

## CONSULTATION QUESTIONS

### Section 1

#### **Q1) Do you think the Home Report is meeting its original objectives?**

Yes  No

##### **Q1a) If yes, please explain why**

Our experience is that the Home Report has stopped multiple surveys, artificially low asking prices have been stopped due to price benchmarking and sellers/purchasers now have better information on condition which encourages repairs to property.

##### **Q1b) If no, please explain why**

N/A

#### **Q2) Are the original Home Report objectives still appropriate?**

Yes  No

##### **Q2a) If yes, please explain why**

Better advice on condition is desirable to better inform sellers and purchasers. Valuation benchmarking encourages transparency and open competition. Multiple surveys are a drain on limited resources and artificially low asking prices encourage multiple surveys which are undesirable.

##### **Q2b) If no, please explain why**

N/A

#### **Q3) Should the Home Report play a more central role in promoting energy efficiency and property condition improvements among home owners?**

Yes  No

##### **Q3a) If yes, please explain why**

With the constant rise in energy prices and the problem of global warming energy efficiency is to be encouraged and the EPC in the Home Report provides relevant energy information and recommendations. The more detailed inspection required for the Home report production provides greater opportunity to give information on condition.

##### **Q3b) If no, please explain why**

N/A

#### **Q4) Should a national register of Home Reports be established?**

Yes  No

##### **Q4a) If yes, please explain why including who should have**

**responsibility for development and maintenance**

A central register would provide a chronological record of a properties condition.

**Q4b) If no, please explain why**

N/A

## **Section 2**

**Q5) Do you think the upfront cost of Home Reports is preventing potential sellers from putting their property onto the market?**

Yes  No

**Q5a) If yes, please provide details.**

Comments

**Q6) Are you aware of any schemes available (e.g. deferred payment) to help potential sellers to pay for home reports?**

Yes  No

**Q6a) If yes, please provide details**

Deferred payment schemes are available from some surveyors and some agents provide a “no up front “ fee arrangement.

**Q7) Are there any issues with the majority of Home Reports being commissioned through selling agents?**

Yes  No

**Q7a) If yes, please explain why**

Transparency can be compromised and there may be attempts to apply business pressures when Home Report instructions come through Estate Agents. Where Estate Agents are owned by corporates there can be a lack of information provided to sellers and purchasers of the potential for conflicts of interest. Hidden costs are sometimes added by agents and represented to the seller as part of the survey fee.

**Q7b) If no, please explain why**

N/A

**Q8) Should other organisations be allowed to carry out the Single Survey (including valuation) and/or the Energy Report?**

Yes  No

**Q8a) If yes, what other organisations and why**

Surveyors are best placed to provide independent advice to sellers and purchasers. In addition surveyors are highly regulated and audited to ensure best practice and Professional Indemnity Insurance is a requirement for surveyors to practice. As the surveyor is responsible and carries liability for the Home Report the EPC also has to be carried out by the surveyor. Lenders would require the Home Report to be carried out by Chartered Surveyors if they are to accept comments from the Home Report to provide mortgage funding otherwise multiple surveys would again be required.

**Q8b) If no, please explain why**

N/A

**Q9) In your experience is the requirement for a home report before marketing a property leading to delays in properties coming onto the market?**

Yes  No

**Q9a) If yes, please outline the implications of this.**

Comments

**Q10) Are home reports a useful marketing tool for sellers?**

Yes  No

**Q10a) If yes, please explain why**

It provides comments on the condition of the property for the seller to decide on whether or not to repair the building prior to marketing.

**Q10b) If no, please explain why**

N/A

**Q11) Is the 12 week deadline for marketing a property after completion of a home report appropriate and reasonable?**

Yes  No

**Q11a) If yes, please explain why**

12 weeks is not an unreasonable timescale to expect comments on value to remain valid.

**Q11b) If no, please explain why**

N/A

**Q12) Is the 28 day provision for removing a property from the market without requiring a new home report appropriate and reasonable?**

Yes  No

**Q12a) If yes, please explain why**

This allows the property to be removed from the market for a short time to allow a purchaser to complete on a purchase including arranging mortgage finance without the uncertainty of the property still being marketed.

**Q12b) If no, please explain why**

N/A

**Q13) Are there any issues with potential buyers accessing home reports?**

Yes  No

**Q13a) If yes, please provide an overview and outline the implications of this**

N/A

**Q14) Is this the most appropriate way to enforce home report legislation?**

Yes  No

**Q14a) If no, please explain why and how this could be improved**

N/A

**Q15) What are your views on mortgage lenders' acceptance of home report valuations?**

Lenders vary on their policy to accept comments from the Home Report often due to the level of loan to value or if the surveyor is on the lenders panel of approved valuers. This is appropriate as each lender has to manage their own risk policy when providing mortgage funding.

**Q16) Are the re-dress options available to buyers reasonable and appropriate?**

Yes  No

**Q16a) If no, please explain why and how these could be improved**

N/A

**Q17) Do these exceptions need to be amended?**

Yes  No

**Q17a) If yes, please explain what amendments are required and why**

N/A

### **Section 3**

**Q18) Does the single survey element of the home report provide an appropriate and useful level of information?**

Yes  No

**Q18a) If no, please explain why and what information should be removed and/or added**

N/A

**Q19) Should the repairs categories in the single survey be amended to make them consistent with the categories used in the Scottish House Conditions Survey?**

Yes  No

**Q19a) If yes, please explain why**

N/A

**Q19b) If no, please explain why**

The 1,2&3 categories are appropriate and sit well with the RICS Home Buyers report available to the public but the repair definitions require altering to be clearer in their meaning.

**Q20) Is the valuation element of the single survey a useful element of the home report? Yes  No**

**Q20a) If yes, please explain why**

The valuation is crucial to benchmark independent valuation advice and individuals can then make personal decisions when purchasing on what level to pay which reflects their personal circumstances. The valuation also reflects known condition from a more detailed inspection than was relied upon prior to the Home Report when the majority of purchasers relied on a Mortgage Valuation Report. Multiple surveys would also be encouraged if there was no valuation. By benchmarking valuation unwanted and unsustainable property price inflation is discouraged.

**Q20b) If no, please explain why**

N/A

**Q21) Is the information provided in the energy report appropriate and useful?**

Yes  No

**Q21a) If yes, please explain why**

It gives recommendations on how to provide better property insulation but it is also perhaps partly misleading as the energy rating can be affected by moveable objects eg light bulbs.

**Q21b) If no, please explain why**

N/A

**Q22) Is the information provided in the property questionnaire appropriate and useful?** Yes  No

**Q22a) If yes, please explain why**

N/A

**Q22b) If no, please explain why**

The property Questionnaire is confusing to complete for sellers and often causes delays in the processing of the Home Report. The questionnaire is about the owners life in the property and the Home report is about the whole life of the property which can lead to contradictions in the report for purchasers. Also service providers are personal to the property owner therefore providing the existing energy providers has limited value. A simpler version of property details only may prove more useful.

**Q23) Should an additional question on land maintenance fees be added to the Property Questionnaire?**

Yes  No

**Q23a) If yes, please explain why**

N/A

**Q23b) If no, please explain why**

In general property gardens will be maintained by the property owner rather than commissioned gardeners therefore land maintenance fees are not appropriate.