
From: [REDACTED]
Sent: 06 October 2023
To: Housebuilding
Cc: Housebuilding
Subject: Re: Housebuilding Market Study

We're writing as an interested party in the above-mentioned market study. We are a small business that carries out research for the housebuilding industry, primarily focused on customer satisfaction with the process of buying, moving into and owning newly built homes in the UK.

We currently complete circa 3,000 telephone interviews with new homeowners each month on behalf of circa 90 housebuilders. The results of the survey are shared directly with housebuilders using our service on a daily basis, and results are benchmarked on a quarterly and ongoing basis.

The survey incorporates key parts of the customer experience including, but not limited to:

- The way customers are kept updated on the progress of their home
- The home demonstration provided prior to legal completion
- The condition & quality of the new home when handed over
- The number of defects or snags customers have reported
- The percentage of defects or snags that are resolved in the first 4-8 weeks from completion
- How customers feel about the way in which their defects have been resolved
- How likely customers are to recommend the builder they bought from

Customers are asked to rate aspects of their experience along with providing qualitative feedback specific to each area on what went well, or what could be improved to help inform future process & procedure improvements and performance management.

Having read your document "Housebuilding market study – update report and consultation on a market investigation reference" dated 25th August 2023, we would like to propose a consideration to the methodology for standardised industry reporting on national levels of customer satisfaction.

At present the 'Industry Norm' for reporting on satisfaction levels is to refer to the HBF's CSS survey operated by the NHBC. This collaboration is not independent of the housing sector and does not provide a full picture to the state of satisfaction with the industry. This is affected by the survey methodology, timing and questions. In addition to this, there is very limited information that is available to consumers about their builder's performance and even less to hold builders to account for their delivery of quality homes at scale.

We would like to propose a change to the measure of satisfaction in the industry, both in terms of the format and framework under which the research is carried out, to the timings of the survey and the accreditation scheme awarded to housebuilders. The purpose of this would be:

- To understand the long-term satisfaction of new homeowners
- To measure satisfaction with the delivery of complete developments & infrastructure
- The impact of estate management & ongoing maintenance
- To better evaluate performance of housebuilders throughout the defect liability period
- To ensure customers continue to be served post the completion 'high'
- To provide more transparency for homebuyers when considering purchasing a new home

Instead of the current single survey at 8 weeks carried out by the NHBC on which to base an accreditation, we would propose a research framework similar to that recently introduced for the Regulator of Social Housing with Tenant Satisfaction Measures (TSMs). This framework asks all social landlords to report on key metrics used to analyse satisfaction in the industry, using both tenant perception measures (surveys) and management information (provided by landlords in a statutory return). Results will be published by the Regulator annually to hold landlords to account and provide tenants with visibility about how their landlord is performing. This will also help inform enforcement action for the Regulator.

We have been working on a framework like this for the private housing market over the past few weeks and intend to present this to the NHQB, who we see as being the most appropriate independent adjudicators to introduce a framework of this nature and for the Ombudsman and NHQB to publish performance results from such work on a regular basis.

The benefit of this is that reporting will be wholly independent of any industry body, and it is more open, transparent and fair to small businesses such as ours that operate in this sector. We do not believe that a national housing survey should be carried out by a warranty provider or industry federation, but instead, allow researchers to offer services that meet a strict research framework that ensures all housebuilders are surveying a meaningful representation of their customer base. Results must be representative in order to be published and the framework should regulate how housebuilders must collect customer feedback at specific time frames to measure the long-term satisfaction of homeowners, as well as satisfaction with the sales and completion processes.

For the clients we work with, we achieve an industry-leading survey response rate in excess of 65-70%, which means we can stand behind the results we provide as being accurate and representative across a wide range of customer demographics. This is particularly important in the housing market where the vast majority of housebuilders are small to medium enterprises that are susceptible to small sample sizes and statistical accuracy can be difficult to achieve through digital survey methods alone.

The current approach is for a warranty provider, paid by housebuilders to contact homebuyers on behalf of an industry body. We do not believe this approach is fit for purpose.

Kind Regards,

[Redacted signature]

[Redacted contact information]