

National new home customer satisfaction survey

High levels of homeowner satisfaction upheld for a fourth successive year

This year's Customer Satisfaction Survey results show that 90% of new build home buyers would 'recommend their builder to a friend', the fourth successive year that the industry has upheld a score of 90% or above. The industry achieved a Net Promoter Score of 44, an increase of two points on last year and up 15 points from 2020.

Additionally, the latest survey found:

- 87.5% of respondents were satisfied with the quality of their home.
- 79.4% said they were satisfied that their home was completed on time.
- 85.2% said they were satisfied with the service provided by their builder during the buying process.
- 83.1% said were satisfied with the service the builder provided after move in.

Despite all the difficulties facing the industry, including ever changing building regulations, new taxes and levies and a challenging economic environment, satisfaction levels have been upheld at a standard much higher than many other products or sectors.

The results cover the period from October 2022 to September 2023 and are informed by 50,000 responses. In total, 97,000 questionnaires were sent out, with a valid completion rate of 52%, an extremely strong response rate for a mixed methodology survey. The scale of the survey, believed to be one of the most comprehensive continuous industry research exercises in the country, ensures that its results provide a robust and accurate representation of industry and builder performance.

This year's results come just a month after the Competition and Markets Authority (CMA) published its report on the housebuilding market that made a number of recommendations with regards to build quality and customer service. These included the introduction of a single consumer code and providing all new home buyers with access to an ombudsman. It recommended that the work of the New Homes Quality Board (NHQB) forms the basis of a new framework. HBF fully supports these recommendations and welcomes the fact that companies delivering the majority of the country's new homes have already voluntarily registered with the NHQB,

providing customer with access to the independent New Homes Ombudsman Service, that should result in satisfaction levels continuing to improve in the coming years.

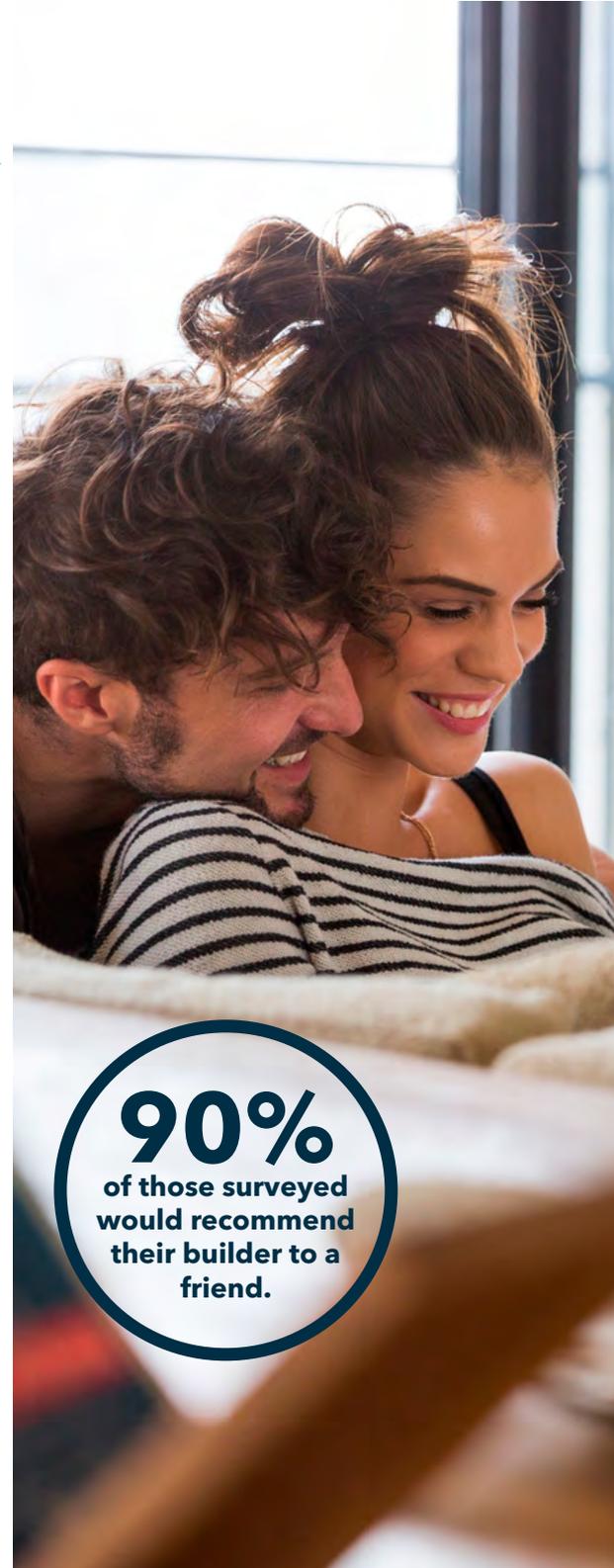
The CMA also made recommendations with regard to the customer satisfaction survey and star rating scheme/ HBF is working with the NHQB on the provision of more company specific data from the survey, and we will be evolving the star rating such that the award will be based on a composite score from a number of questions from both the 8 week and 9-month surveys. Again, we are supportive of the CMAs recommendations that all builders are required to publish their scores from the survey.

Build quality and customer service have always been a priority for homebuilders. This became a greater focus following an unacceptable drop in satisfaction levels around 2017. Since then, the industry has worked hard to improve satisfaction levels by focusing on the quality of homes built and the service they provide to customers, something that has stepped up with the launch of the NHQB and NHOS in the last couple of years.

The launch of the NHQB and NHOS, along with the New Homes Quality Code, place significantly more requirements on builders in terms of the product they deliver, and bring in enhanced protections for consumers to drive up customer satisfaction further in the coming months and years.

Stewart Baseley, Executive Chairman of the Home Builders Federation (HBF) said:

"Over recent years there has been a huge industry focus on service and quality and this is the fourth year in a row where over 90% of new home buyers would recommend their builder to a friend. We fully support the CMA's recommendation for a single mandatory industry consumer code and the provision of access to the new homes ombudsman for all customers that will lead to further increases in quality and service standards across the board. For an company to achieve 5 star levels of satisfaction is a significant achievement and shows the commitment from everyone within the organisation to the customer."



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Customer Satisfaction: Background

The annual survey is one of the most comprehensive, large-scale surveys of its type carried out in the UK. It began in response to recommendations in the Barker Review of Housing Supply in 2004 and is a self-completion census of new home purchasers. Questionnaires are sent to new build customers 8 weeks after legal completion on the home. Customers then have 10 weeks to complete the survey. Since its launch, well over a million survey returns have been received making it one of the most comprehensive continuous industry research exercises in the country.

Scores in all question areas are now significantly higher than when the survey launched. The period between 2013 and 2017, where housing supply levels increased rapidly saw falls in satisfaction levels, but in the years since, scores have improved consistently. The survey has provided a barometer for the industry and for individual builders to gauge performance and drive improvements and is seen more widely as a measure of company performance generally.

The statistical methodology used in the analysis of this survey has been approved by the Statistical Services Centre, Reading. The methodology is the same as in the first survey, published in 2006, for which Ipsos MORI acted as a consultant. Ipsos MORI have reviewed survey methodology and operation twice since its launch, largely giving it a clean bill of health. The recommendations from their latest review are currently being implemented and are broadly in line with those made by the CMA. Industry results are weighted by builder to take account of the number of eligible homes they have built in the year. Individual company results are not weighted.

Company star rating results for the 'Would you recommend your builder to a friend?' question are presented in bands as follows:

| | |
|-------------|--------|
| 90% | 5 star |
| 80% - 89.9% | 4 star |
| 70% - 79.9% | 3 star |
| 60% - 69.9% | 2 star |
| 50% - 59.9% | 1 star |

Stars were allocated according to the proportion responding 'Yes' (i.e. they would recommend their builder to a friend).

HBF results for the 2022/23 survey year

| Home builder | Sample size | HBF star rating | Home builder | Sample size | HBF star rating |
|-----------------------------|-------------|-----------------|----------------------|------------------------------|-----------------|
| A & J Stephen | 30 | ★★★★ | Lovell | 535 | ★★★★ |
| Allison Homes Limited | 118 | ★★★★ | M F Freeman | 34 | ★★★★★ |
| Amethyst | 23 | ★★★★★ | McCarthy & Stone | 460 | ★★★★★ |
| Avant Homes | 856 | ★★★★ | Miller Homes | 2,062 | ★★★★★ |
| Barratt Developments | 7,762 | ★★★★★ | Morris Homes | 324 | ★★★★★ |
| Beal Developments | 101 | ★★★★★ | Norfolk Homes | 42 | ★★★★★ |
| Bellway Homes | 5,027 | ★★★★★ | Orbit Homes | 95 | ★★★★★ |
| Bloor Homes | 1,682 | ★★★★★ | Persimmon Homes | 6,465 | ★★★★★ |
| CALA Homes | 1,260 | ★★★★★ | Prospect | 30 | ★★★★ |
| Cameron Homes | 79 | ★★★★★ | Redrow Homes | 2,261 | ★★★★★ |
| Castle Green Homes | 132 | ★★★★ | Rose Builders | 46 | ★★★★★ |
| Cavanna Homes | 87 | ★★★★★ | St Modwen | 573 | ★★★★★ |
| Churchill Retirement Living | 243 | ★★★★★ | Stonebond Properties | 44 | ★★★★ |
| Crest Nicholson | 965 | ★★★★ | Story Homes | 553 | ★★★★★ |
| Croudace Homes | 192 | ★★★★★ | Strata Homes | 199 | ★★★★ |
| Cruden Homes | 70 | ★★★★ | Taylor Wimpey | 5,377 | ★★★★★ |
| Dandara Homes | 434 | ★★★★★ | Thakeham Homes | 44 | ★★★★★ |
| Davidsons Developments | 384 | ★★★★★ | Tilia Homes | 412 | ★★★★ |
| Denbury Homes Ltd | 67 | ★★★★★ | Vistry Homes | 4,064 | ★★★★★ |
| Durkan | 31 | ★★★★★ | Wainhomes | 495 | ★★★★★ |
| Hayfield Homes | 57 | ★★★★★ | William Davis | 97 | ★★★★★ |
| Hill | 254 | ★★★★★ | | | |
| Hopkins Homes | 249 | ★★★★★ | Key: | | |
| Jones Homes | 155 | ★★★★★ | Large | over 1000 surveys sent | |
| Keepmoat | 1,519 | ★★★★★ | Medium | between 300-999 surveys sent | |
| Kingswood Homes | 62 | ★★★★★ | Small | less than 300 surveys sent | |
| Lagan Homes | 102 | ★★★★★ | | | |
| Lioncourt Homes | 94 | ★★★★★ | | | |



To be the only major national housebuilder to be rated 5 star by its customers for 15 years in a row is something we are enormously proud of.

We put the customer at the heart of everything we do, so asking and listening to feedback from our customers is a really important part of that. It helps us continue to improve and to build new homes and developments where our customers love to live.

To be a 5 star housebuilder for 15 years in a row is also testament to the hard work of all our teams and the commitment to high quality service they deliver every day.

DAVID THOMAS, CHIEF EXECUTIVE OF BARRATT DEVELOPMENTS



At Lioncourt Homes we are incredibly proud of our quality record of consistently achieving 5 Star Quality over the past 10 successive years. Quality is an integral part of the Lioncourt culture where everyone throughout the business contributes to this key driver of our success.

Our customers are at the centre of everything that we do from the design of our homes and the planning of our developments through to the craftsmanship of our home building and the customer care throughout the home buying process and beyond the move in day.

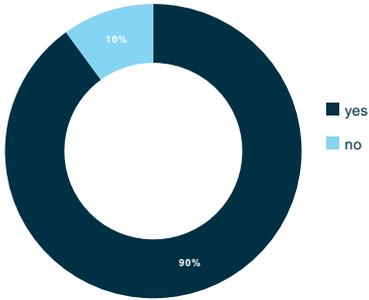
When I reflect on this 10-year journey I recall the one year that we nearly fell short of the responses required to maintain our 5 Star Status. I was astonished at the way everyone at Lioncourt pulled together, throughout the business, to ensure that we recovered the position. It was a true test of our culture and a true test of our quality focus.

Congratulations to everyone at Lioncourt for achieving this terrific milestone this year.

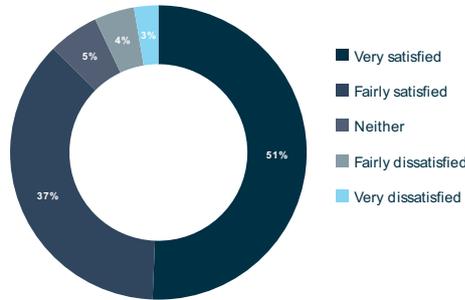
COLIN COLE, CHIEF EXECUTIVE AT LIONCOURT HOMES

Survey questions: overall industry responses

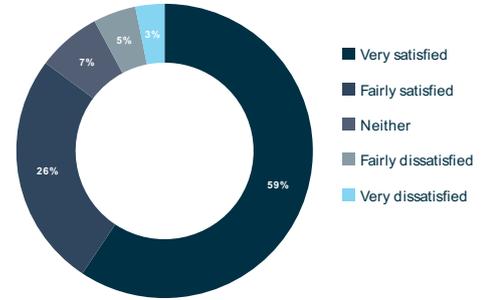
Would you recommend your builder to a friend?



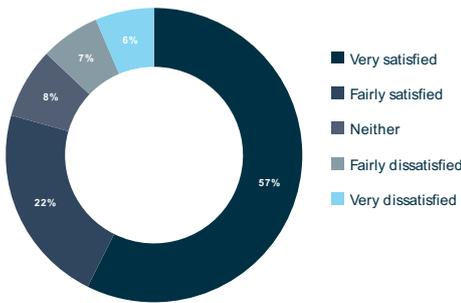
Taking everything into account, overall how satisfied or dissatisfied are you with the quality of your home?



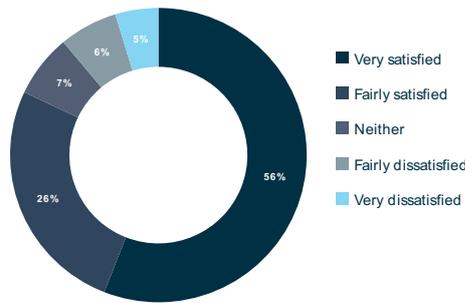
Taking everything into account, overall how satisfied or dissatisfied are you with the service provided by your builder during the buying process?



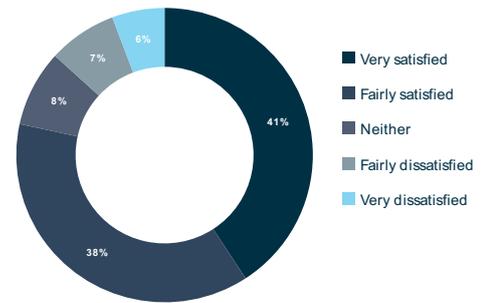
Taking everything into account, overall how satisfied or dissatisfied are you with your builder in relation to completing the construction of your home on time?



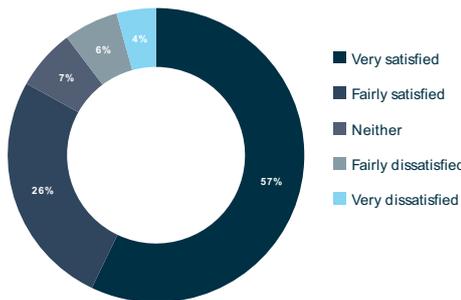
Taking everything into account, overall how satisfied or dissatisfied are you with the cleanliness of your new home on the day you moved in?



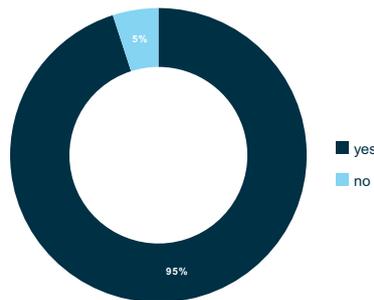
Taking everything into account, overall how satisfied or dissatisfied are you with the external layout of your new home?



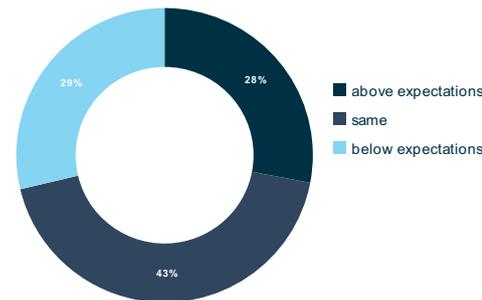
Taking everything into account, overall how satisfied or dissatisfied are you with the service provided by your builder after you moved in?



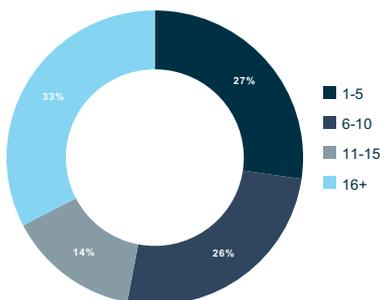
Have you reported any problems with your home (i.e. snags, defects) to your builder since you moved in?



Was the number of problems in line with your expectations?



Approximately, how many problems have you reported to your builder?



It is fantastic for Dandara to have retained our 5-star status for the fourth consecutive year, and testament to our hard work putting our customers at the heart of everything that we do. This recognition of our excellent customer service, high-quality homes and high build standard is a great source of pride for everyone at Dandara, and we are determined to maintain the first-rate quality that we are known for as we continue to grow. It's invaluable to hear so many of our customers would recommend Dandara to a friend, and we're grateful for all the efforts of our hardworking team to ensure our customer journey is at such an outstanding standard.

TREVOR DEMSEY, CHIEF EXECUTIVE AT DANDARA

Why buy new?

Fresh and new with no hidden horrible histories, new builds provide a blank canvas on which homeowners and their families can stamp their own style and personality. New homes are also much more energy efficient than older homes. This means they are better for the environment but can also save their owners thousands of pounds a year in energy bills.

HBF's Watt a Save report published earlier this year found new build houses could save buyers £2,200 a year on annual energy costs vs existing homes. Meanwhile, the 'Get on with Living' report released as part of New Homes Week revealed it could cost homeowners upwards of £70k to upgrade old properties to basic new build standards.



LOTS OF WAYS TO BUY!

Sometimes, buying a house can seem like an impossible dream, but with new build there are different options. Many house builders now offer part exchange schemes whereby they purchase a buyer's existing home. HBF's Deposit Unlock Scheme also opens the market to those without access to large deposits or the Bank of Mum and Dad. Plus, new build first time buyers aren't at the mercy of a long chain and the threat of it collapsing.



ENVIRONMENTALLY-FRIENDLY

Energy efficiency standards in new homes are some of the best in the world and are continuing to improve further with challenging Government targets in place for new homes moving forward. On average, a new build home emits 2.2 tonnes less of carbon each year.



PEACE OF MIND

Peace of mind is more than just knowing you're buying quality and getting great value for money. It's also about being confident in the product you're buying and knowing that you're protected should anything happen. New home buyers are protected by their builder's guarantee for the first two years as well as an independent 10-year structural warranty. A new industry code of practice and a New Homes Ombudsman Service are also in the process of being introduced. These will place considerably more responsibilities on builders in terms of their customer service requirements and provide stronger, independent redress for any buyers that do have an issue with their new home.



HIGH BUILD QUALITY

New homes are built to a higher standard than ever before, and our customer satisfaction survey results reflect this. From state-of-the-art kitchens to modern double and triple glazing, the quality of a new home compared to old is evident in many ways.



DESIGNED FOR MODERN LIVING

New homes are designed for modern living and incorporate a range of modern designs and technologies to provide for the needs of today's homeowner. To upgrade an older house to the standards of a new build home could cost over £70,000.



CHEAPER TO RUN

New homes built in the UK are roughly 50% cheaper to run per year than the equivalent Victorian house. Owners of new build houses and flats will save homeowners an average of £1,640, rising to £2,200 for new build houses alone.

