

ARK Insurance Group Consumer Code for New Home Buyers

On-Site Audit November 2025

Background information

Ark Insurance Group Limited (Ark) is a specialist insurance provider servicing the UK. Ark acts as Managing General Agent on behalf of its insurer partners. Ark Insurance Group has been trading since 2008. Since 2014 Ark administers products on behalf of A rated Insurance partner International Insurance Company (UK) Limited (IGI).

The Warranty insures against undiscovered defects for a period of 10 years.

Ark Insurance Group are a scheme administrator administering the policies offered by Ark Warranties and the Ark New Home Buyers Code.

Every builder or developer who takes out an Ark structural warranty policy must sign up to the Code. The Code covers newly built, converted and refurbished properties. Ark Code members are approximately 50/50 split, new build to conversions, which are mainly commercial properties to residential. Ark currently have 95 live members.

Audit Process

The audit was carried out on-site on behalf of the Chartered Trading Standards Institute by a Chartered Trading Standards Practitioner on 5th November 2025.

The focus of the audit was on

- Member Application Process
- New members
- Existing member Inspections/Audits
- Membership Withdrawal and Sanctions for Non Compliant Member Businesses
- Marketing and Advertising by Member Businesses
- Terms and Conditions and Other Pre-Contractual Information

Member Application Process

To be eligible for Ark Residential New Build Latent Defects Insurance, developers must first become a member of their Register and agree to the Rules of Registration. The application form must be completed by an Authorised Representative of the company. When the form is completed it is sent to the developer's chosen insurance broker along with any other required documentation. Membership is administered by Ark Warranty Services on behalf of Ark Warranties.

New Members

Builders and/or developers register each development on the Ark register.

All new membership applications are received and processed by Ark Warranty Services. Following receipt of an application a vetting and acceptance process is undertaken using Acceptance Criteria. This ensures all members meet set standards across both the Ark Warranty and the Ark New Home Buyers Consumer Code and ensures that members will be able to meet their obligations under the Code. The vetting takes into account financial stability, experience, claims history and adverse publicity. Should vetting be unsuccessful this is referred to the Code Compliance team for consideration.

Ark may accept applications, accept with conditions or decline a membership application dependent on the nature of the referral. If further information is required a referral will be sent to the audit team for a full membership application audit to determine eligibility for membership and/or Consumer Code. Any membership application accepted with conditions is placed on a members monitoring list. Any membership application declined is placed on an unacceptable list. This list is shared with the Ark Warranty Team so that it can be cross referenced against any new applications received to provide an extra level of protection for Home Buyers looking to purchase homes from Ark members.

It is a condition of getting warranty cover that builders/developers sign up to the Code and requires re-subscription each time the builder/developer requests additional insurance cover. Ark requires that a representative, this is usually a director, completes training in the Ark Code requirements prior to the first warranty for each development being issued. The training is cascaded by the director to other relevant individuals within their business. The training is provided via email.

Ark visits each site at least five times to ensure the quality of the build at each stage. These inspections provide an opportunity to check that certain criteria of the Code are met. Also dependent on the outcome of the prescribed visits, further visits may be made to check that remedial work has been carried out.

There have been 54 new applications between April 2024 and April 2025, 49 of these have been accepted, 34 accepted with conditions.

Two new member applications were reviewed for the audit. Each showed evidence that the above checks were made.

Existing Member Inspections/Audit

Each build is subject to a minimum of five visits by an Ark surveyor (who all have relevant construction qualifications). There is a final visit to sign-off the build and enable the new home insurance certificate to be issued. Ark currently utilise the services of a senior surveying consultant and a number of outsourced surveying companies to survey properties, all of which have met out onboarding criteria and reviewed annually.

A total of 305 units across 26 developments have completed remote Consumer Code monitoring. Recurring issues identified include:-

- incomplete, unsubstantiated or unclear sales and marketing material;
- inconsistent or an absence of a complaint handling procedure;
- no policy in place for working with consumers in vulnerable situations.

The auditor was provided with two examples of monitoring reports by the Ark audit team, which included recommendations for improvements.

Ark carries out the first audit of each developer prior to the commencement of the build. If any issues are found with compliance with the Code, Ark work with the developer to resolve these matters.

Many of the members of the Ark Code do not have sales offices as they are smaller projects or property conversions. Where the Ark member does not have a sales team and uses a local estate agent to handle sales, they are required by Ark to use an estate agent who is suitably qualified and it is recommended that an established and reputable firm is chosen. The details of the estate agency is taken at first audit and they are reviewed by Ark audit team.

Membership Withdrawal & Sanctions for Non-Compliant Member Businesses

The Code provides for a Disciplinary and Sanctions Panel to be convened if necessary. Panel members will be drawn from Members of the Chartered Insurance Institute, the Royal Institute of Chartered Surveyors or equivalent and the Chartered Trading Standards Institute.

The Disciplinary and Sanctions Panel is empowered to consider any allegations of a breach of the Ark Code. The panel can impose a range of sanctions including, improvement plans, financial penalties and suspension either within a time frame or indefinite. The results of any panel determination will be provided in writing to the code member within 30 days of the panel meeting.

One compliance issue has been addressed by the Panel, where there was substantive delays in the completion of properties, causing significant consumer detriment. Insurance cover was withdrawn from this member.

Where appropriate, the activities of the panel will be shared with other code sponsors and structural warranty providers.

Marketing and Advertising by Member Businesses

All members are required to study the Ark New Home Buyers Consumer Code and the 'Ark New Home Buyers Consumer Code – A Guide For Developers'.

Examples of sales and marketing material are required to be provided at monitoring audits and are assessed for accuracy and compliance

Recommendation:

It should be checked at audit that the Ark logo is displayed prominently.

Now the Code is approved by ACS the CTSI Approved logo should also be required to be displayed prominently. This should be added to the monitoring report.

Terms and Conditions and other Pre-Contractual Information

The Code requires that terms and conditions and any pre contractual information be supplied for assessment. These are reviewed by Ark and any issues addressed with the builder/developer.

To date no examples of non-compliance have been identified.

Customer Service Provisions

The Code requires that training must be provided to relevant staff and that appropriate customer service provisions must be in place. This is confirmed during the monitoring audit. Ark intend to use the content of any complaints received to further assess compliance with this requirement.

Recommendation:

Ark should consider developing some online training to help ensure that their members, and their agents have customer service provisions that comply with the Code.

Consumer Complaints Process

The complaints process for the Ark Code was examined. In the year April 2024 – April 2025 46 complaints have been received. All complaints are initially handled by the Ark claims team who carry out a desk top review to separate technical matters that are covered under the Ark warranty from other matters. Complaints that are not covered by the warranty are referred to CEDR (Ark use CEDR for ADR services). In the last 12 months 10 complaints have been referred to CEDR, four of these have been found in favour of the consumer, the remaining six are unresolved or withdrawn. Ark use any complaints received as a prompt to facilitate a review of the members processes.

Following analysis of complaint trends ARK have implemented the following policy changes:-

- strengthening requirements for post-completion support/complaint handling;
- faster resolution time through early identification of issues, reducing consumer detriment;
- more consistent application of Code provisions across developers.

Customer Satisfaction and Feedback

Ark have implemented changes in how their surveys are issued and promoted. The revised approach involves engaging with home builders early in the development process to ensure they understand what aspects of the buyer experience will be monitored.

Customer surveys are now introduced at multiple touch points:-

- at the beginning of the build to raise awareness;
- at the end of the process directly for the home builder to issue;
- directly to home buyers at various stages following completion.

This multi-stage engagement has helped improve response rates and the quality of feedback, providing richer insights into buyer satisfaction and areas for improvement

Home buyers satisfaction surveys were issued to 305 completed units with 96 responses - a response rate of 31.5%, this marks a 4.5% increase compared to the previous year.

The percentage of surveys with a score of over seven remained steady at 83% However, the most common score improved from 7 to 8, indicating an increase in overall satisfaction levels.

The most common issues raised ranged from:-

- delays in snagging resolution, with buyers reporting longer than expected wait times for post completion fixes;
- clarity of communication, particularly around handover dates and warranty coverage;
- availability of customer support, with some buyers noting difficulty in reaching aftercare or receiving timely updates.

Ark will use these insights to continue to inform their monitoring priorities focusing on areas where improvements can have the greatest impact on consumer satisfaction.

Conclusion

Ark continue to make good progress with their Code, ensuring compliance with the monitoring of members of the Code. The ongoing success of their customer satisfaction surveys provides meaningful understanding of consumer satisfaction and home buyers perception of members. This can help shape the development of the Code and member monitoring.

The Ark website is currently under review. The new version will include a dedicated access point for home buyers, providing contact information for Ark.

Adding the requirement for the inclusion of a 14 day (fee free) cancellation period for reservation agreements to the Code was discussed and is being considered.