

INDUSTRY LAUNCHES NEW CONSUMER CODE FOR HOME BUILDERS

The home-building industry has joined forces to develop a Consumer Code, which will give greater reassurance for new homebuyers from 1st April.

The *Consumer Code for Home Builders* has been developed by a consortium of key industry and trade bodies, including warranty providers NHBC, Premier Guarantee & LABC New Home Warranty and the Council of Mortgage Lenders (CML).

The Code reinforces protection already provided by existing new home warranty schemes. It also formalises industry best practice for customer care and includes a new Independent Dispute Resolution Service.

The purpose of the Code is to ensure that all new home buyers are fully informed about their consumer rights pre- and post- contract. It also ensures greater clarity and transparency in the documentation and information provided to homebuyers.

The Code also requires that consumers:

- are treated fairly;
- know what service levels to expect from their builder;
- are given reliable information;
- know how to make a complaint if they are dissatisfied.

New home builders registered with NHBC or Premier Guarantee & LABC New Home Warranty must comply with the Code requirements under the warranty body rules.

Rod MacEachrane, Chair of the Consumer Code Management Board says; "This new Code aims to bring a consistently high level of service and customer care for home buyers, reinforcing industry best practice.

"It builds on successful efforts already made by the industry to improve consumer satisfaction in recent years and is an extremely positive step, and has been made possible by a united approach and co-operation across the home-building industry."

The Code will be launched at the House of Lords on Wednesday 24th March. For more information, visit: www.consumercodeforhomebuilders.com

ABOUT THE CONSUMER CODE FOR HOME BUILDERS

What is the Code?

- A set of 19 requirements and principles that will ensure the industry deals effectively with its customers throughout the entire home-buying process;
- The Code requirements come into effect on the 1st April 2010 and apply to all new private home-buyer Reservations from that date;
- Where there are disputes about whether a builder has complied with the Code and the home buyer is out of pocket as a result, there is an independent dispute resolution service;
- From pre to post occupation, the Code will help ensure a consistently high level of customer service is maintained by monitoring customer satisfaction and industry compliance;
- The Code will be enforced by a change in the Rules for NHBC and Premier; gross non-compliance of the Code can end up in the ultimate sanction – being removed from both warranty bodies' registers;
- Customer satisfaction and industry compliance with the Code will be measured and data on performance reported back to the industry, Government and consumer interest bodies.

How does it work?

The Code Scheme will be financed and operated via warranty bodies and led by a Management Board and supported by an Advisory Forum.

The Advisory Forum, chaired by Mike Freshney, is the industry-wide body that represents, consults and advises on Code content, its practical application and operation, through which changes and improvements will be channelled.

The Advisory Forum consists of:

Construction Employers Federation (NI)
Council of Mortgage Lenders
Federation of Master Builders
Home Builders' Federation
House Builders' Association
Homes for Scotland
LABC New Home Warranty
NHBC
Premier Guarantee
Retirement Housing Group