

New chairman of Consumer Code for Home Builders

Property Ombudsman member joins industry-led scheme

The Consumer Code for Home Builders – the scheme set up to give greater protection and more rights for new home buyers – has announced the appointment of its new chairman.

Noel Hunter OBE brings with him unrivalled expertise in consumer protection, gained through a wide variety of organisations.

Among other roles, he is currently a member of the Council of The Property Ombudsman, chair of the Board of the Trading Standards Institute, and chairman of the Steering Board of the National Measurement Office.

The Code, which came into force on 1 April 2010, was developed by a consortium of key industry and trade bodies. It sets mandatory requirements that home builders must meet in their marketing and selling of homes and their after-sales customer services.

Its purpose is to ensure that all new home buyers are treated fairly and are fully informed about their purchase pre and post contract.

A new independent resolution service has been set up for homebuyers who believe their builder has failed to meet the requirements of the Code. This is designed to be speedy and effective with a maximum award to the consumer of £15,000.

More than 2,000 builders, including all the major house-builders that account for the majority of the new homes built in the UK, have already received training on how to comply with the Code and a free online training course is also available to offer further guidance at <http://www.consumercodeforhomebuilders.com/>

Consumers should also visit the website for information about what the Code requires from their builder and how they can access the independent dispute resolution scheme if they feel their builder has not complied with the Code.

Of his new role, Noel Hunter said: “The purchase of a home represents the single most significant investment decision during a lifetime. I am delighted, therefore, that the UK home building industry has, steered by Rod MacEachrane, established the Consumer Code.

“Now that the Code is in place, my priority will be to ensure it is embedded in the industry and is both visible and accessible to consumers. At the same time, and together with the Code Board, I will continue to listen to consumers and to home builders alike to ensure the Code remains relevant.”

As planned from the inception of the Code’s Board, Noel will take over from Consumer Code interim chairman, Rod MacEachrane, with immediate effect.

Rod MacEachrane, said: “I have thoroughly enjoyed playing a part in the setting up of this cross industry Code and would like to thank my colleagues in this venture and all those in the industry who have helped to get this exciting initiative up and running.

“I am delighted to be able to hand over to Noel Hunter who, I am sure, will continue to move the Code forward.”

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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 states that builders must provide:

- Clear and truthful sales material;
- Enough information to ensure all buyers are well informed of such matters as lay out, position and contents of off-plan homes;
- Clear and fair terms and conditions in the sales contract including termination rights,
- Realistic information on when the home will be finished;

- Accessible after sales service plus details of the warranty and guarantees for appliances etc;
- The Code requirements came 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

NHBC

Premier Guarantee

LABC New Home Warranty

Retirement Housing Group

For more information on the Consumer Code for Home Builders, visit:

www.consumercodeforhomebuilders.com