

CONSULTATION QUESTIONS

Section 1

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

Yes No

Q1a) If yes, please explain why

As the market continues to improve properties are going to closing date on a regular basis. The home report is preventing multiple surveys and the associated costs for purchasers.

The quality of properties on the market has improved as sellers are carrying better maintenance prior to selling. Purchasers can make more informed decisions and are aware of potential cost liabilities prior to purchase.

Asking prices are being set around valuation, which stops artificially low asking prices, preventing potential purchasers wasting time/money bidding on properties they will never be able to afford.

Q1b) If no, please explain why

Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

As the market has improved purchasers are missing out on properties. Thus without the home report multiple surveys would return. Many purchasers did not offer subject to survey before.

The quality of properties on the market has improved since the Home Report introduction with sellers aware they can't hide things anymore. The removal of the home report would cause the quality to fall as detailed surveys would not be carried out in every instance, and the basic mortgage valuation would return.

The home report corrected the asking price issues. Fixed prices were not always set accurately around valuation, neither were asking prices. Without the home report artificial asking prices would likely return, as often happens with commercial properties.

Q2b) If no, please explain why

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

Q3b) If no, please explain why

The EPC is a clear document that is available to all purchasers and is sufficient for promoting energy efficiency. The EPC allows purchasers to make their own informed decisions without advising them what to do. Home reports were not designed to give specific advice- but were designed to point out the facts.

The home report clearly points out the condition of properties. This can be seen by all purchasers with the 1,2,3 ratings, which are easy to understand. It is not the surveyor's job to advise on specifics, and allows purchasers to take a common sense approach with future maintenance repair plans.

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

Q4b) If no, please explain why

Surveyors always keep a copy of the home report on file. Surveyors are already regulated by the RICS and lenders. A further audit like is already unnecessary carried out over EPCs would only increase costs and add bureaucracy.

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.

(Note home reports are only a small cost associated with selling)

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

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

Yes No

Q7a) If yes, please explain why

In the vast majority of cases no, the selling agent wants to ensure they use a surveyor who is on all lender panels to prevent any problems at a later date. The selling agent also wants to use a surveyor with local knowledge.

The problems exist when the selling agent and home report provider are the same company – I.E Countrywide Surveyors/Countrywide Estate Agents (Harvey Donaldson and Gibson)- there surely is a conflict of interest here.

Q7b) If no, please explain why

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

Q8b) If no, please explain why

It takes 4 years of university (on the whole) and two years post university study to qualify as a chartered surveyor. Chartered surveyors are accountable and respected property professionals. Other organisations would not have the correct knowledge, experience and trust of the public to advise on house purchases. House purchase are typically the largest purchase anyone will ever make, the RICS have always been the sole body to do this in the UK and are widely respected.

If other bodies were allowed to complete Home Reports costs would increase for the purchaser as a valuation would require to be provided by a RICS qualified surveyor on top of the home report.

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.

(Note- home reports can be produced as quickly as sales particulars and photos.)

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

Yes No

Q10a) If yes, please explain why

It allows sellers to market a property honestly and openly. They can promote a properties condition along with the valuation.

Purchasers can see there is nothing to hide with a property and the surveyor is ultimately liable.

In 2009- a number of properties on the market since 2008 that didn't have home reports wouldn't sell until a home report was produced.

Home reports don't affect the overall price achieved for properties- they act as a guide. The market still dictates sale price.

Q10b) If no, please explain why

Comments

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

Yes, properties condition can change and as can the market conditions.

Q11b) If no, please explain why

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

Properties are usually removed because they don't sell. If they haven't sold they have been on the market for a while, the home report should be upto

date to reflect current condition and valuation. There is no need to remove a property from the market for in excess of 28 days if a sale is planned.

Q12b) If no, please explain why

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

(Note, home reports are available from sellers, agents and usually online. Sellers usually use the Home Report to promote the property and are keen to distribute it.)

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

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

The lenders generally accept the home report.

The lenders don't accept reports from surveyors working out of area or who are not on their lender panel. This was the same prior to the introduction of the home report.

The large firms J&E Shepherd, Allied Surveyors, DM Hall and Graham and Sibbald reports are all generally accepted. These firms' staff are trained to a high level and have relevant PI cover to protect the lender and purchaser.

Lenders will never accept report from individuals without the relevant PI cover or market knowledge. Since the credit crunch lenders have become more stringent and this will continue with their lending decisions.

Second surveys are carried out by the lender for audit purposes, if the report is out of date and a 'replacement home report' hasn't been carried out or if the home report has been carried out by a surveyor who isn't on the lender panel.

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

Q17) Do these exceptions need to be amended?

Yes No

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

Section 3

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

Yes x No

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

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 x

Q19a) If yes, please explain why

Q19b) If no, please explain why

The traffic light style system 1,2,3 (good/average/poor or go/proceed with care/stop) is easy to understand, and is used in a number of other reports that purchasers are aware of such as car MOT certificates, and boiler service reports.

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

Q20a) If yes, please explain why

It is good for mortgage brokers and banks to allow purchasers to apply for mortgages without the need to contact the surveyors.

It should be compulsory to include a generic mortgage valuation, this would make the home report suitable for lending to all purchasers and prevent the need for second surveys in cases where generic mortgage valuations have not been provided presently.

Q20b) If no, please explain why

Comments

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

Yes x No

Q21a) If yes, please explain why

The EPC gives both small and large scale improvement works advise and associated cost savings and the installation costs in a simple to understand format, showing pay back times. The graph system is easy to understand and is widely used on a number of other products. It allows people to easily compare two different properties.

Q21b) If no, please explain why

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

Q22a) If yes, please explain why

It is good for the purchaser and solicitor in particular. It does make moving easier and is particularly good for finding out service providers and about guarantees that are available for historic works that have been carried out on properties.

Q22b) If no, please explain why

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

Yes No x

Q23a) If yes, please explain why

Q23b) If no, please explain why

Details on costs and factoring is already covered in section 12 of the PQ.