



# CUSTOMER SERVICE A CODE OF CONDUCT

A CODE OF CONDUCT FOR HOME BUILDERS





Front cover images courtesy of Linden Homes and Taylor Woodrow

# CONTENTS

|   |      |
|---|------|
| Foreword  | 4    |
| Introduction  | 4    |
| The home builder code of conduct                        | 5    |
| The home builder customer charter – guidance and advice | 6-13 |
| The home builder customer charter – typical example     | 14   |

# FOREWORD AND INTRODUCTION

## FOREWORD

In March 2004, the Barker Review of housing supply, commissioned by HM Treasury and the ODPM, recommended that HBF should develop a strategy to assist home builders to improve customers' satisfaction with service quality.

An HBF national survey of 15,000 new home buyers, published in early 2006, recorded generally high levels of satisfaction with most key aspects of the new home-buying experience. However, there is inevitably room for improvement.

The publication of this code of conduct is an important part of the HBF strategy.

As the trade federation for home builders, whose members account for more than 80% of all new homes built annually in England and Wales, we encourage all our members to adopt and implement this code.

In drawing up the code, HBF acknowledges the help and co-operation of NHBC, the principal standards body for new homes in the UK. NHBC has introduced a similar code for its registered house builders.

I strongly encourage all home builders to publish their own charter, and the many companies that already have a charter to extend their service commitments to embrace all those contained in this code of conduct.

Stewart Baseley  
*Chairman HBF April 2006*

## INTRODUCTION

This code has been drawn up in consultation with the NHBC, whose Consumer Committee, along with representatives from the homebuilding industry, have developed a parallel code.

Many home builders already operate their own customer charter and deliver high standards of service. The voluntary HBF code seeks to help home builders to develop even higher standards of good practice in customer service, and encourages many more to adopt their own customer charter.

In drafting this code, HBF has drawn on published guidance from the Office of Fair Trading on developing consumer codes of practice.

The code sets standards of good practice that HBF strongly recommends to its members. It does not prescribe the detailed contents or format of a charter, which are matters for individual home builders to decide.

HBF intends the code to help home builders make clear their customer service commitments and to live up to them.

From the outset, customers should:

- know what service levels to expect;
- be given reliable information;
- be able to compare the standards promised by different home builders.

Home builders can gain competitive advantage from better customer service.

A charter that complies with the HBF code will commit home builders to explain to customers the standards of service, procedures and information they can expect. This will serve customers better and enable them to make an informed choice of home builder.

# THE HOME BUILDER CODE OF CONDUCT

The home builder will adopt the following requirements and standards of good practice when providing service, procedures and information to customers during and after the purchase of a new home.

1. The home builder will publish its code of conduct commitments in a home builder customer charter, and make customers aware of it. The home builder will give a copy of the charter to customers who ask for it and to customers who reserve a property.
2. The home builder will have suitable arrangements to deliver the commitments on service, procedures and information made in its charter.
3. The home builder will provide appropriate training to all staff who deal with customers about their responsibilities to them and what the home builder code of conduct means for the company and its customers.
4. The home builder will provide customers with the detailed pre-contract information needed to help them make an informed purchasing decision about the property to be sold.  
  
The home builder will also seek to ensure that customers appoint their own professional legal advisor to carry out the legal formalities of buying the property and to represent their interests.
5. The home builder will let customers know:
  - how it will deal with their questions; and
  - who to contact during the property sale, purchase and completion processes and after the occupation of their new home.
6. The home builder will inform customers about health and safety precautions to be taken before visiting a development site and, if appropriate, when using the home and living on a development where construction work is continuing.
7. Marketing and advertising will be clear and truthful.
8. The home builder will seek to give customers clear and fair contract-of-sale (Scotland: 'Builders Missives') terms and conditions.
9. The home builder will make clear to its customers their cancellation rights.
10. The home builder will give customers reliable information about the Home Warranty cover and any other guarantees and warranties from which they may benefit.
11. The home builder will clearly explain how customers' contract deposits are protected and how any other pre-payments are dealt with.
12. The home builder will give customers reliable information about the timing of construction, legal completion (Scotland: 'date of entry') and handover of the property.
13. The home builder will provide an accessible after-sale service and explain to customers what the service includes.
14. The home builder will explain to customers the procedures that are in place for dealing with complaints, including the availability of any warranty resolution services.
15. The home builder will co-operate with appropriately qualified professional advisors appointed by the customer to resolve disputes, if they arise.

# THE HOME BUILDER CUSTOMER CHARTER – GUIDANCE AND ADVICE

## GOOD-PRACTICE STANDARDS

The following standards of good practice should be maintained:

- The home builder should publish its own customer charter document stating its commitments to supply timely information and deliver its services to customers;
- The charter should meet the code's 15 requirements. The home builder should follow these when providing service, procedures and information to customers during and after their purchase;
- Customers should be told in writing what to expect and when. Timing should be appropriate to each item.

## FULFILLING THE CODE REQUIREMENTS AND CHARTER COMMITMENTS

Home builders following the code will:

- make customers aware of their charter;
- give a copy of their charter to customers who make a property reservation and to those who ask for it;
- cover the key areas in the code;
- make commitments and explain how these will be honoured; and
- tell customers how to make a complaint if the commitments are not met.

There are many ways home builders can meet each code requirement through their charter commitments. The HBF does not plan to set out in detail how home builders should do this, but the code's guidance and advice will show the type of matters that home builders should, at least, include.

Following the guidance is only one way of fulfilling the charter commitments. Home builders will want to use their own style and approach when giving details of the information and service customers can expect, and what they will do to deliver them. They may also choose to add their own specific requirements.

## MONITORING

Home builders should voluntarily put the code into practice and, where required, give HBF information so that progress can be monitored. The code will be reviewed regularly and developed to ensure its relevance.

## The charter – code requirement and good practice standards 1 - 15

### **1. The home builder will publish its code of conduct commitments in a home builder customer charter, and make customers aware of it. The home builder will give a copy of the charter to customers who ask for it and to customers who reserve a property.**

The charter document should state clearly the information, procedures or service that the home builder will provide to customers to meet each code requirement.

The aim is to tell customers the home builder's commitments, so they can make an informed decision on whether to buy a property.

The term 'customer' describes people who contact the home builder to buy a property and who may or may not actually buy one. They include people who tell the home builder they have special needs and are likely to want extra help from its staff.

The charter should be:

- written in plain language, without jargon;
- clearly displayed – for example on a development site, in sales brochures, in customer reservation packs, on a home builder's website and in other appropriate places where customers can have easy access to it;
- available on first contact between the customer and the home builder; and
- given to customers who ask for it, and given automatically to customers who reserve a property.

An example of one possible charter is given on page 14. It can be reproduced by home builders who do not want to write their own charter or used by home builders as a basis for developing a charter that meets their own requirements.

### **For example, you could say this:**

*"Our customer charter is important in setting out our commitments to you. We will publish our charter in our sales offices and a copy is available on our website. If, for any reason, you have not received a copy before you reserve a property, please do not hesitate to ask for one."*

### **2. The home builder will have suitable arrangements to deliver the commitments on service, procedures and information made in its charter.**

The intention is that the home builder has the necessary systems and procedures in place to ensure reliable and accurate delivery of the charter commitments.

- The home builder should give written details of how it plans to meet its charter commitments.

These do not have to be stated in the charter. But if they are not, home builders should tell customers in writing what will be provided and when. This will allow them to make informed decisions about the property they are buying. Timing should be appropriate to each item.

- The actual fulfilment of the commitments may be in writing, by speaking to the customer, or in some other suitable form.

For example, the demonstration of the property could be by a home builder's representative, whereas instructions for using equipment would normally be in writing.



# THE HOME BUILDER CUSTOMER CHARTER – GUIDANCE AND ADVICE

## **For example, you could say this:**

*“We have systems and procedures to help ensure that:*

- *we can give you the information and service to enable you to make a well-informed and enjoyable purchase; and*
- *we can deliver a good after-sales service.*

*We will provide you with a flow of information as the purchase proceeds. You will receive a home information pack. We will also meet you at various stages to explain:*

- *the process; and*
- *the details of your new home.”*

## **3. The home builder will provide appropriate training to all staff who deal with customers about their responsibilities to them and what the home builder code of conduct means for the company and its customers.**

The aim is to make sure that all relevant home builder staff have been trained to understand:

- the code;
- the company’s key legal responsibilities; and
- their personal responsibilities to its customers.

Not all staff need to be trained to the same level. The extent of training required for the home builder’s staff varies and depends on the extent of their role with customers and the home builder’s requirement.

## **For example, you could say this:**

*“Our (specify type – e.g. Customer Service) staff are responsible for dealing with any questions you may have at any stage when buying the property and afterwards.*

*They have been trained to understand their personal responsibilities to you, the company’s main legal responsibilities to you, and the commitments we have made to you under our customer charter.”*

## **In addition, you could say this:**

*“If you need to talk to us, please contact (specify name and/or job title), phone (number) and we will be pleased to help you.*

*We will contact you when necessary.”*

## **4. The home builder will provide customers with the detailed pre-contract information needed to help them make an informed purchasing decision about the property to be sold.**

The home builder will also seek to ensure that customers appoint their own professional legal advisor to carry out the legal formalities of buying the property and to represent their interests.

### **a) Pre-contract information**

The aim is to make sure customers follow a sales process that protects them from pressurised selling and gives them the accurate and reliable pre-contract information they need to help them make an informed decision about the property.

- The home builder should produce key documents in plain language, without jargon.
- The home builder should provide pre-contract information about the property in writing, if asked.

## **For example, you could say this:**

*“We will give you all the pre-contract information you need before you are expected to exchange contracts (Scotland: ‘conclusion of missives’). We will write it in plain language, without jargon, to help you make an informed decision about buying the property.”*

## **In addition, you could say this:**

*“Pre-contract information should usually cover:*

- *the main contract terms of sale including price;*
- *pricing information, showing the total price and a breakdown of how we have reached the price;*



- details of the home including land and communal areas, location, development site layout, demarcation and boundary details;
- a sketch layout plan with approximate room sizes marked;
- summary details of the type of construction of the home;
- the energy-efficiency rating of the home;
- the fixtures and fittings to be included;
- any choices and options, if available;
- the type of heating system and number of radiators or outlets;
- kitchen and bathroom layouts;
- summary of the external works and materials;
- details of things that may not be finished before you buy the property, such as final surfacing to roads and footpaths and landscaping; and
- details of any costs or charges each year, where known, for which you will be responsible."

#### **b) Legal formalities and customers' interests**

The aim is to make sure that the home builder advises customers to choose and appoint their own solicitor or conveyancer to represent their interests and to deal with the legal formalities so they understand all aspects of the transaction.

- The home builder should advise customers to choose and appoint a professional legal advisor when they reserve a property, to look after their interests in all aspects of the transaction.
- The legal formalities include exchange of contracts (Scotland: 'conclusion of missives') and legal completion (Scotland: 'date of entry').

#### **For example, you could say this:**

*"You should choose and appoint your own solicitor or conveyancer to:*

- represent your interests; and
- deal with the legal formalities of buying the property including exchange of contracts (Scotland: 'conclusion of missives'), legal completion (Scotland: 'date of entry'), handover and occupation."

#### **5. The home builder will let customers know:**

- **how it will deal with their questions; and**
- **who to contact during the property sale, purchase and completion processes and after the occupation of their new home.**

The aim is to make sure the home builder tells customers how it will deal with their questions and who to contact when buying the property and afterwards.

#### **For example, you could say this:**

*"We will give you the name and contact details of our staff who will be responsible for helping you during the buying process. We will also explain how we will deal with your questions."*

# THE HOME BUILDER CUSTOMER CHARTER – GUIDANCE AND ADVICE

## **6. The home builder will inform customers about health and safety precautions to be taken before visiting a development site and, if appropriate, when using the home and living on a development where construction work is continuing.**

The aim is to make sure that the home builder informs customers who visit a development site about the health and safety precautions both parties should take.

### **For example, you could say this:**

*“We will let you know about the health and safety precautions that you and we must take before you visit a development site and if you are living on a development where construction work is continuing.*

*We will give you a health and safety file for your home under the Construction (Design and Management) Regulations 1994. We will do this after you have been given notice of the legal completion date (Scotland: ‘date of entry’) at, or just before, handover.”*

### **In addition, you could say this:**

*“We appreciate that you may want to look at your home while we are building it. However, building sites are dangerous and are defined in law as workplaces. We are legally responsible for the site where work is taking place and we must not, by law, allow access to the public.*

*For your own safety, you must never go on to the development site without our prior agreement. We may not always be able to give this agreement. However, when we can, we will make arrangements and provide the protective clothing, footwear or other equipment you may need. You must use it while on our development site.”*

## **7. Marketing and advertising will be clear and truthful.**

The aim is to make sure that all the home builder’s marketing and advertising material is clear and truthful.

The Trade Descriptions Act 1968 and the Property Misdescriptions Act 1991 say that the services offered must not be wrongly described and information must not be false or misleading.

### **For example, you could say this:**

*“We will make sure all our marketing literature and advertisements comply with relevant laws and advertising codes.”*

## **8. The home builder will seek to give customers clear and fair contract of sale (Scotland: ‘Builders Missives’) terms and conditions.**

The aim is for the home builder to give customers clear and fair contractual terms and conditions that take account of the Unfair Terms in Consumer Contracts Regulations 1999.

### **For example, you could say this:**

*“The contract of sale (Scotland: ‘Builders Missives’) terms and conditions that we enter into with you will be clear and fair. They will comply with the Unfair Terms in Consumer Contracts Regulations 1999.”*

## **9. The home builder will make clear to its customers their cancellation rights.**

The aim is to make sure that the home builder provides clear and accurate information to help customers understand all their cancellation rights.

### **For example, you could say this:**

*“We will give you clear and accurate information in the contract of sale (Scotland: ‘Builders Missives’) so that you can understand any cancellation rights relating to your purchase.”*

## **10. The home builder will give customers reliable information about the Home Warranty cover and any other guarantees and warranties from which they may benefit.**

The aim is to make sure that the home builder gives customers:

- details of cover under the Warranty provider’s scheme, which is included in the transaction; and

- details of any other standard guarantees (for example, for electrical appliances) included in the transaction which will benefit the customer.

**For example, you could say this:**

*“Your new home will benefit from the 10-year Warranty cover provided by (NHBC/Zurich/Premier Guarantee/etc). This is included in the purchase price of the property. The cover is described below in general terms only. You should always refer to the policy for full details.*

*Before the sale is legally completed (known in Scotland as date of entry) the Warranty cover provides protection in the unlikely event that the house builder becomes insolvent. In the first two years after completion it says that the house builder must repair defects. Over the following eight years, the Warranty provides cover against the cost (subject to the minimum claim value and exclusions and limitations shown in the policy document) of putting right any significant damage to the load-bearing structure and certain parts of the home that first appeared during this period. The Warranty does not cover wear and tear or lack of maintenance.*

*You will find details of the cover in your own Warranty document, which you will receive from us through your solicitor. You should read it carefully and ask your solicitor to explain anything you do not understand.*

*You can see a specimen of the Warranty cover document at our sales office.*

**11. The home builder will clearly explain how customers’ contract deposits are protected and how any other pre-payments are dealt with.**

The aim is to make sure that the home builder protects any property reservation and contract deposits made by customers and explains how it deals with other pre-payments.

**For example, you could say this:**

*“We will make sure we will protect any property-reservation deposits and contract deposits that we receive from you.*

*If we receive other pre-payments from you, we will tell you how we will deal with them.”*

**12. The home builder will give customers reliable information about the timing of construction, legal completion (Scotland: ‘date of entry’) and handover of the property.**

**a) Construction of the property**

The aim is to make sure that the home builder gives customers reliable information – appropriate to the stage of construction reached – on when their property is likely to be completed.

- The home builder does not have to give definite dates many months in advance. However, customers will expect increasing certainty the nearer the property gets to completion.

**For example, you could say this:**

*“Once you have reserved your property, we will regularly contact you to keep you informed of construction progress.*

*We will give you information about when we expect the construction of the property to be completed, which will become more definite as building work nears completion.*

- *Before the foundations are completed we will let you know what season we expect the property to be completed.*
- *When the roof is complete, we will let you know what month we expect the property to be completed.*
- *When the property is decorated, we will let you know what week we expect the property to be completed.”*

**b) Legal completion (Scotland: ‘date of entry’) of the property sale**

The aim is to make sure that the home builder gives reliable information to customers on the timing of legal completion (Scotland: ‘date of entry’).

- The contract of sale (Scotland: ‘Builders Missives’) should clearly define the notice period within which legal completion (Scotland: ‘date of entry’) will be effected.

# THE HOME BUILDER CUSTOMER CHARTER – GUIDANCE AND ADVICE

- The home builder may also want to tell customers about any arrangements they will need to make to complete the sale, such as surveys by lending institutions, handover of keys, demonstration and inspection of the property.

#### **For example, you could say this:**

*"We will keep you regularly informed as the property nears completion. The date of legal completion (Scotland: 'date of entry') will be agreed with you to fall within the notice period already agreed with you in the contract of sale (Scotland: 'Builders Missives')."*

#### **c) Handover and occupation**

The aim is to make sure that the home builder has appropriate arrangements in place to hand over the property to the customer and to demonstrate how all the facilities of the property work.

#### **For example, you could say this:**

*"We will give you an information pack about your home at or just before we hand over the property to you. We will also offer to meet you at your property, at an agreed time, to demonstrate how all the facilities work. You will be given the keys to your property when your solicitor has paid us and the sale has been legally completed (Scotland: 'date of entry')."*

#### **In addition, you could say this:**

##### **• Information pack**

*"At or just before handover, we will give you an information pack about your home. This will contain:*

- *health and safety information, including the health and safety file for your home required under the Construction (Design and Management) Regulations 1994;*
- *product information including instructions for the central-heating boiler;*
- *guidance on any items that need servicing and maintenance;*
- *an explanation of our after-sales procedures;*
- *a copy of any guide documents produced by the Warranty provider.*

*- an explanation of the Warranty cover, including what we are responsible for; and*

*- details of when the Warranty cover comes to an end."*

##### **• Demonstration visit**

*"At an agreed time, we will offer to meet you at the property to demonstrate how the facilities work.*

*This will show you how everything works and point out important items including the position of stop valves, the electrical consumer unit, gas-control valves, consumer unit, and the central-heating controls and hot-water systems.*

*We will discuss and explain any points you are not clear about."*

##### **• Handover**

*"When your solicitor has paid the money due to us and the sale has been legally completed (Scotland: 'date of entry'), we will give the keys to you. This legal formality must take place to protect your and our position. To avoid delay and disappointment, please make sure that your solicitor and any mortgage lender are fully aware of your timetable and arrangements.*

*We will arrange with you for a member of our staff to be available and make sure that your home is clean and that there is safe and clear access."*

#### **13. The home builder will provide an accessible after-sale service and explain to customers what the service includes.**

The aim is to make sure that the home builder provides an after-sale service and lets customers know what it is and how to use it.

- Examples include the handling of emergencies and issues arising under the warranty, and complaints about matters covered by the charter.
- The home builder may want to give examples of what qualifies as an emergency that the house builder will deal with, together with appropriate response times for the various types of after-sale service calls.

**For example, you could say this:**

*"We hope there will be no problems after you have moved in to your new home, but our commitment to you continues after the sale has been completed.*

*So we will give you details of the person to contact about any requests for non-urgent service calls or emergencies. We will make sure that you know what to do if you need a non-urgent service call or if there is an emergency.*

*We will repair defects in your home under the terms of the Warranty provider's cover. However, we are not responsible for problems caused by wear and tear, decorating and routine maintenance. You are responsible for these items."*

*In addition, you could say this:*

**• Non-urgent service calls**

*"Our information pack gives details of our non-urgent service call contacts and procedures."*

**• Emergencies**

*"By emergency we mean a problem that is, or seems to be, an immediate danger to your property or to health, safety or security. This does not include:*

- anything caused by failing to follow operating instructions or take reasonable precautions;*
- fair wear and tear; and*
- events such as storm damage that are outside the home builder's control and normally covered by household insurance.*

*Our information pack gives details of our emergency contacts, procedures and response times."*

**14. The home builder will explain to customers the procedures that are in place for dealing with complaints, including the availability of any warranty resolution services.**

*The aim is to make sure that information published by the home builder lets customers know who to contact if they believe it has*

*not met its charter commitments. The home builder may also want to provide a written description of the warranty resolution service.*

**For example, you could say this:**

*"Our information will contain details of how you can:*

- use our complaints system;*
- use a service that can help resolve complaints about warranties that are not sorted out by our own complaint procedure; and*
- use any further complaint procedures if we cannot deal with the complaint satisfactorily."*

**In addition, you could say this:**

*"If you are dissatisfied with any part of the service you have received from us under our charter, please contact our customer services manager at (specify location), phone (number)."*

**15. The home builder will co-operate with appropriately qualified professional advisors appointed by the customer to resolve disputes, if they arise.**

*The aim is to make sure that there is co-operation between the home builder and appropriately qualified professional advisors acting for a customer and the home builder, to sort out disputes.*

**For example, you could say this:**

*"We will co-operate with your appropriately qualified professional advisors to sort out disputes.*

*You will need to write to us to:*

- say who you want to represent you; and*
- give details of his/her qualifications.*

*We will want to provide the same level of co-operation as we would give you if you were acting alone. So if we do not think your representative is appropriately qualified, we will discuss the matter with you. For example, an architect may not always be qualified to deal with a structural engineering matter."*

# A HOME BUILDER CUSTOMER CHARTER – TYPICAL EXAMPLE

**This example shows one possible style of a home builder customer charter covering the requirements and standards of good practice.**

**Home builders need not adopt the example but their commitments and arrangements must cover at least the areas stated in the requirements and standards of good practice required by the code.**

**Home builders who do not wish to write their own charters may reproduce the following example on company-headed paper or in a different format, without affecting HBF's copyright.**

## **Any Builder Homes Ltd customer charter**

This is our customer charter. It sets out our commitments to provide you with service, procedures and information at appropriate stages during your purchase.

1. We will give you a copy of our customer charter if you ask for one. We will automatically give you a copy if you reserve a property.
2. We will work to set procedures to meet the commitments we have stated in our customer charter.
3. We will train our staff to understand their responsibilities in our dealings with you and what the customer charter means for you.
4. We will give you the detailed pre-contract information you need to make an informed decision about buying the property.  
We will seek to ensure that you appoint your own professional legal advisor to carry out the legal formalities of buying the property and to represent your interests.
5. We will let you know:
  - who to contact at every stage of your purchase;
  - how we will deal with your questions; and
  - any relevant choices and options you can consider.
6. We will give you health and safety advice to reduce, as far as possible, the risk of danger on the development site during construction and in the use of your home.
7. Our marketing and advertising will be clear and truthful.

8. Our contract of sale (Scotland: 'Builders Missives') terms and conditions will be clear and fair.

9. We will make clear to you your cancellation rights.

10. We will give you reliable information about the Warranty provider's cover and any other guarantees and warranties from which you may benefit.

11. We will explain how we protect your deposit and how we deal with any other pre-payments.

12. We will give you reliable information about the timing of construction, legal completion (Scotland: 'date of entry') and handover of the property.

Once a completion date is set we will ensure that:

- the transfer of ownership takes place; and
- the functions and facilities of the property are demonstrated to you.

13. We will inform you clearly about the after-sale and emergency services that we will provide for a certain period after completion.

14. We will tell you about our procedures for dealing with customer complaints, including the availability of any services that can help resolve complaints about warranties.

15. We will co-operate with appropriately qualified professional advisors you have appointed to help resolve disputes.

Our customer charter commitments do not affect your statutory rights.





Home Builders Federation  
1st Floor, Byron House  
7-9 St James's Street  
London SW1A 1DW  
Tel: 020 7960 1600  
Fax: 020 7960 1601  
[www.hbf.co.uk](http://www.hbf.co.uk)