

Emerging stronger for our stakeholders

Our customers

We want every customer to receive a great service and for every new home to meet our quality standards.

Material issues



Progress for 2020

- Achieved an average quality score of 4.45 compared with an industry benchmark group average score of 4.32
- Achieved a recommend score of 92% in the HBF 8-week survey which equates to a five-star rating
- Enhanced our digital offering to customers to complete their homebuying journey remotely, from registering their interest through to completion of purchase
- Published a customer version of our Customer Quality Assurance document, so it is clearer for customers what they can expect from us
- Customer research carried out into environmental issues, with over 1,000 people taking part

Priorities for 2021

- Improve our 9-month customer satisfaction survey score
- Roll out the new house type range across our regional businesses
- Maintain our five-star customer satisfaction rating
- £125 million in funding to support fire safety improvement works for leaseholders in Taylor Wimpey apartment buildings, including those below 18 metres, built over the last 20 years, to ensure they meet current RICS EWS1 guidance

EM Read more on pages 20 and 21

IM Read more on pages 22 and 23

Our customer proposition is closely tied to our purpose and centres on delivering great homes and thriving communities consistently. Our customers can trust us to do the right thing.

Fire safety provision
Background

The safety of our customers is of paramount importance and we have always been guided by this principle. Following the tragic fire at Grenfell Tower, Taylor Wimpey moved quickly to identify where action was needed to remove ACM cladding on legacy high rise apartment buildings, even though the buildings concerned met the requirements of building regulations at the time construction was approved. We announced a £40 million provision to cover the cost of removing and replacing ACM cladding on those buildings, and to date we have completed work on 12 out of 19 of the apartment buildings identified in this review.

Over the past three years there have been multiple updates to regulation and advice on implementation, and the number of buildings and scope of issues under review has widened materially, to include apartment buildings below 18 metres and those with other forms of cladding. Many leaseholders have been left with unreasonably large bills to ensure their properties are safe and in line with post-Grenfell fire safety standards.

Latest RICS EWS1 Guidance

In January 2021, the Royal Institution of Chartered Surveyors (RICS) issued proposed guidance for public consultation to improve consistency in EWS1 (External Wall Fire Review) requests. This consultation clarified the circumstances in which an EWS1 form is required.

The UK Government announcement on 10 February 2021 endorsed this updated guidance, which has made fire safety improvement requirements clearer and enabled us to focus on resolving issues for leaseholders using EWS1 forms as an independent framework. Whilst we await a further update from RICS, we believe that it is right to provide as much clarity as possible for customers at this point.

Provision scope

As a result of this clarified guidance, we have announced an additional £125 million provision, to be booked in 2021, to fund fire safety improvement works for leaseholders in Taylor Wimpey apartment buildings constructed over the last 20 years. We will provide funding to make apartment buildings safe and mortgageable in line with the latest RICS EWS1 guidance.

For buildings we own, Taylor Wimpey will both fund and oversee the improvement of apartment buildings, regardless of eligibility for the UK Government Building Safety Fund, including apartment buildings below 18 metres. If Taylor Wimpey no longer owns the building and it is not eligible for the Building Safety Fund, or similar support that may be announced in the future, where a freeholder produces a fair and proportionate plan for fire safety improvement works following EWS1 assessment, we will contribute funding to assist freeholders in bringing those buildings up to the standards required by EWS1 assessment.

We have identified 232 apartment buildings that may require fire safety works under EWS1 requirements.

We expect building owners to contact Taylor Wimpey following completion of the required EWS1 assessment on the relevant buildings they own. If the apartment building is eligible for the UK Government's Building Safety Fund, we would expect building owners to apply for this funding, which is expected to be partly funded by an Industry levy.

This provision will be reflected as a non-adjusting post balance sheet event, disclosed as such in the 2020 accounts, and the provision will be booked in the 2021 accounts as an exceptional charge.

Ground Rent Review Assistance Scheme

During 2007-2011, ten-year doubling ground rent clauses were generally included in customer leases on some of our developments. We ceased using such clauses on new developments from January 2012 onwards. In April 2017, following a detailed review, we launched a voluntary Ground Rent Review Assistance Scheme (GRRAS) to help affected customers. Under GRRAS, Taylor Wimpey covers the cost of converting our customers' lease terms into an industry standard RPI-based lease, comparable to that used in the majority of residential leases in the UK.

GRRAS is available to all of our customers and also to subsequent purchasers on those developments where we still own the freehold.

We have reached agreement with freeholders representing 99% of the leases concerned, with the other 1% in negotiations. All of our customers that currently have the option of converting their ten-year doubling lease to an RPI-based structure have been contacted in connection with this matter.

The CMA's investigation into leasehold remains open and we understand that the CMA will continue to proceed with its investigation. We will continue to cooperate with the CMA and will formally respond to the CMA at the appropriate point in its process.



May
Supporting NHS and care workers

In May we announced a discount scheme for NHS and care workers, as a thank you for their heroic efforts during the COVID-19 pandemic. The scheme, which ran between May and December, offered care workers a special 5% discount off the purchase price of a new home. We are pleased that over 3,000 NHS and care workers used the scheme, saving a combined c.£46 million on reservations made in the year.

“We were fortunate enough to qualify for Taylor Wimpey’s Care Worker Discount, which has taken some of the pressure off saving money to pay for the optional extras that we wanted in our new home.”

Taylor Wimpey customer

March

Communicating with our customers

Increased communications with our customers throughout the pandemic ensured they were kept updated, starting with the closure of sales centres and construction sites.

April

Moving our sales online

An enhanced digital offering, including remote appointments and video tours allowed customers to complete their entire homebuying journey remotely while our sales centres were closed.

July

Safe customer service

Created a video for customers to clearly show the safety protocols we have in place for when our teams visit customers' homes.

August

Dynamics

Launched trials of our new customer relationship management system, Dynamics, in two regional businesses.

Emerging stronger for our stakeholders continued

NHS and care workers discount scheme

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New house type range

We worked with architects to update our standard house types which we will start using in 2021. These have been designed to reflect four years of customer insights. The standard designs with fewer house types also provide a number of operational and procurement benefits that will help ensure quality and consistency. However, we have not reduced the specification of our homes.

The new range incorporates more open plan living, more natural light and improved storage, reflecting customer feedback and the results of our research and development. Our new house types include more flexible living with adaptable work study spaces, with at least one study area per home that will make it easier for customers to work and study from home and help reduce their travel footprint.

Build quality

Since the introduction of the measure, we have led the volume housebuilders in build quality as measured by the NHBC CQR score, which measures build quality at key build stages. In 2020, we scored an average of 4.45 (2019: 4.13) from a possible score of six, once again the highest score for a volume housebuilder. This compares with an industry benchmark group average score of 4.32. We are fifth nationally when ranked against all housebuilders that have more than 100 build stages (which excludes self build and very small housebuilders).

We aim to improve this further by ensuring our quality assurance processes are embedded at every stage of build.

Our Consistent Quality Approach (CQA) guidelines ensure our Site Managers, subcontractors, production and customer service teams all have a consistent understanding of the finishing standards

we expect on all Taylor Wimpey homes. We are developing specific guidance within the CQA for the different trades working on our sites that will form part of our framework agreements with contractors in the future. In 2020, we published a customer version, so it is clearer for customers what they can expect from us.

Build quality on site is overseen by our UK Head of Production who works closely with our Customer Director. Progress is reviewed monthly by our Group Management Team. We agree a quality improvement plan for any sites not meeting our standards and work with commercial and production teams to implement improvements.

Getting things right first time also reduces costs and is important from an environmental perspective as fewer mistakes mean less waste, fewer deliveries to site and homes perform to the energy-efficiency standards we expect.

Customer insight and communication

In 2020 we designed and piloted a new customer relationship management system using Microsoft Dynamics software. This will be rolled out across our business in 2021 and will build on the progress we have made in digital communications with our customers over the past few years. As well as the customer service and efficiency benefits of better, more targeted communication, we expect the system to provide better insight led decision making, enhancing revenue and margin. The system will bring customer service benefits such as real time online issue resolution, delivering greater visibility and faster responses. Operationally, there are a number of benefits, for example, the system will enable end to end workflows for legal processes, with online notifications and approvals ensuring customers, solicitors and our legal teams are aligned, helping to reduce time to completion.

We want customers to receive clear information and prompt service throughout the homebuying process. During the year, and mindful of the uncertainty and impact on our customers and their house moves, we increased the level of communication, with our CEO writing to all customers upon closing and reopening of sites and throughout the subsequent changes. We also ensured that throughout the lockdown, we retained a core sales presence to communicate with customers and who were on hand, digitally, to answer any questions.

Customer satisfaction

We are pleased to have achieved a 5-star rating in the year and a score of 92% for the year ending September 2020, as measured by the Home Builders Federation survey reflecting customer satisfaction becoming embedded into the way we work. We are particularly pleased to have improved customer service during the lockdown. We acknowledge that we do not always get it right for our customers and sometimes fall short of our targeted standards. Where this is the case, we remain committed to working closely with our customers to put this right and learn from our mistakes. We encourage customers to leave reviews on Trustpilot. At the end of 2020, with over 4,500 reviews, we had a 4 out of 5 star rating (end of 2019: 4 out of 5) with a trust score of 4 out of 5 (2019: 3.9 out of 5).

We are supportive of Government plans to introduce an independent ombudsman service for the new build sector. We expect this to be introduced in 2021 and we will sign up to its code of conduct. We have been working with the HBF and others in our industry to align to the expected new requirements in areas such as complaints handling and customer rights to pre-inspection of new properties.

Greener living

We conducted research with over 1,000 consumers around the UK in 2020 to explore attitudes to the environment and sustainable living. Our research shows that environmental issues are becoming increasingly important.



New house type range

Our new standard house types have been designed to reflect four years of customer insights. The range includes a reduced number of house types which will provide operational and procurement benefits and help improve quality and consistency for our customers.

The new range incorporates more open plan living, more natural light and improved storage, reflecting customer feedback and the results of our R&D. The house types also offer more flexible living with adaptable work study spaces and at least one study area per home, which will make it easier for our customers to work and study from home and reduce their travel footprint.