

CONSULTATION QUESTIONS

Section 1

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

Yes No

Q1a) If yes, please explain why

Comments

Q1b) If no, please explain why

Comments - See attached Addendum

Q2) Are the original Home Report objectives still appropriate?

Yes No

Q2a) If yes, please explain why

Comments

Q2b) If no, please explain why

Comments - See attached Addendum

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

Comments - See attached Addendum

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

Comments - See attached Addendum

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 - See attached Addendum

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

Comments - See attached Addendum

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

Yes No

Q7a) If yes, please explain why

Comments - See attached Addendum

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

Comments - See attached Addendum

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 - See attached Addendum

Q10) Are Home Reports a useful marketing tool for sellers?

Yes No

Q10a) If yes, please explain why

Comments

Q10b) If no, please explain why

Comments - See attached Addendum

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

Comments - See attached Addendum

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 - See attached Addendum

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 N/A

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?

Comments - See attached Addendum

Q16) Are the redress options available to buyers reasonable and appropriate?

Yes No

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

Comments - See attached Addendum

Q17) Do these exceptions need to be amended?

Yes No

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

Comments - See attached Addendum

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 - See attached Addendum

Q19) Should the repairs categories in the Single Survey be amended to make them consistent with the categories used in the Scottish House Condition Survey?

Yes No

Q19a) If yes, please explain why

Comments - See attached Addendum

Q19b) If no, please explain why

Comments

Q20) Is the valuation element of the Single Survey a useful element of the Home Report? Yes No

Q20a) If yes, please explain why

Comments - See attached Addendum

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

Comments

Q21b) If no, please explain why

Comments - See attached Addendum

Q22) Is the information provided in the Property Questionnaire appropriate and useful? Yes No

Q22a) If yes, please explain why
Comments

Q22b) If no, please explain why

Comments - See attached Addendum

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

Yes No

Q23a) If yes, please explain why
Comments

Q23b) If no, please explain why

Comments - See attached Addendum

RESPONSE TO HOME REPORT CONSULTATION

Section 1

Home Report Objectives

1. Do you think the Home Report is meeting its original objectives.

Answer: No. Before the introduction of Home Reports purchasers instructed their survey which they paid for. This provided the purchaser with independent information about the property condition and indicated items that required repair or maintenance works to be carried out. The Home Report allows sellers to patch or hide problematic issues raised in the Home Report before instructing a second or updated Home Report which has eliminated the issues originally raised. The “problem” of buyers paying for multiple valuations and surveys had been resolved before the introduction of Home Reports. Sellers can still set whatever asking price they wish. At the end of the day the market decides what price will be achieved and what is now happening is that prospective purchasers, in general terms, work downwards from the Home Report figure.

2. Are the original Home Report objectives still appropriate.

Answer: No. The problem is that nobody trusts the Home Reports which are prepared at the seller’s behest. The Surveyor who prepared the Home Report for my property was willing to adjust his figure on the basis that his valuation was a matter of opinion and there was no problem adjusting the figure upwards by a substantial margin. The Surveyor did advise that the higher valuation was less likely to be achieved.

3. Should the Home Report play a more central role in promoting energy efficiency and property condition improvements among owners.

Answer: It should – but it does not because nobody understands or reads them.

4. Should a National Register of Home Reports be established.

Answer: I cannot see the point of this. What is the worth of a Home Report done five years ago when a property might have been substantially altered or improved in the interim.

Section 2

5. Do you think the up front cost of Home reports is preventing potential sellers from putting their property onto the market.

Answer: Yes. It has stopped properties being put on the market on a speculative basis or in situations such as divorcing/separating couples when the cost is a significant disincentive.

6. Are you aware of any schemes available to help potential sellers pay for Home Reports.

Answer: Yes. Some Estate Agents are offering deferred payments.

7. Are there issues with the majority of Home Reports being commissioned through selling agents.

Answer: Yes. The first port of call for most potential sellers is an Estate Agent or Solicitor through one of the property centres. They give a valuation to the potential selling customer and offer to arrange the Home Report. There is clear evidence that some Estate Agents either own or control firms of Chartered Surveyors and use them exclusively. These Chartered Surveyors come up with exactly the same valuation as the selling Estate Agent. It is not credible that if e.g. an Estate Agent values a property at £200,000 and asks his favoured firm of Chartered Surveyors to do the Home Report that the Home Report Valuation will not be £200,000. If the favoured Estate Agent said that his valuation was £150,000 it would probably be the last valuation he would be asked to do. Some of the bigger Estate Agents will do a lot of business and if a firm of Chartered Surveyors lost that Estate Agent's business it could seriously damage the Surveyor's business. I've found this personally when putting my property on the market via an Estate Agent. I decided to use their favoured Surveyor and miraculously the Surveyor came up with exactly the same figure as the Estate Agent's Valuer. This was simply not a coincidence. I do not think this problem can be solved by forcing Estate Agents to spread their business among various Surveyors because Surveyors simply cannot afford to upset the larger Estate Agents. My belief is that some firms of Surveyors are actually "owned" by Estate Agents so the valuation which the prospective buyer gets is simply not independent.

8. Should other organisations be allowed to carry out the Single Survey including valuation and/or the Energy Report.

Answer: No. I think that independent Chartered Surveyors should still carry out surveys and valuations.

9. In your experience is the requirement for a Home Report before marketing a property leading to delays in properties coming onto the market.

Answer: Yes. There is no doubt that although the process can be fairly quick it is much longer than was the case prior to the Home Report system.

10. Are Home Reports a useful marketing tool for sellers.

Answer: No. Because the purchaser simply will not trust them.

11. Is the 12 week deadline for marketing a property after completion of a Home Report appropriate and reasonable.

Answer: No. The 12 week deadline is ridiculous. I have not seen a property being sold within the 12 week period. It may happen in a few cases but I would estimate that less than 10% of properties are sold within the 12 week period.

12. Is the 28 day provision for removing a property from the market without requiring a new Home Report appropriate and reasonable.

Answer: No. it is very costly for a seller to have to remove a property and then put it back on the market two months later.

13. Are there issues with potential buyers accessing Home Reports.

Answer: No.

14. Is this the most appropriate way to enforce Home Report legislation.

Answer: I have never heard of any penalties being imposed. I think this is an irrelevance.

15. What are your views on mortgage Lenders' acceptance of Home Report Valuations.

Answer: As you must know quite a number of Banks and Building Societies will not accept Home Report Valuations and insist on instructing their own survey. This is simply a bonanza for Chartered Surveyors.

16. Are the redress options available to buyers reasonable and appropriate.

Answer: No. A seller simply wants to get a property onto the market and sell it. A Buyer simply wants to buy the property and is not interested in getting the Ombudsman services involved. If issues arise, in my experience, purchasers simply walk away.

17. Do these exceptions need to be amended.

Answer: Yes. This is really a loaded question as I think Home Reports are a waste of time but there is clearly no point in getting Home Reports for the exceptions listed.

18. Does the Single Survey element of the Home Report provide an appropriate and useful level of information.

Answer: No. It is bland and uninformative. The sales of binoculars must have risen through the roof. The Single Survey element tells the prospective purchaser almost nothing of any substance.

19. Should the repairs categories in the Single Survey be amended to make them consistent with the categories used in the Scottish House Condition Survey.

Answer: Yes – this would give consistency.

20. Is the valuation element of the Single Survey a useful element of the Home Report.

Answer: Yes but this presupposes that the valuation is accurate and not predetermined by the selling Estate Agent.

21. Is the information provided by the Energy Report appropriate and useful.

Answer: No. I have never come across anyone who has ever commented on an Energy Report and no one to my knowledge understands it in any detail.

22. Is the information provided in the Property Questionnaire appropriate and useful.

Answer: No. It is a complete waste of time. Some Property Questionnaires I have seen are simply marked "not known", few are signed and many look as though they have been prepared by the Selling Agent.

23. Should an additional question on land maintenance fees be added to the Property Questionnaire.

Answer: No. Why bother.