

# The HomeOwner Survey 2017

Issues, trends and how we feel about our homes



A HomeOwners Alliance Report, June 2017

*in partnership with BLP Insurance*





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## Introduction

Every year we undertake a nationwide survey to find out how people feel about their most obsessed about possession – their homes. Our Homeowner Survey 2017, now in its fifth year and polled by YouGov, gives a state of the nation report on the biggest concerns and latest trends affecting homeowners and those aspiring to own.

This year's report examines how **housing concerns have shifted over the past few years** with a particular look at how things are changing for aspiring homeowners. **Aspiration to own has dropped for the first time in five years with over 250,000 giving up on homeownership in the last year.** In 2013, 65% of non-homeowners aspired to homeownership, with this number increasing every year and peaking at 73% in 2016. But for the first time this year, the numbers have fallen back to 71%. The stats mirror the rise of the government's flagship Help to Buy program launched in 2013 and is now receding with the cancellation of the mortgage guarantee part of the scheme last year.

Five years on from the first Homeowners Survey, aspiring homeowners' concerns about house prices, saving for a deposit and availability of homes continue to be the biggest issues and it is worrying that they are worsening with time. These same factors top the list of housing issues for UK adults generally.

Housing concerns among UK adults have seen unprecedented increases in one year alone. **The fastest growing housing issues include: the leasehold/ freehold system (+8%), gazumping (+6%), quality of housing (+5%), estate agent and property solicitor fees (+5%), availability of housing (4%), house prices (+4%).**

In a year of political change with the referendum result to leave Europe, the resulting change in leadership in government and uncertainty around the terms of UK's exit from the European Union, we look at what impact the vote to leave Europe has had on people's intentions to move. The Homeowner survey finds that more than **1 million UK adults have shelved plans to purchase a new property because of the vote to leave the European Union.** The referendum result is one of a number of factors leading to people's decision to stay put. In addition to perennial challenges around rising house prices (26%), increasing cost of living (25%) and difficulty securing a mortgage or re-mortgaging (25%), almost one in six (15%) of those who stated that they had put plans to move on hold said that the Brexit vote was behind their decision.

Purchasing a new home is one of the biggest decisions that an individual is ever likely to undertake, and this is compounded by the fact that average house prices are continuing on their upward trajectory. It is clear that the housing market needs certainty in order to function most efficiently.

Political parties, experts and the government all agree that the underlying cause of the housing crisis is that **we have not been building enough new homes for decades** and the focus on building more homes has moved up the political agenda. But, there is concern as a result of a number of high profile news stories and consumer cases that **the pressure to build is coming at the expense of quality.** In 2016, the All Party Parliamentary Group (APPG) for Excellence in the Built Environment made a number of hard-hitting recommendations to tackle the quality and workmanship of new housing in England. One of the issues in the APPG report flagged **concern with a lack of consumer understanding of the cover their warranty provides.**

The Homeowner Survey delved into this topic in detail and findings reinforce the conclusion that warranties cover far less than consumers assume. **Nearly half (46%) of owners of a new build property bought in the last decade expect their warranty to cover minor snagging issues** when, in actual fact, standard warranties cover issues that relate to or affect the structure of the home. Some consumers do not appreciate that for the first two years after completion, it is down to the builder to sort out defects. Others complain that where there are problems covered by the warranty, the provider is reticent to step in and help resolve disputes with the builder. With the new

build warranty being a key reason for opting to buy a newly built home, the house building industry needs to do a better job of helping buyers understand the warranty system and when things do go wrong in the initial two-year period, they need to be resolved swiftly.

## Methodology

This is the fifth annual Homeowner Survey, a state of the nation report covering UK housing issues, released in four parts and made possible through sponsorship by BLP Insurance, leading provider of housing warranty insurance.

- Part 1 of the survey *House Hunters Get Brexit Jitters* finds that more than 1 million UK adults say that the Brexit vote was behind their decision to put off plans to move this year.
- Part 2 of the survey looks at *Housing Concern Trends*. Among the main trends, we see that for the first time in five years, the number of people who aspire to own their home has dropped with over 250,000 giving up on the dream of homeownership in the past year.
- Part 3 of the survey focuses on the mismatch between what consumers expect from their new build warranty cover and the reality against a backdrop of mounting concern around new build housing quality and recommendations issued by the APPG - All Party Parliamentary Group report into New Build house quality. *Homebuyers in the Dark Over New Build Warranties that Don't Deliver on Expectations*.
- We also publish a separate Infographic summarising the Key Findings of this year's survey.

YouGov Plc conducted the fieldwork for HomeOwners Alliance.

In 2017, total sample size was 2,081 adults of which 1301 were Homeowners. Fieldwork was undertaken 9th March 2017. Trend data is also reported details as follows:

- a. In 2016, total sample size was 2,095 adults of which 1,293 were Homeowners. Fieldwork was undertaken 4-5th April 2016.
- b. In 2015, total sample size was 2,214 adults of which 1,390 were Homeowners. Fieldwork was undertaken 4-5th March 2015.
- c. In 2014, total sample size was 2,527 adults of which 1,606 were Homeowners. Fieldwork was undertaken 20th March 2014.
- d. In 2013, total sample size was 2056 adults of which 1,393 were Homeowners. Fieldwork was undertaken 18th -21st January 2013.

All surveys were carried out online. The figures have been weighted and are representative of all UK adults (aged 18+).

## Key Findings

### The state of the housing market

Aspiration to own has dropped for the first time in five years with just over 250,000 giving up on the dream of home ownership.

- In 2013, 65% of non-homeowners aspired to homeownership, with this number increasing every year and peaking at 73% in 2016. But this year, the numbers have fallen for the first time, back to 71%. This equates to around 253,166<sup>1</sup> people across the country who have given up on ownership in the past 12 months. The stats mirror the rise of the government's flagship Help to Buy programme launched in 2013 and is now receding with the cancellation of the mortgage guarantee part of the scheme in 2016.
- Aspiring homeowners' concerns about house prices, saving for a deposit and availability of homes are the biggest issues and are worsening with time. Among aspiring first-time buyers, 86% say house prices are their most serious concern (up 3% in the past year), with 85% citing saving for a deposit as a serious problem (up 1%) and 80% worried about the availability of homes (up 2%).

*"The housing crisis is worsening across the country. We are failing to deliver the numbers of homes required as a direct result of a lack of SMEs to develop over and above the numbers provided by the large house builders. The recent housing white paper from the Government proposes a wide variety of recommendations to the market for consultation, to address issues with planning and resource, with a distinct shift away from focusing solely on home ownership.*

*This is a tacit acknowledgment that not everyone will be able to own their home. It is important that post the election result, the provision of housing is seen as a critical requirement and the results of government consultations prioritised into action. In the absence of this, the opportunity for aspiring new home owners to get on the housing ladder will only continue to deteriorate."*

*Kim Vernau, Chief Executive Officer  
BLP Insurance*

Across the country, the number one concern among Britons remains the difficulty of getting on the property ladder in the first place.

- This was seen as even more of a problem this year (86% saying that it was a problem or serious problem) than last year (82%).

Concern about the availability and quality of housing is steadily rising.

- More than three-quarters of UK adults (76%) say the availability of housing is a serious problem up from 69% in 2014.
- Quality of housing is up 5% in the past year, now the majority of UK adults (57%) say the quality of homes is a serious problem.

The leasehold/ freehold system is the fastest growing housing issue.

- 50% of UK adults say the leasehold/ freehold system including ground rent and service charges is a serious problem up from 42% last year.

Negative equity and the ability to move up the housing ladder are receding as issues.

- Some 42% of UK adults say they are concerned about negative equity, compared to 44% last year, 49% in 2016 and 64% in 2014; after a steady increase in house prices.
- Alongside this, concern about the ability to move up the ladder has softened, down 4% in the past year to 58% (compared to 65% in 2014).

<sup>1</sup> Source/ calculation: 2015 ONS total UK adults (51,339,161). 39.45% of UK adults in 2017 say they do not own their home x 51,339,161 UK adults = 20,253,299 non homeowners. In 2016, 72.51% of non homeowners say they want to own and in 2017, 71.26% non homeowners say they want to own (-1.25% drop) = 253,166

## Impact of Brexit on Moving Intentions

More than 1 million UK adults have shelved plans to purchase a new property because of the vote to leave the European Union.

- 15%, the equivalent of more than 7.5 million UK adults, put off plans to move this year.<sup>2</sup>
- Of these, almost one in six (15%), equating to more than 1 million UK adults<sup>3</sup>, say that the Brexit vote was behind their decision.
- Stamp duty costs are a factor for nearly one in ten (9%) for changing plans to buy/ move; equating to nearly 650,000 UK adults<sup>4</sup>.
- Rising house prices (26%), increasing cost of living (25%), difficulty securing a mortgage/ re-mortgaging (25%) are other top reasons for putting off buying/moving.
- Those in the North East (27%), Northern Ireland (21%) are most likely to have changed plans.

## New Build Warranties – Expectations vs Reality of Cover

There is a clear mismatch between what consumers expect cover to provide and the reality

- 58% of new build property buyers who opted to buy a new build property in the last 10 years thought warranties were an advantage over older homes.
- Nearly half (46%) of new build property buyers who bought a new build home in the last 10 years expect warranties to cover snagging issues when in actual fact standard warranties cover issues that relate to or affect the structure of the home.
- Amongst consumers who have bought new build properties in the past ten years, common misperceptions around types of faults which aren't covered by the 10 year warranty are electrical and wiring faults (71%), plumbing faults (63%), insulation and draft faults (58%).
- Consumers complain that warranties are not as extensive as expected and that the claims process is slow and complex.
- Consumers who have bought new build properties in the past ten years have three clear areas of importance. They want the warranty provider to take the lead on resolving issues (22%), claims to be paid without fuss (18%) and full cover to the rebuild value of their home (13%).
- New builds are unpopular - more than twice as many people would prefer an older home (47%) to a new build home (21%)

*"The house building industry needs to do a better job at helping buyers to understand the warranty system for new build homes, how it works and how warranties are structured. Where things do go wrong in the initial two-year period, they should be resolved swiftly. If problems aren't fixed, the warranty provider needs to have the clout to compel developers to act. Consumers expect and deserve a warranty system that provides no fuss cover when problems arise as well as speedy payments for more complex issues."*

*Paula Higgins, Chief Executive*

*HomeOwners Alliance*

<sup>2</sup> Source: ONS 2015 UK adults 51,339,161. 15.3% of UK adults less likely to move this year of 51,339,161 UK adults = 7,541,723

<sup>3</sup> Of those respondents who said they were less likely to buy or move, 14.69% say Brexit is a reason = 7,541,723 x 14.69% = 1,153,884

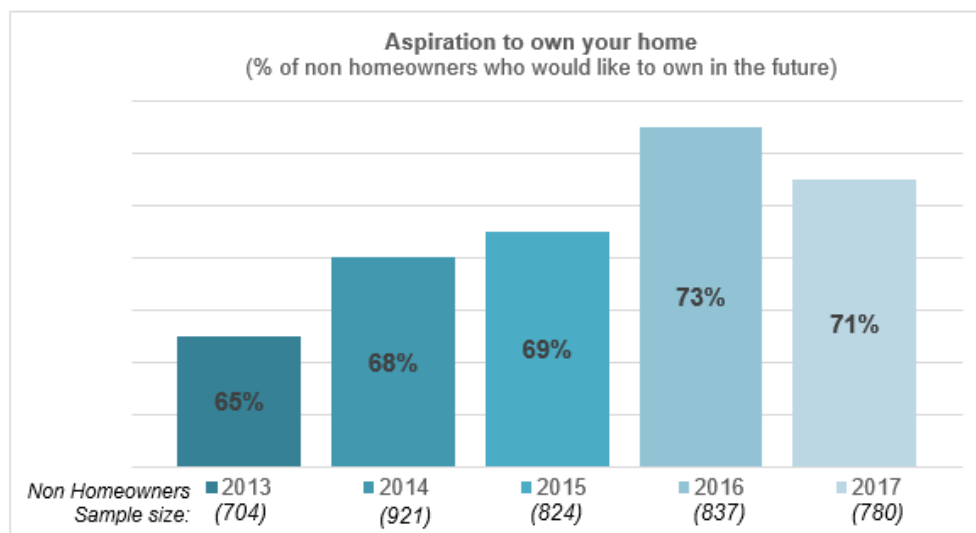
<sup>4</sup> Of those respondents who said they were less likely to buy or move, 8.61% say stamp duty is a reason = 7,541,723 x 8.61% = 649,342



## Housing Concerns – aspiration to own, top issues & trends

### Aspiration to own has dropped for the first time in five years

Over 250,000<sup>1</sup> non-homeowners appear to have given up on the dream of owning their own property in the past year. In 2013, 65% of non-homeowners aspired to homeownership, with this number increasing every year and peaking at 73% in 2016. But this year, the numbers have fallen for the first time, back to 71%. This equates to around 253,166 people across the country who have given up on ownership in the past 12 months. The stats mirror the rise of the government's flagship Help to Buy program launched in 2013 and is now receding with the cancellation of the mortgage guarantee part of the scheme in 2016.



**Aspiring homeowners' concerns about house prices, saving for a deposit and availability of homes are the biggest issues and are worsening with time.**

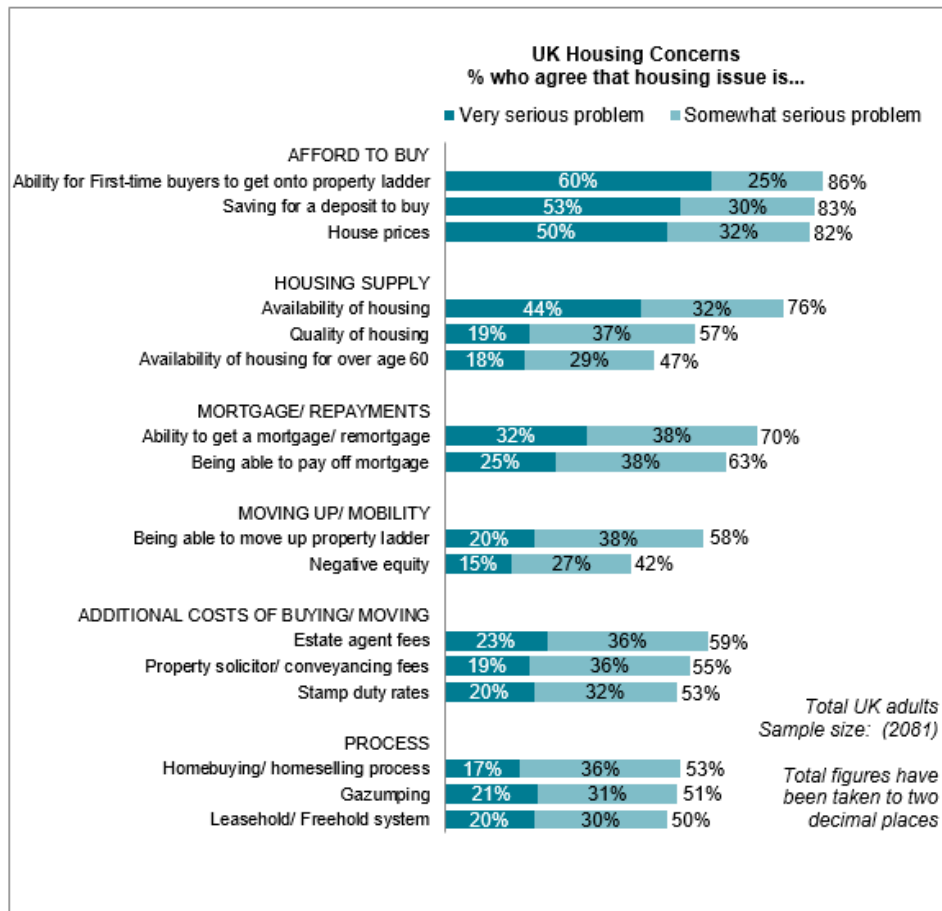
- Among aspiring first-time buyers, 86% say house prices are their most serious concern (up 3% in the past year), with 85% citing saving for a deposit as a serious problem (up 1%) and 80% worried about the availability of homes (up 2%).

### Housing Concerns Trend among Aspiring Homeowners (2014-2017 Homeowner Survey)

Housing Concerns	% very/ somewhat serious problem among aspiring homeowners				
	2014	2015	2016	2017	2017 vs 2016
Leasehold/ freehold system	n/a	42	45	52	+7
Gazumping	50	47	41	48	+7
Ability for First-time buyers to get on the property ladder	87	85	84	89	+5
Estate agent fees	63	57	56	61	+5
Quality of housing	59	57	60	64	+4
Property/ solicitor fees	60	52	51	55	+4
House prices	84	84	83	86	+3
Availability of housing	72	72	78	80	+2
Homebuying/ homeselling process	58	51	52	54	+2
Saving for a deposit to buy	87	86	84	85	+1
Being able to move up property ladder	67	63	65	63	-2
Stamp duty rates	58	46	44	42	-2
Negative equity	59	47	42	40	-2
Being able to pay off the mortgage	74	71	72	69	-3
Availability of housing for over 60s	n/a	n/a	n/a	45	
Sample size (aspiring homeowners):	677	573	573	553	



Across the country, the number one housing issue is the difficulty of first-time buyers getting on the property ladder.



The ability of first-time buyers to get on the housing ladder was seen as even more of a problem this year with 86% saying that it was a problem or serious problem versus 82% last year.

#### Housing Concerns Trend among UK Adults (2014-2017 Homeowner Survey)

Housing Concerns	% very/ somewhat serious problem				2017 vs 2016
	2014	2015	2016	2017	
Leasehold/ freehold system	n/a	42	42	50	+8
Gazumping	52	49	45	51	+6
Estate agent fees	64	57	54	59	+5
Quality of housing	52	49	52	57	+5
Property/ solicitor fees	61	53	50	55	+5
Ability for First-time buyers to get on the property ladder	87	83	82	86	+3
House prices	77	76	78	82	+4
Availability of housing	69	70	72	76	+4
Saving for a deposit to buy	86	83	80	83	+3
Homebuying/ homeselling process	58	51	50	53	+2
Ability to get a mortgage/ remortgage	n/a	72	68	70	+1
Stamp duty rates	64	51	52	53	+1
Being able to pay off the mortgage	70	65	64	63	-1
Negative equity	64	49	44	42	-2
Being able to move up property ladder	65	61	62	58	-4
Availability of housing for over 60s	n/a	n/a	n/a	47	
Sample size (total UK adults):	2527	2214	2095	2081	

## The leasehold/ freehold system is the fastest growing housing issue.

- 50% of UK adults say the leasehold/ freehold system including ground rent and service charges is a serious problem up from 42% last year.
- The proportion saying gazumping is a serious problem is also up sharply in the past 12 months – 51% up from 45% last year of UK adults say it is a serious problem.

## Concern about the availability and quality of housing continues to rise.

- More than three-quarters of UK adults (76%) say the availability of housing is a serious problem. Concern for the issue has been steadily rising since 2014 (69%).
- Quality of housing is up 5% in the past year, now the majority of UK adults (57%) say the quality of homes is a serious problem.

## The level of concern about estate agent and legal fees is resurfacing after concern had subsided in recent years.

- Up 5% for both in the past year, 59% of UK adults say estate agent fees are a serious problem and 55% say property solicitor/ conveyancing fees are a serious problem.

## Negative equity and the ability to move up the housing ladder are receding as issues.

- Some 42% of UK adults say they are concerned about negative equity, compared to 44% last year, 49% in 2016 and 64% in 2014; after a steady increase in house prices.
- Alongside this, concern about the ability to move up the ladder has softened, down 4% in the past year to 58% (compared to 65% in 2014).

## Regional Look at Housing Concerns

### Housing Concerns have risen in nearly all areas of the country.

- While Londoners are the most concerned with house prices (87% saying that they are a problem), this is also echoed in Wales (87%) and the East of England (85%).
- Similarly, availability of housing is a concern for Londoners (81%) but slightly more people in the South West (82%) also stated that it was an issue in their region.
- Elsewhere in the country, concerns were about being able to re-pay a mortgage, particularly in Yorkshire & Humber (68%) and Northern Ireland (68%).

Housing Concerns	% very/ somewhat serious problem												
	Total UK	N. East	N. West	York. /Hum.	E. Midl	W. Midl	E. Engl	London	S. East	S. West	Wales	Scotland	N. Irel
Ability of first time buyers to get on the property ladder	86	82	82	79	87	85	88	90	87	89	84	84	87
Saving for a deposit to buy	83	76	80	80	82	77	84	87	83	89	88	82	88
House prices	82	66	78	78	81	84	85	87	84	82	87	76	81
Availability of housing	76	63	71	71	73	75	76	81	78	82	79	76	77
Ability to get a mortgage/ remortgage	70	67	71	69	67	67	71	73	69	69	74	69	66
Being able to pay off mortgage	63	59	57	68	64	63	64	65	59	66	56	65	68
Estate agent fees	59	60	52	63	62	57	57	55	64	58	63	57	65
Being able to move up property ladder	58	49	59	52	58	54	56	63	60	60	57	64	67
Quality of housing	57	57	60	57	54	61	51	61	57	52	58	57	50
Property solicitor/ conveyancing fees	55	65	49	56	54	59	51	49	60	58	56	54	62
Stamp duty rates	53	41	49	50	52	51	56	59	58	52	54	49	46
Homebuying/ selling process	53	54	52	50	51	54	59	56	53	53	50	48	47
Gazumping	51	50	48	47	53	52	54	59	53	51	47	46	53
Leasehold/ freehold system	50	48	53	47	49	45	57	53	53	55	51	39	41
Availability of housing for over 60s	47	53	43	54	43	49	48	52	45	37	45	44	57
Negative equity	42	54	44	44	42	43	38	32	38	36	46	53	61
Sample size	2081	80	199	208	173	159	190	271	272	194	101	176	57

**North East:** In Newcastle, Sunderland, Middlesbrough and the wider North East region, the major concern is the ability of first time buyers to get on the property ladder, with 82% of respondents citing this as a worry. Those in the North East had the least trouble with finding a property and being able to move up the housing ladder. However, this ease of availability seemingly comes at price; 54% see the possibility of negative equity as a serious problem.

**North West:** 82% of Mancunians, Liverpoolians, and others in the North West are anxious about the ability of first-time buyers to get on the property ladder. Being able to save for a deposit to buy is also a significant worry. However, those in the North West appear to have fewer concerns than other regions with housing for the elderly, with just 43% saying it was a worry.

**Yorkshire and the Humber:** Respondents in Yorkshire and the Humber are the most concerned in the country when it comes to being able to pay off their mortgage. However, saving for a house deposit remains the biggest worry, with over 80% saying it was a serious problem for them.

**East Midlands:** People in Nottingham, Leicester and Derby and the wider East Midlands region are the most concerned with the ability of first-time buyers to get on the property ladder and saving for a deposit (87% and 82% respectively). Availability of housing and negative equity are far less of a worry for those in the East Midlands, with just 43% and 42% saying these are serious problems.

**West Midlands:** The ability of first time buyers to get on the property ladder concerns a massive 85% of those surveyed in the West Midlands. Those in this region are some of the least concerned with saving for a deposit to buy, though this still worries 77% of respondents.

**East of England:** The East of England has seen significant property price increases in recent years, so it is unsurprising 88% worry about the ability of first-time buyers to get on the property ladder. It is also one of the regions most concerned with the leasehold/freehold system.

**London:** Perhaps unsurprisingly, nine out of ten Londoners said they are worried about the ability of first-time buyers to get on the property ladder. The capital's inflated property market means that stamp duty rates, house prices and being able to find a property are all big concerns.

**South East:** Increasing house prices are a big worry for those in the South East, with 84% of respondents concerned, a trend which closely mirrors London.

**South West:** The South West indexes highly on a number of housing concerns. It is the region with the highest level of concern about the availability of housing. Saving for a deposit and the ability of first-time buyers to get on the housing ladder are also key issues in this region.

**Wales:** Those in Wales are most concerned with saving for a deposit, with 87% of respondents admitting it is a serious worry. However, they are one of the regions least concerned with being able to pay off their mortgage.

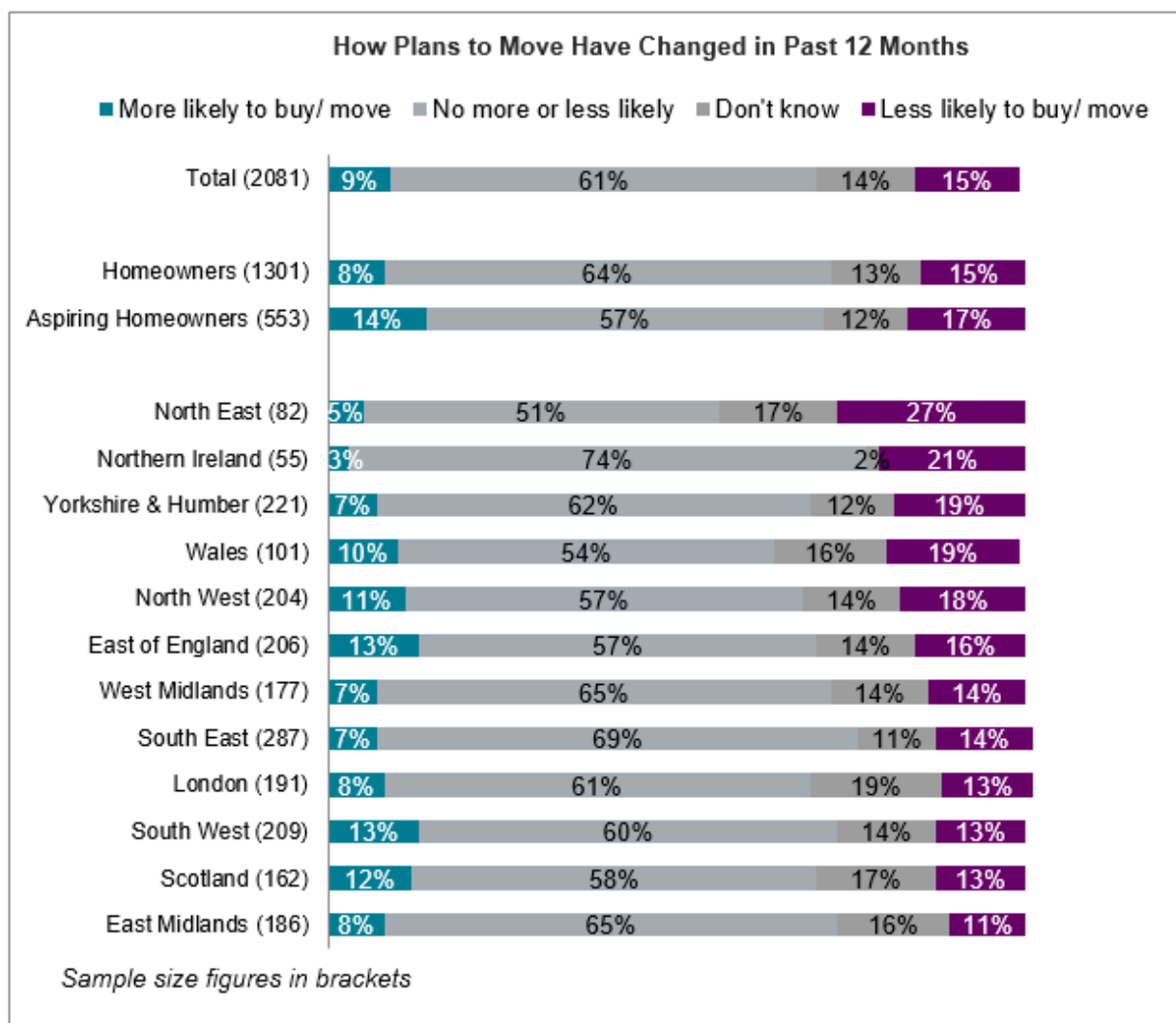
**Scotland:** With Scotland setting its own rules on property transactions and practices, it is no surprise that Scots are less concerned about the homebuying process, gazumping and the leasehold system than most other areas. Their biggest concern is the ability of first-time buyers to get on the property ladder, with 76% of those surveyed worried.

**Northern Ireland:** Those in Northern Ireland are the most concerned of the regions surveyed about a number of other property issues such as negative equity, being able to pay the mortgage, estate agent fees and housing for the elderly.

## Impact of Brexit on Moving Intentions

**Increasing numbers stay put due to property market concerns.**

- 15%, the equivalent of more than 7.5 million UK adults, put off plans to move this year<sup>2</sup>.
- Those in the North East (27%) and Northern Ireland (21%) were the most likely to have cancelled plans to move.



**The referendum result is one of a number of factors leading British homeowners to stay put rather than move property.**

- Almost one in six (15%), equating to more than 1 million UK adults, say that the Brexit vote was behind their decision not to move.<sup>3</sup>
- Stamp duty costs are a factor for nearly one in ten (9%) for changing plans to buy/ move; equating to nearly 650,000 UK adults.<sup>4</sup>
- Rising house prices (26%), increasing cost of living (25%), difficulty securing a mortgage/ re-mortgaging (25%) are other top reasons for putting off buying/moving.

## Reason for change in buying/ moving plans

Reasons for change in buying/ moving plans	% who say reason applies among those...	
	Less likely to buy/ move	More likely to buy/ move
House prices rising	26	12
Rising cost of living (i.e. prices rising)	25	9
Difficulty/ ability getting mortgage/ remortgage	25	16
Needs have changed (no need now)	24	n/a
Economy (i.e. outlook for jobs and wages)	21	8
Ability to find suitable housing	16	14
Brexit/ vote to leave European Union	15	7
Interest rates expected to rise	12	6
Stress/ upheaval of moving	12	n/a
Stamp duty costs more expensive	9	2
Interest rates expected to fall	3	3
House prices falling	2	4
Stamp duty costs more affordable	2	1
Falling cost of living (i.e. prices falling)	1	-
Need more space	n/a	28
Want to downsize	n/a	15
Other	12	24
Don't know	7	6
Sample size:	320	199

## New Build Warranties: Consumer Expectations vs Reality of Cover

Warranty Cover is regarded as an advantage in opting to buy a new build home.

- 58% of new build homeowners who bought their home within the last ten years consider the 10 year warranty an advantage of buying a new build property.

Advantages of buying new build	Total UK Adults	% who agree	
		New Build in Last 10 Years	New Build More than 10 Years
Energy efficiency	65	74	71
Lower ongoing costs (e.g. maintenance/ utility bills, etc.)	51	60	61
New appliances/ modern fittings	48	58	63
10 year warranty/ insurance	43	58	64
Builder/ developer promotions (e.g. stamp duty paid, estate agent fees paid, etc.)	33	38	42
Ability to customise/ tailor fixtures and fittings	33	35	43
Access to Help to Buy scheme	24	21	12
Better quality of build	20	23	24
Spaciousness/ size of rooms/ good storage	20	20	18
Access to high speed broadband	20	12	25
The amount of green space/ trees/ garden with the property	17	10	15
Don't know	5	2	1
Don't consider any of these to be an advantage over buying an older home	12	7	6
Sample size (total UK adults):	2081	112	161

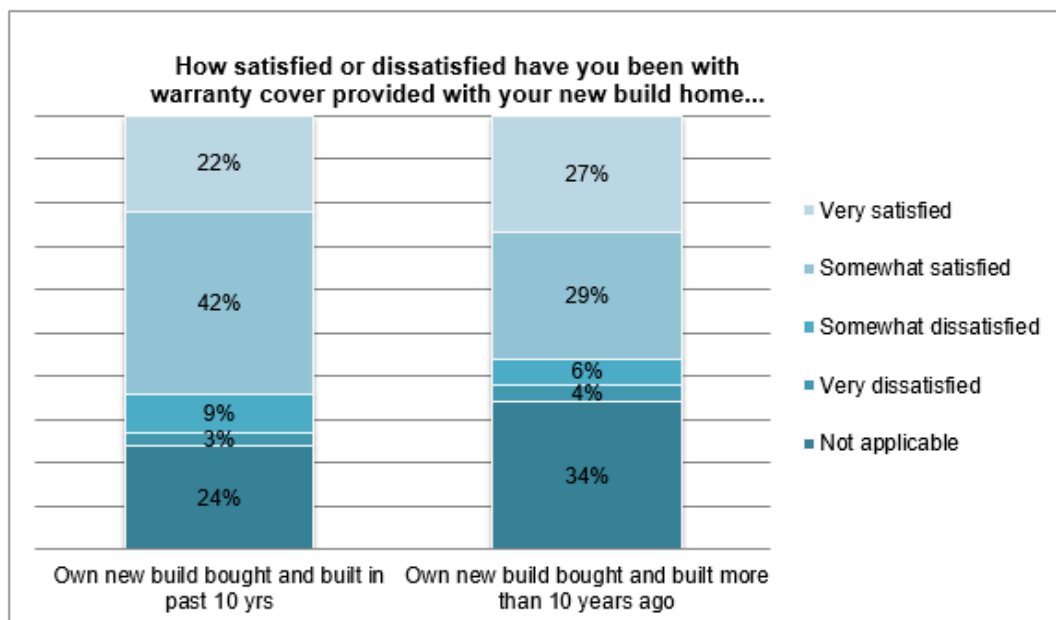
**However, warranties cover far less than consumers assume.**

- Nearly half (46%) of new build property owners who bought in the last 10 years expect the 10-year warranty to cover minor snagging issues on their new build home when, in fact, standard warranties cover issues that relate to or affect the structure of the home.
- The most common misperceptions around the types of faults which aren't covered by the full 10 year warranty are electrical and wiring faults (71%), plumbing faults (63%), insulation and draft faults (58%).

Expected Cover from 10 Year Warranty	% who agree		
	Total UK Adults	New Build in Last 10 Years	New Build More than 10 Years
Structural repairs (e.g. foundations/ supporting walls, etc.)	78	81	87
Exterior faults (e.g. roofs, external walls, entrance steps, chimney/ flues, windows, etc.)	76	79	86
Damp/ ingress of water through doors and/ or windows	76	79	81
Electrics/ wiring faults	74	71	78
Plumbing faults	70	63	68
Interior faults (e.g. doors, kitchen units not fitted properly, etc.)	64	53	63
Insulation/ drafts faults	64	58	62
Garden/ drainage faults	60	50	60
Sound proofing insulation faults	55	46	55
Snagging (minor issues of a cosmetic nature with building work, for example paintwork cracking caused by shrinkage)	48	46	50
Other	4	2	2
Don't know	11	6	4
Not applicable - I don't think any of these would be covered in the 10 year warranty	5	3	2
Sample size (total UK adults):	2081	112	161

**One in ten new build owners who bought in the last 10 years are dissatisfied with cover.**

- Most new build homeowners (64%) who bought their property in the last ten years are satisfied with the warranty cover that came with their house but there are some complaints – 12% are somewhat or very dissatisfied with their warranty cover.





## Complaints centre on extent of cover, difficulties with claims/ putting things right.

- The nature of complaints about owners' new build warranties relate to cover not being as extensive as expected, difficult claims process – slow/ unwillingness to pay out, difficulty getting problems put right by the builder in initial 2 year warranty period and lack of help from the warranty provider when problems with the builder arise.

Verbatim Comments Issues with Cover
<b>Faults expected to be covered/ not covered by warranty/ not clear what faults covered</b>
Covered so little it was virtually worthless / Seemingly nothing is actually covered/ Doesn't cover enough
The cover was minimal and far below expectations
It seemed as if not much was covered with term cosmetic used when I raised a problem and rather off-putting response to the request for rectification work which seemed to suggest the warranty wasn't worth paper it was written on!
NHBC said everything I asked about wasn't their problem
Builder very reluctant to snag and nothing seemed to be covered by NHBC warranty
Warranty not explained adequately so I could not see how good/bad it was./ As the specifics of what is covered is not provided and incorrect assumptions can be made.
Its cover wasn't very clear. Most faults I had were sorted by the builder coming back anyway.
Details of insurance for escape of water and the damage caused were not explained clearly in the policy, and were not well understood by the loss adjusters.
Our rendering badly stained because of building materials used and we weren't covered
Did not cover roofing problems
There were a lot of cracks that appeared. And they would not cover this as it was seen as the house moving & stabilising
Gaps developed in panels of the front door, letting in wind and rain, after 5 or 6 years, I was told within normal tolerances
Windows failed and were not covered
When the roof coping tiles disintegrated they did not want to know
Windows were all scratched. The NHBC was a waste of time told him to leave my house. Eventually after a lot of stress they agreed to replace
<b>Lengthy/ Difficult claims process/ Unwilling to pay out</b>
Hard to claim for anything, too many get out clauses. Clever lawyers versus dumb customer as usual!
Building warranty is a waste of time. Nobody would come and look at problems of less value than £10000!
Never want to pay out
Too many terms and conditions
Took a long time to claim. Fobbed off all the time. Project was faulty, damp etc.
Claim took long time to finalise/ The amount of time it took to resolve my issue/ Not quick to react
It was difficult getting problems sorted/ Struggle to get resolution of problem/ It is very difficult to deal with them
Made small claim in the end gave up just took too long and they were not interested. Wanted my money not my claim
Tedious chasing up people to fix things
Paper guarantees don't always manifest into practical action taken
<b>Difficulty getting problems put right by builder</b>
Plethora of faults to be corrected, slow response from builder
The builder retired and the insurance was useless
The builders went bankrupt
Because it was so difficult to get the builder back to rectify the problems
Lots of issues were a real hassle to get fixed needing lots of chasing and we have potholes in the drive that they refused to fix then offered a bodge job. Would pay a snagging company to handle it next time.
We wrote to the builder asking for rectification of problems. We never received a reply.
<b>Warranty provider no help in sorting problems with builder</b>
The build quality of my house was such that the builder was found, in court, to be in breach of contract. The warranty provider (NHBC) was completely useless in the process of obtaining rectification. I had to do all the ground work necessary to force the builder to be contractually compliant and to pursue a successful legal action against the builder. In only one aspect (foul drains) was the NHBC of any use at all and that was four years after we moved in.
NHBC policy didn't cover an external wall despite a clear fault. The builder and the NHBC inspector seemed too familiar.
We had to have whole house redecorated as the finish had been rushed in order to complete on time. The builders failed to complete works they should have, regularly didn't turn up when promised and the complaints process was terrible.
Builders will always do their utmost to get out of making things good. When my en suite shower cubicle leaked right from day one of completion, it was put to me that I should have had carpet laid as then I might never have noticed the water on the floor. Seriously not impressed!
Asked me if any problems, I presented them with 4 sheets of items that needed attention, they said they would raise the bathtub to reach the (inadequate style) of seal, that was all they offered, that was in 1998 - still waiting.....
NHBC are worse than useless - builder failed to fix various problems - NHBC did nothing.
<b>Owner blamed for property problems that appeared</b>
3 years into my new home window problem wood cracked and they merits was my fault because I did not use the right varnish
Exterior work faulty, damp encroached in house, surveyor said exterior cracks were due to us not maintaining property, less than 4 years old. Not the case but refused to allow claim.
<b>Poor Quality Remedial Works/ Recurring Problems</b>
Items replaced with similar poor quality items - which went on to fail too
<b>Second purchaser of property/ no cover</b>
I didn't receive any warranty cover for my home. I was the second purchaser of the property. It was 6 years old at the time of my purchasing and I didn't receive any documentation at all with regards to warranty/insurance cover.
We were told the warranty was only 2 years and because it was shared equity the warranty expired after the government acquired not when we moved in so the contractor refused to fix any problems that we reported
<b>Not reputable Warranty provider</b>
The conveyancer said it was 'akin' to an NHBC. It wasn't as there was no pressure on the builder in terms of construction standards and materials, so there have been major problems with noise insulation internally to the block.



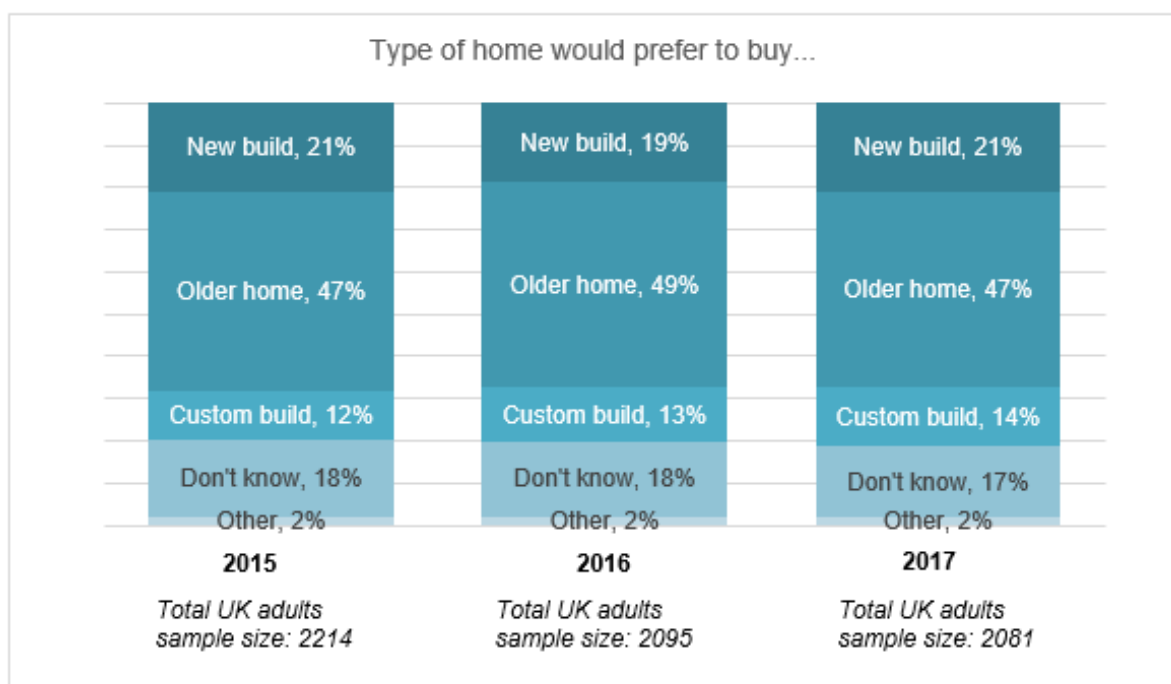
**The consumer ideal would be to have ‘no fuss’, speedy handling of claims with minimal involvement on the part of the homeowner to put problems right.**

- Consumers who have bought new build properties in the past ten years have three clear areas of importance. They want the warranty provider to take the lead on resolving issues (22%), claims to be paid without fuss (18%) and full cover to the rebuild value of their home (13%).

Most Important from 10 Year Warranty	% who agree		
	Total UK Adults	New Build in Last 10 Years	New Build More than 10 Years
Insurance/ warranty provider responsible for getting problems rectified with minimal effort from me	16	22	19
That claims are paid without any fuss	15	18	9
Full cover to the rebuild value of your home (i.e. after an issue has been fixed)	14	13	19
Quick handling of claims/ problems (i.e. response within 5 days)	10	6	11
Cover of temporary rehousing costs if need to vacate for extensive building fixes	5	4	6
Non-structural items being covered like plumbing, wiring, doors, cupboards/ kitchen units	4	5	5
Insurance company that I have heard of	2	3	4
Cover that doesn't rely on the builder coming back to fix problems	2	2	1
An extra 2 years of cover included (e.g. 12 years rather than 10 years)	2	2	3
That it covers garden drainage within your plot	1	-	2
Lower excesses/ lower minimum claim amount	1	3	1
Other	2	2	2
Don't know	16	14	10
Not applicable – none of these is most important	10	6	8
Sample size (total UK adults):	2081	112	161

**The problems caused by high expectations around warranties are unlikely to help new build homes become more popular.**

- New builds continue to be unpopular with more than twice as many people preferring an older home (47%) to a new build home (21%).



## Annex - What the papers say – a selection of our media coverage

### Press mentions – Housing Concerns

18.05.17

City am – Dreams to own homes broken

Moneywise – Half of Brits worry about leasehold

The Negotiator – The housing crisis is deepening

19.05.17

Property Industry Eye – Increasing numbers giving up on dream of homeownership

20.05.17

The Times – Property pipe dreams

The Journal Newcastle

Western Morning News (Devon) – Giving up the property dream

22.05.17

Telegraph (Derby) – More are giving up on their dream of owning a home

23.05.17

Express & Star

24.05.17

Wigan Evening Post

25.05.17

Ipswich Star

Star Advertiser

Whitehaven News

26.05.17

Workington Time & Star

Evening Express

Inside Housing – Concern grows over lack of housing

28.05.17

Sunday Post

Lancashire Evening Post

### Dreams to own homes broken

SHRUTI TRIPATHI CHOPRA

@shrutitripathi

NINE out of 10 Londoners are worried about the ability of first-time buyers to get on the property ladder, according to an annual study conducted by the HomeOwners Alliance and BLP Insurance.

Now in its fifth year, the homeowners survey found that

around 250,000 fewer non-homeowners aspire to own their own property.

Paula Higgins, chief executive of HomeOwners Alliance said: "With the election approaching, it is vital that housing is placed at the forefront of the policy agenda and that whatever party is elected, it takes serious steps to address the growing concerns of aspiring homeowners."

### Giving up the property dream

More people appear to have given up on the dream of home ownership altogether since the last year, a study has found.

Just over seven in 10 (71%) people who do not own a home aspire to get on the property ladder one day, according to the latest annual survey conducted by the HomeOwners Alliance and BLP Insurance.

The proportion has decreased compared with the 73% of non-homeowners who were aiming to make the jump into home ownership when the survey was carried out in 2016.

It marks the first year on our full scale study carried out in 2016, when 66% of non-homeowners agreed to the day they were going to make the jump into home ownership between 2015 and 2016. The proportion had steadily declined each year.

Among aspiring first-time buyers taking part in the 2017 survey, 66% said house prices were their most serious concern, with 66% citing getting the deposit as a second big problem and 66% worried about the availability of loans.

By contrast, the position of people who already own their own home has shown signs of improvement, with 66% of owners saying they were happy to remain where they are.

Of those who were worried about the availability of loans, 66% said they were worried about the availability of loans, 66% said they were worried about the availability of loans, 66% said they were worried about the availability of loans.



### In brief

#### MORE GIVING UP ON DREAM OF HOME OWNERSHIP

Over the past year, more people appear to have given up altogether on the dream of home ownership, a study has found.

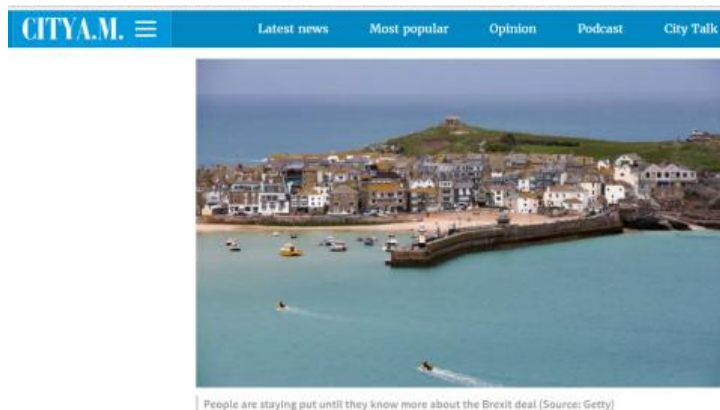
Seven in 10 (71 per cent) people who do not own a home aspire to get on the property ladder one day, according to the latest annual survey conducted by the HomeOwners Alliance and BLP Insurance.

The proportion has decreased from the 73 per cent of non-homeowners who were aiming to make the jump into home ownership when the survey was carried out in 2016.

## Press mentions – Impact of Brexit on Moving Intentions

27/03/17

City am – over 1m people have put off moving house because of Brexit



28/03/17

Property Industry Eye – Brexit Effect: are sellers and buyers really put-off by article 50?

Property Investor Today – Brexit uncertainty prompts fall in UK property sales

Estate Agent Today – Brexit jitters have hit sales volumes

Property Reporter – Brexit wobble for UK house hunters



01/05/17

The mover – House Hunters Get Brexit Jitters

### House hunters get Brexit jitters

New research from campaigning and advice body, HomeOwners Alliance and warranty provider, BLP Insurance, has shown that more than one million UK adults have shelved plans to purchase a new property because of the vote to leave the European Union.

The referendum result is just one of a number of factors causing British homeowners to stay put rather than move property. The research found that overall, 7.5 million UK adults have put off plans to move this year. In addition to the perennial challenges around rising house prices (26%), increasing cost of living (25%) and difficulty securing a mortgage or re-mortgaging (25%), almost one in six (15%) of those who stated that they had put plans to move on hold said that the Brexit vote was behind their decision. Those in the North East (27%) and Northern Ireland (21%) were the most likely to have cancelled plans to move.

Paula Higgins, Chief Executive of the HomeOwners Alliance said, "Our research demonstrates that both first-time buyers and those who already own a home are choosing to play it safe in these uncertain times. The government could help to ameliorate the situation, by looking again at stamp duty. It remains

stubbornly high and acts as a drag on the market. Reducing the burden for genuine owner-occupiers could really help to keep the market moving in these uncertain times."

**"Our research demonstrates that both first-time buyers and those who already own a home are choosing to play it safe in these uncertain times."**  
Paula Higgins

The data is from the 5th Annual Homeowner Survey conducted by YouGov for the HomeOwners Alliance and BLP Insurance. The survey polls over 2,000 UK adults on housing concerns and the latest trends affecting homeowners and those aspiring to own.

## Press mentions – Warranty Expectations vs Reality

02/05/17

Property reporter – Homebuyers in the dark over new build warranties

**pr** Current : Home buyers remain in the dark over new build warranties

### Home buyers remain in the dark over new build warranties

By Warren Lewis 2nd May 2017 Property



Home buyers opting for new build properties are being left exposed by warranties that fall short of their needs and expectations.

New homes are often marketed by developers with the promise of lengthy warranties offering peace of mind. Many consumers aren't aware that outside of an initial two-year period, it is primarily structural issues that are covered. 58% of people who have bought these types of home (in the last 10 years) think that the warranty was an advantage over an older property.

The 2017 Homeowner Survey conducted by YouGov for HomeOwners Alliance and BLP Insurance demonstrates that there is a clear mismatch between consumer expectation and reality. Nearly

What mortgage – new build warranties failing to meet expectations of homeowners

**what MORTGAGE**

Home News Property News Awards Essentials Best Buys Advice

Home / News / First-time buyers / New-build warranties failing to meet the expectations of homeowners

### New-build warranties failing to meet the expectations of homeowners

Posted on May 2, 2017 by Stephen Little in First-time buyers, News, Property News with 0 Comments



**A worrying new report has revealed that buyers opting for new-build homes are being left exposed by warranties that fall short of their needs and expectations.**

The HomeOwners Alliance said that new homes are often marketed by developers with the promise of lengthy warranties offering peace of mind.

## About the HomeOwners Alliance

The HomeOwners Alliance champions the interests of Britain's homeowners and aspiring homeowners.

We are a consumer group providing helpful advice and services and acting as the voice of the homeowner in the media, lobbying for their interests in government, and campaigning against bad practices in industry.

We directly engage with government and the media by conducting independent research and publishing reports that promote and champion the interests of homeowners

At [hoa.org.uk](http://hoa.org.uk), we provide independent advice for the key moments in owning a home, supported by legal and industry experts.

We are one of Britain's most popular property advice websites, staying true to our mission to help homeowners facing some of the biggest and most complex decisions of their lives. In the last year alone, over 2.5 million homeowners and aspiring homeowners visited our website, viewing almost 6 million pages – [www.hoa.org.uk](http://www.hoa.org.uk)

This report was made possible through our sponsor, BLP Insurance, leading provider of housing warranty insurance.