



Protection for new-build home buyers



Annual Report 2023/24

April 2023 to March 2024





# Introduction from the Chair

**The last financial year has been exceptionally busy for the Code, during which we achieved several milestones.**

Having completed a comprehensive independent review of the Code, this year has been focused on delivering the recommendations made by the Chairman of the Review, John Bridgeman CBE. This has included:

- Implementing revisions to the Code aligned with others in the sector, and going further in terms of regulation at the point of sale and applying robust sanctions where necessary.
- Revising our comprehensive training package which supports compliance by home builders, as well as providing extensive information to support consumers and their legal representatives.
- Increasing consumer representation on our Board and widening stakeholder representation on our Advisory Forum to ensure the Board remains up to speed with consumer needs and industry best practice.

However, some of the recommendations made by Bridgeman reach much further than the Code. In particular, while he references codes of practice, such as our own, being able to take some credit for improving customer care within the sector, he also identifies there are some improvements required in relation to the quality of the homes built which requires a comprehensive approach within the industry.

This could be ably led by the leading home warranty bodies through the production of their technical standards. This would also require an alignment of UK warranty standards, given they currently vary significantly. Bridgeman references a 'right first time' approach to build quality which, in my experience, might best be supported by a quality management system such as offered through United Kingdom Accreditation Service. This is widely used with effect in other sectors and in light of these recommendations, we have started discussions with our Advisory Forum members as to how home buyers may benefit from a focus on such matters.

I am delighted to report that the Code has again met the stringent standards set by the Chartered Trading Standards Institute (CTSI) for its Approved Codes scheme and has now been an approved Code for over five years. CTSI's auditors commended the Code for several areas of good practice including:

- Our contact centre, which has recently been re-awarded the Cabinet Office Customer Service Excellence Award.
- Our continuous improvement approach
- Our support for consumer protection across the new homes sector
- Our effective communication with industry, consumers and other stakeholders.



These achievements do not materialise without a lot of hard work and I would like to pay tribute to our Chief Executive, Carol Brady MBE and our highly experienced and dedicated Board who have set the high standards recognised by the CTSI.

The industry is highly diverse with over 10,000 businesses across the UK; on the one hand there are developers building upwards of 15,000 homes per year and some building only a single home. Their needs are very different, and we structure our information systems and approach to reflect that diversity so that consumers have consistent protection regardless of the size of builder they are buying from.

The Competition and Markets Authority have over the last year conducted an extensive study of the sector and when the Government reflect on their recommendations it will be important to consider how any future strategy takes account of that diversity and allows the growth of the very many excellent smaller companies that may hold the key to the future success of the sector and help to underpin a future housing strategy.

A concern during the last year has been the proliferation of misleading statements suggesting that a statutory Code is in place. This is not the case and there is no sign of the Government implementing the necessary legislation to make this change. I am pleased to say that the CTSI has intervened and requested misleading statements be corrected to ensure there are no breaches of either consumer or business protection regulations.

As we build on 14 years of experience with the Code, and having dealt with thousands of consumer issues and complaints, we remain resolved to continue to develop our best practice approach. We are not complacent about the continuing challenges we face in a changing environment of consumer expectation and technological change. We continue to seek feedback from both home buyers and the industry to ensure the Code remains fit for purpose long into the future.



**Noel Hunter, OBE**  
Code Chair



Protection for new-build home buyers

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# Annual Report at a glance



# Who we are and what we do

The Consumer Code for Home Builders ("the Code") applies to most home builders registered with the UK's main new home warranty bodies: NHBC; Premier Guarantee; LABC Warranty and Checkmate<sup>1</sup>. The Code sets out mandatory requirements and principles for home builders to comply with in the marketing and selling of new-build homes and after-sales customer service.

The Code was originally developed in 2010 to provide additional consumer protection for new home buyers, and has been continuously reviewed to remain fit for purpose and provide quality support for home buyers. This financial year saw the introduction of the Fifth Edition of the Consumer Code Scheme.

The Code is independently chaired and led by the Board made up of representatives from consumer and industry organisations as well as independent specialists.

Our aim is to improve the new home buying experience for customers by:

- Setting and monitoring customer service standards
- Educating and guiding builders and other stakeholders
- Providing a fair and independent dispute resolution service, which is free for home buyers to use, if things go wrong.
- Working with our supporting warranty bodies to implement appropriate sanctions on builders who fail to comply with the Code

The Code provides protection and rights to purchasers of new-build homes across the UK. It requires that all buyers of new homes are treated fairly and are fully informed about their purchase before and after they sign the contract.

The principles of the Code have been firmly adopted and embedded into the processes of many home builders, raising the standard of service and support provided to home buyers. Consumer confidence in home builders in 2010 was relatively low, with only 46% of homeowners willing to recommend their home builder, but that figure now stands at 90%<sup>2</sup>.

The Code reinforces best practice among home builders to make sure the level of information and customer service provided by them is consistently high and provides for a speedy, dispute resolution scheme to deal with complaints which is free for consumers.

<sup>1</sup> Excludes builders that have joined and activated membership with the New Homes Quality Board

<sup>2</sup> Home Builders Federation Customer Satisfaction Survey 2024





# Our Aims

The Code reinforces best practice among home builders to encourage a consistently high level of information and customer service throughout the UK. It builds on successful efforts already made by the industry to improve consumer satisfaction in recent years. However, there is more to be done to improve consistency and quality across the industry.

The updated requirements in the Fifth Edition of the Consumer Code Scheme address gaps in support for consumers and provide a more consistent approach to consumer protection across the new build marketplace.

The Code's Requirements are designed to safeguard home buyers so that they are:

- Treated fairly at all times
- Know what levels of service to expect
- Given reliable information about their purchase and consumer rights before and after they move into their new home
- Know how to access an independent, speedy, dispute resolution scheme to deal with any complaints about breaches of the Code



# Governance

The Board is responsible for operating the Code which is chaired by Noel Hunter OBE.

This financial year, we were delighted to welcome Claire Whyley to the Board. 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-focused regulation and consumer vulnerability, and is a member of the Competition and Markets Authority Panel.

## Board members



**Noel Hunter OBE, Chair**

Noel is a Fellow, Vice President and former Board Chair of the Chartered Trading Standards Institute, a Fellow of the Royal Society of Arts and Chair of the British Hallmarking Council.



**Kim Carter,**  
*Claims Senior Outcomes  
Manager NHBC*



**Craig Ross,**  
*Marketing Director  
MD Insurance Services Ltd*



**Frances Harrison,**  
*Vice-Chair of Brighton & Hove  
Citizens Advice and Chair of the  
Disciplinary and Sanctions Panel*



**Janine Armstrong,**  
*Head of Checkmate*



**Ron Gainsford OBE,**  
*Vice President of Chartered  
Trading Standards Institute and  
Chair of the Advisory Forum*



**Claire Whyley,**  
*Independent Consumer  
Representative  
(from December 2023)*



**Carol Brady MBE, Chief Executive**

The Code's Board is supported by Carol Brady MBE in her role as Chief Executive. Carol has extensive experience in consumer and regulatory policy and has provided Secretariat services for the Code since May 2014.



Shortly after the close of this financial year, Philip Hogg joined the Board in his capacity as Independent Industry Representative, from May 2024.

## Advisory forum

**The Board is supported by an Advisory Forum, chaired by Ron Gainsford OBE. The purpose of the Advisory Forum is to support the Board with its decision-making by providing advice from a range of industry and consumer experts on all matters relating to the content, application and promotion of the Consumer Code Scheme, including the IDRS.**

Independent voices from organisations across the whole of the UK, who have an affiliation with the new home building industry, continue to make themselves heard and contribute through this Forum.

Following his independent review of the Code (see 'Introducing the Fifth Edition of the Code'), John Bridgeman CBE made several recommendations; one of which was "to further improve the consumer voice within the Code" and stated that this should be done by creating "a Consumer Panel to advise the Board". In considering this recommendation, the Board felt that greater consumer representation should be at the Advisory Forum to enable a more balanced view across all stakeholder groups. The Board felt this would be more effective as it would enable all stakeholders to understand the position of others and better inform any discussion without there being silos of information and opinion.

Further, Bridgeman recommended that the consumer voice should also be strengthened on the Board and that this could be achieved by appointing additional independent members so that the Code is, and can be seen to be, more consumer focused. The Board accepted in full this recommendation and Claire Whyley's appointment as an independent Board member also meant she joined the Advisory Forum.

Further additions to the Advisory Forum were made to strengthen both our consumer focus and industry understanding. We were delighted to appoint Paula Higgins from the HomeOwners Alliance (HOA) to the Advisory Forum in March 2024. Paula brings a wealth of experience to the Advisory Forum as a strong advocate for consumers. Under her leadership, the HOA has become one of the UK's leading property advice websites.

We were also delighted to appoint Philip Hogg to the Advisory Forum (and subsequently to the Board) to help bring home building industry experience to the Code. Philip has held board-level positions within the home building sector for over 20 years, including four years as Chief Executive of Homes for Scotland. In that time, he has been directly involved in handling customer issues as well as leading on compliance with relevant legislation and standards.

Since the inception of the Code, membership of the Advisory Forum has evolved and there is now much broader representation from within the wider new home landscape. However, the Terms of Reference had not kept pace and so during the year these were reviewed to ensure they mirrored current arrangements, the recommendations of the review, as well as best governance practice.



*Ron Gainsford,  
Chair of the  
Advisory Forum*

Three new  
members have  
joined the  
Advisory Forum

### Members of the Advisory Forum include:

- Chartered Trading Standards Institute
- Checkmate
- Citizens Advice
- Construction Employers Federation (NI)
- Federation of Master Builders
- Home Builders Federation
- Homes for Scotland
- House Builders' Association
- HomeOwners Alliance
- Law Societies (England and Wales and Scotland)
- MD Insurance Services
- National Federation of Builders
- NHBC
- Propertymark
- Retirement Housing Group
- UK Finance





## Disciplinary and Sanctions Panel

**The Code operates an independently chaired Disciplinary and Sanctions Panel (DSP) which reports to the Board on matters of compliance with the Code.**

Its purpose is to consider what action, if any, needs to be taken in relation to driving up performance and compliance with the Code, either across the industry, or in relation to individual home builders (see sections in this report on Compliance Monitoring and our Independent Dispute Resolution Scheme).

Frances Harrison chairs the DSP, which met twice during the year. In that time the DSP:

- Reviewed all the decisions which had been through the Independent Dispute Resolution Scheme (IDRS)
- Considered any failure (or persistence in failing), by a home builder to comply with the rules of the IDRS and in particular, the failure to comply with an Adjudicator's decision
- Reviewed the findings of the compliance monitoring activity and in particular, where any non-compliance with the Code was identified
- Considered whether there was any persistent non-compliance in failing to meet the requirements of the Code that had been brought to the attention of the home builder and rectification previously sought but not implemented
- Implemented feedback to individual home builders, and the industry as a whole, on the findings from the compliance and monitoring activity to help drive up customer service standards.

On the relatively few occasions where a home builder fails to comply with an adjudicator's decision, the home builder is reminded of its obligations through the disciplinary process, including that the supporting home warranty bodies could, if so requested, be required to apply appropriate sanctions.

Such sanctions can include the removal from a home warranty body's register and where this occurs, our Scheme Rules ensure that those home builders are also removed from the registers of all the Code's supporting home warranty bodies. This is the most serious of sanctions that may be applied, given that it can affect a home builder's ability to trade, so such a decision is not taken lightly.

As with the previous year, no registered home builder was required to be removed from the register of the supporting home warranty body. However, five home builders were contacted for failing to comply with an Adjudicator's decision and asked to take immediate steps to remedy the position. Two of those are in the process of being escalated to the home warranty body for sanctions to be imposed (see Sanctions section).

One home builder, who had agreed an early settlement under our IDRS, failed to honour the agreement. In this case, the adjudicator continued with the original claim and made a final decision, meaning the builder was unable to benefit from the reduced case fee and lesser demand on administrative resources.

There were a further six instances where home builders initially refused to engage with the IDRS. Each was contacted and reminded of the Scheme Rules and their obligation to comply with the process. Under these rules, where a home builder fails to engage, the adjudicator may make a decision on the evidence provided by the home buyer alone and if the home buyer accepts the adjudicator's findings, the home builder is bound by the decision and needs to comply with any award made.

The DSP also considered those home builders who failed to pay the fees due to the administrators of the IDRS in a timely manner, of which there were nine instances. In line with the Code's rules, the DSP can recommend that the supporting home warranty provider, with whom the home builder is registered, pays the fee and then claims reimbursement from the home builder with interest which is calculated at 5% above the Bank of England base rate.

Other recommendations the DSP can make include requiring the home builder's staff, who have contact with home buyers, to be trained on their obligations under the Code; withholding the issuing of certificates of insurance; suspension from the home warranty bodies' registers; and referral to local authority Trading Standards Departments for contravention of any Consumer Protection Regulations.



# Introducing the Fifth Edition of the Code

The principal focus for the Code during 2023-24 has been developing and implementing the Fifth Edition of the Code following a comprehensive Independent Review.

The independent review was led by John Bridgeman CBE, former Director General of the Office of Fair Trading (OFT) on behalf of the Code's Board and was completed in May 2023 with a detailed report and recommendations.

Bridgeman's report concluded the Code is doing a good job of protecting consumers and driving improvements in customer service standards, with highlights including:

- The Independent Dispute Resolution Scheme, run by the Centre for Effective Dispute Resolution (CEDR), which is free for consumers to access
- Full accreditation through the independent CTSL Consumer Codes Approval Scheme
- The sanction regime, including the ability to exclude companies from warranty schemes for failure to comply
- Its informative website and contact centre to aid consumers.

The report also recommended several enhancements to improve the protection offered. These include:

- Aligning different code schemes and simplifying access to complaint advice for consumers
- Raising the maximum financial compensation threshold through the Independent Dispute Resolution Scheme
- Incorporating new requirements for home builders to improve how snagging issues are dealt with
- Broadening the scope of the Code to include shared ownership and strengthening requirements to support vulnerable customers
- Outlawing financial incentives to complete on properties that haven't yet met warranty standards and requiring any commissions for recommending products and services to be declared.



## Quick facts:

- 16** The Independent review contained **16 recommendations**
- 50** **Over 50 consultation responses** received across two phases
- 6** **Six briefings** held with industry and consumer representatives
- ✓** **All of the recommendations** within the scope of the Consumer Code for Home Builders have either been or are in the process of being implemented
- 6** **Six toolkits, templates and other resources** published to support compliance
- 10k** The revised Code applies to approximately **10,000 home builders** operating across the UK

The revised Fifth Edition of the Code was published in October 2023 following a consultation period. The implementation date was set as 1 January 2024, giving builders and the wider industry time to prepare for the updated requirements.



# Summary of changes to the Code Requirements

The revised Code builds on and strengthens the previous requirements in the Code. The main changes that have been made to the Code Requirements and the Independent Dispute Resolution Scheme include:

<b>Meaning of words:</b>	New and updated definitions of some terms which have special meaning within the Code have been updated to align with other codes and be more accessible for consumers.
<b>Customer vulnerability:</b>	There is a renewed focus on customers who may be vulnerable. Home builders and sales agents must take all reasonable steps to identify where a vulnerability may exist and act accordingly.
<b>Training:</b>	All home builders covered by our Code must provide training on the Code requirements for all staff (including those employed by any agents used) who deal with customers which must be refreshed annually.
<b>Incentives and commissions:</b>	Home builders must not offer financial incentives to encourage customers to complete on a home which has not yet met warranty quality standards. Any commission received as a result of recommending suppliers (including financial and legal advisers) must be declared.
<b>Pre-contract information:</b>	<p>The information that must be provided pre-contract has been clarified and expanded to include, for example, the detailed Planning Consent reference number under which the home is being built and details of any future build phases, as well as the home's expected energy performance standards.</p> <p>Buyers' questions should now be acknowledged within five calendar days and responded to within a reasonable period.</p>
<b>Part-exchange schemes:</b>	A new requirement in relation to any part-exchange scheme offered has been introduced to ensure it is fair, transparent, and not used to pressure a sale.
<b>Reservation Agreements:</b>	Reservations now include a 14-calendar day cooling off period. Reservation agreements must now include more detail about certain costs and should be accompanied by a more comprehensive suite of information.
<b>Legal Completion:</b>	Home buyers now have the right to undertake a pre-completion inspection and identify any snags which should be resolved prior to legal completion. The Code's guidance states that the inspection should be non-disruptive and non-invasive and should assess fixtures, fittings and services by way of checks comparable with normal daily use.
<b>After-sales Service and Defects Resolution:</b>	Home builders must allow home buyers to employ a professional adviser to complete the inspection should they choose to, and if so, builders and agents should cooperate with the appointed adviser to allow the inspection to be completed and appropriate action taken to address defects.
<b>Complaints and Disputes:</b>	New requirements detailed in section 5.2 of the revised Code clearly set out what home builders should include in their complaints procedure. These include set timescales by when customers can expect to receive a response to their complaint and examples of the type of content the response should contain.
<b>Independent Dispute Resolution Scheme (IDRS):</b>	The maximum amount that can be claimed through the 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.

## Supporting a smooth transition

**We have proactively supported home builders throughout the process to help them comply with the revised Code and thereby improve customer service.**

We produced a [Transition Pack](#) to help builders and their selling agents and solicitors/licenced conveyancers prepare for the changes, and developed a suite of updated checklists and template documents to support compliance. The pack contains:

- The Consumer Code Scheme, Fifth Edition (consumer version)
- The Consumer Code Fifth Edition Requirements and Guidance for Home Builders
- Summary of changes in the new edition
- Training overview
- Fifth Edition Code compliance checklist
- Fifth Edition sample reservation agreement
- Complaints process good practice guide
- Transition and compliance promotional tools

## Independent Dispute Resolution Scheme (IDRS)

With some changes affecting the IDRS, the Centre for Effective Dispute Resolution (CEDR), which administers the scheme, has updated the scheme rules which are available to home builders and consumers via our website.

## Training and webinars

**The Code's free online training has been updated to reflect the new requirements in the Fifth Edition of the Code and has been extensively promoted through all marketing channels. Home builders are now able to access training for both the Fourth and Fifth Editions, recognising that the Fourth Edition of the Code still applies to homes registered on or before 31 December 2023 until two years after legal completion.**

Both courses end with a series of questions to test how well the training has been understood. Builders are encouraged to share their training certificates which can be downloaded at the end of the course.

We have also reviewed and updated our 'Train the Trainer' package which enables home builders to carry out the required training in-house in team settings.

To help builders understand the changes, we ran webinars in partnership with our training lead, Peter Stonely, covering both the train the trainer package and the overall changes to the Code requirements. A recording of the first webinar is available to view online and our Frequently Asked Questions have been updated to reflect the new requirements and queries received from builders.



## Aligning with other Codes

**One of the principal recommendations of the review was to align with other codes in the marketplace where it is in the interest of consumers to do so.**

The basis for our revised Code was initially developed by the Consumer Code for Home Builders and Consumer Code for New Homes (CCNH) in 2021, in preparation for what the industry was expecting to be a single, mandatory code and ombudsman scheme. Although the Government has not implemented a mandatory scheme, we have continued to work collaboratively with the Consumer Code for New Homes and other code schemes. We were pleased to announce in January 2024 that both our Code and the CCNH's Code had been updated to deliver better consumer protection.

That collaborative work now underpins the main codes in the marketplace, meaning that customer service requirements are largely consistent across the new build market, making it easier for home buyers to understand the protection available to them and for the industry to comply.



## Ongoing promotion

**Throughout autumn and winter 2023/24 we continued to promote compliance with the revised Code, providing guidance and support to help home builders comply ahead of implementation on 1 January 2024.**

Our website has been updated so that consumers, builders, agents and solicitors/ licensed conveyancers can all access both the Fourth and Fifth Editions of the Code, with clear signposting in place to make it easy to identify which Code applies depending on time of reservation.

We have published blogs for all those affected highlighting the main changes in the revised Code and have been updating previous articles with up-to-date information to give consumers and the industry accurate and timely information. Awareness-raising activity has continued throughout the year through newsletters, social media and media relations.

We provided guidance and support to help home builders comply ahead of implementation on 1 January 2024

## Wider changes

**In addition to recommendations regarding the Code Scheme and IDRS, John Bridgeman also recommended ways to enhance how the Code is governed, as well as identifying opportunities for the wider industry to consider.**

In response to recommendations to strengthen consumer representation on our Board, we welcomed consumer protection expert, Claire Whyley, to the Board of Directors in January. We have also expanded our Advisory Forum to include representation from the HomeOwners Alliance, one of the UK's leading property advice websites. The organisation campaigns on a raft of issues relating to homeowners' greatest concerns and brings important insight and challenge alongside other members of our Forum.

The Advisory Forum is leading discussions on some difficult and complex matters which sit outside the scope of the Code's Board, taking account of all the views across our broad stakeholder landscape.

The Advisory Forum is leading discussions on some difficult and complex matters



## Supporting the industry

As outlined in the above section 'Introducing the Fifth Edition of the Code', our main focus in supporting the industry this year has been linked to engaging with industry stakeholders and promoting awareness of the new requirements introduced in the revised Code. In addition to the main activities already highlighted, we have continued to promote the transition to the new Code, including raising awareness among solicitors/licenced conveyancers and sales agents, via blogs and social media.

### 12 days of Christmas: Code Transition Tips

Continuing the theme of preparing for the new Code, we created a special Christmas social media campaign, 12 days of Christmas Code Transition Tips, during which we shared a specific tip each day from 1st-12th December, with a bonus tip on day 13 to help home builders in their preparation. Topics covered included updating complaints processes and welcome packs, considering the needs of customers who may be vulnerable and undertaking our updated online training.



### The Revised Code: What agents need to know

Originally published in 2020, this blog was updated to reflect the new Code requirements and reminds sales agents working with developers of their responsibilities under the Code. We set out a number of ways that agents can help developers comply with the Code, including providing enough pre-purchase information to enable buyers to make an informed purchase, ensuring the sales contract is clear and compliant, and providing reliable information about completion dates and legal handover. The full blog can be read here.

### The Revised Code: What solicitors and conveyancers need to know in 2024

The Code is as relevant to solicitors and conveyancers acting for new home builders as for those acting for new home buyers and the main aspects of the new Code were highlighted in a blog specifically for legal advisers. Those acting for buyers should know what protection the Code affords their clients and the avenues for redress if things go wrong. Similarly, those acting for the builder need to be aware of the requirements that must be met in order to comply. The blog can be read here.

In addition to the specific transition articles, we provided tips, guidance and learning on themes which regularly feature in complaints. Some of these topics have been strengthened in the revised Code, but even where the Fourth Edition remains in place, home builders can benefit from these articles and resources as they promote better customer service.

## A guide to effective complaint handling

The Fifth Edition of the Code sets out more detailed requirements for complaints handling including response times, to help ensure buyers' concerns are quickly addressed. How home builders handle complaints can make a big difference to the outcome - in some cases even enhancing customer satisfaction if an issue is handled well. Although specific to the Fifth Edition, the new timings are based on best practice so we have encouraged all builders to implement the changes as soon as possible to benefit their buyers. We put together a short guide of aspects to consider to help builders and their agents handle complaints effectively, whilst building on existing good practice and improving their customer service. The article is available [here](#).

## Supporting Vulnerable Customers

Recognising and supporting consumers who may be vulnerable is a key focus of the Code and Frances Harrison, Chair of the Code's Disciplinary and Sanctions Panel contributed to our blog [Recognising and supporting consumer vulnerability when selling homes](#). The article explains that consumers can move in and out of periods of vulnerability due to changes in personal circumstances and provides practical steps to help home builders and agents recognise and support vulnerable customers throughout their purchase.

## Resources to support best practice

We have developed additional tools to help the industry comply with the Code and learn from previous disputes, in addition to those prepared specifically to support the transition to the new Code.

### Right First Time fact sheets

The Code's IDRS adjudications provide useful learning points relating to breaches of the Code and we added a new resource to the website specifically for home builders and sales agents focusing on the most common of those breaches. The new section comprises an initial suite of four factsheets providing tips on getting it 'right first time' in the following areas:

- After-Sales
- Sales & Advertising Materials
- Supporting Vulnerable Customers
- Sufficient Pre-purchase Information.

The factsheets are located in the [Home Builders Resources Hub](#).

### Video updates

We also produced a couple of videos specifically for the industry, alongside the webinar recordings which detail the revised Code requirements and training.

[Providing an accessible after-sales service](#)

[Complying with the Code - tips for agents](#)



## Code Compliance Starter Pack

In February 2024, we launched an updated Code Compliance Starter Pack for sales agents and home builders covered by the Code, in partnership with Propertymark.

The pack brings together many of the key documents and information sales agents need to help builders comply with the revised Code and deliver high quality customer service to consumers. It contains:

- Model draft agency terms
- The Consumer Code Scheme, Fifth Edition
- Code compliance checklist
- An overview of what's new in the revised Code
- A summary of the Independent Dispute Resolution Scheme
- Training information
- A sample reservation agreement
- Information on using the Code in your marketing
- A guide to site audits

“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.”

*Paul Drysdale, Safety, Health, Environment & Quality (SHEQ) Director at Story Homes*

## Championing clarity and accuracy

Throughout the year we have worked with partners to challenge misinformation which has led to some home builders believing they had no option but to switch to an alternative Code. Although there continues to be many references to a single, mandatory Code and new homes ombudsman, no decision has been made by the Government to proceed with this approach.

In its Homebuilding Market Study report, the Competition and Markets Authority (CMA) made recommendations for strengthening consumer protection, many of which are already in place through our Code and others in the marketplace.

The Code's Board was concerned, however, to see a number of inaccuracies in the report which could have a material effect on some of the recommendations concerning consumer codes and redress schemes. Our team continues to engage with the CMA, government officials and others to help ensure any changes that may be made to code schemes in the future do not lead to a reduction in the existing protection already available, either through reduced geographic reach, industry independence or effective sanctions.







## Supporting Consumers

**Most of our work to support consumers is through articles and information on our website and social media. Much of this is in the form of blogs and videos but we have also been actively working with the Chartered Trading Standards Institute (CTSI), government officials and other organisations to raise awareness of gaps in protection and misunderstandings about the support available.**

Our work has included responding to the CMA's Homebuilding Market Study and subsequently raising concerns about the limited progress for consumers in the CMA's final report. We have worked with CTSI to challenge misleading information about protection and redress schemes for new build home buyers contained in a report and guide from the Chartered Institute of Building in December and have been pleased to see some changes being made to address some of these inaccurate statements.

We have continued to produce new blogs and videos on a range of topics to support new home buyers at the various stages of their purchase. This year, we have been particularly focused on making information about changes to the Code as clear and easy to understand as possible. Although it is very important to communicate the updated protection effective from 1 January 2024, it is also essential that those buyers who reserved a home before 31 December 2023 know which Code applies to them and how to seek help. With the Code applying from reservation until two years after legal completion, the Fourth Edition of the Code will remain relevant for at least two years.

In the earlier part of the year, our consumer blogs focused on tips to help the home buying and maintenance process:

### Wet and Windy Weather Protection

With the onset of autumn and the prospect of inclement weather, even new-build homes can benefit from preventative action to reduce the risk of weather damage and help minimise heating bills. Our blog [Wet and windy weather protection for your home](#) sets out a list of suggestions including gutter clearing and securing loose and lightweight garden materials to prevent damage caused by high winds, as well as using home furnishings, draft excluders and heating controls to maximise heating efficiency.

### Keeping your new build on track

Buying a new build property is a complex process but home buyers can take steps to help keep track of progress and ensure the purchase is as smooth as possible. Reading all the information provided to understand exactly what you are buying will help prevent unwanted surprises further down the line as well as understanding the home builder's schedule for legal completion and handover. The appointed legal adviser will take care of the legal side of things but home buyers should still read the contract thoroughly so they are fully aware of their commitments prior to exchange. The rest of the article can be read [here](#).

Once the new Code was in place, we focused efforts on updating core articles that highlight different elements of protection for home buyers, as well as setting out how the revised Code would support new buyers.

It is essential that  
buyers know which  
Code applies to  
them and how  
to seek help

## How the Revised Code Supports New Home Buyers

A number of new and enhanced protections are offered by the Fifth Edition of the Code and these were set out in the blog [Buying a new build home? Find out how the revised Code will support you](#). New additions include a 14 calendar day cooling off period after reserving a home, the right to undertake a pre-completion inspection, with a snagging professional if preferred, and the inclusion of part-exchange schemes within the Code. Enhanced protections include extra support for customers who may be vulnerable, better pre-contract information, set timescales and requirements for home builders' complaints procedures and additional financial redress.

We continue to produce new blogs and videos on a range of topics to support new home buyers

## Home Warranties

For our blog [How do home warranties protect your home?](#), we spoke to our supporting home warranty bodies who shared their insights on what to expect from warranty protection. Policies will usually include two years builder warranty against defects and a further 8 years of structural insurance for major structural elements such as foundations, load bearing walls, roofs, etc. We also explained the common issues that can occur with new homes and how warranty protection differs from home insurance.

## Making the most of our Independent Dispute Resolution Scheme

Following the introduction of the Fifth Edition of the Code, we updated the original blog published in 2020 by the Chair of the Code's Disciplinary and Sanctions Panel, Frances Harrison setting out some useful guidance for consumers raising a complaint through the IDRS. Understanding the process beforehand is helpful as a home builder's complaints process should be exhausted first before raising a complaint via the IDRS. Evidence is key, and buyers should keep all records including correspondence with builders/agents, copies of brochures and plans, and obtain quotes for the remedial works requested. Both parties to the complaint have an opportunity to review the Adjudicator's draft Decision and once the Decision is final there are set timeframes for both parties to respond.

You can read the updated blog [here](#).



## Raising an Effective Complaint

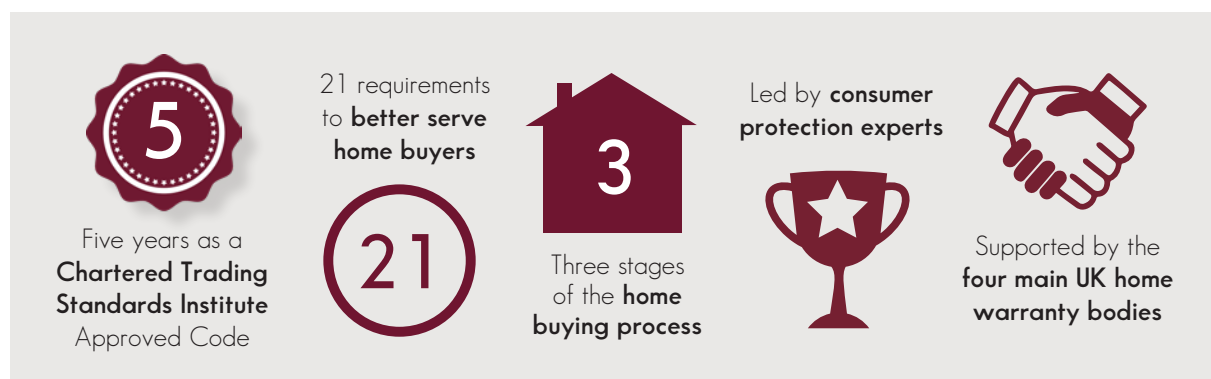
Buying a new home is an exciting process but occasionally there may be some aspects that don't go according to plan and the home buyer then finds they need to make a complaint to the home builder. Raising a complaint gives the builder an opportunity to investigate and put things right. To get the complaint process off to a good start, we have provided some tips for home buyers to consider when raising their concern. For example, check the builder's complaints process which should set out who to contact with the relevant details, explain the nature of the complaint clearly and concisely and set out the remedial action required. In most cases the complaint is resolved quickly but the Code sets out strict timescales within which the builder must acknowledge and resolve the complaint. The full blog can be found [here](#).

It's also important for us to remind consumers – and the wider industry – about how long the Code has been operating, the strength of its IDRS and sanctions regime, and the depth of experience brought by our Board and Chief Executive. This was highlighted in our Fabulous Facts about the Code blog.

## Facts about the Code and the work we do

The Code has been in existence since 2010 and over the years a number of key facts and figures have emerged which were highlighted in our blog [Fabulous Facts about the Consumer Code for Home Builders](#). We celebrated the fact that the Code has achieved five years as a Chartered Trading Standards Institute Approved Code, and we are proud that our board is led by such a strong panel of consumer protection experts. A recent addition to the board is Claire Whyley, a highly experienced consumer research and policy professional.

Providing access to support and redress are key elements of the Code and in 2023 alone, the Code's dedicated consumer enquiry service handled 2,594 enquiries and the Code's Independent Dispute Resolution Scheme assessed and issued decisions on 345 cases.



## Video updates

We also updated some of the existing videos to reflect the new Code which included re-publishing the suite of four videos providing home buyers with an overview of the Code and the support available to them throughout the purchase process. The videos can be viewed here:



**Buying a new-build home?**  
Help is at hand!



**Stage 1**  
- Helping buyers pre-purchase



**Stage 2**  
- Helping buyers during purchase



**Stage 3**  
- Helping buyers after occupation



## Enquiries Helpline

**Our enquiries team continues to receive a large number of contacts, dealing with 2,594 contacts for the calendar year 2023. This is a slight decrease of 2% on the previous year.**

We are pleased to announce that once again our contact centre has been awarded the Customer Service Excellence Award, which is a trademark of the Cabinet Office, and is awarded to organisations that show a genuine commitment to customer service, including continuous learning and improvement.



The Customer Service Excellence (CSE) Award focuses on the areas that research shows consumers value the most, including delivery, timeliness, information, professionalism and staff attitude. There is also emphasis placed on developing customer insight, understanding the user's experience and robust measurement of service satisfaction.

Working with an established and independent contact centre, the team offers guidance to consumers and home builders, providing help with general queries about what the Code covers and how its requirements apply in the purchasing process.

Our telephone helpline provides an easy way for people to get in touch if they have concerns during the home-buying process - whether that is pre-contract, exchange of contract or during occupation.

The Code continues to be committed to providing protection and rights to new-build home buyers and while the helpline team cannot advise consumers on Code breaches or individual cases, it can advise on how to raise a complaint through the Code's Independent Dispute Resolution Scheme.

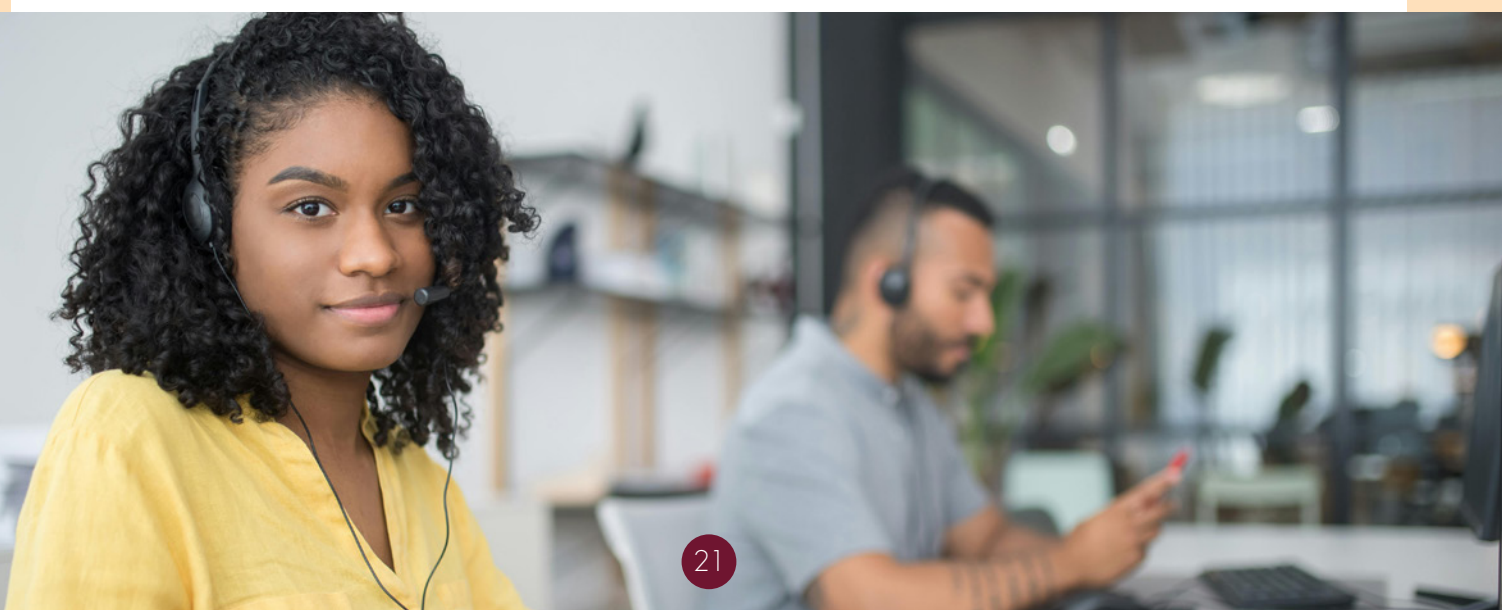
To make it easier for buyers to contact us, and explain their concerns, we have updated the Contact Page on our website with a new enquiry form. All emails are answered within our target two working days.

Our supporting home warranty bodies also provided information on the Code to 1,233 policyholders, which is a 14% decrease on the previous year. The home warranty bodies report they are not seeing a reduction in the calls they receive so this downturn in relation to Code matters may be explained by some complaints now falling under a different code scheme.

Where application forms are sent out for a home buyer to make a complaint to the Code's Independent Dispute Resolution Scheme, the home warranty body also writes to the home builder advising them of the home buyer's contact and encouraging them to resolve the matter with the home buyer without the need for an adjudicator to decide the case.

The team dealt with 2,594 contacts for the calendar year 2023

All emails are answered within our target two working days



# Code Compliance and Monitoring

We carry out numerous monitoring activities to encourage home builders to adopt the Code and to enable the Code's Board to check how well it is being applied. These activities also help identify whether further guidance or updates are needed.

Our targeted auditing regime includes:

- A desktop audit of compliance through the delivery and return of self-assessment forms
- Site visits to areas across the UK where new homes are being offered for sale, including the offices of estate agents
- Assessment of all complaints and decisions that have been made through the Code's Independent Dispute Resolution Scheme
- Assessment of annual returns or reports from home builders
- Reviews and assessments of customer satisfaction feedback and complaints
- Providing training to home builders

The outcome of the monitoring is considered by the Code's independent Disciplinary and Sanctions Panel who decide whether any further action needs to be taken to improve compliance (see also the section on the Disciplinary and Sanctions Panel).

## Self-Assessment

**Given the size of the industry, self-assessment is part of our auditing regime and survey forms are sent each month to a cross section of home builders, ranging from large to small across the UK, ensuring those who build within Scotland, Wales and Northern Ireland are included.**

In the main, the responses received indicate that home builders deemed to be medium to large in size were aware of the Code and had processes and systems in place to comply with its requirements. However, smaller home builders were less likely to be aware of the Code and therefore found the self-assessment process helpful in terms of raising awareness of what they needed to do to comply.

The self-assessment forms provide useful links to material available on our website to help bring builders into compliance if they are falling short in any particular area, such as our training material, reservation agreement template, agency starter pack and compliance checklist. This year in particular we highlighted our Transition Pack in readiness for the implementation of our revised Code from 1 January 2024.

The Code's Disciplinary and Sanctions Panel reviews all responses at its meetings and considers what action, if any, needs to be taken. This may include a more focused audit, including a site visit if necessary.



## Site visits

**Independent site audits are an important part of our compliance work and 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 contract for the site auditing work was renewed this year and with effect from April 2023, following an open tender process, the Chartered Trading Standards Institute (CTSI) was appointed.

The first quarter of the year saw CTSI get to grips with the auditing process, putting in place new administration processes which support the visits, for the auditors and builders alike.

A full suite of audits commenced with effect from July and the auditors continued to be extremely thorough, giving us confidence that nothing had been lost as a result of the handover and transition period.

The audits continued to be a blend of both face-to-face and virtual visits, meaning audits are conducted across the whole of the UK, as travel (and resources) are not a barrier. While the majority of the site visits have been pre-planned, there have been some occasions when the audit has been conducted speculatively so that the auditor can assess how the home builder engages with potential buyers without preparation for the audit. On the occasions this has happened, the auditor has found the sales advisors to be very knowledgeable about the Code and engaging throughout the process.

Given the implementation of the Fifth Edition of the Code, as well as planning, organising and completing the audits, the team prepared for this during the third quarter. Our auditors spent time reviewing the changes to the Code and completed the online e-learning training provided so that they could be as well prepared as possible. The audit report template was also reviewed and updated in preparation for January 2024 audits.

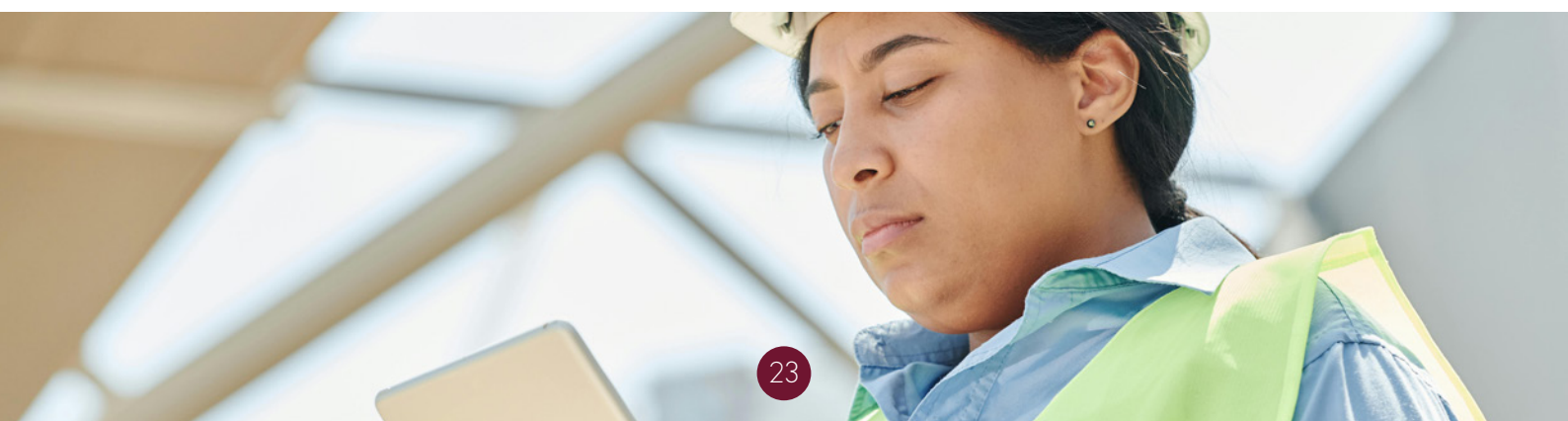
By the end of the year, the auditors had completed a total of 131 visits, which involved different home builders across multiple sites, including a broad range (by size).

We continue to see areas of best practice from development sites. For example, one auditor commented that when she audited one particular builder, she found that they had a number of downloadable guides on their website. These documents went through the buying process, complaints, and customer care. This means that the information is readily available to anyone thinking of buying a home and not just those who make a commitment to the purchase as part of the buying process.

The auditors also provide examples of timely resolution to non-compliance issues identified. By way of example, one home builder audited was found not to meet the Code Requirement 1.2 in terms of making the Code available. In particular, the Code logo was not prominently displayed in the required locations. Two days later the auditor was contacted by the builder and advised that action had been taken and that all their portals and sales brochures had been amended to prominently display the Code logo.

Following an open tender process, the CTSI was appointed during 2023 to conduct site audits

131 audit visits were completed during the financial year, across the UK





Once all reports are concluded for the quarter, all home builders are written to and provided with individual feedback from the site visits. Our letters highlight any areas of good practice identified as well as potential non-compliance with the Code which builders are asked to address. As with our self-assessment audits, the feedback to home builders highlights the Code's updated lessons learned document and provides links to resources which can help builders comply i.e. reservation agreement templates, logos/branding material and our on-line training.

While we do write to all home builders, our auditors note they are often contacted by builders soon after the audit has taken place, as they are keen to receive immediate feedback. Such contact shows a willingness to learn and to implement any feedback provided.

In the last quarter, given the revised edition of the Code going live in January, the auditors focussed on compliance areas such as consumer vulnerability. This has been to assess how home builders acknowledge and cater for the needs of vulnerable customers and help them make informed decisions in line with Section 1.6 of the Code.

The auditors have found some great examples of best practice including: the translation of relevant documents; provision of interpreters where English is not the buyer's first language; inviting family or friends to attend where someone has been unclear on the process; and ensuring the right help has been provided through a social worker for someone with mental health problems.

Another potential area for non-compliance with the Code is Section 2.2, given the details required to be contained within a Reservation Agreement have changed with the introduction of the Fifth Edition. In particular, home buyers must now be provided with a 14 calendar day cooling-off period, during which they can cancel the Reservation Agreement and receive a refund of the full Reservation Fee. To help home builders with compliance, we offer a useful health check by completing a fuller review of their Reservation Agreement, along with any supporting documentation which is provided to the home buyer at the point of reservation. We also provide a sample Reservation Agreement and checklist which is Code compliant. This can be downloaded and adapted for individual purposes from our website: [Sample-reservation-agreement](#).

The principle behind the audits is not about catching people out but to promote proactive best practice. Home builders continually tell us how useful they find the audits as they give them an independent view of current strengths and identify any gaps they need to address and which could lead to non-compliance.

The feedback received includes:

The principle behind the audits is not about catching people out but to promote proactive best practice.

Our letters highlight any areas of good practice identified as well as potential non-compliance with the Code which builders are asked to address

"Thank you for taking the time to write to me. It was helpful to see the feedback and we will feed this to all our sales teams. Thank you for your updates too which are very helpful".

"I am pleased the audit was generally complimentary. I am having the logo added to the relevant section of our website and we are carrying out an audit to ensure all staff are trained".

"Thanks for letting me have your feedback from the audit. I will pass this onto my staff with my congratulations. Thanks for letting me have details of your downloads and online training, which I'm sure we will put to good use".

# Adjudication Decisions

**The Code's Disciplinary and Sanctions Panel (DSP) reviews all cases that go through the Independent Dispute Resolution Scheme (further details of the scheme can be found later in this report).**

The Chair of the Board writes to the Chief Executive or Managing Director of each company, where a breach of the Code has been found. The letter highlights the breach and offers further guidance on compliance to prevent a re-occurrence as necessary.

Most home builders have been keen to learn lessons from the Adjudications and improve their customer service where they can. Responses to these letters include comments such as:

"... we remain committed to our obligations under the Consumer Code for those homes covered by it. We also remain committed to undertaking any and all corrective actions required following any potential breaches".

"There are no surprises in the attachment. We are learning from our mistakes and making the necessary changes to our procedures and highlighting the failures of our employees to follow them".

"I will review the attached document and provide an update on the learnings we have taken from the Decision made by the CEDR. Once reviewed we will share any relevant improvements required or already made to our internal processes to ensure the Code is adhered to in the future".

"Always disappointing to lose an adjudication but we do learn lessons from these and hopefully, improve".

To help all home builders improve customer service and raise standards, we continue to share some of the key learnings from the Adjudicators' findings from the Independent Dispute Resolution Scheme and have updated our suite of "Right First Time" lessons learned factsheets.

Reviewing complaints is an essential component of customer service and business success. It enables a business to gather valuable customer insight and take action to improve quality and customer satisfaction.

How buyers' complaints are dealt with remains the most breached section of the Code. Adjudicators often identify a breakdown in communications, delays in responses and failures to provide timescales to resolving the issues at the heart of the complaint.

How home builders 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 put together a short guide of other aspects to consider which can help builders handle complaints effectively:

- Being open and transparent
- Having a clear process
- Acknowledging and understanding the complaint
- Resolving the complaint - including setting timescales, undertaking any investigation and keeping the buyer informed
- Learning from mistakes.

These suggestions can help buyers feel heard, ensure problems are identified and resolved, and encourage lessons to be learned. The full guide can be seen here: [consumer-code-for-home-builders-guide-to-effective-complaint-handling/](#).



## Sanctions

**The Disciplinary and Sanctions Panel also considers matters of non-compliance with an adjudicator's decision.**

As part of a home builder's registration with the Code's supporting home warranty bodies, they are required to comply with their Rules, the requirements of the Code, and any directions and decisions given or made by the Independent Dispute Resolution Scheme (IDRS).

If a home builder fails to comply with an adjudicator's decision, the Chair of the Board writes to them and advises that the matter will be escalated to the appropriate supporting home warranty body.

If a home builder is found to be in serious breach of the Code, home warranty bodies can apply a range of sanctions which, dependent on the relevant home warranty body's rules of registration, include:

- requiring the home builder's staff who have contact with home buyers to be trained on their obligations under the Code
- withholding the issuing of certificates of insurance
- suspension or removal from the home warranty body's register.

The removal from a home warranty body's register is the most serious of sanctions that may be applied and where this occurs, our Scheme Rules ensure that those home builders are also removed from the registers of all the Code's supporting home warranty bodies. Given that it can affect a home builder's ability to trade, such a decision is not taken lightly, but does provide a useful deterrent.

In the majority of cases, builders do comply with the decisions from the Independent Dispute Resolution Scheme and take the required action. In some cases, however, home builders have failed to comply despite repeated follow up from the IDRS administrators.

During the year, there were five occasions where the home builder failed to comply with the Adjudicator's decision. Two of those are in the process of being escalated to the home warranty body for sanctions to be imposed (see Sanctions section).

In all other cases, upon the intervention of either the Code and/or the home warranty body, the home builders complied and provided the remedy directed; albeit in one case discussions are still ongoing with the builder due to difficult circumstances arising with the business and a request for more time to comply.

Given failures to comply with an adjudicator's decision can impact on the confidence in the IDRS, any non-compliance is taken very seriously by both the Code's DSP and supporting home warranty bodies, and appropriate sanctions are applied as necessary.

If a homebuilder is found to be in serious breach of the Code, home warranty bodies can apply a range of sanctions





## Customer Satisfaction

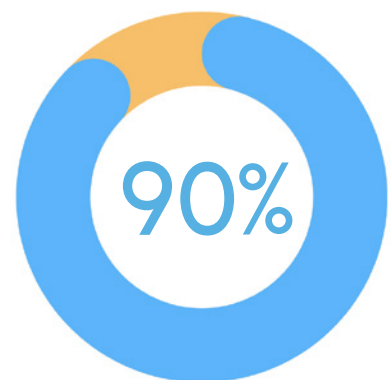
**According to latest research (see below) customer satisfaction scores continue to head in the right direction, albeit there is no room for complacency.**

The results from the latest annual Home Builders Federation (HBF) National New Homes Customer Satisfaction Survey (published in March 2024) demonstrate that delivering high levels of customer service remains a high priority for home builders.

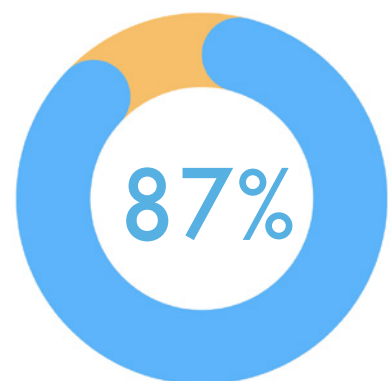
Findings from the 2022/23 survey show 90% of new home buyers surveyed say they would recommend their home builder to a friend. This is the fourth year in a row that this score has been 90% or above. When it comes to quality, 87% respondents were happy with the quality of their home.

The HBF survey, now in its nineteenth year, is a self-completion census of new home purchasers. In total, 97,000 questionnaires were sent out between October 2022 and September 2023. 50,000 forms were returned (a completion rate of 52%), an extremely strong response rate for a mixed methodology survey.

The results show continued high levels of home owner satisfaction with the quality of new homes and the service they receive before, during and after moving in. The full results of the survey, which we take into consideration when monitoring the effectiveness of the Code, can be seen here: [National new homes customer satisfaction survey](#).



**90% would recommend their home builder to a friend**



**87% were happy with the quality of their home**

# Independent Dispute Resolution Scheme

A home buyer may be able to bring a complaint through the Code's Independent Dispute Resolution Scheme (IDRS) where they believe they have not:

- been treated fairly
- been given information on what levels of service to expect
- been fully informed about their purchase and their consumer rights before and after they move in.

## If things go wrong

**Under the Code, home builders must have, and keep to, a system and procedures for receiving, handling and resolving buyer's complaints and disputes.**

If a buyer has followed the builder's complaints process but is not happy with the response from their builder, they can contact their new home warranty provider to help resolve the issue.

The home warranty provider will deal with any issues that might fall under the home warranty policy and/or offer support through their own dispute resolution service.

For matters the home warranty provider cannot help with, they can provide the application forms for the Code's Independent Dispute Resolution Scheme.

This Scheme is run entirely independently of the Code by the Centre for Effective Dispute Resolution (CEDR Ltd). CEDR Ltd is approved by the Chartered Trading Standards Institute as the 'competent authority' acting on behalf of the Secretary of State for dealing with disputes that are raised with the home builder from the reservation date until two years after the date of legal completion.

The dispute will be considered by an adjudicator who will determine if the home buyer has been disadvantaged or suffered financial loss because the home builder failed to comply with the Code.

Further details of the scheme and summaries of case adjudications can be found on the Code's website at: <https://consumercode.co.uk/home-buyers/how-are-complaints-dealt-with/adjudication-case-summaries/>



## Adjudication facts and figures

Between 1 January 2023 and 31 December 2023 there were a total of 356 cases referred to the Independent Dispute Resolution Scheme (IDRS), which represents an increase of 9.9% on the number of cases referred to the scheme in 2022.

Since the Scheme began in 2010, case numbers have steadily increased year on year, with a slight reduction noted in 2017. The Scheme has seen another increase in case numbers in 2023, and represents the highest ever number of cases referred to the Scheme in a year.

However, in the context of the increasing numbers of disputes brought to the Scheme, it is important to note that just 0.2%<sup>3</sup> of new homes have been subject to a dispute brought to the Independent Dispute Resolution Scheme, showing that an extremely small proportion of unresolved disputes arise in the new homes sector alleging breaches of the Code.

A summary of the cases for the past five years is broken down in the tables below. Where an Adjudicator found that there had been a breach of the Code, but that the home buyer had not proven all their claim, including the redress they were seeking, they determined the claim partially succeeded.

356 cases were referred to the IDRS in 2023, an increase of 9.9%

61% of cases found fully or partly in favour of the home buyer, compared to 39% of cases found in favour of the home builder

### Cases submitted to the Code's IDRS:

	2023	2022	2021	2020	2019
Total cases received	356	324	307	248	178
Cases withdrawn or deemed invalid	42 (12%)	33 (10%)	30 (9%)	25 (10%)	8 (5%)
Cases settled	30 (8%)	44 (14%)	39 (13%)	30 (12%)	27 (15%)
<b>Total cases that went to final decision</b>	<b>284</b>	<b>247</b>	<b>238</b>	<b>193</b>	<b>143</b>

### Outcome of cases that went to final decision:

	2023	2022	2021	2020	2019
Cases found fully in favour of the Home Buyer	64 (22%)	60 (24.5%)	82 (34.5%)	81 (42%)	36 (25%)
Cases found partly in favour of the Home Buyer (ie. where not all of the Home Buyer's claims were proven or they were awarded less than they claimed)	110 (39%)	92 (37.5%)	58 (24.5%)	34 (18%)	45 (31.5%)
Cases found fully in favour of the Home Builder	110 (39%)	95 (38%)	98 (41%)	78 (40%)	62 (43.5%)

<sup>3</sup> Based on Office of National Statistics for completions in the financial year ending March 2023



## Financial sums claimed

In 2023, home buyers who applied to the Scheme claimed a total combined sum of £2,125,279.01. This sum is an increase of 25% compared to the total amount claimed by home buyers in 2022. Given the increase of almost 10% in the numbers of cases coming to the IDRS, an increase in the total amount claimed is to be expected.

Similarly, the average sum claimed by home buyers in 2023 was £6,833.69, which is an increase of 31% on the average of £5,233.27 claimed in 2022. These statistics are perhaps not surprising given the 10% increase in overall case volumes received in 2023, but it does also appear that home buyers have been more demanding in terms of their financial claims than previously.

The total amount awarded to home buyers by Adjudicators in 2023 was £108,087.38. This is an increase of 13% when compared with 2022, but this is likely to be the result of an increase of almost 10% in case numbers combined with a very similar percentage increase in the average amount claimed by home buyers in 2023. It is also important to highlight that only 5.1% of the total sum claimed by home buyers was actually awarded by Adjudicators in 2023, which is lower than the proportion of 6% of the total sum claimed that was awarded in 2022 and 8% in 2021. This continues to show that home buyers are claiming financial sums that exceed what they are likely to obtain by using the Scheme.

Many home buyers seek to claim the maximum amount of compensation available under the Scheme Rules, on the premise that if a figure is not claimed for then it cannot be awarded. However, the independent Adjudicator's role is to give an objective assessment of the value of a home buyer's claim based on the evidence that has been provided. It is inevitable that every year the amount awarded by Adjudicators is significantly lower than the amount claimed by home buyers.

The average amount of compensation awarded by Adjudicators in cases where the Home Buyer's claim was successful was £851.08, which is a 35% increase on the 2022 average of £626.78, but lower than the 2021 average of £1,238.44.



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The total amount awarded to home buyers by Adjudicators in 2023 was £108,087.38





## Acceptance or rejection of decisions

**Decisions made by Adjudicators can only be accepted or rejected by the home buyer under the Scheme. Where a home buyer chooses to reject a decision, or where a home buyer fails to respond within six weeks of the decision being made, the decision has no effect whatsoever on either party. Decisions are not open for review or appeal although an Adjudicator will issue a 'Proposed Decision' to both parties, in advance of any Decisions becoming final, to give them the opportunity to provide any missing evidence or clarifications.**

In 2023, 48% of decisions were accepted by home buyers, which is a decrease from the 53% of decisions accepted in 2022. However, it is above the 43% of decisions accepted in 2021. Given that the proportion of decisions in favour of Home Buyers dropped slightly from 62% in 2022 to 61% in 2023, combined with the higher proportion of low-value awards (i.e. £250 or less), it is perhaps to be expected that fewer decisions were accepted in 2023. As is the case every year, the majority of home buyers whose claims are successful accept the Adjudicator's decision, while those who are unsuccessful either reject the decision or provide no response to it.

48% of decisions  
were accepted  
by home buyers

In 2023, 48 decisions were made where the Adjudicator found the home buyer's claim to be successful, but the home buyer did not accept the decision and therefore lost out on the redress awarded by the Adjudicator. As noted in previous years, this most often occurs where the redress awarded by the Adjudicator has been a very small fraction of that sought by the home buyer. As an illustration, in 43 of these cases, the home buyers chose not to accept a decision where they were awarded £500 or less.

There was one instance in 2023 where the home buyer rejected the decision in which they were awarded compensation of more than £1,500. As noted in previous reports where this has happened, the Home Buyer had asked for compensation of £15,000.00, far in excess of that awarded by the Adjudicator, which likely lay behind the reasoning for their rejection of the Adjudicator's decision.

There were nine decisions in 2023 which were accepted by the home buyer where the Adjudicator had found their claims to be entirely unsuccessful. This happened in eight cases in 2022, five cases in 2021 and two cases in 2020.



## Main issues of dispute

Given the volume of new home sales within the UK, the number of home buyers that use the Code's Independent Dispute Resolution Scheme is low by comparison. It is difficult, therefore, to undertake any meaningful analysis and draw trends and themes given the lack of statistical significance.

However, of the 174 decisions in which an Adjudicator found the home builder to have breached the Code during 2023, the most common sections of the Code found to have been breached were:



### Section 5.1:

a total of 45 decisions (26%) identified a breach of the home builder's duty to provide appropriate procedures for handling calls and complaints;



### Section 4.1:

a total of 33 decisions (19%) identified a breach of the home builder's duty to provide an accessible after-sales service;



### Section 1.5:

a total of 17 decisions (10%) identified a breach of the home builder's duty to ensure that sales and advertising material is clear and truthful;



### Section 2.1:

a total of 16 decisions (9%) identified a breach of the home builder's duty to provide the home buyer with enough pre-purchase information to help them make a suitably informed purchasing decision.

All cases in 2023 relate to the Fourth Edition of the Consumer Code Scheme





## Performance statistics

**At a time when the Ministry of Justice is reporting the average time for small claims to be heard is 51.6 weeks<sup>4</sup>, the importance of having a Scheme that provides a speedy response to a dispute is increasingly important.**

Of the 284 cases from 2023 that went to adjudication, 126 of them (representing a total of 44%) were completed within eight weeks of the date on which the home buyer's application was sent to the home builder for a response. This is a decrease from the 73% of decisions completed within eight weeks in 2022. However, it is important to note that within this eight-week period the home builder has three weeks in which to prepare a response to the claim, and this can also include making one or more objections to the claim falling within the scope of the IDRS and one or more attempts at reaching a settlement prior to adjudication, all of which can extend this timeframe.

Following receipt of a home builder's response, the home buyer then has a further week to provide comments on that response. The reduced number of cases completed within eight weeks of the date on which the home buyer's application was sent to the home builder appears to have been caused by an increased length of time for home builders to respond to claims and to make objections.

It is important to note that none of the 247 cases dealt with during 2023 exceeded the statutory timeframe of 90 calendar days from the date on which the complete complaint file is received to the date on which the Adjudicator's decision is produced, as mandated by the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015 for all consumer dispute resolution schemes in the UK.

44% cases were completed within eight weeks of receiving the claim

100% were completed within the statutory 90 day timeframe for alternative dispute resolution

<sup>4</sup> <https://www.gov.uk/government/statistics/civil-justice-statistics-quarterly-january-to-march-2024>



# Communications and Partnerships

Effective communication and partnership working has been a critical focus for the Code throughout the year as we have sought to engage stakeholders in our journey towards a revised, improved Code, and ensure those affected by the changes are fully informed (see Code Review section for details).

One of the main challenges in reaching those we are most keen to help – home buyers – is the fact that people buy homes rarely, and at different stages in life. When people look to buy a new build home, it's natural to want to focus on all the excitement that brings, rather than focusing on what could go wrong. But making people aware of the support and protection available to them is vital in reducing the risk of problems later on, and helping people have the information they need to make informed buying decisions.

Our communications and partnership programmes are key to raising awareness of the Code and helping consumers and the industry understand the ongoing role of the Code alongside other providers in the marketplace.

## Code website

The Code's website: <http://www.consumercode.co.uk/> continues to be the main source of information relating to the Code. The site provides information for home buyers on what the Code is and what they can expect from their home builders, as well as information for home builders, estate agents and advisers to aid compliance. The site is regularly updated with key information, including summaries of all adjudications from our Independent Dispute Resolution Scheme and lessons learned from audits, as well as proactive guidance for home buyers, home builders and other stakeholders to improve the new-build home buying experience.

## Improvements

During the report period, the website was significantly amended and updated to accommodate the new Code which will run in tandem with the Fourth Edition of the Code for the next two years. We also took the opportunity to expand and re-organise the resources hub creating a more streamlined and intuitive layout, in clearly defined sections. Similarly, the Frequently Asked Questions section was expanded and re-organised into a more user-friendly layout across the Code's various audiences. These pages are used to help inform home buyers and industry stakeholders and to address any gaps in knowledge and/or inaccuracies we see when engaging across our social media platforms.





## Performance

During the year, the Code's website had 34K visitors equating to an average of 2833 visitors per month, representing a decrease of 55% compared with the previous year. There are two likely causes for this, the principal one being changes to analytics. Google Analytics introduced the new GA4 analytics protocol which uses a different method of recording visitors to the previous Universal protocol. In addition, more advanced tools preventing user tracking may be having an impact. The other likely cause is because some builders have activated their registration with an alternative code.

The Code's website registered 160K page views over the 12 month period, an average of 13,333 monthly page views, again a decrease of just over 30% compared with the previous year.

Our News, Blogs and Videos pages are regularly updated with useful information, advice and downloads, tailored for our key audiences. Blogs provide in depth guidance on common issues for all stakeholders, such as contractual rights, complaints handling, construction timelines and snagging, supplemented with at-a-glance videos to share important information in an efficient and user friendly manner: <https://consumercode.co.uk/videos-blogs/>.

A summary of these is contained in the Supporting Consumers and Supporting the Industry sections.

The information we provide on the site is kept under regular review, with new information added in response to topical issues where appropriate, and existing content updated to align with the requirements of the new Code.

average  
**2,833** users  
visit the website  
per month

average  
**13,333**  
monthly  
page views



## Code Newsletter and wider promotion

Three electronic newsletters were sent during 2023/24 to our growing audience database, as well as to member businesses via the home warranty bodies. We also issued dedicated announcements to promote:

- the consultation on proposed changes to the Code following the independent review
- the revised implementation date following the consultation
- our webinars introducing the revised Code and the train the trainer package.

Website visitors can sign up to receive copies of our online newsletter, directly, and we have seen a 53% increase in our subscriber list over the annual report period. The average open rate for our newsletters is 47%, with an average click rate of 16%, well above the industry average<sup>5</sup>.

Press releases and targeted media engagement have been used to raise awareness of the Code Review, resulting in coverage in key trade titles.



<sup>5</sup> Analysis by Mailchimp against peers

## Social media



Our presence on LinkedIn continues to strengthen and generates good engagement with industry stakeholders and new followers from key industry audiences. In the past 12 months (April 23-March 24) our number of followers has almost tripled, an increase of 180%. We've been pleased to see constructive engagement with a range of industry and consumer voices, including support for our 'lessons learned' posts designed to help drive up standards in the industry. Follow the Code at [@Consumer-code](#)



Since March 2024 we have seen a more modest increase of 7% in followers on X (formerly Twitter). Interaction is generally better when tagging third parties such as the Chartered Trading Standards Institute's Consumer Codes Approval Scheme and our supporting warranty bodies. Some consumers also use X to alert the Code to potential breaches, allowing us to signpost them to the contact centre for more information. The Code can be followed at: [@TheCode\\_CCHB](#).



Autumn saw the launch of the Code's YouTube channel, a single source of all our video content which is categorised by audience to make it easy for our stakeholders to find the content they need. Our channel is also where the industry can find the recording of the webinar introducing the revised Code. Find the Code on YouTube [@theCode\\_CCHB](#).

We make full use of a range of communication channels to inform, assist and exchange views with a wide variety of organisations with an interest in the Code. Effective and regular communication with the industry, consumers and stakeholders remains an important element of articulating our aims, role and achievements.

## CTSI Consumer Codes Approval Scheme



We continue to work closely with the Chartered Trading Standards Institute (CTSI) to invite expert commentary on topics relevant to our Code and to contribute to the Journal of Trading Standards on topics relating to consumer protection. This included a by-lined piece in August 2023 from Code Chair, Noel Hunter, about the importance of independent reviews in keeping codes of practice fit for purpose, as well as several news items highlighting the Code's progress across the year.

In December 2023, the Code celebrated five years as an Approved Code under the CTSI's Consumer Codes Approval Scheme. To maintain Approved Code status, members must pass a stringent audit every year to ensure they continue to provide strong protection for consumers.

In recognition of the Code's 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 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."



## Partnership working

We continue to build upon the strong relationships the Code has with a range of our stakeholders including industry bodies, government departments, UK Law Societies, consumer groups and other interested organisations. Our Chair and Chief Executive meet regularly with civil servants in the government and devolved administrations to keep abreast of legislative changes and demonstrate progress in improving customer service in the new build homes market.

In addition, we provide dedicated content and guidance on our website to support estate agents, solicitors and licenced conveyancers, home builders and consumers, together with resources to aid Code understanding and compliance (see earlier sections for more detail).

## Looking ahead

As this Annual Report was finalised, a new government was taking shape in the UK, and with it, expectations that the number of new homes being built would increase. With the Fifth Edition of the Code now established, we will be working in partnership with other CTSI Approved Codes to ensure that progress made to strengthen consumer protection in the new build homes market remains a priority. This will include working with government officials to ensure that build quality and customer service are at the heart of any efforts to increase housing numbers.

Another priority in 2024/25 will be to consider ways in which the Code could be extended to include Shared Ownership to protect the growing number of buyers who purchase their home under this scheme.

We will be continuing our work with the industry to learn lessons from complaints, drive up customer service standards and provide tools and support to help improve customer experience. Most importantly of all, we will strive to raise awareness among potential new build home buyers of the protection available to them and what to expect from their new home.





Protection for new-build  
home buyers

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## Who supports the code

