Chartered Trading Standards Institute

CONSUMER CODES APPROVAL BOARD
COMMUNITY INTEREST COMPANY

Consumer Code of Practice

Advantage Home Construction Insurance (AHCI) Ltd

Structural Defects Insurance

Desktop Audit – 27th May 2026

Background information

AHCI Limited was formed in 2014 and provides Structural and Latent Defect Warranties to the building trade. AHCI Achieved Stage two approval for its Consumer Code in February 2016 and from May 2016 new members who fall within the scope of the Code must sign up to it to obtain insurance cover. AHCI believe the Code ensures that their members provide the highest levels of customer service and protection along with their structural defects insurance policies.

AHCI have members across the UK. In January 2025 to the date of the audit, AHCI had a total of 835 policies, of that, 400 were Code members, 266 were new members and 174 were renewed members.

Audit Process

The focus of the audit was on:-

- Code management, processes and procedures
- Guidance to support members to implement the code
- Documents provided by members relevant to the code
- The mechanisms in place for dealing with consumer feedback
- Support for vulnerable consumers
- Issues relating to pressure selling
- Mediation and ADR
- The disciplinary and sanctions process

Summary

AHCI members are keenly aware of the requirements to comply with the code. Their members understand that if they are found to be not compliant with the Code, the buildings insurance is not provided and the consequences on their business of non-supply of the new home warranty, is significant.

Member Application Process

AHCI confirmed that there has been no change to the application process since the last audit. An additional advisor has been recently appointed who is solely focussed on the Code so changes to internal processes are planned in the next 12 months.

All applications are assessed by the AHCI team. The application process includes checks of the validity of the company with HMRC, a company report is requested from Credit Safe – if the company scores below 25 then company accounts are requested for examination and assessment of fluidity. AHCI records are checked for behaviour in relation to previous projects. The same checks are made each time the member applies for insurance for a new project. Appropriate credit and HMRC checks are completed within the initial application/quote stage of the warranty along with sanction checks.

Prior to issue of final certificate(s) the developer is required to provide evidence of sufficient financial resources to meet claims for defects during the excess period. If these can't be evidenced, further security will be required.

When signing up a home builder to the Code, their build details are reviewed to establish whether they are exempt. Some members of AHCI, due to the type of project they are working on e.g., build-to-let, projects covered by an Architects Certificate, investment properties (not for sale) are exempt from compliance with the Consumer Code.

Two completed application forms were supplied for review during the audit (from March & April 2026). No details were provided in relation to the checks carried out by AHCI.

The website of the one of the developers displayed the AHCI logo. The website for the other developer could not be located.

Member Monitoring

Since 2019, the members Consumer Code audits are wholly on-line. Each time AHCI are notified that a build is complete and the Home Construction Insurance is agreed, the member is made aware of the requirement to complete the audit and the log-in details for the audit are sent by email. From January 2025 to the date of the audit, approximately 82 audit requests were sent to members with completed projects.

A reminder is sent if the audit is not completed after 30 days. Of the 82 audits requested 16 have been found to be exempt, 4 required further guidance and will be re-audited next year, 5 require an extension due to multiple reasons such as properties not yet being sold or personal reasons, 7 have completed their audits and the remainder are being chased for completion.

If the member claims to be exempt from compliance with the Code and, therefore, does not have to complete the audit, they are prompted to call the Compliance Team for this to be assessed and agreed.

As the member progresses through the audit, it is possible for them to 'Save and Continue Later'. The Consumer Code team have sight of how the audit is progressing and have a process in place to chase members to ensure completion. The audit includes the up-loading of up to seven documents.

If a member fails a remote audit, an on-site audit is required to confirm compliance with the Code. From January 2025 to the date of this audit no on-site audits were required.

AHCI employ 20 internal surveyors. They also hold SLA contracts for 24 independent surveyors and 18 external surveying companies, all with appropriate Professional Indemnity Insurance, experience, and qualifications. The surveyors carry out multiple inspections which cover up to five key stages visits during the period of the build. The five stages are foundations; ground floor oversight, first floor joist/roof; pre-plaster and completion depending on build type. If all these inspections are satisfactory and necessary documents are received as per the insurers requirements, then the insurance documentation can be issued if approved.

Details from five audits were supplied and reviewed for this audit. However, no analysis was supplied of any assessment of the compliance of the uploaded documents. The website for these members was checked and just one showed the AHCI logo and one contained a link to the CCHB Code.

AHCI are in the process of launching a Consumer Code specific website which will change the operation of remote audits. The audits currently require the set up of a log -in for the developer The new website will just have a page dedicated to the audit to ensure easier access to users. Questions presented to members within the remote audit are being expanded.

Recommendation

The process of how the new website works, it's availability to members and the questions presented at the remote audit should be made available for review at the next CTSI audit.

Withdrawal from membership and non-compliant businesses

In the event of any dispute or complaint by a homebuyer regarding the member's conduct, AHCI contact the developer on behalf of the consumer to remind them of their obligations under the Code.

If this fails to resolve the homebuyer's complaint, then the issue can be escalated to the AHCI Ltd ADR service where a full investigation will be conducted. It is hoped that the mediation service can resolve matters preventing any court/legal intervention.

AHCI has a Disciplinary and Sanctions Panel who are responsible for considering allegations of any serious breach of the Consumer Code. The panel would consider in the first instance whether the member has received any previous guidance or further training in the matter at hand. After any additional training and if no progress has been achieved and/or continued complaints are received the panel will consider removal of membership, their details will be placed on the AHCI website under the list of removed members and their details will be shared with CTSI.

Marketing and Advertising by Member Business

Code promotion is essential to the success of the Code as it informs the consumer of their enhanced protection.

When the developer signs up to the Code, a Code information pack which contains branding guidelines and associated logos is sent. Also, when the remote audit is completed, if the developer's website has no branding applied, they are reminded of the AHCI and the logos are re-supplied if necessary. Site banners are provided to sites which feature the Code and CTSI logos.

The AHCI website has a dedicated Consumer Code page with sections for developers and consumers.

Within the developer's section, it contains the AHCI complaints process, Developer Audit FAQs, a training manual and some marketing guidelines of how to include mention of the CTSI and Consumer Code within their existing advertising and where to provide information materials for distribution to consumers.

Within the consumer's section it includes details of the AHCI complaints process, some guidance notes for consumers about what to expect from Code members and a downloadable copy of the Code.

Terms and Conditions and other Pre-Contractual Information

The Code requires that terms and conditions and pre-contractual information must be supplied for assessment. Template Ts&Cs are provided.

Customer Service Provisions

Providing support for vulnerable consumers is a key requirement of the Consumer Code Approval Scheme. The AHCI Code includes this requirement.

Developers are provided with Code training documents that have a section relating to supporting vulnerable consumers and includes a hyperlink to the CTSI Business Companion Guidance on consumer vulnerability which provides more in-depth material. This link and training materials are available to view on the AHCI website.

Consumer Complaints Process

AHCI Ltd are ADR approved, so they can facilitate mediation between developer and consumer where necessary. As this service is provided in-house, the process is quicker than previously when provided by a third party.

If a complaint received is within the scope of Code and the AHCI warranty, the claimant will be advised that the complaint details will be passed to the developer, with a reminder of their obligations under the Code. AHCI then request that the developer contact the consumer direct in order to address the matters raised. If after a maximum period of 56 days, there is either no response or no resolution, AHCI will review the complaint to see if it is suitable for ADR so that escalation may proceed.

If the complaint is outside of the scope of the Code, the consumer is advised that they can contact either Citizens Advice, Trading Standards or seek legal advice.

Customer Satisfaction and Feedback

Upon completion of a name change request for the property (from the developer to the homeowner) via the buyer's solicitor, an email is sent to the buyer with the amended policy certificate. The email also includes a request for the Customer Satisfaction Questionnaire to be completed at https://ahci.co.uk/consumer-code/

Upon receipt of any completed questionnaires, AHCI check to ensure that the form relates to a code member and reviews the answers submitted. If the questionnaire contains negative feedback, the developer will be reviewed and cross referenced with their remote audit answers, if completed, and appropriate action taken.

On the AHCI website there is a consumer questionnaire form which is available to complete online. AHCI have further plans to extend the ways in which the consumer will be made aware of this form, to hopefully prompt some responses.

AHCI have indicated that they not received any feedback forms in a number of years. They state that this is something they hope to resolve with the appointment of a marketing executive.

Observation

Despite a number of options being trialled there remains a lack of customer feedback. Different options are being tried and will be reported at the next audit.

Conclusion

A new Consumer Code administrator has been appointed who is solely focused on the Consumer Code. AHCI are now in a position to be able to make important changes that they had previously been unable to address to due capacity constraints. They are anticipating progress to have been made that will be reported at the next CTSI Audit.

Audit Timing Note

This audit was originally scheduled for 2025. However, due to delays in the audit programme, the review was conducted in 2026.