

CONSULTATION QUESTIONS

Section 1

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

Yes No

Q1a) If yes, please explain why

The objectives from HITF were clear - I served on Sub-Group B of the HITF. If I were to be critical, the recommendations of Sub-Group B were more far-reaching than the final deliberations of the Steering Group formed thereafter and it is a pity that little in the way of follow-up has happened with regard to some aspects of that Report. I accept the political and social reality of change however. That is why I am of the view that the Home Report has achieved its original objectives.

Prospective purchasers do now have better information available to them and unrealistic "Offers Over" prices have largely disappeared. Is there room for improvement however? Most certainly.

For example, why are New Build properties excluded? Sub Group B looked at the issues surrounding these type of transactions (indeed, the late Helen Eadie MSP brought forward a Bill to attempt to regulate the perceived inequalities at that time) and the HITF Report recommended that Builders' Missives be looked at and a solution to an imbalance in bargaining power be found. There have been meetings between the Law Society of Scotland and Homes for Scotland but the core challenges remain. It is time now for that to happen. See copy article on the subject which is to be published in Greens Property Law Bulletin.

Q1b) If no, please explain why

See above.

Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

It is essential that there is transparency in the house buying and selling system. A lot of important information needs to be gathered and reported thereon to prospective purchasers. The Home Report assists in this regard but needs refinement and focus in order to better deliver this information.

Some of the detail needs refreshed so as to make it more user-friendly. It is too long in parts and can do with revision. It also has to have some additional information inserted.

Q2b) If no, please explain why

Some qualifications noted above.

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

I agree with the policy and why this is required but I am not altogether sure about this however.

Energy efficiency is a very good aim. The simple fact of the matter is, however that the Energy Performance Certification process is a bit of a joke in practice. Very little regard appears to be had to the information in this section. That having been said, it is still a useful image of the situation at that point in time and home owners can work on improving matters. On balance, it is beneficial and should be retained – perhaps with a public awareness campaign?

Should we encourage better property condition? Of course.

Q3b) If no, please explain why

Comments

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

Absolutely!!

The Law Society pressed for this at the time and we were told that it was not within the original remit of the Steering Group. We disagreed then and I remain convinced that this information should be held in a central register.

One benefit is to help avoid multiple Home Reports being commissioned with the seller choosing the report that is most favourable. The example I always give is a seller who commissions and pays for 3 reports at say a cost of £1,500. The difference in valuation may be say £45K and the “best” report says that there are no specialist works or other defects requiring rectification. The property is then exposed for sale with the “best” Home report. The prospective purchaser then accepts that one without knowing of what other reports may already have been commissioned and rejected for whatever reason. It is likely that the purchaser will not have commissioned his own survey. See below.

Government can arrange for a national register to be maintained. Providers of this service exist. This central recording also fits with the objectives of Unifi Scotland. See www.unifiscotland.com

Q4b) If no, please explain why

Comments

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.

In some cases yes. The cost can be phased in some cases however I understand. It has to be viewed as part of the overall cost of selling a property.

I believe that the issue of cost has been portrayed as being more of a problem than it is in reality.

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

I have no information.

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

Yes No

Q7a) If yes, please explain why

I have no real comment on this matter.

Q7b) If no, please explain why

Comments

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

I have no real view on this.

Q8b) If no, please explain why

Comments

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

The quality of information is so much better than it was previously. My daughter has recently bought a flat in Glasgow and the information in Home Reports contained within Marketing Materials helped us focus in on the property that we wanted in the area that she had selected.

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

Comments

Q11b) If no, please explain why

The LSS always disputed this period. I still remain unconvinced as to why Government accepted a 12 week shelf life.

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

No real view.

Q12b) If no, please explain why

Comments

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

Comments

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

I have no real experience of practical problems.

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

Generally favourable but CML must surely be able to reflect on the past 5 years and take a view that they can recommend to their members. They will say that they cannot bind their individual members however. That is not a valid answer. If CML Scotland want a say on this important subject (which should be the case) then they need to bring their members to the table and help all those parties involved in the process make real change.

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

I have had experience of redress on a faulty Home report and had no problems. The surveyor acted with dignity and accepted the error without demur.

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

There is room for improvement however:

1. The categorisation of the urgency of repairs as 1-3 is the wrong way round. I said this pre-implementation and remain of the view that a category 1 repair is deemed to be more urgent than a category 3 repair.

2. Many people do not understand that although the survey looks like an old Scheme 2/Home Buyer's report it is not! It is an extended Valuation Report. The purchaser may still be advised to get his/her own Scheme 2 report. Most will not however - just like before when 95% of people relied on Scheme 1/Valuation reports. I say this from personal experience. When my daughter bought her flat, she relied on the Home Report and Survey and did not commission her own Survey Report. As it happened, it was a good Report prepared by an experienced surveyor. I should have commissioned an independent report however.

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 x No

Q19a) If yes, please explain why

See above.

Q19b) If no, please explain why

Comments

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

Most certainly. It has ironed out some of the excesses.

Q20b) If no, please explain why

Comments

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

Yes No

Q21a) If yes, please explain why

Yes but see above.

Q21b) If no, please explain why

Comments

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

Q22a) If yes, please explain why

Indeed it is. It could be more useful however if it was also linked into the Missives for the sale and purchase of the property. The seller must be able to stand behind this information. He/she live in the property and must be able to confirm the accuracy of the information contained within the PQ.

See also copy article on "Redressing the balance" as published in Greens Property Law Bulletin in 2013.

Q22b) If no, please explain why

Comments

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

Yes No

Q23a) If yes, please explain why

There are a lot of practical problems around this that need to be resolved.

Q23b) If no, please explain why

Comments