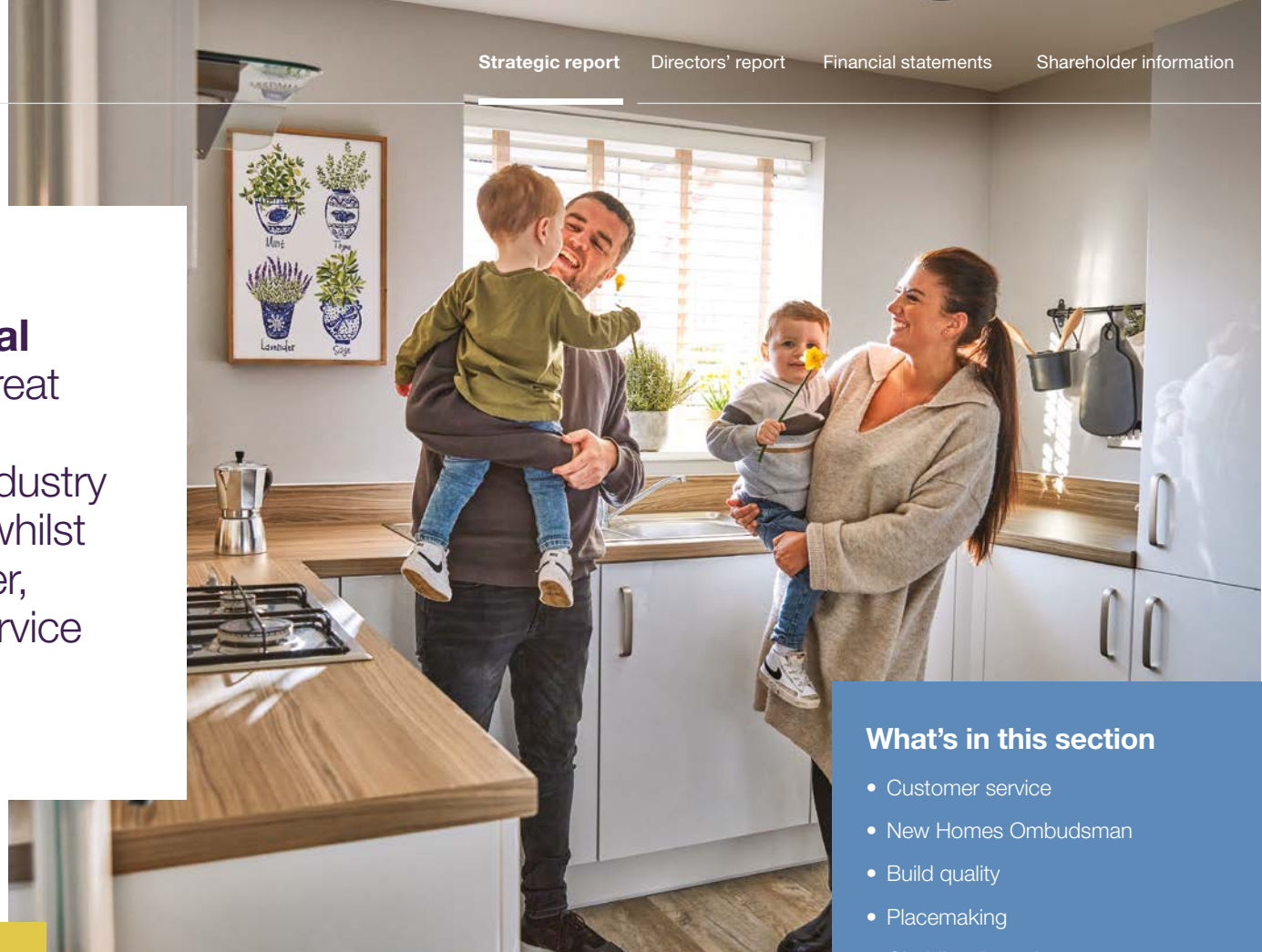




Building for our customers

Our customers are central to our purpose 'to build great homes and create thriving communities'. We are an industry leader in build quality and, whilst already a 5-star rated builder, enhancing our customer service was a key priority in 2023.



What's in this section

- Customer service
- New Homes Ombudsman
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- Placemaking
- Cladding fire safety

Highlights for 2023

Customers in 8-week survey who would recommend us to a friend

92%

(2022: 90%)

Construction Quality Review average score (out of 6)

4.89

(2022: 4.81)

Trustpilot rating

4 out of 5

(2022: 4 out of 5)



Building for our customers continued

Customer service

Customer service was a major focus for 2023 and we are delighted to have increased our Home Builders Federation (HBF) 8-week 'would you recommend?' score to 92% (2022: 90%) and retained our five star rating. However, we have not yet seen the same increase in our 9-month score which gives us insight into how customers feel about the homes and places we build over the longer term. Our score for 2023 was 77% (2022: 78%) and we will be prioritising improvements in this area in 2024.

We encourage customers to leave reviews on Trustpilot. At the end of 2023, with 8,950 reviews, we had a 4 out of 5 star rating (end of 2022: 4 out of 5) with a trust score of 3.9 out of 5 (2022: 3.9 out of 5).

We have prioritised working with all our partners to deliver excellent customer service and leverage our customer database capabilities, in order to build a strong order book. In a more challenging market, understanding our customers is more important than ever.

We are using the data insights provided by our fully integrated customer relationship management system to better support our customers and align our marketing strategy.

Our systems enable us to identify potential new leads, be proactive with our current customers (with visibility of key customer and plot dates) and pre-empt potential issues.

As part of our drive to ensure we are delivering for our customers, in 2023 we have conducted more widespread and consistent follow up with customers to understand their views after they have moved into their new home.

New Homes Ombudsman

We signed up to the New Homes Quality Code in November 2022 and aligned our processes to its requirements. Customer-facing employees are trained on the Code as well as many colleagues in our commercial and technical functions and some of our subcontractors.

In 2023, we introduced a policy on how to support potentially vulnerable customers as part of our alignment to the Code requirements. This has now been rolled out to our businesses.

Build quality

We continue to see improvements in our build quality as measured by the NHBC Construction Quality Review (CQR) score, which measures build quality at key build stages. In 2023, we scored an average of 4.89 (2022: 4.81) from a possible score of six. This compares with an industry benchmark group average score of 4.67.

We aim to further improve this by ensuring our quality assurance processes are embedded at every stage of the build. We clearly communicate our quality standards to subcontractors and invest in training, process improvements and regular inspections throughout the build process to ensure consistently high standards and prevent quality issues from occurring.

Construction Quality Review scores (out of 6)



Quality is incentivised from the top of the organisation, with a proportion of our Executive Incentive Scheme linked to customer service and build quality, and this is also one of our Principal Risks. We also integrate customer service and quality into our all employee bonus scheme.

92%

five star customer service rating (2022: 90%)

3.9

out of 5 trust score (2022: 3.9 out of 5)



Building for our customers continued

Placemaking

Good placemaking ensures our teams plan, design, and deliver schemes that become successful and sustainable new communities, where our customers can enjoy a good quality of life.

We have clear placemaking standards based on Building for a Healthy Life and aligned with the National Design Guide and National Model Code. There is an internal design review process for all new schemes to ensure consistent design quality.

Our schemes are also reviewed more than once during design development by our Director of Design (a qualified architect and urban designer) and must be signed off before they can proceed to planning application.

Access to transport and local infrastructure and facilities contributes to the success of our schemes. In 2023, we contributed £405 million to local communities in which we build across the UK via planning obligations (2022: £455 million).

This funded a range of infrastructure and facilities including affordable housing, green space, community facilities, commercial and leisure facilities, transport infrastructure, heritage buildings and public art.

We aim to install infrastructure at an early stage of the build process to enhance our schemes and help the new community become established quickly. We also invest in public and community transport, walkways and cycle paths. In 2023, 70% of our UK completions were within 500 metres of a public transport node and 90% were within 1,000 metres.

Cladding fire safety

It is our long held view that leaseholders should not have to pay for the cost of remediation and our programme started several years prior to signing the Government Building Safety pledge. We voluntarily signed the Government's Building Safety Pledge for Developers in April 2022, the Welsh Government's Pact in September 2022, and the commitment letter to the Scottish Accord in June 2023.

In total, we have made provisions amounting to £245 million, which remains our best estimate of the cost of our commitments to bring affected buildings in line with the standards as set out in the agreements reached with the governments.

We have identified 214 buildings that are within the scope of our provisions, around half of which we have either remediated, started work on or expect to commence work on this year. To date, we have fully completed 38 buildings with another nine remediated and awaiting paperwork. A further 19 buildings had works underway at the end of 2023.

We have a dedicated team in place to manage our remediation programme, progress our work on these buildings as quickly as possible and to ensure high-quality delivery. It is expected, given the size and nature of the projects, the multiple stakeholders involved and the availability of appropriately qualified consultants and contractors, that work will take around five years to complete in its entirety.



70%

of UK completions within
500 metres of public
transport node

90%

of UK completions
within 1,000 metres of
public transport node