

BEST PRACTICE LEARNING FROM THE NEW HOMES QUALITY BOARD

A series from NHQB highlighting the industry's current talking points and giving valuable insights

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SNAGGING

The process of finding and fixing any minor issues or defects that occur in new homes, and is important to both homeowners and property developers alike.

Chairman's **Foreword**

At the New Homes Quality Board, we understand that snagging can have a huge impact on the overall happiness of customers and interfere with the process of making a house into a home.

As it is our role to drive better standards for customers and to support developers in addressing the issue of snagging, we have undertaken this research to clarify the customer perspective of snagging and help developers manage and deliver against expectations.

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Rob Brighouse Chair, NHQB

What is **Snagging**, and what does it mean to customers?

Snagging is the process of finding and fixing any minor issues or defects that occur in new homes and is important to both homeowners and property developers alike.

However, it can be frustrating for customers when it is not clear what qualifies as a snag, and what expectations are realistic for putting it right.

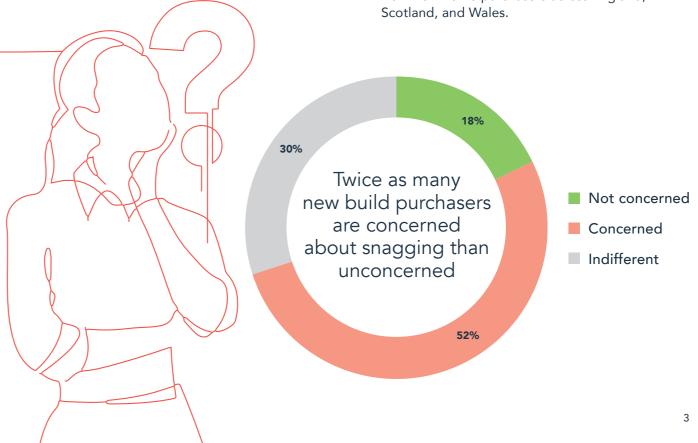
Situations like this can quickly snowball into lengthy disputes between customers and developers.

The New Homes Quality Board has undertaken customer research which shows that homeowners often don't understand what qualifies as a snag and are disappointed when the resolution process does not meet their expectations.

There is a clear need for developers to provide education and clear guidelines on the issue of snags for all new homeowners and for ensuring consistency across the sector. To get a better understanding, we undertook customer research using two focus groups and a nationally representative survey of UK homebuyers to explore several key topics related to snagging:

- 1. Thoughts on snagging from the customer's perspective (Page 5)
- 2. What snags do customers consider to be less acceptable (Page 6)
- 3. What are the ideal resolutions from developers that customers would like to see? (Page 8)

The focus groups involved a mix of recent purchasers (both first-time buyers and second steppers) and those in the market for a new build home. The survey received over 320 responses from new home purchasers across England, Scotland, and Wales



Summary of key recommendations

- Make sure that homes have been fully quality checked by somebody not directly involved in the construction, ideally using the Pre-Completion Inspection Checklist.
- Explain to customers how the snagging process works from early on in the sales journey, 2. clarifying what snags are and how they will be fixed. This will help manage expectations and prevent disappointments after they move in.
- Provide easy ways for customers to report any problems they find, such as phone numbers, emails, face-to-face visits, or an app, and ensure customers understand this when they move in.
- Keep your promises. Defects should be resolved within 30 days so if there are any delays or issues, inform customers in advance and explain what will happen next. Don't wait until the date has been missed before you contact the customer.
- If you and the customer cannot agree on a solution, you can suggest they contact the New Homes Ombudsman Service (NHOS). The NHOS is an independent and impartial service that is free to use for customers.

I used to think snags were just small issues, but I've had friends have the entirely wrong kitchen installed and that was counted as a snag, so now I'm not sure what counts and what doesn't!

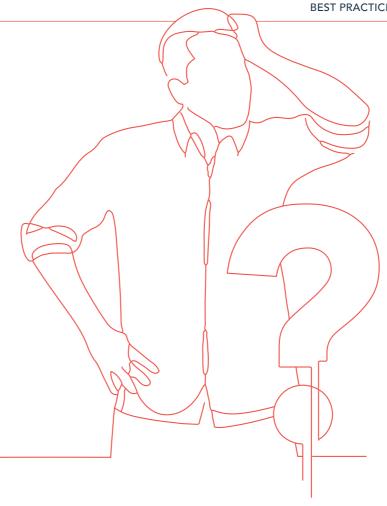
First Time Buyer from York

A snag is something that doesn't work at all, something non-functioning.

Second Stepper from Newcastle

Annoying little repairs... touch ups. First Time Buyer from Wales



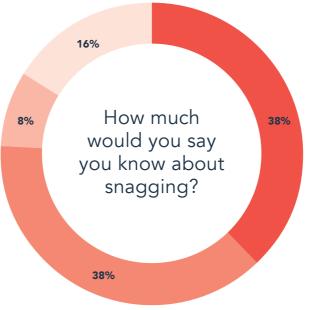


Thoughts on snagging from the customer's perspective

The majority of customers have a limited understanding of snags. Some think it's small issues, while others have seen major problems being counted as snags.

Customers also use multiple sources to learn about the issue; through word of mouth, social media, developer employees, or review sites, such as HomeViews and Trustpilot.

We found social media was one of the most common ways to gain information on the issue, particularly for first-time buyers, as customers place a great amount of trust in online personalities and other first-hand customer reviews.



86% (275 out of 320) of new build purchases are aware of the term snagging

62% (198 out of 320) know little or nothing at all about snagging in this context

- Heard of it and know a lot about it
- Heard of it but don't know anything about it
 Never heard of snagging in this context
- Heard of it and know a little about it



Explain to customers how the snagging process works from early on in the sales journey, clarifying what snags are and how they will be fixed. This will help manage expectations and prevent disappointments after they move in.



What snags do customers consider to be less acceptable?

Customers accept that snags will occur, but some snags are **less acceptable** than others.

73% of customers knew that, despite the developer's quality assurance process, they still expect snags. Developers work hard to build the highest quality homes. However, homes are built outdoors, in all kinds of weather, by hundreds of different people, over several months. These factors mean that minor problems can sometimes occur, despite the builder's best efforts.

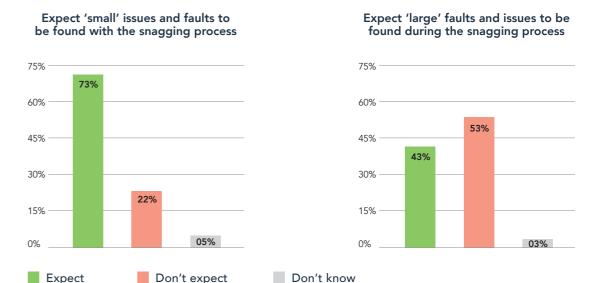
When talking about snags, customers identified three categories: expected, unexpected, and less acceptable.

Expected: These are snags that happen naturally as the building settles, or as materials dry out. For example, issues with paint finish or minor cracking.

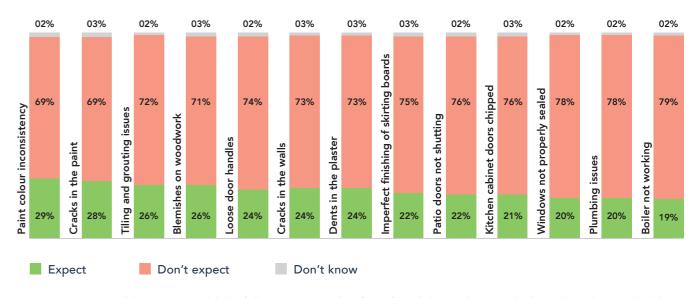
Unexpected: These are snags that customers believe should have been noticed and fixed before the house was finished, but they don't affect how the house works or how safe it is. They are more like small imperfections. For example, switches or sockets not level, or a cracked tile.

Less acceptable: These snags are serious, frustrating for customers, and can be dangerous. It's not okay to have these issues in their homes, and they want them to be fixed right away. Examples of these include broken doors, dishwasher not plumbed in, missing roof tiles, or problems with plumbing or electricity.

There is a strong expectation of small issues and faults among customers, a small proportion expect larger issues.



Many snags that are not unusual in this sector are completely unacceptable from a customer's perspective.



Q5. How acceptable to you would the following 'snags' be if you found them when you had purchased a new build property? Base: New Build home purchasers (322). Savanta Omnibus Data.



TOP TIP

Make sure that homes have been fully quality checked by somebody not directly involved in the construction, ideally using the Pre-Completion Inspection Checklist.



TOP TIP

Provide easy ways for customers to report any problems they find, such as phone numbers, emails, face-to-face visits, or an app, and ensure customers understand this when they move in.

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What do customers say is the **ideal resolution** from developers?

When a snag occurs, customers identified an ideal **6-step resolution process**:



- 1. Identify: Ideally, the developers find the problem before the home is handed over.

 If this fails, the customer may find snags themselves, or may hire snagging companies.
- 2. Report: If customers find a problem, they want to tell the developers right away. They would prefer to call or email a specific person or use an app or website to report the issue.
- Acknowledge: No matter how they report it, customers want to know immediately that their message was received. They expect the developers to confirm that they have received the details.
- Inform: Within a day or two, developers should tell the customers what they plan
 to do next or when they will fix the problem. Ideally, they should use the same method of communication as the customer.
- 5. Fix: Developers should fix the problem as soon as possible. Ideally, right away, but if that's not possible, they need to explain why and give a clear date for when it will be fixed.
- 6. Follow-up: After fixing the problem, the developers should check if everything is okay and ask the customers if they are happy.

While customers have clear information needs and an ideal resolution process in mind, the challenge comes from their **ambitious expectations** around resolution timeframes.

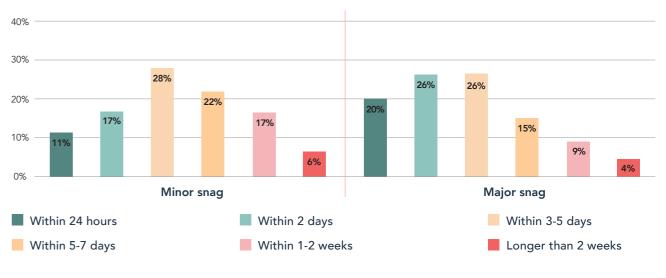
The majority of customers expect all snags, minor or major, to be fixed within five days.

Given the high cost of buying a home and the emotional nature of the purchase, it is perhaps unsurprising that their expectations go further than the requirements of the New Homes Quality Code. While a quick resolution is ideal, this can be hard for developers, especially for small businesses to achieve.

It's important to **talk to customers early** on and explain the process and how long it might take.

As a reminder, the Code requires that snags or defects are resolved within 30 days unless there is a substantial reason for the delay – which should be explained clearly to the customer. Failure to achieve this can lead to the customer wishing to log a formal complaint.

The timeframes customers expect for fixing snags, whether minor or major, can often be unrealistic and lead to disappointment when those expectations are not met.



Q8/9. Imagine you had purchased a new build property and a snag was identified that you consider to be relatively minor/major. How long would you expect each of the following to take? Base: New Build home purchasers (322). Savanta Omnibus Data.

TOP TIP

Keep your promises. Defects should be resolved within 30 days so if there are any delays or issues, inform customers in advance and explain what will happen next.



TOP TIP

If there seems to be no appropriate solution to a customer's issue, you can suggest they contact the New Homes Ombudsman Service (NHOS). The NHOS is an independent and impartial dispute resolution service and as part of the requirements of the New Homes Quality Code, all registered developers must ensure that customers are aware of the NHOS.

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ISSUE: 01 – SNAGGING

NEW LEARNING SERIES FROM THE NEW HOMES QUALITY BOARD



This report can help to provide a roadmap for developers to improve customer experiences around snagging.

The study we conducted with Savanta has provided valuable insights into the importance of educating homebuyers about what constitutes a snag, and how quickly they can expect issues to be resolved. If you would like to see a full copy

of the research, then please contact us. By using the recommendations in this report, the industry can build more trust with customers and deliver high-quality homes, ultimately leading to greater satisfaction for all involved.

Summary of the five recommendations from this report:

- 1. Make sure that homes have been fully quality checked by somebody not directly involved in the construction, ideally using the Pre-Completion Inspection Checklist.
- Explain to customers how the snagging process works from early on in the sales journey,
 clarifying what snags are and how they will be fixed. This will help manage expectations and prevent disappointments after they move in.
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This research provides valuable insights into the **importance of educating homebuyers about what constitutes a snag** and how quickly they can expect issues to be resolved.

For further information contact the New Homes Quality Board

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