

CONSUMER CODE FEEDBACK March 2010

What information was gathered and why?

Feedback was gained from a range of data gathering exercises in the weeks prior to launching the Code on 1 April 2010. This included mystery shopping, telephone contact and other data.

The exercises provide a benchmark for measuring improvement in the awareness of the Code and compliance with its requirements.

What did the initial feedback reflect?

- Support for the aims of the code was high. Over 95% of builders contacted thought the Code would improve consumer confidence with the home buying process
- All large homebuilders contacted knew about the Code, but smaller firms were much less aware
- Larger builders promoted the Code on their website. However, site sales offices were much less likely to have information on the Code and sales staff were only just becoming aware of the Code and its requirements
- The feedback suggests that greater clarity about the need for independent legal advice when buying new home is required
- Results indicate that around a third of those contacted were not offering any information on the warranty protection on the home. The Code requires prospective homebuyers to be provided with a summary of the cover before they reserve a home
- The majority of those contacted had not put in place processes to provide a copy of a Reservation Agreement if requested. The Code requires that all homebuyers should be provided with an agreement when they reserve a new home. The Code also sets out what the agreement should include.

What action should homebuilders take?

- Train your staff so that they are aware of the Code and its requirements. Your warranty provider may be able to offer in-company training. Free on-line training is also available from the Code's website www.consumercodeforhomebuilders.com

- Make copies of the Code available to prospective homebuyers. You can do this through your website, by having copies available in sales offices, by using posters or including the Code in sales materials. A copy of the Code must be given to all homebuyers who reserve a home. If you are using agents to sell your homes, they must also be aware of and follow the Code's requirements
- Provide homebuyers with a summary of the warranty cover before they reserve a new home. Your warranty provider may be able to help you with this
- Make sure your Reservation Agreement includes the information required by the Code. It is good practice to provide a copy of the agreement to all prospective buyers who ask and a signed copy must be provided to all homeowners who reserve a home.

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