

CONSULTATION QUESTIONS

Section 1

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

Yes No

Q1a) If yes, please explain why

One of the original objectives was to attempt to seek an improvement in the housing stock.

The categorisation of defects in properties has focused this to the current home owners who often take the opportunity to address defects at the "draft" stage of the report prior to finalisation.

To a lesser extent the multiple valuation aspect has failed with a number of lenders seeking their own valuation advice and the tight timeframes relating to replacement see a significant amount of re-inspections being undertaken.

The Home Report has had initial difficulties as it was never foreseen that were we introduced into a static or falling market.

The difficulty with the Home Report is the balancing of the aspirations of the vendor, purchaser and requirements of the lender and in a rising market, estate agents perceive the valuation figure as creating a glass ceiling at which purchasers are reluctant to proceed beyond. As market conditions improve and the market becomes more aggressive, it would not be unrealistic to anticipate people paying prices in excess of Home Report reported values.

Q1b) If no, please explain why

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Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

To an extent the Home Report has gained acceptance across professionals and consumers and is generally perceived as a helpful asset in the home sale process.

Q2b) If no, please explain why

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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

As utility costs rise, energy efficiency becomes more critical and important to owners. Perhaps more emphasis should be given to ongoing property condition improvement over a short, medium and the impact they may have the future value and saleability of the property.

Q3b) If no, please explain why

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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 national register would create more transparency in the process and would create a reference point to moving forward over time. It would also avoid potential for beauty parades where agents seek a number of home reports paying a fee and adopting the highest value. It would obviously be necessary to include the status of the report i.e. cancelled, draft or completed.

A requirement would require to be resourced by a government agency similar to the energy efficiency database utilising the appropriate UPRN.

Q4b) If no, please explain why

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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.

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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

There are a number of schemes available in the market place depending upon the provider from finance deferred payments, stage payments to no up front fee for the home report albeit this may be met by the agent's listing fee.

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

Yes No

Q7a) If yes, please explain why

A number of agents seem to have little regard for the process and consumer legislation.

Estate agents tend to be the first point of contact and consequently have a lead role in commissioning home reports and in turn this can lead to inappropriate requests and pressures being brought to bear on surveyors and firms to follow estate agents valuation lead.

There are also issues with potential conflicts of interest that are not being appropriately managed in certain circumstances.

Q7b) If no, please explain why

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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

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Q8b) If no, please explain why

Key component part of the exercise is the valuation and the ability to report

on the property to a financial institution. This has traditionally been the domain of Chartered Surveyors and the profession has robust disciplinary audit and general regulations surrounding same. All valuations are undertaken in accordance with Red Book valuation standards by RICS registered valuers.

Registered valuers are required to comply with CPD regulations together with carrying appropriate levels of professional indemnity insurance. In the current market place it is difficult to see where this skill set could be replicated together with the appropriate regulation education and CPD.

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.

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

Yes No

Q10a) If yes, please explain why

The existence of a home report gives purchasers piece of mind and highlight potential issues early in the process, this can be an advantage.

Q10b) If no, please explain why

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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

A 12 week marketing deadline is appropriate however in certain circumstances reports are not "signed off" quickly enough so therefore it should be a strict 12 week from inspection to potential sign off. If the sign off is beyond 12 weeks, then the property should be re-inspected at a fee and a revised draft report provided.

Q11b) If no, please explain why

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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

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

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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

The home report should be placed more robustly by trading standards with estate agents being visited for an audit check as to procedures and position relating to marketing the home report in accordance with the legislation.

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

It is important that the lenders continue to buy into the home report and the process with acceptance of generic mortgage valuations. Lenders will of course on a commercial basis have a panel of surveyors they are prepared to work with. This is an area of lender policy and is outwith the influence of the home report process.

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

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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

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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

The 1,2,3 categorisation is fairly useful although it can be contentious. It is relatively clunky as one small defect can have an unfair affect of categorising a whole element as category 3. A review on the sub categorisation of the repair elements should be given.

Q19b) If no, please explain why

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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 mortgage valuation on the single survey is a key element of the home report and is viewed as particularly useful by consumers in securing mortgage funding.

Q20b) If no, please explain why

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Q21) Is the information provided in the energy report appropriate and useful? Yes No

Q21a) If yes, please explain why

The energy report will become more and more relevant as costs increase and people start to understand the documentation although it is not particularly highly valued by the public or agents at the current time.

Q21b) If no, please explain why

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

Q22a) If yes, please explain why

Is a useful element although in certain circumstances, the information provided can of course be limited.

Q22b) If no, please explain why

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

Yes No

Q23a) If yes, please explain why

It would allow prospective purchasers to form a more detailed budget of the running costs relating to the property.

Q23b) If no, please explain why

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