

Protection for new-build home buyers



Learning from independent site audits

Using the latest audit findings to strengthen compliance with the
Consumer Code for Home Builders

The Consumer Code for Home Builders runs a continuous site inspection programme to identify gaps in compliance with our Code and help builders provide good customer service to home buyers.

Our site audits are conducted independently by the Chartered Trading Standards Institute. Audits are carried out at random throughout the UK, reaching a representative sample of sites across our membership each year. To help all builders benefit from these compliance checks, we have summarised the main learnings from audits carried out over the past 12 months, all of which relate to the current (Fifth) edition of the Code.

"I am delighted to see
that everything was
found to be in compliance
with the Code"

Builder

Section 1: Complying with the Code

Key elements of complying with the Code include ensuring buyers are aware of the Code, that staff understand and comply with customer service standards, and that the needs of consumers who may be vulnerable are appropriately considered.

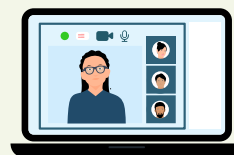
Our auditors found that all sites visited were meeting the Code's requirements for true and compliant sales and marketing information and sales practices. In most cases the Code was made available to consumers, and staff were knowledgeable about the Code. Opportunities for improvement included:



Displaying the Code logo: Although there was strong compliance with Code promotion, with so many of us now reliant on digital tools, the Code logo must be included in online brochures, and prominently displayed and readily accessible from your website.

Regular training:

The Fifth Edition of the Code requires you to refresh Code training for all customer-facing staff at least annually.



It's important to record when this is done - our [free training](#) creates a printable certificate of completion for every participant to enable you to easily evidence compliance. Did you know we also offer a 'train the trainer' package so you can run your own Code-compliant training in-house?

Customer service standards: Agents operating on your behalf should be aware of the requirements of the Code and the procedures used by you to comply with the Code. This includes the commitments you make to customer service, information and monitoring in relation to the Code, and being able to comply with any awards (including financial) made under the Code's Independent Dispute Resolution Scheme.



Customer vulnerability: In some cases, staff were unable to explain what made a customer vulnerable and/or what steps were in place to support someone who might be vulnerable. The [Consumer Code with Builder Guidance](#) includes some useful links which explain more about consumer vulnerability and your responsibilities.



Remember: Your sales agents need to know your obligations under the Code.

You can be found in breach of the Code if agents acting on your behalf are not complying with Code requirements. Our [Compliance Starter Pack](#) is designed to help you work with your sales agents to understand and comply with the Code.

“Many thanks for the update on your audit ref our position on compliance with the Consumer Code... We are committed to provide the highest of standards to all our customers and your help in this journey is very much appreciated.”

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Section two: Pre-contract

Our auditors found plenty of examples of strong compliance at pre-contract stage. All sites complied fully with health and safety information, part exchange terms and provision of new home warranty information. However, there were some areas for improvement, particularly in relation to newer requirements introduced in the Fifth Edition of the Code (from January 2024).



Pre-contract information:

The Code provides a list of information that must be provided to help buyers make an informed decision but some of this was missed. Common omissions included the Detailed Planning Consent reference number and/or a copy of the builder's complaints procedure. Use our [free compliance checklist](#) to help ensure you provide all the necessary information.



Reservation Agreements:

In some cases, information that should be included in a Reservation Agreement was missing, usually relating to:

- The 14-day cancellation period
- How buyers can include in the Contract of Sale any spoken statement that is to be relied upon
- The scope and process for making changes to the home (such as paint colour, or design and/or specification changes)

The Code provides a free [sample Reservation Agreement](#) which includes all the necessary prompts to comply with the Code.



Appointing professional advisers:

Our auditors found that some home buyers weren't informed about any fee, commission or any other reward or advantage builders may receive for introducing an adviser. This is a clear requirement under the Code and is essential for transparency and fairness.

“Thank you for the report...actions have been taken to ensure that our paperwork matches the sales process. Thank you for the inspector's time, the team found it extremely useful.”

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Section three: Contract Exchange

No contract exchange compliance issues were found in the latest audits. In previous years, auditors have witnessed gaps in compliance where buyers were not always informed about their contract termination rights or how their deposit would be protected. It is encouraging to see full compliance among this sample of sites at this important stage.

“It is pleasing to hear you found our team to be professional and knowledgeable....We find your audits useful for ensuring compliance and thank you for your continued support.”

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Section four: Legal Completion

In most cases, auditors found strong compliance at legal completion stage. This is particularly encouraging given the importance of this stage and the need to keep buyers regularly informed. However, opportunities to improve remain, particularly in relation to the pre-completion inspection which was introduced as a Code requirement in 2024.



Pre-completion inspection:

The Fifth Edition of the Code introduced a right for buyers to conduct a pre-completion inspection to identify snags or defects which need resolving prior to completion. Some builders have not been giving homeowners the opportunity to do this - which must be offered in writing and take place at least 14 calendar days before legal completion.



Incomplete works:

In some cases, buyers were not given a statement of incomplete works. This should cover items which are not in the home but serve and/or directly affect it such as landscaping, roads or utilities.

Remember: Pre-completion inspections can make life easier for you and your buyer. You can organise remedial work more quickly, without having to work around buyer availability, and reduce the likelihood of complaints once people move in.

Section five: Complaints and Disputes

After-sales and complaints handling continue to be among the most common Code breaches our adjudicators deal with. It was encouraging, therefore, that most sites showed strong compliance with section five of the Code. However, detail matters. Providing the right information at the right time can determine whether you comply with the Code.

Complaints procedure:

Auditors found that some sites were failing to comply with the requirements around complaints procedures. It is not sufficient to have a complaints procedure - the Code requires that you make buyers aware of it and that you follow it. A copy of your complaints procedure must be given to your buyer and be available on your website. Even if you have provided your policy earlier in the process, it must be given again at legal completion, so it is easily accessible as people move into their home.

“This letter is extremely helpful... we have already actioned a number of the points that have been raised as part of the Audit”.

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Site audits continue to be a major feature of compliance monitoring, alongside self-assessment questionnaires. These measures are designed to drive up standards across the industry and help builders provide a great service to consumers. If you would like to know more about our compliance programme, contact secretariat@consumercode.co.uk

Want to boost your compliance and customer service?

Download our suite of **'Right First Time'** factsheets which cover:

- Five key elements of customer service
- Clear and truthful sales and advertising material
- Providing sufficient pre-purchase information
- Reservation agreement
- Making information easy to understand
- An accessible after-sales service
- Supporting vulnerable customers
- Handling customer complaints



To keep up to date with tips, guidance and lessons learned:

- Subscribe to our [newsletter](#)
- Visit our website to read our [blogs](#), [news](#) and [case studies](#)
- Check out our [resources portal](#), for free compliance tools and information.
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Supporters of The Code

