.

  

Follow us on [Twitter](#) and [LinkedIn](#) for the latest updates on the Code.
To receive this newsletter directly, [sign up to our database](#).

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

