



New Homes Expert

submission to the

**All Party Parliamentary Group
for Excellence in the Built
Environment**

on the inquiry into

**New Homes Ombudsman
- Call for Evidence**

14 December 2017

New Homes Ombudsman: FREE - FAIR - FOR EVERYTHING

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1 Introduction

My name is Philip Waller and I am the New Homes Expert. I am a retired, award-winning house building professional, with over 35 years construction management experience gained working for a number of large plc national housebuilders and construction companies.

I launched my original consumer advice website <http://www.brand-newhomes.co.uk> in 2006, with the specific aim of assisting UK new homebuyers in making a fully-informed decision by providing all the information they need before purchasing a new home.

I became increasingly aware, despite several studies and recommendations: Barker Review (2004) and the Office of Fair Trading Market Study of Home Building in the UK (October 2008), that house builders would not improve the quality of their new homes without being required to do so by Government. In 2013, I began writing blog articles to highlight buyers' poor quality issues and campaign for change. <http://www.new-home.blog.co.uk>

I set up the 'Unhappy New Homes Owners' Facebook Group in May 2014. This currently has around 1,000 members who post to ask for advice, support for each other and share their new home experiences. <https://www.facebook.com/groups/unhappynewhomebuyers/>

For over ten years, I have worked (unpaid) advising and helping new homebuyers with their problems and actively campaigning to put pressure on large house builders to improve both the quality of the homes they build and the often abysmal service they give to their customers. Basically one dedicated and passionate individual making a stand for UK new homebuyers for what is both morally and ethically right. By actively campaigning on social media, TV, and in the national press, my aim is to both improve the quality of new homes and obtain better protection for UK new homebuyers. A priority being a government-appointed, fully-independent **New Homes Ombudsman**, one of the suggestions I made at the second evidence session of the APPG Inquiry 'Into Quality of New Build Housing in England' on 23rd November 2015.

I will not rest until the **New Homes Ombudsman** becomes a reality.

It is not impossible to build a defect-free new home. All that is required is the will to do so. Building with care and with a thorough inspection regime that requires all sub-standard work to be taken down and re done. Yet 98% of new homebuyers report defects to their housebuilder*. For far too long the industry has used the "built in the open in all weathers" excuse and lowered buyers' expectations. Bricklayers do not and cannot work in the rain! Render is not applied in the rain, yet there are many defects associated with both. Superstructure accounted for 38% of all NHBC warranty claims in the year to 31 March 2017, costing £35million (41% of total claims) to rectify.

Adverse weather does not contribute to walls being built out of plumb, render cracking or missing insulation! All other trades (apart from groundworkers) work inside, in the same conditions found in most factories.

* - Source: HBF 8-week Customer Satisfaction Survey 2017

2 General situation and response:

The APPG Inquiry Report, published in July 2016, concluded:

- *“Housebuilder’s own quality control systems are not fit for purpose”*
- *“there needs to be an industry aspiration to achieve a zero-defects culture”*
- *“good practice should be seen as building a new home that is defect-free”*

It clearly stated the number 1 “key recommendation” - the Department for Communities and Local Government (DCLG) setting up a New Homes Ombudsman:

“The role would include mediating disputes between consumers and their builders or warranty providers to offer a quick resolution procedure paid for by a housebuilders’ levy.

We see this is as the key recommendation to provide more effective consumer redress, if things go wrong, and a good way of applying pressure on housebuilders and warranty providers to deliver a better quality service.

Our view is that the new service should be funded by a levy on the sector, but it would need to be completely independent and replace the dispute resolution service offered as part of the Consumer Code for Home Builders. Our recommendation picks up on one made by the Office of Fair Trading, in its 2008 market study into the house building industry, which suggested that, if the industry failed to make satisfactory progress, it would recommend further intervention in the form of a statutory redress mechanism for new homebuyers funded by a levy on the industry.”

So it is somewhat disappointing that, two years after I attended the second session of the APPG Inquiry Into the Quality of New Build Housing In England, making the recommendation that an independent, government-appointed **New Homes Ombudsman** be set up to give buyers an independent form of redress, there has been so little progress. It is to be hoped that following this Inquiry, an independent New Homes Ombudsman would be set up by government without recourse to further delay, consultation, consideration, or review.

Too many new homebuyers are suffering, many are physically drained as a result of engagement with errant housebuilders when trying to get their new homes brought up to warranty standards and statutory regulations. For some buyers the mental anguish has become almost unbearable.

The housebuilding lobby (Home Builders Federation - HBF) will tell this Inquiry that (according to the industry’s own customer satisfaction survey) *“84% of new homebuyers are satisfied with their new home.”* But as Communities Secretary, Rt Hon Sajid Javid alluded to in his speech at the NHBC on 29 November 2017: <https://www.gov.uk/government/speeches/building-the-homes-we-deserve>

“too many new-build homes are simply not good enough.” You [HBF] can point to customer satisfaction levels of between 80 and 90%, something I’m often told about but [of new homebuyers] finding faults that take months and sometimes even years to remedy. It’s not just disappointing - it’s devastating. But just think about those 217,000 new homes built last year. Even if 80% of them have no issues, that still leaves well over 40,000 families living in accommodation that they don’t think is good enough.”



Indeed they do. The HBF frequently use the 84% “satisfaction” statistic. It is a fact that the HBF 8-week Customer Satisfaction Survey is used primarily by the industry to provide data to *“rebut negative claims on build quality.”*

Nevertheless this survey is all we have and it does show that 98% of new homebuyers report “problems” (defects), to their housebuilder with a few weeks of moving in. Indeed 41% report more than 10 defects. The quality of new homes has further deteriorated, this is an undisputable fact, even demonstrated by the industry’s own, dubious customer satisfaction survey.

<http://www.new-home-blog.co.uk/customer-satisfaction-hbf-survey-2017/>
<http://www.new-home-blog.co.uk/hbf-stewart-baseley-no-problem-with-new-homes/>
<http://www.new-home-blog.co.uk/have-persimmon-tried-to-buy-a-better-hbf-star-rating/>

An ever growing number of new homebuyers have to move out of their new homes, often for several months, whilst their house is taken apart to rectify serious, often structural defects. More recently, there is a growing incidence of weak-mix mortar.



The current “procedures” limited as they are, serve to protect housebuilders and the warranty providers rather than serve consumers interest. The only “alternative”, as has been written in many letters from various housing ministers and staff at the DCLG over the years, is for buyers to take action through the courts for monetary compensation.

As most buyers realise, even those with legal expenses insurance, this is a lengthy and costly process with no guarantee of a successful and fair outcome. Indeed, housebuilders have deep pockets and vigorously defend every attempt by the very few new homebuyers who take this course of action, in the certain knowledge that it will cost less to defend the small number of claims that could potentially end up in court, than routinely pay justifiable compensation to homebuyers. Even if an agreement is reached ahead of a court hearing, this is normally subject to a non-disclosure agreement clause, (“gagging order”) to avoid any precedent being established and to reduce likelihood of action being taken by others, often with identical issues.

It is no longer a case of getting (all be it eventually) a few minor defects and snags rectified by the housebuilder being a satisfactory outcome. Now there is a clear case for justifiable compensation to be paid by housebuilders and/or warranty providers, to buyers of sub-standard defect-ridden new homes.

A recent announcement by Communities Secretary Sajid Javid on 29 November 2017, <https://www.gov.uk/government/news/government-looks-at-consumer-redress-across-the-housing-sector> announced “bold options” that the Government “will look at to improve consumer redress across the housing sector” - **Setting up an independent New Homes Ombudsman should be its priority.**

Worryingly, it would appear that it is the Government's intention of rolling all existing ombudsman (Housing Ombudsman, the Property Ombudsman and Ombudsman Services' Property, and the Property Redress scheme) into one, all encompassing, 'one-size-fits-all' "Housing Ombudsman" rather than a simplified New Homes Ombudsman, purely for consumers that buy new homes. I firmly believe a separate, stand-alone, fit-for-purpose, **New Homes Ombudsman** is the only way that this industry will be forced to look inwards at what it does and make both the quality of new homes and customers, their number one priority.

As it stands, house builders are showing no intention of taking proactive measures to improve the quality of the new homes they build. Consumers need a fully independent means of redress. It is now essential to appoint a **New Homes Ombudsman** for the house building industry. All existing legislation to protect consumers, including The Consumer Rights Act 2015, does not apply to property

This door top bodge was carried out after the homebuyer had moved back after living in temporary accommodation for 4 months so remedial works could be carried out. The builder returning again to carry out work that was "missed"



Dangerous unguarded low level window defect found during buyer's own snagging inspection!

During a debate in the House of Commons APPGEBE chair Jo Churchill said:

*"I applaud the Department for Communities and Local Government for getting the Home Builders Federation to look into the voluntary ombudsman scheme, **but perhaps the time for any such voluntary scheme has passed.**"*

"...the repointing of joints on walls where purposeful demolition and reconstruction should have happened" - No doubt in response to the growing incidence of weak-mix mortar.

"We must have not a nice, cosy, industry-led ombudsman, but an ombudsman process that has real teeth and the capacity to make a material difference" says Tony Lloyd MP for Rochdale

<https://www.theyworkforyou.com/whall/?id=2017-12-13a.196.2&s=Housing+Insulation#g200.1>

3 Current complaints procedures for new homebuyers

3.1 The Housebuilder

Under their own 'Consumer Code for Home Builders' (CCHB), every housebuilder is required to have a complaints procedure in place. Requirement 5.1: *"The Home Builder must have a system and procedures for receiving, handling and resolving Home Buyers' service calls and complaints".*

However based on the CCHB adjudication case summaries, in a third of cases, this requirement was not met.

In addition, housebuilders are required under the three most used warranties: *"During the first 2 years after completion. During this period you [housebuilder] are responsible for putting right defects or damage to the home and its common parts, caused by a failure to build to the NHBC Standards. You [housebuilder] must do this within a reasonable time and at your own expense."*

Yet according to the last NHBC figures for the year to 31 March 2016, the NHBC spent £27.2million remediating warranty claims in years 1 and 2, 30% of the total claims that year, which all housebuilders are required to carry out "at their own expense"!

It can be seen that housebuilders are shirking their responsibilities under both their own "Code" and the NHBC warranty.

3.2 The Consumer Code for Home Builders

This is run by the industry for the industry and in the industry's own best interests. Indeed, it is a joint venture between the administrator MD Insurance Services Ltd. who also own and are scheme administrator of both LABC Warranty and Premier Guarantee Warranty (which are in effect one warranty registered and trading under two names!) and the NHBC. In areas where historically, buyers' complaints were 'successful' 'in full' or 'in part', the industry revised the code in 2017 making it **more difficult** for new homebuyers to seek redress.

<http://www.new-home-blog.co.uk/consumer-code-for-home-builders-revised/>

The effect of the changes will not be fully known until the CCHB publishes all the case summaries for 2017 in the New Year. However, early indications (see Appendix A) would indicate the percentage awarded in successful cases has fallen by 4%. Furthermore significantly, the **CCHB does NOT cover complaints relating to defects in new homes or warranty issues. It is also NOT a Chartered Trading Standards Institute Approved Code**



The Consumer Code for Home Builders is not promoted*:

- 78% of housebuilders own sales staff are unaware of the Code
- 28% of sales offices do not display the Code
- 15% of mystery shoppers were given a copy of the Code and more significantly only
- 57% of new homebuyers received a copy of the Code

(* source CCHB Annual Report 2016)

<http://www.new-home-blog.co.uk/?s=consumer+code>

<http://www.new-home-blog.co.uk/the-consumer-code-for-home-builders-is-failing-new-homebuyers/>

The APPG Inquiry Report, published in July 2016, concluded:

- *“The Code [Consumer Code for Home Builders] does not appear to give homebuyers the safeguards we think they should expect”*
- *“it does not appear to us objectively to offer consumers a wholly satisfactory form of redress”*
- *“The Consumer Code for Homebuilders is limited in its scope”*

A New Homes Ombudsman *“would need to be completely independent and **replace** the [limited] dispute resolution service offered as part of the Consumer Code for Homebuilders”*

The recently launched Consumer Code for New Homes (CCNH) *“is the only CTSI Approved Code in the new build sector which is backed by an industry collective of warranty bodies”* but it cannot be used if buyers have a warranty from the NHBC, LABC or Premier Guarantee covering over 90% of new homes built. This is another industry spun “Code” that only covers new homes sold with new home warranty by minor providers.

3.3 New home warranty

The new home warranty is frequently and incorrectly referred to as a guarantee. The new home warranty is typically a ten-year insurance-backed policy. **It does not pay compensation to homebuyers.** It makes and requires house builders to be liable for defects arising from warranty standards for workmanship and/or materials not being met for the first two years. Unbelievably, house builders use the warranty to promote their new homes, claiming it gives new homebuyers: *“valuable added extra peace of mind and protection in the unlikely event there is a problem”* and *“our own two year warranty on the property, with customer care service should any issues arise in the first two years – giving further peace of mind”*

The typical exclusions include:

“Damage caused by storms or, accidentally, by negligence, abuse or poor maintenance of the property or appliances. This includes blockages caused by inappropriate disposal of waste.

- ***Any cosmetic defects such as scratches, chips or marks that have not been reported within seven days of legal completion.*** *This includes decoration, flooring, tiling, textured ceilings, kitchen units, fitted bedroom and bathroom furniture, worktops, sinks, sanitary ware, appliances, glass, and other similar items. Outside of this time frame, it maybe [sic] difficult to prove how the damage was caused.*
- *Any problems caused by natural shrinkage or condensation.*
- *Any inconvenience, distress, consequential loss of enjoyment, or income loss caused by remedial works, assuming all reasonable steps have been taken to minimise disruption.*

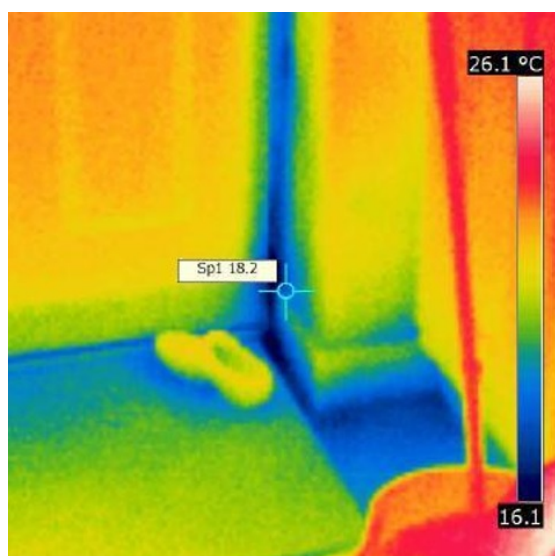
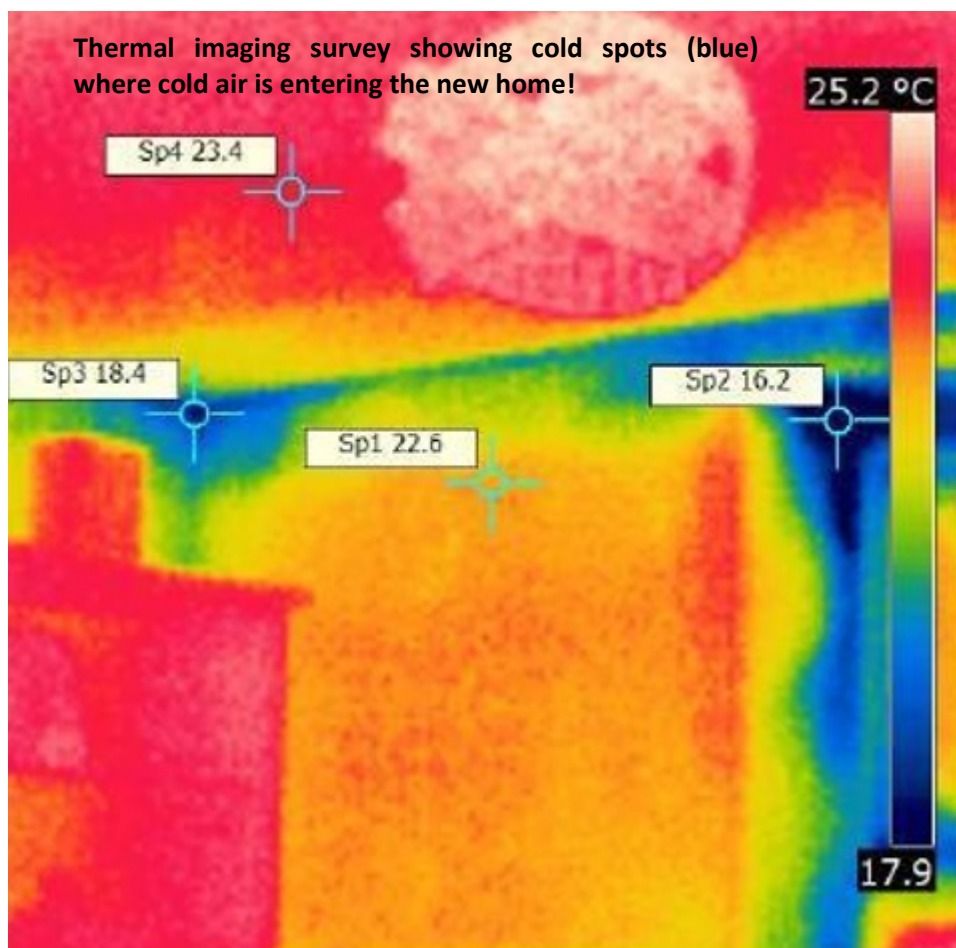
As previously mentioned, the LABC and Premier Guarantee Warranty are owned by MD Insurance Services Ltd. and appear to operate on an identical basis. Both have an excess payable by the buyer (£1,000 to £1,500 per claim) in the event of any claim made under the warranty. *“a separate Excess shall apply to each separately identifiable cause of loss or damage for which a payment is made under the Policy by the Underwriter, regardless of whether more than one cause of loss is notified at the same time”*

The NHBC warranty covers “between 75% to 85%” of all new home warranties issued and has a minimum claim value that is £1,500 rising to £1,600 in 2019. Below this level, the claim must be met by the homeowner. If the cost of remedial works is higher than the minimum claim value, the total cost is covered by the NHBC. In 2017 the “independence” of the NHBC was been called into question, after it was revealed by The Times that it had paid £4m in premium rebates to plc housebuilders.

<http://www.new-home-blog.co.uk/nhbc-hand-housebuilders-cash-back-millions/>

It is also worthy of note that the NHBC annual report, made public in November 2017, is missing for the first time information on the total number of claims, the number of items found during inspections that required builder rectification, the number of dispute resolution claims made by buyers and the percentage found in favour of the homebuyer – further demonstrating a lack of transparency and independence. When the NHBC published its post-repair survey feedback (87-90% rated it as good or excellent) it did not offer statistics on the number of warranty claims it refused. Some successful warranty claims are, I believe, often subject to a confidentiality agreement.

<http://www.nhbc.co.uk/NHBCpublications/LiteratureLibrary/AnnualReviews/filedownload,73877,en.pdf>



4 The potential and detail for a New Homes Ombudsman

A New Homes Ombudsman, by its very existence would force housebuilders to look at what they do (and don't do) forcing them to strive to do better, in the certain knowledge that a buyer can complain to an independent ombudsman who would potentially, be able to award unlimited, justifiable compensation. Such awards would become a matter of public record. No longer would housebuilders be able to delay and defeat buyers' repeated attempts to have their defective new homes fixed.

New Homes Ombudsman: FREE – FAIR – FOR EVERYTHING

Free – At no cost to new homebuyers making a complaint following the housebuilder or warranty provider issuing a final deadlock letter.

Fair – A New Homes Ombudsman would (and must) be entirely independent of the housebuilding industry – something that clearly the warranty providers and the Consumer Code for Home Builders are most definitely not! Fully transparent, appointed and audited by Government.

For everything – Everything and anything that can and does arise when buying and living in a new home. Dealing with buyers' complaints including misleading and incomplete marketing information and underhand selling practices, unfair contracts, poor build quality, defects, non-compliance with Building Regulations and/or warranty standards, inadequate or indifferent after sales service, conflicts of interest, tenure and boundary issues, contractual disputes - with the New Homes Ombudsman being able to order housebuilders and/or new home warranty providers to pay buyers justifiable and meaningful compensation awards.

The New Homes Ombudsman would need to be fully-independent and government-appointed, **NOT** one of many "Ombudsman" in the Ombudsman-services.org who act as little more than an outsourced dispute resolution service to various sectors.

<http://www.new-home-blog.co.uk/new-homes-ombudsman-should-be-set-up-an-appg-inquiry-recommendation/>

4.1 Funding of the New Homes Ombudsman

The New Homes Ombudsman service must be fully-funded by a levy paid by housebuilders for each home they build. A levy of £100 for every new home built by housebuilders - 120,000 new homes would raise £12million a year. (Legal Ombudsman costs in 2016/17 were £10.4m for 87,193 contacts and 9,513 complaint cases) In addition, both housebuilders and warranty providers would be required to pay a £500 "case fee" to cover the cost of investigating each claim made against them.

Housebuilders and warranty providers may decide to settle, if meeting a homebuyer's demands would be cheaper monetarily and resource wise, than getting tangled up in the complaints procedure. This should encourage housebuilders to be more proactive in resolving and dealing with defects and buyers' complaints. The £500 case fee is also likely to be much less than the costs involved in defending a claim in court, where the publicity could be even more damaging to their business.

4.2 New Homes Ombudsman - staffing and offices

The case investigators and ombudsmen would need to come from a variety of backgrounds, ex-police, lawyers (not solicitors who have relationships with housebuilders), bank managers and people from other backgrounds who are likely to be competent at making impartial decisions from what would often be complicated, technical briefs. I do not believe that it would be in the consumers' best interests if the New Homes Ombudsman was staffed by ex-industry professionals, although there is merit in including professions such as RIBA architects and ISE or ICE structural

engineers, RICS surveyors, and ACII or FCII insurance professionals, provided they have no previous links to the house building industry or warranty providers.

According to the Financial Ombudsman Service figures, their staffing level equates to around 1 member of staff per 650 complaints and 120 ombudsman decisions. Based on NHBC reports, they carry out an average of 6,000 dispute resolutions each year. As the NHBC has 80% of the market, pro rata there are around 7,500 disputes with housebuilders. There are also around 11,000 warranty claims (total pro rata 13,750) and an unknown number of complaints about defective new homes made to housebuilders. Using the HBF 8-week survey it could be interpreted that around 40,000 new homebuyers are “dissatisfied” with their new homes and I estimate half would either agree a settlement with their housebuilder or use a New Homes Ombudsman to claim compensation. **Around 100 full-time staff would be required to process and investigate a potential 60,000 – 100,000 new homebuyers’ complaints a year.**

4.2.1 Experts

A select independent panel of professional experts would also be required to inspect, test, investigate and report on specific complaints regarding defective new homes (weak mix mortar being a current example) and could include the more reputable snagging inspectors, thermal imaging, air integrity testing and acoustic engineers, most operating nationally. The Building Research Establishment could also be called upon to provide historic performance testing data and scientific evidence.

4.2.2 Offices

I would suggest that the office of the New Homes Ombudsman be established geographically centrally in England rather than in London. I suggest Oxford would be an ideal location being central and half the price per square foot of similar offices in the capital.

4.3 Promoting and informing consumers - New Homes Ombudsman (NHO)

All housebuilders would be required to provide details of the New Homes Ombudsman service, in the form of an official NHO information leaflet (similar to that of the Financial Ombudsman Service), to all buyers on reservation of a new home. A further copy would be included with the handover information given on legal completion. An NHO leaflet should also be provided and referred to in all housebuilder’s or warranty provider’s written responses to a complaint made by a new homebuyer.

It should also be a requirement that housebuilders and developers display at least two A4 (minimum) size posters in their sales offices and one in each of their show homes. If the housebuilder has flags on the development they must also have at least one New Homes Ombudsman flag at all times. It would be advisable for the housebuilders and warranty providers to make reference to the New Homes Ombudsman on their websites.

4.4 How a New Homes Ombudsman would operate

Most companies using an Ombudsman have a maximum of 8 weeks to resolve the complaint. In the new home industry, this would not be sufficient as works to remediate defects could take much longer to rectify, often with new homebuyers having to move out of their homes for several months whilst major remedial works are undertaken. However, housebuilders and warranty providers would be required to respond to buyer’s complaints to inform of the intended course of action and duration of any works within **8-weeks** of the buyer’s initial written complaint. If there is no response within 8-weeks, or homebuyer is not happy with the response, then they can refer the complaint to the new home ombudsman service.

Homebuyers would be able to make a complaint to the New Homes Ombudsman at any time after the 8-weeks, even when remedial works are progressing, if they are not being progressed either as expeditiously as possible or to the required standard.

A set compensation scale would need to be established which could enable the New Homes Ombudsman to make quick decisions based on certain circumstances and criteria. For example if a buyer is required to move out of their home, in addition to the cost of temporary accommodation, council tax and utilities at the home, the housebuilder or warranty provider would also pay compensation for the stress and inconvenience of the buyer being deprived of their home. This could be a simple per person day rate, or could escalate the longer the buyer and their family are in temporary accommodation, to encourage the housebuilder/warranty provide to manage and prioritise the remedial works effectively.

Compensation levels (excluding cost of temporary accommodation and home expenses):

1. £50 per person per day for the first week (£350 per person) - thereafter
2. £500 per week or part thereof for the first month – thereafter
3. £700 per week or part thereof for the second month
4. £1,000 per week or part thereof from month three onwards

A similar scale could be used to compensate for distress and inconvenience when the home owner remains in the home whilst works are carried out, which should include their loss of earnings by taking time off work.



4.5 The New Homes Ombudsman should:

- Be 100% independent, able to rule on the facts of each case without fear or favour.
- Not be part of a wider, one-size-fits-all “Housing Ombudsman” (See 4.6 below)
- Be able to set timescales for responses from house builders and warranty providers.
- Provide a simplified dispute resolution scheme for consumers with minimal effort on their part and little or no need for legal representation.
- Be able to award compensation (up to £150,000) to new homebuyers taking into consideration:-
 1. inconvenience, delay, or stress arising from a defect, any discussions concerning it and any rectification work, and
 2. any loss of earnings and/or holiday leave from taking time off work to facilitate access and
 3. any loss of use of all or part of the property or other consequential losses (including liabilities to third parties) as a result of a defect or any investigations or remedial work, and
 4. all costs and expenses incurred in connection with any investigations and discussions of a suspected defect and
 5. any loss of quality resulting from a defect not being fully rectified on the grounds of proportionality (Ruxley Ruling) and
 6. personal injury or damage to property suffered by a third party as a result of a defect in a new home and
 7. any loss in property value as a result of the misdescription, misinformation, or works carried out (or not carried out) to the property.
- **Require housebuilders and/or warranty providers to buy-back the home** in extreme structural circumstances, perhaps caused by weak mix mortar, or defective floor or roof issues. The price to be at current market value in addition to all associated moving costs, stamp duty, legal fees etc.
- Require house builders and/or new home warranty providers to pay buyers justifiable compensation awards, certainly higher amounts than the paltry £500 maximum permitted in the industry’s own Consumer Code.
- Fine or impose sanctions to the worst or persistent offending housebuilders/warranty providers.
- Bring the adjudication process regarding the rectification of building defects, warranty disputes and breaches of existing consumer law, **all together under one roof**.
- Require housebuilders and/or warranty providers to take note of the New Homes Ombudsman’s findings and any recommendations to prevent similar claims.
- Encourage house builders to be more proactive in disputes by offering compensation to avoid referral to the New Homes Ombudsman.
- Improve quality by forcing the industry to look inwards at what it does and the way it operates. The very existence of an official, totally independent New Homes Ombudsman giving all new homebuyers an easy straightforward means of making a formal complaint and claiming compensation, could be sufficient to force a change of attitude amongst house builders. This should lead to improvements in both the quality of new homes built and housebuilders’ response when buyers report problems with their new homes, as housebuilders seek to avoid the associated cost of a claim.

- Require house builders and warranty providers to inform consumers of their right to refer their complaint to the New Homes Ombudsman in any dispute.
- Be able to obtain specialist independent reports or advice on technical matters from third parties without connection to the house builder and/or warranty provider.
- Make its rulings public to establish a precedence and case history for dealing with similar claims.
- Publish reports and statistics on the nature of claims and the performance of house builders, showing just how well (or badly) individual house builders and warranty providers deal with complaints. The data collected by the New Homes Ombudsman would be able to give consumers a clear idea of which house builders really do treat complaints seriously and those who would rather obstruct the process in the hope that their homebuyers give up and drop their complaint. This would be similar to certain aspects of the Legal Ombudsman.
<http://www.legalombudsman.org.uk/wp-content/uploads/2014/09/OFFICIAL-Annual-Report-2016-17-final-171016.pdf>
- Order works and investigations to be carried out using authorised, vetted and approved contractors where the house builder or warranty provider has failed to remedy a defect or problem.
- Deal with complaints within 12 weeks, unless independent expert reports are required.
- Any claim that was found to have merit would automatically trigger a minimum £500 compensation to the homebuyer. This should encourage housebuilders to settle minor claims with £1,000 compensation becoming an industry standard offer.
- Refer any claim that is found to have broken UK law to the relevant authority to take further action against the housebuilder. For example: breaches in the Consumer Protection Regulations 2008 and Consumer Rights Act 2015 and Building Act 1984.

4.6 Housing Ombudsman

The **New Homes Ombudsman** should *not* be part of a wider, ‘one-size-fits-all’ one-stop, general purpose “Housing Ombudsman” as the current rhetoric from Government would indicate.

<https://www.gov.uk/government/speeches/building-the-homes-we-deserve>

I was horrified that merging the various existing residential Ombudsman into one “Housing Ombudsman” is being given serious consideration even though it would also include a mechanism of independent redress for new homebuyers for the first time. Whilst this is better than the complete absence of any independent means of redress that new homebuyers currently have, it would not be in the best interests of new homebuyers if the badly needed New Homes Ombudsman was set up as part of a wider “Housing Ombudsman” service.

It would take a considerable amount of time and presumably new legislation to combine the existing ombudsmen into one office. Furthermore, the new-build industry is sufficiently large and errant to fully justify a dedicated New Homes Ombudsman of its own – which would specialise in the many unique issues and technicalities of the new-build sector.

I firmly believe a separate stand-alone **New Homes Ombudsman** is the only way that this industry will be forced to look inwards at what it does, making both the quality of new homes and their customers their number one priority. Camouflaging a New Homes Ombudsman under the umbrella of a general “Housing Ombudsman” would also make the New Homes Ombudsman less conspicuous to the very people who would need and benefit from it.

5 Conclusion

House builders and warranty providers operational basis is to bat away buyers' complaints and warranty claims rather than work in the consumer's best interests. Despite many years of opportunity, this isn't going to change. It is now time, as I am sure this Inquiry would conclude, that UK new home buyers were given something from this government. A small concession that if (or rather when) they are unfortunate enough to discover major, preventable defects in their new home, or house builders fail to rectify defects in a timely manner, they can apply to an independent, government-appointed **New Homes Ombudsman** who could award justifiable and meaningful levels of compensation.

As Communities Secretary Sajid Javid MP announced 29 November 2017 recognising the need for an Ombudsman to give new homebuyers a form of redress, I would hope, following the recommendations and evidence submitted to this Inquiry, he will announce that a stand-alone New Homes Ombudsman will be now be set up by the end of 2018.

<https://www.gov.uk/government/speeches/building-the-homes-we-deserve>

In the past, government ministers and the DCLG have been hoodwinked into believing that the industry's own voluntary Code, the new home warranty and the building regulations offer sufficient protection for new homebuyers. Government also believed that consumers are *"more likely to be supported by independent professional advice from lawyers and others capable of giving advice to their clients and because the terms of the contract are more likely to be negotiated."* and *"they can take action through the courts for monetary compensation."*

However, despite the obvious need and benefits a New Homes Ombudsman would give consumers, many within the industry, will maintain that a fully independent New Homes Ombudsman is not necessary. Their lobbyists, the Home Builders Federation (HBF) claim *"the overall quality of new homes has never been higher than it is today"* stating that *"the overwhelming majority of people are happy with their new homes. In the small number of cases where buyers encounter problems the industry is fully committed to completing them as soon as practically possible."*

This is quite simply, not the case. Even so,

As one of the HBF member plc housebuilders stated on BBC Radio in December 2017:

"We are absolutely committed to resolving all remaining items for our customers at these locations. In understanding and addressing these issues, we recognised that we needed to review our build programmes and inspection processes to ensure we deliver quality homes for all of our customers going forward."

***"We are equally determined to make things right for any 2015 and 2016 customers** with legacy issues and apologise to them if we have not delivered the high levels of quality and service they rightly expected. Our local teams are working closely with them and our contractors to resolve any remaining issues with their homes, and on occasion this has involved providing alternative accommodation for the duration of the work."*

"We are meeting all reasonable costs associated with these relocations and engaging with customers to meet their individual needs wherever possible to keep disruption to a minimum. The work is progressing well, with much of it now complete and some remaining work moved into early 2018, with the agreement of customers, to avoid disruption over Christmas."

An apology and your home brought up to the required standards after 1 or 2 years is just unacceptable.

APPENDIX A New homebuyers' statements

This is what some new homebuyers have said about their experiences in trying to get housebuilders to honour their marketing promises and warranty and fix their defective new homes:

"I knew eventually it would be fixed because they had to, but it is the way they treated me, the fact that they tried to pull the wool over my eyes with all of this, the fact that everything was a fight to get what I was entitled to. It's been 18 months of hell"

Sue Oliver – Bovis buyer

"Everything takes so long, everything is so hard, everything is a huge fight. In the end you end up saying, you know what, that's good enough, that's fine – I'm done"

Luke Mahon – Taylor Wimpey buyer

"It's exhausting. I can't stress enough how tired I am with all of this and I just want it to end. And I know it's not going to end and I now we will just have to keep fighting"

Roberto and Carolina Revilla – Taylor Wimpey buyer

"Buying my Taylor Skimpey [sic] house was the biggest mistake I have done despite seeking reassurance from them they lied in my opinion just to get the sale. There was no move in and put your feet up, instead we had to get the mop out, watching your garden and garage flood, the builder was fully aware our downpipes were not connected, not that they bothered to inform us. Never mind could I cry I had the Customer Service Rep crying and the Site Manager covering his face in disbelief, he was there when we discovered missing insulation, he reappeared moments later all smiles to say, it didn't have to be there anyway....he'd checked the plans...supposedly.

Living in my cold damp house, I began to despair every time it rained. It caused myself and my partner to bicker and argue about a way forward as I wanted to just sell and leave this carbuncle behind me despite the huge loss in costs we faced. It'd taken two bitter years of our lives and we're still in dispute with them now."

Wendy Howell - Taylor Wimpey Buyer

"I purchased a Bloor show home with my life savings, Bloor advised all cosmetic and structural defects would be rectified. They have denied this and said the house is sold as seen. This has caused so much stress to my wife and I, constantly having to fight to get any type of repair, time wasted waiting for tradesmen, extra heating costs due to hole in roof etc."

Brian Fozster – Bloor buyer

"They lied and cheated regarding defects. Failed to do major works and on pretence passed all problems to the NHBC. Things got so bad that I couldn't face any more so would spend my days unable to get out of bed and cried continuously. Eventually I had a breakdown and my doctor prescribed much needed medication and counseling. NHBC took over all the defects in September 2016 and put their contractors in to do the works. They were so incompetent that in September 2017 I had to ask NHBC to withdraw their contractors.

I feel totally let down by the whole industry as no one cares once you've parted with your hard earned money. It has been terrible for me for 30 months and counting and cannot imagine how people with young families cope with the enormous stress they will suffer when dealing with a house that is not fit for purpose and only hindrance from both housebuilder and warranty provider. The whole process has damaged my faith in companies and people. A heart breaking and soul destroying experience which I would not wish on anybody."

Jo Leonard - Bovis buyer

"I knew buying a new home would involve snags, but we were buying our house with a five year warranty on everything so I thought that would give us peace of mind. We moved in on 28th June 2013 and I now know, never move in at end of year for housebuilders which is what we were bullied into.

What I cannot believe has happened to us is, when I was realising there was serious problems over the last four and a half years so many and strongly believe there to be many more, including breaking of Building Regulation the whole thing would fall upon me to prove to a 5 Star housebuilder these problems are real and serious. I have been lied to and mislead, to the point that I had to use my own money to get a surveyor to conduct a report to prove my house is structurally built incorrectly and more. Over the last two years I feel I have been treated unfairly compared to other residents. As the structural problems became widespread over the development.

Just a number of weeks ago my daughter returned from university and suffered an asthma attack due to damp and mould. This pushed me over the edge, after already feeling alone in dealing with the problems and failed promises from the builder. I cried for days feeling I could not see the end in my lifetime.

I find it hard to except this company can lie and twist and is allowed to destroy lives, relationships and dreams. But it has made me suffer health wise. They are telling me I have to leave my house/home before 8th January 2018 giving them all my keys and leaving our furniture inside! They said they would find us a house nearby to rent - my house/home, my safe place is killing me and I cannot even tell you how it feels and what I have thought of.

*If there had been an Independent **New Homes Ombudsman**, I could have asked them to try to resolve the problems with the builder in the beginning which was to investigate my worries. This would have shown the structural defects much sooner.*

My MP did write to the builder last April 2017 trying to get them to do a survey. Their CEO lied to her so what chance have I got?

For the record with three weeks to go until we (5 adults & 3 dogs) are due to move out for 13-weeks, we have not been offered anywhere to move to. I am trying to live my life one day at a time and am taking antidepressants now."

Julie Andrews-Jones – Barratt buyer

"I feel cheated by the whole new home establishment by their lack of honesty and non-disclosure, a total disrespect for the customer. That is the builders, the sales company, planning and building control. It is just fraud and out of control. Four years of my life have been consumed and still not resolved. Soul destroying."

Ian Willacy – Story Homes buyer

"After about 18 months the Customer Care Manager said to me that he thought I needed to take up a hobby or something but I told him that I'd got one and it's called work as this has now become my full-time job trying to get my house put right. It's still not right even now after 2.5 years!"

Bellway Home buyer

"Without question we wouldn't have moved in had we known the problems. Truly has been 6 months of hell"

Redrow buyer

"It just feels like the whole house wasn't put together properly"

Taylor Wimpey buyer

“Homes still not fixed years after moving in, and in many cases / issues the only solution is to rebuild from scratch!!

Twitter

“Tired, let down, ripped off, stressed out. I feel sick when I see the fat cats patting themselves on the back at their various conferences and award ceremonies on social media.”

Twitter

APPENDIX B CCHB Consumer Code Case Tables
 (* = 2017 figures for case summaries to September)

| Adjudication Outcome | Total | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|----------|
| Unsuccessful | 71 | 19 | 16 | 5 | 8 | 9 | 8 | 6 | 0 |
| Succeeded 'in part' | 171 | 45 | 49 | 37 | 19 | 10 | 5 | 6 | 0 |
| Succeeded in full | 20 | 5 | 8 | 3 | 2 | 0 | 1 | 0 | 1 |
| Withdrawn | 24 | 0 | 1 | 9 | 5 | 3 | 2 | 2 | 2 |
| Case settled before <u>IRDS</u> | 13 | 0 | 0 | 6 | 6 | 0 | 1 | 0 | 0 |
| Other | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Totals | 300 | 69* | 74 | 60 | 40 | 22 | 18 | 14 | 3 |

| YEAR | Amount Claimed | Amount Awarded | Percentage awarded |
|--------------|--------------------|------------------|--------------------|
| Total | £ 1,671,992 | £ 290,005 | 17.30% |
| 2017* | £ 340,743* | £ 37,910* | 11.00% |
| 2016 | £ 367,559 | £ 55,401 | 15.00% |
| 2015 | £ 374,103 | £ 93,456 | 24.98% |
| 2014 | £ 241,101 | £ 48,832 | 20.25% |
| 2013 | £ 133,845 | £ 26,512 | 19% |
| 2012 | £ 139,615 | £ 4,680 | 3.30% |
| 2011 | £ 70,024 | £ 18,205 | 26% |
| 2010 | £ 5,000 | £ 5,000 | 100% |

[* = 2017 figures for case summaries to September]

Case Summaries to Sept 2017

| Case no | Amount Claimed | Amount Paid * | Succeed | In-part | Fee Repaid | Inconvenience | Requirements Breached * includes Inconvenience |
|---------|----------------|---------------|---------|---------|------------|---------------|---|
| 1 | £12,754 | £250 | | Yes | No | £250 | 1.3,3.2,5.1,5.2 |
| 2 | £5,000 | £3,500 | | Yes | Yes | £250 | 2.1,3.1 |
| 3 | £100 | £299 | | Yes | Yes | £200 | 1.2,2.1,2.6 |
| 4 | | £250 | | Yes | Yes | £250 | |
| 5 | | £250 | | Yes | Yes | £250 | 2.6 |
| 6 | £270 | | No | | | | |
| 7 | £7,638 | £250 | | Yes | No | | 3.1 |
| 8 | | | | Yes | | £250 | 1.5,2.1 |
| 9 | | | No | | | | |
| 10 | £6,830 | | No | | | | |
| 11 | | n/s | | Yes | | | 1.1,1.4,2.2,3.1,3.2,5.1 |
| 12 | £15,250 | £250 | | Yes | Yes | £250 | |
| 13 | £12,932 | | No | | | | |
| 14 | £2,508 | £2,500 | | Yes | Yes | £250 | 1.5,2.1,2.6,3.4 |
| 15 | £10,250 | £100 | | Yes | No | £100 | 2.1 |
| 16 | | | No | | | | |
| 17 | | | | Yes | Yes | | 2.3,4.1,5.1 |
| 18 | | £250 | | Yes | | £250 | 1.1,1.2,1.3,1.4,1.5,2.1,3.2,4.1,5.1 |
| 19 | £5,819 | £250 | | Yes | Yes | £250 | 1.1,1.3,2.1,2.3,4.1,5.1,5.2 |
| 20 | £15,250 | £250 | | Yes | Yes | £250 | 1.3,1.4,3.2,4.1,5.1, |
| 21 | ? | £250 | | Yes | Yes | £250 | 1.3,4.1,5.1 |
| 22 | £15,250 | £250 | | Yes | Yes | £250 | 1.5,3.2d,4.1,5.1, |
| 23 | £15,250 | £370 | | Yes | No | £250 | 1.3 |
| 24 | | £250 | | Yes | Yes | £250 | 5.7.4 |
| 25 | | £549 | | Yes | Yes | £250 | |
| 26 | £250 | £250 | Yes | Yes | Yes | £250 | 5.1 |
| 27 | £15,250 | £250 | | Yes | No | £250 | 1.2,2.1,2.3,2.6,3.1,3.4 |
| 28 | £7,870 | £7,500 | | Yes | Yes | £250 | 1.5,5.1 |
| 29 | £2,750 | £100 | | Yes | No | £100 | |
| 30 | | | No | | | | |
| 31 | £1,725 | £1,725 | Yes | | Yes | £250 | 2.6 |
| 32 | £15,250 | £250 | | Yes | Yes | £250 | 2.3,3.2d,4.1,5.1, |
| 33 | £9,000 | £250 | | Yes | Yes | £250 | 1.3,3.2,5.1 |
| 34 | | | No | | | | |
| 35 | £500 | £250 | | Yes | Yes | £250 | 1.3,5.1 |
| 36 | | | No | | | | |
| 37 | | £100 | | Yes | Yes | £100 | 1.3,4.1 |
| 38 | £2,000 | £1,900 | | Yes | Yes | | 1.5,4.1 |
| 39 | £13,250 | £250 | | Yes | Yes | £250 | 1.3,3.2c&d |
| 40 | £13,525 | £250 | | Yes | Yes | £250 | 1.3,5.1 |
| 41 | £250 | £250 | Yes | | Yes | £250 | 2.1 |
| 42 | £8,000 | | | Yes | Yes | £250 | 1.5,4.2 |
| 43 | | | No | | | | |
| 44 | £5,000 | £5,000 | Yes | | ? | | Misleading Information |
| 45 | £8,250 | £100 | | Yes | Yes | £100 | |
| 46 | £1,350 | £520 | | Yes | Yes | £250 | 1.5,2.1 |
| 47 | | | No | | | | |

Case Summaries to Sept 2017

| Case no | Amount Claimed | Amount Paid * | Succeed | In-part | Fee Repaid | Inconvenience | Requirements Breached * includes Inconvenience |
|--------------|-----------------|-----------------|---------|--|------------|---------------|---|
| 48 | £12,250 | £150 | | Yes | 50% | £150 | 5.1 |
| 49 | £250 | £250 | | Yes | Yes | £250 | 1.5 |
| 50 | £512 | £512 | | Yes | Yes | | |
| 51 | £4,850 | | No | | | | |
| 52 | £2,793 | £2,793 | Yes | | Yes | | 1.5 |
| 53 | £600 | £500 | | Yes | Yes | £60 | 1.2, 2.6 - 1st July 4th Edition applies |
| 54 | £7,426 | | No | | | | |
| 55 | £5,376 | £724 | | Yes | Yes | £125 | |
| 56 | | | No | | | | |
| 57 | £15,000 | £0 | | Yes | Yes | £0 | |
| 58 | £600 | £560 | | Yes | Yes | £60 | 2.6 |
| 59 | £2,797 | | No | | | | |
| 60 | £8,799 | £0 | | Yes | Yes | £0 | |
| 61 | £13,000 | | No | | | | |
| 62 | £5,872 | £2,002 | | Yes | Yes | £250 | 1.5,2.1,2.6 |
| 63 | £1,047 | | No | | | | |
| 64 | £15,250 | £250 | | Yes | Yes | £250 | |
| 65 | | £250.00 | | Yes | Yes | £250 | 1.5 |
| 66 | £10,000 | | No | | | | |
| 67 | £5,000 | £250 | | Yes | Yes | £250 | 1.5,2.1,2.6 |
| 68 | | £656 | | Yes | Yes | £250 | |
| 69 | | | No | | | | |
| Total | £340,743 | £37,910* | | | | £9,245 | To September 2017 |
| | * 11% of amount | | | | | 24% of payout | |
| | | claimed | 19 | FAILED Succeed Succeed (In Part) No registration Fee returned | | | |
| | | | 5 | | | | |
| | | | 45 | | | | |
| | | | 6 | | | | |
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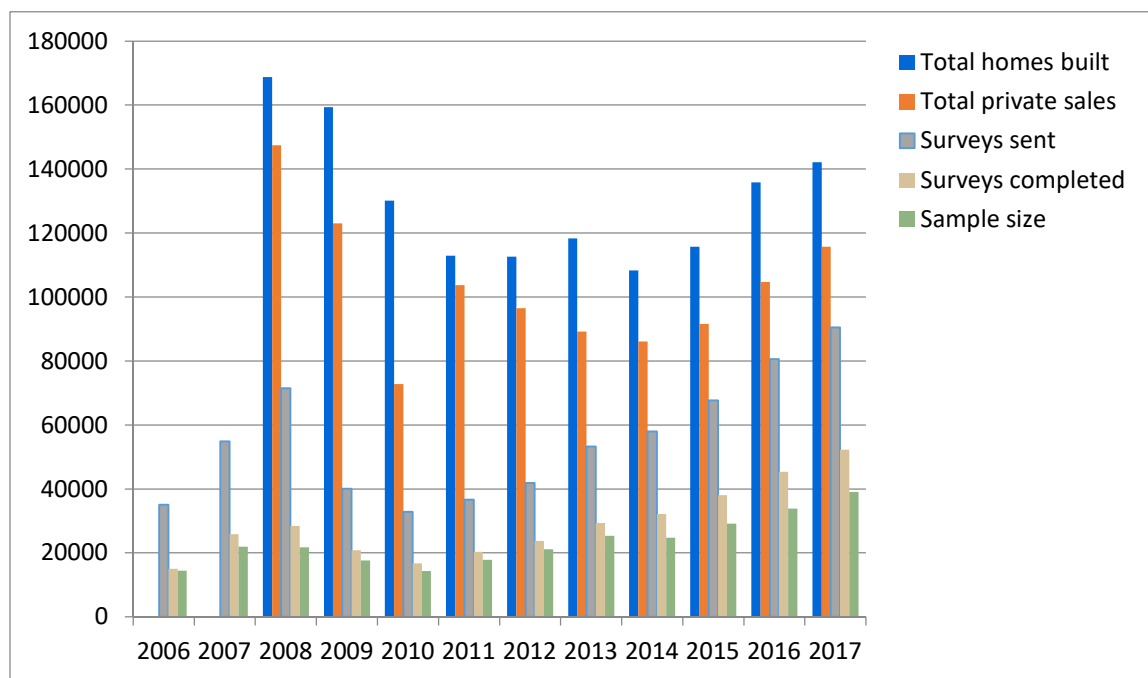
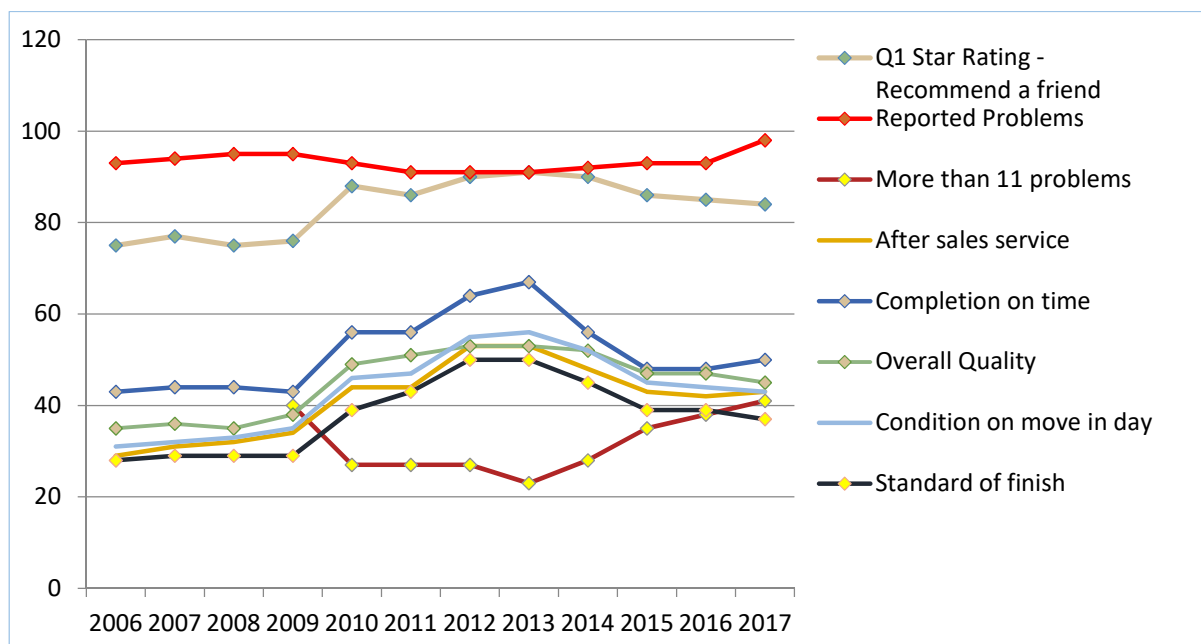
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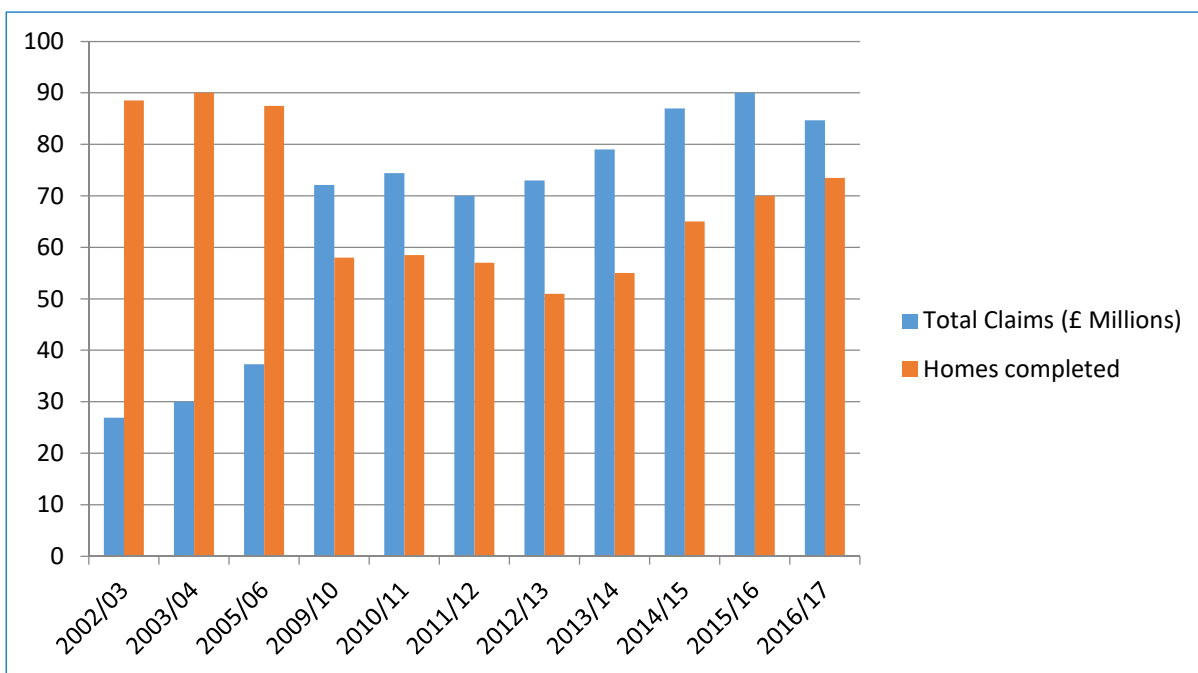
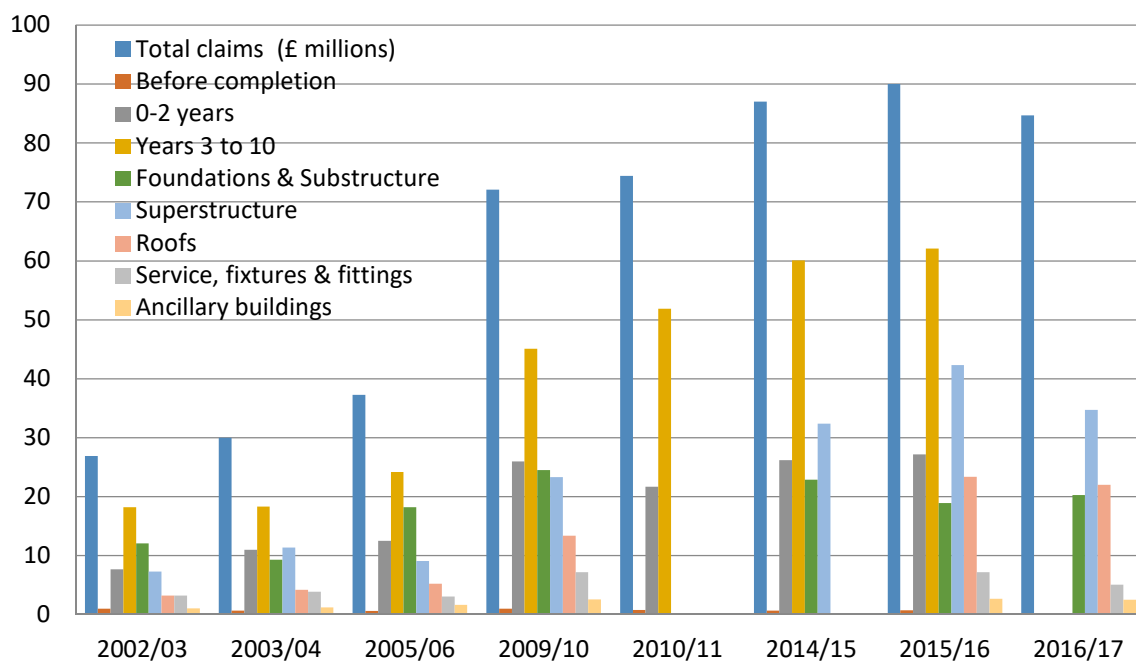
| Case no | Amount Claimed | Amount Paid * | Succeed | In-part | Fee Repaid | Inconvenience | Requirements Breached * includes Inconvenience |
|---------|----------------|---------------|--|---------|------------|---------------|---|
| 47 | £1,000 | £1,250 | | Yes | Yes | £250 | |
| 48 | £3,000 | £100 | | Yes | No | No | 3.2 & 4.1 |
| 49 | n/s | n/s | Yes | | n/s | n/s | |
| 50 | £15,000 | £250 | | Yes | No | £250 | 1.5,2.1,3.1,5.1, |
| 51 | n/s | n/s | Yes | | | | 1.5 & 2.1 |
| 52 | n/s | n/s | | Yes | Yes | £250 | |
| 53 | n/s | 0 | No | | | | |
| 54 | £4,600 | £250 | | Yes | Yes | £250 | 2.6 |
| 55 | £1,000 | £1,020 | | Yes | Yes | £250 | 2.6,5.1,5.2, |
| 56 | n/s | 0 | No | | | | |
| 57 | £15,000 | £100 | | Yes | No | £250 | 5.1 |
| 58 | £6,203 | £6,167 | | Yes | Yes | £250 | 3.2,3.3, |
| 59 | £2,615 | £2,000 | | Yes | Yes | n/s | 2.6, |
| 60 | £10,250 | 0 | | | | £250 | |
| 61 | £9,000 | £9,000 | Yes | | Yes | n/s | 2.1,2.6, |
| 62 | £2,250 | £2,250 | | Yes | Yes | £250 | 1.2,2.3,3.2,4.1,5.1, |
| 63 | n/s | n/s | No | | | | |
| 64 | £15,000 | 0 | No | | | | |
| 65 | n/s | £250 | | Yes | Yes | | |
| 66 | | | | | | | No Case Summary |
| 67 | n/s | 0 | No | | | | |
| 68 | £15,000 | £250 | | Yes | Yes | £250 | 1.1,1.3,3.1,3.2,5.1 |
| 69 | n/s | £250 | | Yes | Yes | £250 | |
| 70 | £9,250 | 0 | No | | | | |
| 71 | £5,244 | £250 | | Yes | Yes | £250 | 1.3,1.5,2.1, |
| 72 | £15,000 | £120 | | Yes | Yes | £120 | 2.1, |
| 73 | £15,000 | £250 | | Yes | No | £250 | 5.1, |
| 74 | £15,000 | £250 | | Yes | Yes | £250 | 1.3,5.1, |
| 75 | £15,000 | £250 | | Yes | No | £250 | 1.1,1.2,2.1,2.6,3.1,5.1, |
| 76 | n/s | n/s | | Yes | Yes | 0 | 3.2 |
| 77 | £3,428 | £250 | | Yes | Yes | £250 | 1.5,3.1, & 5.1 |
| 78 | n/s | n/s | Yes | | Yes | 0 | 2.1 & 3.2 |
| 79 | £2,020 | £65 | | Yes | Yes | £65 | 1.5,2.1,3.1, |
| 80 | n/s | £250 | | Yes | Yes | £250 | 5.1 |
| 81 | £3,250 | | No | | | | |
| 82 | £4,776 | £1,462 | | Yes | Yes | £250 | 2.1,2.6,3.1,3.2,4.1,5.1, |
| 83 | n/s | £250 | Yes | | Yes | £250 | 1.1,1.3,2.1,3.1, |
| 84 | n/s | £250 | | Yes | Yes | £250 | 1.5 & 2.1 |
| 85 | | | No | | | | |
| 86 | n/s | £50 | | Yes | Yes | £50 | 5.1 |
| 87 | £15,000 | £250 | | Yes | Yes | £250 | 3.2 |
| 88 | n/s | £1,150 | | Yes | Yes | | 2.1 |
| 89 | £5,098 | * | Housebuilder paid £2,250 goodwill and free carpets for poor quality finish | | | | |
| 90 | £1,700 | £1,950 | | Yes | Yes | £250 | 2.6,3.2,5.1 |
| 91 | n/s | n/s | Yes | | Yes | n/s | 2.6 & 5.2 |
| 92 | £2,000 | £2,125 | | Yes | Yes | £125 | 1.2,2.1,2.6 & 3.4 |

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| Case no | Amount Claimed | Amount Paid * | Succeed | In-part | Fee Repaid | Inconvenience | Requirements Breached * includes Inconvenience |
|-----------------|-----------------|----------------|----------|-----------|---------------|--------------------------------------|---|
| 93 | £370 | £250 | | Yes | Yes | £250 | 3.2 & 5.1 |
| 94 | n/s | £2,870 | Yes | | Yes | £250 | 3.2 |
| 95 | n/s | £250 | | Yes | Yes | £250 | 1.5,2.1,2.6,3.1,3.2 & 4.1 |
| 96 | £15,000 | £1,902 | | Yes | Yes | £250 | 3.2 & 5.1 |
| 97 | n/s | | No | | | | |
| 98 | £5,250 | £5,250 | | Yes | Yes | £250 | 2.6, 3.4 & 5.1 |
| 99 | £15,250 | | No | | | £250 | |
| 100 | £15,250 | | No | | | | |
| 101 | n/s | £250 | | Yes | | | 1.1,1.4,2.1, 3.2, 2.1,4.2,5.1 |
| 102 | n/s | £100 | | Yes | Yes | £100 | |
| 103 | n/s | £250 | | | Yes | £250 | 2.6 |
| 104 | £6,813.85 | £50 | | Yes | No | £250 | 1.2,5.1,5.2, |
| 105 | n/s | £250 | | Yes | Yes | £250 | |
| 106 | £14,620 | £150 | | Yes | Yes | £250 | 1.5,2.1 |
| 107 | £3,507.85 | £250 | | Yes | Yes | £250 | |
| 108 | £3,935 | £3,264 | | Yes | Yes | £250 | 1.3,1.5,2.1,5.1, |
| 109 | £250 | £100 | | Yes | Yes | £250 | |
| 110 | n/s | £250 | | Yes | n/s | £250 | 3.1,3.3 |
| 111 | £563.28 | £413.28 | | Yes | Yes | £250 | 3.2 |
| 112 | £7,889 | £4,744 | | Yes | Yes | £250 | 2.6,3.2,5.1, |
| 113 | n/s | n/s | No | | | | |
| 114 | £15,250 | £250 | | Yes | Yes | £250 | 1.5,2.1,5.1 |
| 115 | £15,250 | £50 | | Yes | No | £250 | |
| 116 | n/s | | No | | | | |
| 117 | £15,250 | £250 | | Yes | No | £250 | 1.1,1.3,1.5,2.1,2.3,3.1,4.1,5.1, |
| 118 | £15,250 | £250 | | Yes | No | £250 | 1.5,3.2, |
| 119 | £4,470 | | No | | | £250 | |
| 120 | £1,708 | £1,708 | Yes | | Yes | | 2.1,4.1,5.1, |
| 73 Cases | £367,561 | £55,410 | 8 | 15 | 43 Yes | 34 just inconvenience payment | |
| | | | | | 9 No | 10 of those < £250 maximum | |

APPENDIX D HBF New Homes Customer Satisfaction Survey Results Graphic



APPENDIX E NHBC Facts and Figures Graphics

APPENDIX F NHBC Statistics (publicly available)**NHBC ANNUAL REPORT DATA**

| | 2002/03 | 2003/04 | 2005/06 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|---|-----------|-----------|-------------|---------|--------------|---------|---------|-----------|-----------|-----------|--------------|
| Total Claims (million) | £26.9m | £30.0m | £37.3m | £72.1m | £74.4m | £70m | £73m | £79m | £87m | £90m | £84.8m |
| Pre completion (million) | £1.0m | £0.7m | £0.6m | £1m | £0.8m | | | | £0.7m | £0.72m | Not revealed |
| Years 1 and 2 (million) | £7.7m | £11m | £12.5m | £26m | £21.7m | | | | £26.2m | £27.2m | Not revealed |
| Years 3 to 10 (million) | £18.2m | £18.3m | £24.2m | £45.1m | £51.9m | | | | £60.1m | £62.08m | Not revealed |
| Number of claims | | | | | | | | | 11,000 | 11,000 | Not revealed |
| Foundations/percentage | £12.1/29% | £9.3/31% | £18.2/29.6% | | £11.38/15.3% | | | £11.2/13% | £22.9/12% | £18.9/12% | £20.3m/11% |
| Superstructure/percentage | £7.3/40% | £11.4/38% | £9.1/24.4% | | £23.5/34.4% | | | £31.1/36% | £32.4/39% | £42.3/38% | £34.7m/38% |
| Roofs/percentage | £3.23/12% | £4.2/14% | £5.22/22.4% | | £16.96/35.5% | | | | | £23.4/37% | £22m/34% |
| Services fixtures & Fittings/% | £3.23/15% | £3.9/13% | £3.09/11.6% | | £9.15/12.3% | | | | | £7.2/10% | £5.1m/12% |
| Ancillary Buildings/percentage | £1.08/4% | £1.2/4% | £1.64/3.9% | | £1.86/2.5% | | | | | £2.7/3% | £2.5m/5% |
| Number homes completed | 177,000 | 180,000 | 175,000 | | 117,500 | | 102,000 | 115,000 | 130,000 | 140,000 | 147,000 |
| Number of warranty inspections | 750,000 | | | | 369,000 | | 527,273 | 600,000 | 750,000 | 798,000 | 914,000 |
| Number Items needing attention | 600,000 | | | | | | | 286,000 | 336,000 | 357,000 | Not revealed |
| No. Building Control Inspections | 35,000 | | | | | | | 75,000 | | 89,000 | Not revealed |
| Dispute Resolution | 6,847 | 6,483 | 7136 | | 3,959 | 2,797 | 2,559 | | | 5,019 | Not revealed |
| DR in favour of homebuyer | | 70% | 71.8% | | 66.7% | | 66% | | 70% | 70% | Not revealed |
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APPENDIX G

Photographs of typical defects and appalling standards of new homes.







