

CONSULTATION QUESTIONS

Section 1

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

Yes No

Q1a) If yes, please explain why

Gives realistic idea of what purchasers should pay for property reflecting condition, gives good idea of actual condition of property and potential repair liabilities and makes survey freely available to all interested parties therefore giving good pre-purchase advise for nil cost.

Q1b) If no, please explain why

Comments

Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

Sellers keen to carry out some repairs to property prior to placing on market to reduce number of category 2 & 3s being reported and purchasers being more aware of defects are obtaining fuller advice on costs and reflecting these in price offered, so allowing condition of housing stock to be improved. No multiple surveys on houses even though market picking up and closing dates making a re-appearance. Prevents over pricing with independent valuation stated in report.

Q2b) If no, please explain why

Comments

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

EPC already prominent in Home Report package but while now accepted still not considered highly as other factors generally affect purchasers decision to buy over energy rating, eg location, style, condition, amenity, etc.

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

Comments

Q4b) If no, please explain why

Not essential. Could be difficult and costly to manage and what enforcement action could be taken if repairs not carried out on private home? How do you monitor condition? Collect number of category 2s and 3s and compare with previous years results – what will this tell us that will be of any use?

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

Some surveyors are offering terms to sellers to ease payments but this is risky and most schemes have been withdrawn as money has been lost. These schemes generally taken up by people in dire straits so therefore high risks associated with deferring payments that have to be borne by individual companies already facing reduced turnovers and increasing costs. In order to make deferred payments viable there are associated costs that have to be charged for management and to cover contingencies of defaulters, but this just puts the costs up for those who find it most difficult to pay in the first instance.

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

Yes No

Q7a) If yes, please explain why

Some conflicts arise particularly with larger national agencies who have sister surveying companies carrying out all home report business. This is not transparent to many sellers as apart from conflict with valuers of these companies trying too hard to meet expectations of their estate agent colleagues, commission payments are not declared. Clarification on any connection between the surveyor and the estate agent should be made clear in a separate question printed near the top of the Single Survey for the avoidance of doubt.

The RICS is very clear on what constitutes a conflict of interest but this seems to be flouted by some companies, usually larger corporate companies who seem to think they are above the governance of the RICS or lenders.

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

Comments

Q8b) If no, please explain why

How can anyone but an RICS surveyor carry out the valuation section required in the Home Report – trusted as being independent and reliable by purchasers and lenders alike. RICS surveyors are also covered by rules and ethics with insurance, an established complaints procedure and a governing body in the form of the RICS.

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

Absolutely. Seen as essential tool in marketing property now. Accepted by most sellers and purchasers alike and questions asked by sellers if no Home Report available. Purchasers want as much reliable information as possible in their decision making as to whether to buy a home or not.

Only useful though is surveyor is recognised as being well acquainted with local knowledge as well as being on lenders panels. A poor report by an out of town unrecognised surveyor without any local valuation experience is more of a hindrance as no purchasers have any faith in the Home Report produced leading to extra surveys being carried out which quite often produce results which are at variance to the findings stated the Home Report. Unfortunately cut rate Home Reports seem to be becoming more common and sellers require better education as to the benefits of using an established local surveyor.

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

Particularly in Scotland weather can play a part in affecting the condition of a home and 3 months is a fairly long time, more than long enough to put right ant defects highlighted in Home Report if the seller wants to put right defects highlights prior to commencing marketing.

The date of valuation is also crucial for lending purposes as most lenders will not lend on a property with a valuation over 3 months old, therefore silly to place property on market with valuation out of date already. Should really shorten period to 2 months.

With electronic transfer of messages and data possible there is no reason why the production of a Home Report should take any longer than obtaining a scheme 2 type survey of a home as commonly carried out prior to the introduction of the Home Report.

Q11b) If no, please explain why

Comments

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

Comments

Q12b) If no, please explain why

There has to be some time limit but 28 days may be considered as too short. Why not 2 or 3 months, if 3 months allowed for signing off Home Report in first instance?

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

Comments

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

Most lenders accept transcripts of Home Reports as long as survey and valuation carried out by member of RICS on their panel and having Valuer Accreditation. As long as reputable local valuer on banks panels this is not a problem – but situations arise when bucket shop, usually out of town, surveyors without panel appointments carry out Home Report without putting a reliable valuation into a generic mortgage valuation leading to extra work in the form of valuation/survey inspections being carried out by local reputable valuers, ie multiple surveys.

Whole Home Report system would be put in jeopardy if non-RICS home inspectors carried out survey and valuation. No way of easily regulating these and therefore banks would not place any reliance on the valuation. The valuation is at the core of the Home Report and one of the reasons why the HIP system in England/Wales did not work.

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

Comments

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 No

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

Comments

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

Comments

Q19b) If no, please explain why

Many purchasers have difficulty understanding implications of present category system so introducing more will lead to further confusion. Keep it simple.

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

Q20a) If yes, please explain why

Crucial element. It is what many purchasers rely on not just for lenders but in making decision on how much to offer. Valuation also offers reflection on how much is needed in way of repair or upgrading and can be qualified by specialist quotations which are themselves useful in focusing purchasers minds on work necessary once property bought.

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

Provides useful overview on what costs should be envisaged to improve property which again can be useful in pre-purchase decision making on what to offer.

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

Good to have sellers knowledge of property. Also a source of information for valuer carrying out inspection, particularly if seller absent. Only useful though if answered truthfully. Gives extra information outwith scope of survey.

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

Something akin to a property search carried out by a lawyer would be useful in highlighting any potential problems with title or burdens that accompany the property. Would save any problems arising once purchaser found and at point when missives nearly concluded.

Q23b) If no, please explain why

Comments