

CONSUMER CODE NEWS

WINTER 2024



Protection for new-build home buyers



Welcome

Happy New Year to all our readers. It's no surprise that the main theme of this newsletter is the revised edition of the Code which is now in place and applies to reservations made from 1 January 2024. After months of preparation, and many useful conversations with industry, consumers and other stakeholders, it's great to see the strengthened Code officially launched and being used by our members.

We've received a lot of positive feedback across the board about the work we're doing to enhance the Code and strengthen protection for home buyers. We've recently highlighted builders such as Berkeley

Group, Story Homes and Higgins Homes who have shared their ongoing commitment to the Code with us, and the work they're doing to comply with new requirements. We love to hear about your work to enhance customer service - please continue to share your efforts with us so we can help promote what you're doing.

I'd like to take this opportunity to welcome our new Board Member, Claire Whyley, who brings a wealth of consumer protection experience. With Claire's input, we have further strengthened the voice of consumers on our board, with the balance of representation now being independent of the home building industry, while retaining vital input from our supporting home warranty bodies. This balance, strengthened further by our comprehensive Advisory Forum, ensures we remain focused on supporting home buyers and driving up standards, while ensuring our requirements and recommendations are realistic and sustainable for the industry.

Noel Hunter OBE, Chair

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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.



Find us on YouTube!

You can now watch all our videos on our new YouTube channel. Simply [click here](#) to visit our suite of videos designed to help home buyers, builders, sales agents and conveyancers understand and benefit from the Code.

The Revised Code Fifth Edition is now live!

This month sees the official introduction of the **Fifth Edition of the Code**, following updates introduced as a result of last year's review.



All home builders covered by our Code should now be complying with the revised Code for all reservations made from 1 Jan 2024.

The updated Code builds on over a decade of effective consumer protection. In most cases, we've enhanced or clarified existing requirements to strengthen protection and align with other codes in the marketplace. We have also introduced some new requirements to address gaps identified as part of the independent review of the Code earlier in the year.

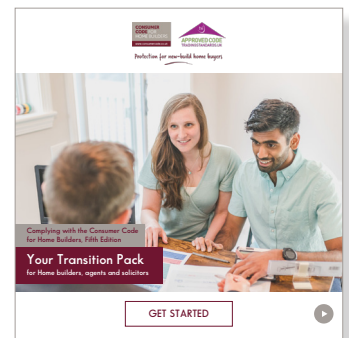
Commenting on the value of the Code, Paul Drysdale, Safety, Health, Environment & Quality (SHEQ) Director at Story Homes, said:

“Being a member of the Consumer Code for Home Builders supports Story Homes’ commitment to providing excellent customer care. The comprehensive requirements included in the Code, together with the training, auditing process and disciplinary regime have helped us continuously improve and publicly demonstrate the value we place on customer service.”

When to use the fourth edition

Don't forget that the previous (fourth) edition of the Code will continue to apply to all reservations taken up to 31 December 2023 and will remain in place for those home buyers until two years after legal completion on their homes. For that reason, existing materials and guidance relating to the fourth edition will continue to be available on our website, with clear signposting to denote which Code scheme and/or reservation period it relates to. It's important to keep in mind which version of the Code applies when liaising with customers about queries or complaints.

Keep an eye on our website [news](#) and [blogs](#) as well as our social media channels for more information about the Fifth edition of the Code and resources to help you comply.



For a reminder of what has changed and links to updated documents and guidance, download our [Transition Pack](#).



Did you see our 12 Days of Code Transition Tips?

If you missed out on our suggestions during the festive period, you can catch up [here](#).

Code appoints new consumer representative to its Board of Directors



We are delighted to formally welcome Claire Whyley to the Board of Directors for the Consumer Code for Home Builders.

Claire is a highly experienced consumer research and policy professional, specialising in consumer needs, decision-making and outcomes across a wide range of markets. She brings particular expertise in outcomes-focussed regulation and consumer vulnerability, and is a member of the Competition and Markets Authority Panel.

Claire's appointment follows the [independent review of the Code](#) which recommended that consumer representation on the Code's Board be strengthened to tip the overall balance in favour of home buyers. She joins fellow board members, who represent the building industry and consumer groups, in driving forward continuous improvement in customer protection and service.

Noel Hunter OBE, Code Chair, said: "Claire's appointment comes at a crucial time for the Code, as we launch our revised edition to strengthen consumer protection and look to extend awareness of the protection available to home buyers. Claire's extensive experience in consumer policy and regulation will be a huge asset to our team."

Claire Whyley said: "I'm delighted to be joining the Consumer Code for Home Builders. Buying a home is complex - and likely to be the most significant purchase any of us will make. Although new-build homes bring significant benefits, there can be greater challenges too, particularly when buying in the early stage of a development. The Code has a vital role to play in making those transactions as transparent, fair, and accessible as possible and I look forward to bringing my experience to bear on our approach."

Berkeley Group reaffirms commitment to the Consumer Code for Home Builders

Berkeley Group - one of the largest home builders in the UK - has reaffirmed its support for the newly updated Consumer Code for Home Builders ('the Code'). This will see thousands of home buyers benefit from additional protection introduced following an independent review of the Code.



Berkeley Group has sought to operate in line with Code requirements since the Consumer Code for Home Builders was first launched in 2010. Rob Perrins, CEO of Berkeley Group, said: "The Code provides clear requirements, with supporting resources and training, which help our colleagues across the business maintain consistent, high quality customer service."

"We particularly value the experienced, independent feedback provided by the Code through a combination of site audits, adjudicator decisions and industry-wide learning. The Consumer Code for Home Builders is ideally placed to provide us with credible, experienced, and sometimes challenging feedback, that supports our commitment to customer satisfaction and continuous improvement."

Noel Hunter, Code Chair, said: "We are delighted that Berkeley Group has confirmed its ongoing commitment to the Consumer Code for Home Builders. Our revised Code builds on over ten years of enhanced protection for new-build home buyers. It's extremely encouraging to see the additional requirements and consumer protection we've built in, being welcomed by the industry."



Last chance to book our initial Code webinars

We have launched a brand-new, free webinar programme to help builders, agents and solicitors/conveyancers comply with the Code and hear from experts on topics to help enhance customer service.

The first two topics will be led by Code Chief Executive, Carol Brady, and training lead, Peter Stonely.



What's new and why in the Revised Code Fifth Edition: 12-1pm, Thursday 11 January 2024

[Book Now](#)

This session will cover what's changed in the revised code and why, followed by tips and guidance on how these changes can be incorporated into existing systems and processes.

There will be plenty of opportunity for Q&A via the chat and we will cover as many questions as we can in the time. Home builders and sales agents seeking compliance under the revised Code will find this useful for updating existing procedures.

Code Compliance, Train the Trainer: 10am - 12:30pm, Monday 15 January 2024

[Book Now](#)

Join us for a walk through our Train the Trainer package, providing a full overview of the Code requirements as well as guidance on implementing these within existing sales procedures. The aim is for those attendees to gain sufficient knowledge to confidently run their own in-house training sessions.

Although this webinar is focused on trainers responsible for implementing the Code requirements in house, it would also be useful for home builders and sales agents who need to refresh their Code training.

Attendees will have an exclusive preview of our brand new Trainer's Pack and we'll be inviting feedback to help inform our future training. Train the Trainer packages will be provided after the call.

Please note: Places on this session are limited. If fully booked, you can join our waiting list for a follow up session and will still receive the Train the Trainer Pack.

More topics will be added throughout the year. In the meantime, check out our home builders' resources page for more documents and guidance on complying with the revised Code.

Consumer Code for Home Builders celebrates five years as CTSI Approved Code



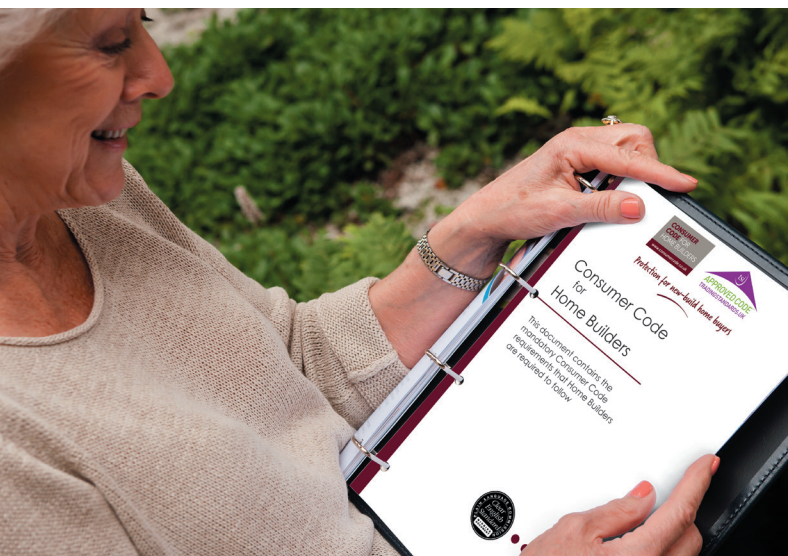
Protection for new-build home buyers



The Consumer Code for Home Builders has been commended for being a “driving force for change” by the Chartered Trading Standards Institute as part of its annual ‘Approved Code’ audit. Having successfully completed this latest review, the Consumer Code for Home Builders has been a CTSI Approved Code for five years.

The CTSI Approved Code scheme requires all members to pass a stringent audit every year to ensure they continue to provide strong protection for consumers. This latest audit follows the Code’s recent investment in an independent review and launch of a revised Code from 1 January 2024.

In recognition of these efforts to continuously improve and innovate, the CTSI auditors reported that: “The Consumer Code for Home Builders (CCHB) continues to strive for even higher standards. Armed with the recommendations of the Independent Review completed earlier this year, they are a driving force for change and improvement.



“Their willingness to collaborate and share their knowledge and experience to improve consumer protection in the new homes sector is to be commended.”

The auditors highlighted our efforts to regularly share information and best practice with builders, home buyers and wider stakeholders, and provide clear, factual information to help inform decision-making.

The auditors concluded that: “CCHB maintains effective and regular communication with the industry, consumers and stakeholders. This is

essential to enhance awareness and therefore the impact of the Code and particularly important given the number of Codes currently operating in the new homes market.”

Noel Hunter OBE, Chair of the Consumer Code, said: “Independent assessment and endorsement through the CTSI’s Approved Code scheme gives consumers confidence that our Code provides robust support, including an effective independent dispute resolution scheme. We value the additional rigour this process provides in helping us maintain a strong focus on consumer support, and validating the processes and systems that underpin our Code. We have been operating for over a decade and we’re delighted to be able to now add five years of CTSI approval to our story.”

Louise Savage, Codes and ADR Manager at CTSI said: “It is extremely encouraging to see the Consumer Code for Home Builders continuing to robustly meet the stringent requirements we set. I’d like to congratulate the team on their five year anniversary of becoming an approved Code under the CTSI Consumer Codes Approval Scheme.”



Spotlight on effective complaints handling

In the Fifth edition of the Code, we have set out more detailed requirements for complaints handling including response times, to help ensure buyers' concerns are quickly addressed.

A Complaint is defined in the Code as 'an expression of dissatisfaction about an issue brought to the builder's attention by the buyer' either verbally or in writing. Full details are contained in section 5.2.4, and include that:

- Complaints will be acknowledged in writing within five working days of the complaint being made.
- A more detailed response will be provided within 20 working days. Where applicable, the response should include one or more of the following:
 - an acceptance of the complaint and the action that will be taken to resolve the issue,
 - an estimated timescale for the work required to resolve the issue(s) raised, or
 - a rejection of the complaint with the reasons behind the rejection, or
 - details of any further investigation work necessary to determine whether the complaint will be accepted or rejected, including timescales, and/or
 - that a written final response will be provided as soon as possible after any further investigation has been carried out, which must include whether the complaint is accepted in part or in full and the reasons why.
- If the complaint becomes a dispute, the buyer may refer it direct to the Independent Dispute Resolution Scheme or the Home Warranty Body (or both) as appropriate.

How you handle complaints can make a big difference to the outcome - in some cases even enhancing customer satisfaction if an issue is handled well. In addition to the specific requirements and guidance included in the Code, we've put together a [short guide](#) of other aspects to consider which can help you handle complaints effectively.

These suggestions can help your customers feel heard, ensure problems are identified and resolved, and encourage lessons to be learned.

Be open and transparent with your customers about their right to make a complaint, how you will respond and what options are available to them if they want to take their complaint further.

Provide a clear process. Your complaints policy should be clear, easy to follow and written in plain English. Include guidance on how to make a complaint, where to send it, what information to include, and how quickly customers can expect a response.

At all times you must **be mindful of circumstances** that may make your customer more vulnerable. Handle concerns and complaints sensitively and find out whether your customer has any specific needs that should be considered throughout the complaints process.

Acknowledge the complaint quickly and take time to understand the problem. If the complaint is lengthy or complex, it's often a good idea to meet or speak to your customer over the phone to understand the main issues of concern, but always follow up verbal conversations in writing (email or letter) to note what was agreed.

Be realistic about timescales for response based on the complexity of the enquiry. The Code requires you to acknowledge complaints within five working days and provide a more detailed response within 20 working days of the complaint being made.

Resolve the complaint. It's important to acknowledge your customer's frustrations, take responsibility for any failings in service, apologise and set out how you will put things right. Keep your customer informed throughout and follow up once the issue has been resolved to check they are happy with the outcome.

You must also **include information on options available** should your customer wish to take the matter further, including raising the dispute with the home warranty body and the Code's IDRS.

Learn from mistakes by sharing feedback and lessons learned with your wider team to help continuously improve your service.

Keep an eye on the regularly updated resources and blogs on the Code website, including our Right First Time factsheets based on lessons learned from previous complaints and independent site audits across the UK.

How you handle feedback and complaints can help to improve customer satisfaction and build trust. Read the full guide on [our website](#).

Providing an accessible after-sales service

Failure to provide an accessible after-sales service is one of the top complaints raised through the Code's Independent Dispute Resolution Scheme. This video provides some top tips to help you check your after-sales service meets the Code requirements.

<https://consumercode.co.uk/providing-an-accessible-after-sales-service/>





Consumer Focus

Buying a new build home?

Find out how the revised Code will support you.

The Consumer Code for Home Builders has been providing protection for buyers of new build homes for over a decade. But thanks to recent changes, that protection has now been enhanced, giving you even more confidence in the service you can expect to receive from your builder, and the right to redress if things go wrong.

Let's take a look at the main enhancements in the latest edition of the Code which applies to homes covered by our Code reserved from 1 January 2024.

14 calendar day cooling off period. You now have 14 days to change your mind and receive a full refund of your reservation fee after reserving your home. As has always been the case under the Code, should you change your mind after that time, you can still expect to receive some of your fee back minus reasonable admin expenses which must be explained to you in advance.

Extra support. Greater emphasis has been put on the importance of supporting customers who may be vulnerable due to health conditions, personal circumstances or simply a lack of experience in buying homes. If you need extra support don't be afraid to ask. Your builder should be able to accommodate specific needs and work with you to ensure you have the information and support you need to make informed decisions.

Snagging. One of the most common queries about new homes is about resolving minor defects, commonly referred to as 'snags'. To make this process smoother, under our Code, home buyers now have the right to undertake a pre-completion inspection and identify any snags which should be resolved prior to legal completion. You are free to appoint a professional adviser to help assess fixtures, fittings and services by way of checks comparable with normal daily use and arrange for these to be resolved, ideally prior to completion. However, this is an optional additional expense and our warranty providers already provide a free checklist that you can use to help you check for defects yourself. Read more about snagging and access the checklists [via our blog](#).

Part-exchange schemes are now covered by the Code to ensure they are fair, transparent, and not used to pressure a sale.

Better pre-contract information. In addition to the detailed information we have always required builders to provide, you should now be given the detailed planning consent reference number under which your home is being built as well as details of any future build phases, and the home's expected energy performance standards prior to contracts being exchanged.

Transparent processes. Your builder and their sales agents must not offer you financial incentive to complete on a home if it has not yet met the warranty quality standards. Furthermore, you should be informed if your builder has paid a commission to a supplier (for example a conveyancer they may recommend to you) and how much.

Clearer complaints policy. New requirements set out what should be included in your builder's complaints procedure including timescales by when you can expect to receive a response to a complaint and guidelines as to how your complaint should be dealt with.

Additional financial redress. The maximum amount that can be claimed through the Code's Independent Dispute Resolution Scheme (IDRS) has risen to £50,000 for homes reserved after 1 January 2024. An adjudicator may make a discretionary award for inconvenience up to a maximum of £2,000. The £50,000 maximum award includes any award for inconvenience.

These are just some of the new and enhanced protections offered by the Fifth edition of the Code which applies to homes reserved from 1 January 2024. For more detailed information about all the requirements, [download a copy of the Code](#) and take a look at our blogs, videos and other helpful [resources for home buyers](#).

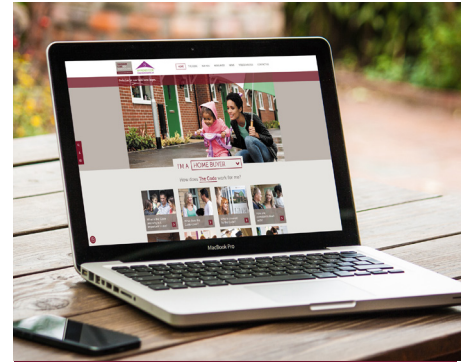
What solicitors need to know about the Code

If you're a solicitor or conveyancer acting for a developer, or a buyer, of a new-build home, it's likely the Consumer Code for Home Builders (the Code) is relevant to you.

The Code covers homes built in the UK by Home Builders who register with the UK's main new Home Warranty Bodies: NHBC; Premier Guarantee; LABC Warranty and Checkmate unless the builder has switched to an alternative scheme.

If you are acting for a buyer, you should know what protection the Code affords your client, and avenues for redress if matters go wrong. Similarly, if acting for the builder, you need to be aware of the requirements they must meet - particularly in relation to the information they must provide to comply with the Code.

Visit [our blog](#) for details of the main aspects to be aware of when using the Code to support buyers and helping builders comply.



What's new on the Code Website?

We've been busy updating our website to reflect changes in the Code and provide up to date guidance.

Check out our revised Resources section, with information for home buyers, builders, solicitors and sales agents.

Our online training section now offers free training on both the Fourth and Fifth editions of the Code - simply create an account and complete at your own pace. All customer-facing staff should complete the Code compliance training at least annually.



Supporters of The Code

