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Research to inform the
Five Year Review of
the Home Report



RESEARCH TO INFORM THE FIVE YEAR REVIEW OF THE HOME REPORT

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GLOSSARY OF TERMS

An alphabetical glossary of the main terms used in the report is included below.

Additional surveys – Surveys undertaken in addition to the Home Report, e.g. a Home Report refresh or a specialist survey on a specific matter in relation to the property.

Council of Mortgage Lenders (CML) – The industry representative body for mortgage lenders.

Energy Performance Certificate (EPC) – The certificate provides an illustration of the energy efficiency of a building based on standard assertions for occupation and use. The certificate also shows how the rating could be improved if specific improvements were made. The improvements range from inexpensive, cost effective measures to more expensive options.

Energy Report – The Energy Report recommends ways to improve a building's energy efficiency and gives contact details for further advice and information about how to make a home more energy efficient and save fuel costs. A part of the Home Report.

Energy Savings Trust – An independent, UK organisation that promotes energy efficiency, energy conservation and the sustainable use of energy. Its objective is to reduce carbon dioxide emissions and help to prevent man-made climate change.

Fixed Price – A way of marketing property for sale in Scotland. Indicates the price that the buyer can buy the property for.

Help to Buy – A series of government stimulus packages to assist people buying property in the UK that consists of mortgage guarantee and equity loan elements.

Home Report – A report with which all houses for sale in Scotland have to be marketed (with certain exemptions). It is a pack of three documents: a Single Survey (including valuation), an Energy Report and a Property Questionnaire. The Home Report should be made available on request to prospective buyers of the home.

Home Report valuation – The part of the Home Report that provides the surveyor's assessment of the market value of the property.

Housing market turnover – The value of all property sold, e.g. in an area of the country.

Land Registry – A non-ministerial government department, executive agency (since 1990) and trading fund of the UK Government. It registers the ownership of land and property in England and Wales.

Multiple surveys – Where a number of surveys are conducted on the same property by different prospective buyers or where one buyer purchases surveys on a number of different properties.

Offers Around – A way of marketing property for sale in Scotland. Indicates the approximate price that the seller is seeking.

Offers Over – A way of marketing property for sale in Scotland. Indicates that the seller is seeking a price in excess of the one stated.

Property Questionnaire – A part of the Home Report. It is completed by the seller of the home (or a person authorised by the seller to complete on their behalf) and contains additional information about the home, such as Council Tax banding and factoring costs, designed to be useful to buyers.

Registers of Scotland – A non-ministerial department of the Scottish Government responsible for compiling and maintaining records relating to property and other legal documents. Its General Register records all houses sales and purchases in Scotland.

Research Advisory Group (RAG) – A group (usually consisting of government civil servants, industry representatives and professional experts) that provides advice and guidance to a project team on a Scottish Government commissioned project.

Scottish House Condition Survey (SHCS) – A Scottish Government publication that provides statistics from a national survey of the housing stock that is part of the Scottish Household Survey (SHS).

Single Survey – A part of the Home Report. It contains an assessment by a surveyor of the condition of the home, a valuation and an accessibility audit for people with particular needs.

Solicitors Property Centres (SPCs) – A marketing network of solicitors in different parts of Scotland for selling homes.

EXECUTIVE SUMMARY

Introduction

The Home Report was introduced on 1 December 2008, with Scottish Ministers committed to a review after five years of operation. The review commenced on 5 December 2013 and comprised a public consultation and a research study. The findings from the public consultation were published on 7 May 2014.

This report presents the findings from the research study, commissioned by the Scottish Government.

Methodology

This research comprised four main strands:

- analysis of market performance data
- a postal, self-completion survey among property buyers and sellers
- a face-to-face survey of prospective buyers and sellers, and
- qualitative research comprising in-depth interviews and focus groups among housing industry professionals, stakeholders and buyers and sellers.

All fieldwork was conducted between 9th July and 9th November 2014.

All research materials were designed by the research team at Ipsos MORI and Rettie & Co., and agreed with the Research Advisory Group (RAG).

Awareness and understanding of the Home Report

As would be expected there were high levels of awareness of the Home Report among industry professionals and national stakeholders. Buyers and sellers were also familiar with the document - over 90% of both buyers and sellers said that they had been aware of the Home Report before beginning their property transaction. However, their level of knowledge of the Home Report's content was more limited – only around half of prospective buyers and sellers knew what the Home Report covered in detail.

There were a number of misperceptions among buyers and sellers about what the Home Report is. For example, industry professionals believed that some buyers and sellers assumed that the Home Report was much more comprehensive than it actually was and/or provided some form of guarantee of the condition of the property.

Buyers were typically using higher numbers of Home Reports than they were in 2009. In this research, over 40% of buyers accessed 4 or more Home Reports, compared with just 8% in the Interim Review (carried out after the first year of operation of the Home Report).

Operation of the Home Report

Overall, buyers and sellers were positive about the content of the Home Report. Younger and less experienced buyers tended to find the Home Report more useful than those with more experience.

Buyers and sellers most commonly found the single survey and the valuation to be the most helpful elements of the Home Report, supporting the professionals' viewpoint that these were the sections which buyers were most likely to use when making decisions about a property.

The majority of buyers found each of the component parts of the Home Report to be reliable, although these percentages had reduced since the Interim Review. The main problems that buyers highlighted were repairs that had not been identified in the Home Report prior to purchase. However, only 5% of buyers or sellers had made a complaint about the Home Report.

The buyers who used the accessibility information in the Home Report mostly saw it as accurate and sufficient.

The majority of buyers said that the Home Report had increased their confidence in the buying process, due to the upfront information it provided. However, only 29% of sellers said that it had made them more confident about the selling process. That said, a number of sellers in the qualitative research said that the Home Report helped them to identify improvements and gave them a 'reality check' on the condition of their property.

Industry professionals tended to be more critical of the Home Report.

Industry professionals and national stakeholders said that the Home Report was too long, particularly the property questionnaire, and that buyers only use small parts of it. Furthermore, these two audiences also mentioned that, in order to limit surveyor liability, the writing in the Home Report was often 'neutral' or 'bland' and contained too much caveating.

Many industry professionals were concerned by what they saw as a conflict of interest between the buyer, the seller and the surveyor. The surveyor must produce a report that will be used by both the seller and buyer, two parties that have opposing interests in the property transaction – particularly in regards to the valuation and the repair categories. Some front-line professionals reported that this led to pressure being placed on surveyors to produce more favourable condition reports or reach a certain valuation. However, they did not think that this was widespread and was mainly restricted to the Central Belt.

Buyers and sellers seemed to find the process for obtaining a Home Report fairly straightforward. However, some industry professionals felt that the Home Report had increased the time it takes to market a property from a few days to two weeks and had increased transaction costs.

The Home Report has largely operated in a depressed market post-2008, but one that has revived in the last 18 months. These market changes have largely been driven by economic conditions rather than legislative changes such as the Home Report.

Performance of the Home Report against objectives

The Home Report had three core objectives when introduced:

- to address the problem of multiple valuations and surveys, particularly in market 'hotspots', either where multiple surveys were done on a single property or where buyers arranged surveys on multiple properties
- to improve information about property conditions, therefore providing an incentive for repair or maintenance works to be carried out in advance of sale, or identifying areas where improvements could be made after purchase
- to address the problems created by the practice of setting artificially low asking prices, potentially distorting the market in some locations.

It is clear that addressing the problem of multiple surveys has been achieved, although some professionals would argue that this had already been achieved through the use of 'subject to survey' offers prior to the introduction of the Home Report. However, there is now believed to be an issue with additional surveys. This is most likely to be a Home Report refresh or further mortgage valuation, driven by lenders' requirements at the point an offer is made. Lenders most often demand an additional survey when the Home Report is more than 12 weeks old or when the surveyor is not on their approved panel.

Not all additional surveys were commissioned due to lender requirements. In some instances, a surveyor may recommend an additional survey in order to look at a particular aspect of a property, e.g. the roof, in more detail.

There were mixed views on the extent to which the Home Report has led to improved property conditions. Some stakeholders and, to a lesser extent housing industry professionals, felt that gradual progress was being made. However, other industry professionals felt that the Home Report had made no difference to property conditions as they thought that sellers only made small, inexpensive improvements, if they made them at all. The survey showed that half of sellers paid £250 or less on repairs and only 10% spent more than £1,000, which supports this view. However, the survey also showed that, although sellers are not completing many repairs (36% of category 2 and 3 repairs identified in the Home Report), the majority of buyers (75%) are doing so.

The Home Report appears to have been successful in helping to address the issue of artificially low asking prices. Analysis of data from Solicitor Property Centres (SPCs) demonstrated that artificially low prices are not the problem they had been before 2008. However, poorer market conditions have also played a role here. The Home Report appears to be acting as a 'marker' for buyers in deciding the price to offer and in negotiations over price.

Recommendations

Based on the research findings, the following actions are recommended:

- the Home Report should be reduced in size, especially the property questionnaire
- a front summary page should be included, providing the key findings together with a clear explanation of what the Home Report is and is not
- more information and guidance should be provided to deal with misperceptions in order to manage buyer and seller expectations
- retain the current objectives, but consider a further objective around energy efficiency
- consider incorporating the classification in the energy report into the main repairs category to give it more prominence
- the Scottish Government should reconvene the Home Report Implementation Group to consider how conflicts of interest should be resolved and to provide guidance on how to avoid future conflicts.

1 INTRODUCTION

- 1.1 The Home Report was introduced on 1 December 2008, and Scottish Ministers committed to a review after five years of operation. The review commenced on 5 December 2013 and comprised a public consultation and a research study. The consultation ran from 5 December 2013 until 6 March 2014, with the findings published on 7 May 2014.
- 1.2 This report presents the findings from the research study conducted to inform the five year review of the Home Report in Scotland, commissioned by the Scottish Government. This research comprised analysis of secondary data sources; a survey of buyers and sellers; a survey of prospective buyers and sellers; and qualitative research with housing industry professionals, national stakeholders, and buyers and sellers.

Background

Policy background

- 1.3 The Home Report was first recommended through the work of the Housing Improvement Task Force as a means of improving the condition of private sector housing in Scotland¹.
- 1.4 Since 1 December 2008, a Home Report has been required for almost all residential property coming onto the market in Scotland². Provision was made for the Home Report through the Housing (Scotland) Act 2006, with the detailed requirements set out in secondary legislation. There have been no changes to this legislation since it was introduced.
- 1.5 Each Home Report consists of three elements:
 - *Single Survey* – conducted by a Chartered Surveyor, this includes a house condition report, a valuation and conveyance issues report³ and an accessibility report.⁴
 - *Energy Report* – also provided by a Chartered Surveyor, this details and grades the energy efficiency of the home and sets out potential improvements and headline costs. From 4th January 2009, all properties that are sold or rented must also have an Energy Performance Certificate (EPC)⁵.

¹ Stewardship and Responsibility: A Policy Framework for Private Sector Housing in Scotland, Housing Improvement Task Force, 2003.

² There are exemptions, including new build and new conversions.

³ Most Home Reports also include a Generic Mortgage Valuation Report (GMVR) though this is not required by law

⁴ We captured views of the valuation separately due to its importance, and in section 4 we consider attitudes to the valuation in detail. The valuation includes a home/rebuild valuation as well as additional information on the suitability of the property for mortgage purposes.

⁵ It is a European Union requirement under the Energy Performance of Buildings Directive (EPBD) to promote improvement in the energy performance of new and existing buildings

- *Property Questionnaire* – completed by the seller (or a person authorised by the seller to complete on their behalf), this provides information about the property such as Council Tax banding and previous alterations to the property.

Home Report objectives

- 1.6 The Home Report was introduced with a number of specific objectives, namely:
- to improve information about property conditions, therefore providing an incentive for repair or maintenance works to be carried out in advance of sale, or identifying areas where improvements could be made after purchase
 - to address the problem of multiple valuations and surveys, particularly in market ‘hotspots’, either where multiple surveys were done on a single property or where buyers conducted surveys on multiple properties (see Glossary for definition).
 - to address the problems created by the practice of setting artificially low asking prices, potentially distorting the market in some locations.

Interim Review

- 1.7 The Interim Review of the Home Report⁶, which reported in 2010, made a number of conclusions after the first year of operation. The key conclusions were that:
- the Home Report was being used to inform/confirm decisions on repair requirements, with likely positive impacts on stock conditions
 - there had been a sharp decline in multiple surveys as a result of the Home Report, reducing transactions costs
 - the Home Report had discouraged the setting of artificially low prices, and
 - the system for producing and distributing the Home Report was working well.
- 1.8 However, a number of concerns were raised in the Interim Review, chiefly that:
- some sellers had not completed the property questionnaires
 - the energy report was not seen as particularly useful
 - some sellers were getting several valuations from different surveyors and then commissioning their Home Report from the one that provided the highest value also known as ‘beauty parades’, and
 - some agents were restricting access to the Home Report.

⁶ Tribal, 2010 [Interim Review of the Home Report](#). Scottish Government, Edinburgh

Research objectives

- 1.9 This research examines how the Home Report has performed over the past five years. It has five key objectives, namely to:
1. explore the awareness, knowledge and understanding of the Home Report - and specifically the three documents that make up the Home Report - among buyers, sellers and industry professionals.
 2. examine how the Home Report works in practice and how it affects the house buying and selling process.
 3. examine whether the Home Report is meeting its original objectives and consider whether these objectives are still appropriate.
 4. assess whether the Home Report structure works across the housing cycle as a whole by investigating the benefits and costs it has in different market conditions.
 5. identify any wider impacts of the Home Report on the housing market.

2 METHODOLOGY

Overview of method

- 2.1 This research comprised four main strands:
- analysis of market performance data
 - a postal, self-completion survey among property buyers and sellers
 - a face-to-face survey of prospective buyers and sellers, and
 - qualitative research comprising in-depth interviews and focus groups among housing industry professionals, stakeholders and buyers and sellers.
- 2.2 All fieldwork was conducted between 9 July and 9 November 2014.
- 2.3 All research materials were designed by the research team at Ipsos MORI and Rettie & Co., and agreed with the Research Advisory Group (RAG).
- 2.4 In advance of all qualitative research, participants were informed of the purpose, length and voluntary nature of the interviews. Permission to audio record the research was requested.

Analysis of market performance data

- 2.5 We sourced and analysed secondary data from a number of organisations:
- Energy Savings Trust
 - Land Registry
 - Registers of Scotland
 - Scottish Government, and
 - Solicitors Property Centres.
- 2.6 The purpose of the secondary data analysis was to assess what changes had occurred in the housing market, particularly since the Home Report had been introduced, in order to identify the extent to which the Home Report has had an impact on the housing market.
- 2.7 The analysis also helped understand how the Home Report has worked across different market cycles.

Survey of buyers and sellers

- 2.8 A postal self-completion survey was conducted among recent buyers and sellers, between the 9 July and 17 September 2014.
- 2.9 The sample was drawn from the Registers of Scotland General Register which records all home sales and purchases in Scotland. To ensure that respondents would be able to recall their home buying/selling experience, the sample was only selected from those who had bought and/or sold

property in the last two years from the date that fieldwork began (see Appendix A for the questionnaire).

- 2.10 A total sample of 10,000 addresses was selected from the General Register. 173 addresses were duplicates and were removed and a further 617 addresses were incorrect and removed from the sample. This left a valid sample of 9,210.
- 2.11 Participation in the survey was incentivised through a prize draw for £500.
- 2.12 The survey achieved a total response rate of 10% (928 responses).
- 2.13 A topline showing the full results of the survey, including comparisons with the Interim Review, can be found in Appendix B.

Follow-up interviews with buyers and sellers

- 2.14 Qualitative follow-up in-depth interviews were undertaken with buyers and sellers who had agreed to be re-contacted for further research when they completed the postal survey. The sample was selected to ensure that different situations in the house buying/selling process were reflected.
- 2.15 Interviews, lasting around 20 to 30 minutes, were conducted by telephone during September 2014. The topic guide can be found in Appendix C.

Survey of prospective buyers and sellers

- 2.16 Face to face exit surveys were undertaken with prospective buyers and sellers between 4 and 19 October 2014. Prospective buyers and sellers were defined as those who were actively considering buying or selling a property at the time of interview. Exit surveys were undertaken outside Solicitor Property Centres (SPCs) across Scotland, and lasted an average of 6 minutes (see Appendix D for a copy of the questionnaire and Appendix E for a topline of the survey results).
- 2.17 Where SPCs did not have public premises (e.g. Glasgow) or did not consent to take part (Aberdeen), estate agents were used as an alternative.
- 2.18 We conducted interviews in the following locations: Aberdeen (at an estate agent), Dundee, Dunfermline (at an estate agent), Dumfries, Edinburgh, Glasgow⁷, Inverness, Perth and Melrose.
- 2.19 As some SPCs and estate agents had a lower footfall than expected, a top-up online survey was conducted. This survey was accessible through a link on the Glasgow Scottish Property Centre and Rettie & Co.'s social media sites during the period of the 3 - 9 November 2014. This was done in order to boost the level of response among prospective buyers and sellers.

⁷ Two different estate agent premises were used in Glasgow.

- 2.20 A total of 147 surveys were completed between 4 October and 9 November.

Qualitative interviews with housing industry professionals and national stakeholders

- 2.21 Qualitative in-depth interviews were undertaken with housing industry professionals and national stakeholders. A total of 27 interviews were conducted, 14 with housing industry professionals and 13 with national stakeholders. These took place during August and September 2014 (a full list of national stakeholders who participated in the research can be found in Appendix F).
- 2.22 Participants were sent a letter in advance of the interview, outlining the purpose and objectives of the research and then recruited by telephone (see Appendix G for a copy of the advance letter used).
- 2.23 Interviews were conducted by telephone and lasted 20-30 minutes (see Appendix H for a copy of the topic guides).

Focus groups with industry professionals

- 2.24 Focus groups, lasting around 60 minutes each, were moderated by Rettie & Co. with three separate professional groups; estate agents, solicitors and surveyors, during September and October 2014.
- 2.25 Recruitment for the focus groups was conducted using the same method as the professional and stakeholder interviews (see Appendix H for a copy of the advance letter used and Appendix I for a copy of the topic guide).

Interpreting the data in this report

Quantitative data

- 2.26 Survey findings represent the views of a sample of the population concerned, and not the entire population, so they are subject to sampling tolerances, meaning that not all differences will be statistically significant.
- 2.27 Where percentages do not sum to 100%, this may be due to computer rounding, the exclusion of 'don't know' categories or multiple answers. Throughout the report, an asterisk (*) denotes any value of less than half a per cent and a dash (-) denotes zero. For questions where the number of respondents is less than 30, the number of times a response has been selected (N) rather than the percentage is given.
- 2.28 Data tables were created from the results of the buyers and sellers survey and the prospective buyers and sellers' survey. Each question in the survey was shown with results broken down by key analysis variables. The tables included significance tests to highlight differences between sub-groups.

- 2.29 The analysis of both surveys comprised question by question analysis examining both the frequency of response to each survey question and the extent to which responses varied by key demographics such as type of home purchase, age of respondent and property value.

Qualitative data

- 2.30 Unlike survey research, qualitative social research does not aim to produce a quantifiable or generalisable summary of population attitudes, but to identify and explore the different issues and themes relating to the subject being researched. The assumption is that issues and themes affecting participants are a reflection of issues and themes in the wider population concerned, and the way in which these impact on people.
- 2.31 After completing each interview, detailed notes were taken to capture the key points of the discussion. Once the fieldwork was completed, the team held a meeting to enable a collaborative discussion of the findings and possible recommendations.
- 2.32 This process culminated in the identification of themes and sub-themes. Interview notes were then systematically analysed for key points within these themes. This method ensured that analysis and reporting of the data was rigorous, balanced and accurate, and that key messages were identified.

Structure of the research report

- 2.33 The remainder of this report presents the findings of the review. We first consider awareness and understanding of the Home Report, before presenting findings on its operation in practice. The report then examines the performance of the Home Report and assesses the extent to which it has met its stated objectives. The final section provides conclusions and key recommendations.

3 AWARENESS AND UNDERSTANDING

- 3.1 This section sets out the extent to which buyers, sellers and stakeholders were aware of the Home Report and how well they understood its purpose and status.

Awareness

Industry professionals

- 3.2 As would be expected, awareness of the Home Report among industry professionals and national stakeholders was extremely high⁸. However, while all were aware of its existence, some were less well informed about its detailed content (e.g. they knew that it included three sections but not what was included in each).
- 3.3 Nearly all professionals and national stakeholders were familiar with the formal objectives of the Home Report and were able to provide this information spontaneously.

Buyers & sellers

- 3.4 In the buyers and sellers survey, respondents also reported high levels of awareness: 92% of buyers and 91% of sellers said that they had been aware of the Home Report prior to making a property transaction.
- 3.5 Awareness was highest amongst more experienced buyers (i.e. those not buying for the first time), 94% of whom had heard of the Home Report. Awareness was a little lower among first time buyers, at 84%.
- 3.6 However, in the follow-up qualitative interviews it was common for buyers and sellers to say that, while they were aware the Home Report existed, they knew little about it prior to their home sale/purchase.

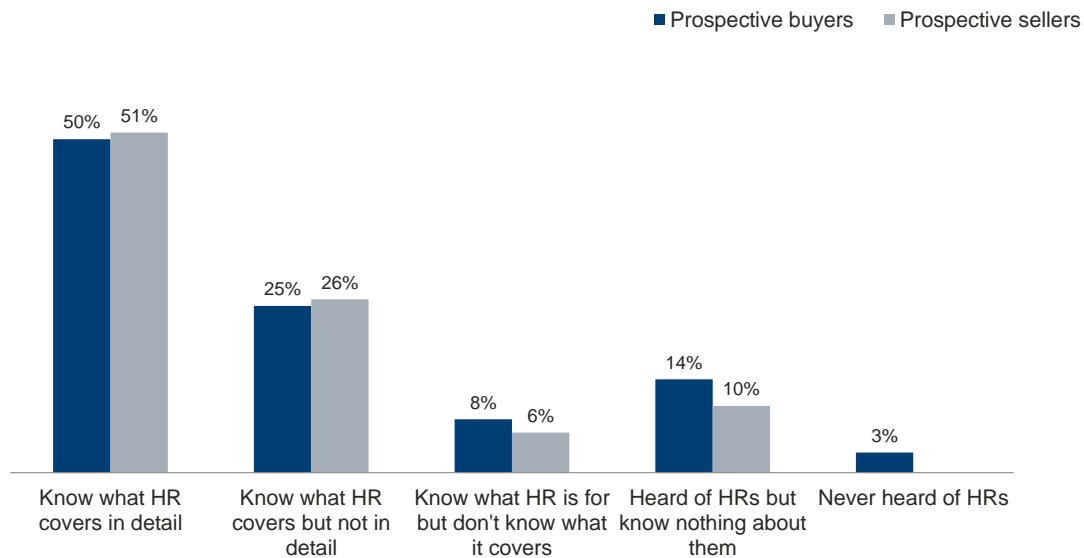
“I didn’t know anything about it. I’d heard about it on the news but it didn’t mean anything to me.”

First time buyer

- 3.7 This was reflected in the findings from the prospective buyers and sellers survey. While 97% of prospective buyers and 100% of prospective sellers had heard of the Home Report, the levels of knowledge of the content of the Home Report reported were more diverse. Half said that they knew what was covered in the Home Report in detail (Figure 3.1).

⁸ Industry professionals are those who work on the front line of the housing market, comprising estate agents, surveyors and solicitors. National stakeholders are those representing national organisations who had a Scotland-wide perspective of the Home Report. See Appendix F for the list of participating national stakeholders.

Figure 3.1 Level of knowledge of the Home Report among prospective buyers and sellers

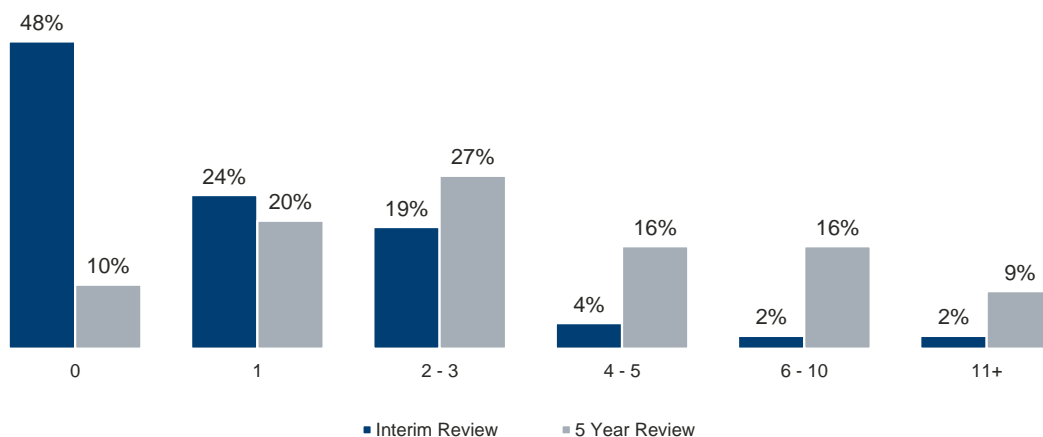


Base: prospective buyers (119), prospective sellers (68) 5 Year Review. Source : Ipsos MORI

Use of the Home Report

3.8 Buyers were typically using higher numbers Home Reports than they were at the Interim Review (Figure 3.2). The proportion of buyers that had not accessed any copies of the Home Report dropped substantially, while the proportion accessing 4 or more increased 5-fold from 8% to 41% over the same period.

Figure 3.2 Number Home Reports accessed - buyers

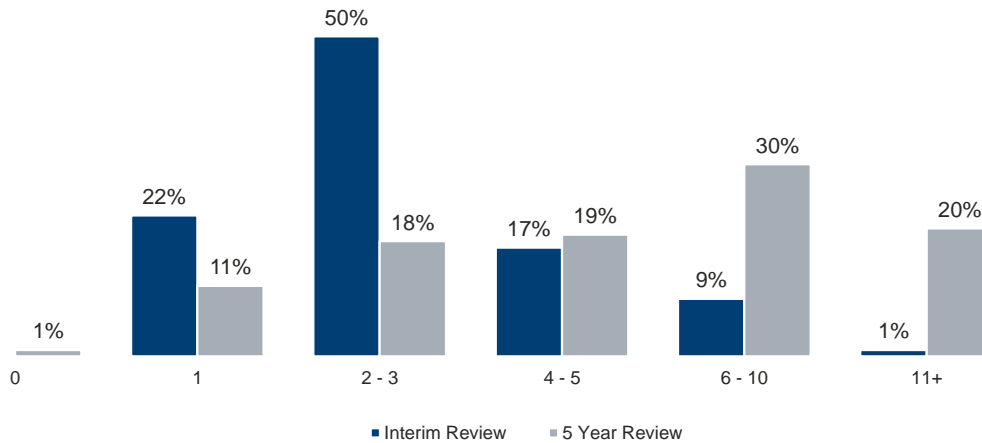


Base: all who bought a house in the last year Interim Review (1745), all who bought a house in the last two years 5 Year Review (835). Source: Ipsos MORI

3.9 This increase is likely to have occurred partly because of the slow market conditions experienced over the last few years. This means that buyers are able to 'shop around' more while waiting for their own home to sell. This is supported by the finding that the number of properties buyers

looked at has increased in line with the number Home Reports accessed: In the Interim Review, 27% of respondents reported looking at more than 4 properties in their search. This has now increased to 69% (Figure 3.3).

Figure 3.3 Numbers of properties looked at by buyers



Base: all who bought a house in the last year Interim Review (1745), all who bought a house in the last two years 5 Year Review (835).
Source: Ipsos MORI

- 3.10 The qualitative research threw additional light on these findings, revealing that a number of buyers were looking at the Home Report at an earlier stage in their house-hunting process, using the document as a tool in helping decide which properties to view and which to ignore.
- 3.11 Buyers who used the Home Report at an early stage tended to view them as more useful and efficient than those who used them only as a 'final check' when submitting an offer on a home.

"It aided me in deciding which properties to go and look at. We didn't want a fixer-upper; we needed something we could walk into."

Buyer and seller

- 3.12 One national stakeholder also highlighted the benefits of using the Home Report at an early stage. They argued that, in the previous system, buyers were much further into the purchase process, financially and emotionally, before finding out about any major repair requirements. This meant they found it more difficult to extricate themselves from the purchase of a house they might have discarded if they knew about problems at the outset.
- 3.13 Indeed, the buyers and sellers survey found that just over a third of buyers (35%) discarded a property based on information in the Home Report. In most cases (85%) this was specifically due to information in the single survey.

Misperceptions

- 3.14 Despite high levels of awareness of the Home Report, and increased use since the Interim Review, professionals and stakeholders reported some misperceptions among consumers, particularly around its scope, status and scale and most regularly concerning the single survey aspect.
- 3.15 If buyers and sellers held misperceptions, they were only visible when the buyer/seller encountered a problem in the property transaction. Therefore, as the process ran smoothly for most, the scale of misperceptions was difficult to quantify. However, many industry professionals and national stakeholders believed the issue of misperception to be common.
- 3.16 Most industry professionals and national stakeholders thought that buyers and sellers believed the Home Report to be more comprehensive and in-depth than it was in reality. Furthermore, a number of national stakeholders said that some buyers view the Home Report as a guarantee of property condition. However, they did not believe that this was necessarily a phenomenon caused by the Home Report since most also felt that consumers misunderstood the Scheme One and Scheme Two surveys in the previous system.
- 3.17 This was supported to some extent by the qualitative interviews with buyers and sellers. When buyers criticised the Home Report it was most likely to be because an issue related to the condition of the property, not apparent in the report, was discovered after the sale was completed. A number of buyers gave examples of problems that would not necessarily be picked up by the visual survey carried out in the Home Report (including wiring under the hob, faulty radiators and guttering problems) suggesting that they do not understand its scope.
- 3.18 The specific issues that industry professionals and stakeholders thought that consumers tended not to know were that:
- the surveyor inspects internal features such as wiring and central heating but will not check to see if everything works
 - the survey is purely visual: furniture, fixture and floorboards will not be moved
 - if there is no access, or no safe access, to a particular area of the property it will not be inspected (most commonly the roof)
 - surveyors are legally required to capture a factual account of the condition of the property on the day of the survey.
- 3.19 While the points listed above are included in the terms and conditions of each report, professionals thought that most buyers and sellers were not aware of them. And this lack of knowledge could lead to difficulties – for example, if a buyer reads that a roof has been given a ‘Repair Category 1’ but does not realise that this is based only on a visual inspection done with binoculars due to access issues, they are likely to feel aggrieved if they subsequently discover a more serious problem after they move into the home.

“I think if you ask the average person on the street they will refer to [the Home Report] as a full structural survey. Well it isn't that. So I think that there is probably a disconnect between what the surveyor is doing and what the buyer thinks they're getting.”

National stakeholder

4 OPERATION OF THE HOME REPORT

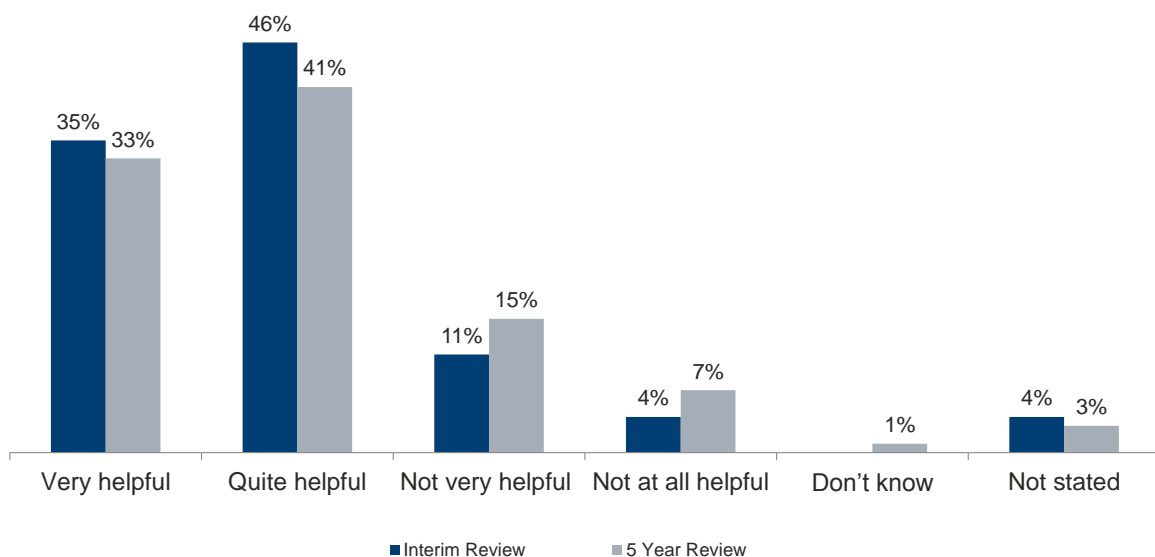
4.1 This section considers in-depth the attitudes of consumers, industry professionals and stakeholders to the Home Report, looking at perceptions of the content of the Home Report generally before looking at each element of the report in more detail. It then goes on to look at the prevailing market conditions in Scotland since the Home Report was introduced.

Contents of the Home Report

General perceptions among buyers and sellers

4.2 In general, buyers and sellers tended to be positive about the content of the Home Report. Around three quarters of buyers (74%) said that the information contained within the Home Report was helpful (Figure 4.1). That said, ratings of helpfulness had gone down since the Interim Review (81% of buyers reported that the Home Report was helpful in the Interim Review, compared with 74% in the year 5 review).

Figure 4.1 Overall helpfulness



Base: all who looked at the Home Report for the home they purchased Interim Review (991), 5 Year Review (726). Source: Ipsos MORI

4.3 The perceived usefulness of information in the Home Report was closely related to the value of the property being bought and the age and experience of the buyer.

4.4 Over a third (35%) of those buying properties worth £300,000 or less thought that the information was 'very useful.' This fell to 22% among those buying more expensive homes.

4.5 Feedback from the focus group with estate agents suggested that lenders are less likely to accept valuations from the Home Report on expensive property. Therefore, those buying these properties were more likely to be

asked to commission their own generic mortgage valuation report (GMVR). This could provide one explanation why levels of satisfaction with the Home Report differ by property price.

- 4.6 Less experienced buyers were the most positive about the Home Report – 90% of first-time buyers said that information in the Home Report was ‘helpful’, compared with 67% of more experienced buyers.
- 4.7 In addition, younger home buyers thought the Home Report was more helpful than older home buyers (Table 4.1).

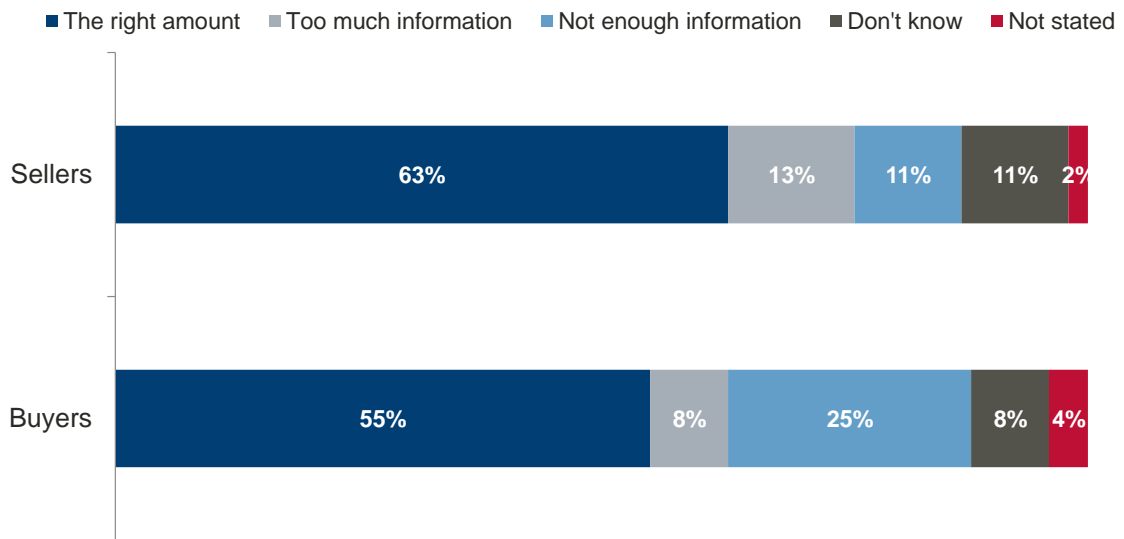
Table 4.1 Proportion of buyers who said that information contained within the Home Report was helpful by age

Age	%
16-34	88%
35-54	77%
55-64	64%
65+	57%

Base: buyers who had looked at a Home Report for the property they purchased (726) 5 Year Review. Source: Ipsos MORI.

- 4.8 The majority of both buyers and sellers thought that the Home Report contained *the right amount* of information. However, as with the perceived usefulness of information in the Home Report, views differed by property purchase price and the experience of the buyer.
- 4.9 Among first-time buyers, 70% thought the Home Report contained *the right amount* of information, compared with 50% of more experienced buyers.
- 4.10 There were also differences according to property price: 63% of those buying a home up to £120,000 thought that the amount of information was *the right amount*, compared to 47% of those paying over £300,000. Furthermore, those buying more expensive properties were more likely to think that there was *not enough* information than those buying a home up to £120,000 (33% and 21%, respectively).
- 4.11 Buyers were much more likely than sellers to think that the Home Report did not contain ‘enough information’. A quarter of buyers (25%) thought this, compared to 11% of sellers (Figure 4.2).

Figure 4.2 Amount of information



Base: all who looked at the Home Report for the house they purchased (726) , all those who used a Home Report when selling their house (458) 5 Year Review. Source: Ipsos MORI

4.12 There was a clear difference in attitudes towards the *single survey* and the *valuation*⁹ on one hand, and the *energy report* and the *property questionnaire* on the other, both in terms of helpfulness and impact on decision to buy a property. Table 4.2 shows that over three quarters found the single survey (76%) and valuation (81%) to be useful, compared to under two-thirds who felt the same about the property questionnaire and energy report (both 63%).

Table 4.2 Helpfulness and impact on decision making

Home Report component	% information was helpful	% information affected decision to buy property
Single survey	76	52
Valuation	81	59
Property questionnaire	63	31
Energy report	63	25

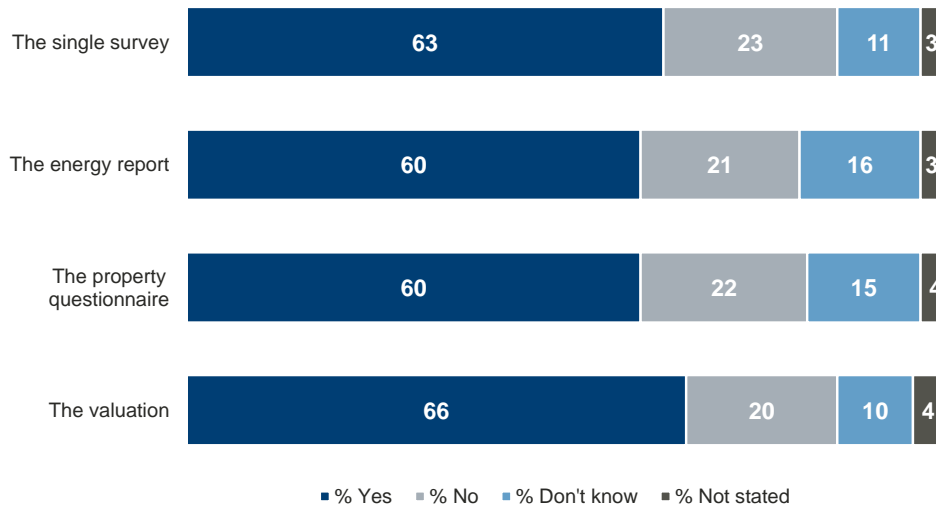
Base: buyers who had looked at a Home Report for the property they purchased (726) 5 Year Review. Source: Ipsos MORI.

4.13 Buyers' views of *reliability* were fairly consistent across all components (Figure 4.3). However, as with the perceived helpfulness of the Home Report overall, reliability scores for the single survey and the valuation report have fallen between the Interim Review and now. (74% to 63% for the single survey and 76% to 66% for the valuation report).

⁹ The survey asked about 'the valuation' so could relate to the single survey valuation and/or the GMVR

4.14 Perceptions of usefulness and reliability were linked. Buyers who thought that the Home Report was reliable were more likely to say it was helpful and vice versa. However, we cannot say for certain which measure drives the other.

Figure 4.3 Reliability



Base: all who looked at the Home Report for the house they purchased (726) 5 Year Review. Source: Ipsos MORI

4.15 The findings from the qualitative interviews with buyers and sellers suggest that it is the reliability of the Home Report that can sometimes lead to dissatisfaction. The main concern that buyers had with the Home Report was that repairs/problems with the property were not identified – a number of the buyers in the qualitative research were able to give specific examples of this happening.

4.16 These issues tended to be those that may not be caught in a visual inspection, with no subfloor or roof access. Therefore, it is difficult to conclude whether these reflect genuine issues with the reliability and quality of the Home Report being completed or, rather, reflect the limitations of the inspection due to access restriction, no testing of heating systems or electrics and that no furniture can be moved, something which can be misunderstood by buyers.

4.17 The survey findings highlight the areas where some buyers want more information. Those who thought the Home Report contained too much or too little information would like to see ‘more detailed/comprehensive information regarding condition of property in the single survey’ (20%) and ‘more comprehensive/in depth information in general’ (12%).

4.18 Furthermore, the majority of buyers (61%) would have liked the opportunity to speak to the surveyor who inspected the property, again suggesting the buyers were looking for more information. However, in practice less than half (44%) actually sought any advice about the content of the Home Report.

General perceptions among industry professionals and stakeholders

- 4.19 Views on the content of the Home Report were more critical among industry professionals, particularly those based in Edinburgh and Glasgow, than among buyers and sellers. National stakeholders were less critical than those on the 'front-line' of the industry but still focused on aspects that required improvement.
- 4.20 Specific issues with each component are covered in more detail in the following sections, but the overarching issue that professionals and stakeholders consistently raised was that the Home Report is too long and buyers only use a very small part of it.
- 4.21 At the moment, the Home Report is unlikely to be shorter than 40 pages and can sometimes be significantly longer, which professionals thought made them daunting to read and understand. This is exacerbated by the fact that the report starts with at least 5-6 pages of terms and conditions before considering the property in question.
- 4.22 This leads to a dilemma for the future design of the Home Report. On the one hand it is important for consumers to receive sufficient detail to avoid the misunderstandings outlined earlier but, on the other hand, professionals and stakeholders think that too much information can discourage buyers from reading it.
- 4.23 The feedback from industry professionals suggests that the Home Report in its current form discourages consumers from reading it, despite the scale, and importance, of the purchase involved. Professionals said that the majority of buyers were only interested in the summary of the repair categories and the valuation report.

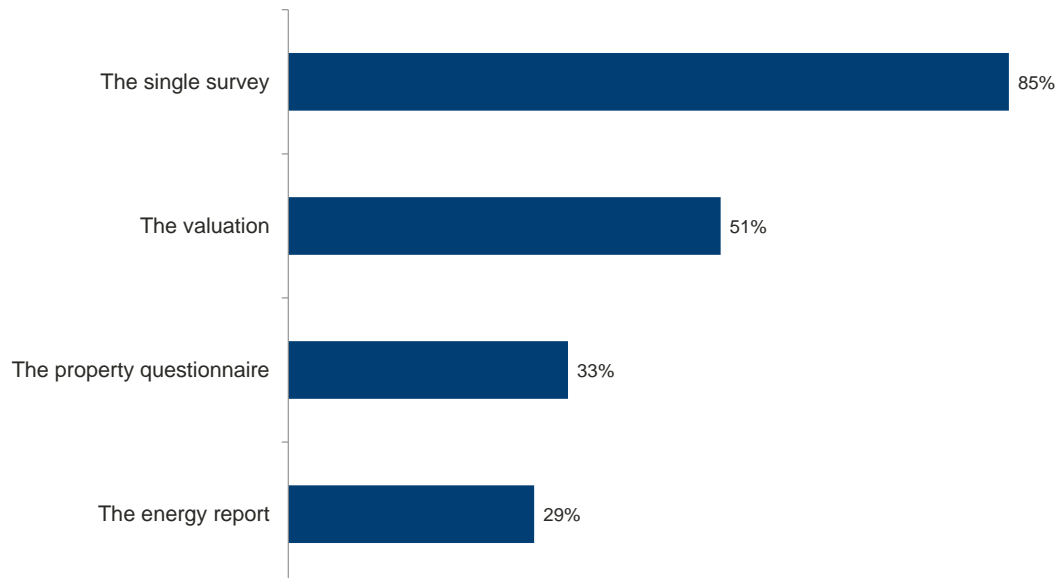
"From our own feedback, people tend to have a quick squint at the condition report, the valuation and how long it's been on the market...then that's them."

Solicitor Property Centre

Overall views of the single survey

- 4.24 The single survey was the most frequently discussed, and considered to be the most important, part of the Home Report, particularly the repair categories. This is likely to be because of a consensus among consumers and professionals that the single survey contains the information that consumers are looking for, and answers the essential question for buyers – *'is there anything wrong with this property?'* Among buyers who reported that they had discarded a property based on the Home Report, 85% said that it was the single survey that helped them make this decision, a greater proportion than mentioned any other component of the Home Report (Figure 4.4).

Figure 4.4 Which element(s) of the Home Report helped you decide to discard the property?



Base: all who decided not to buy a property because of information in the Home Report (262) 5 Year Review. Source: Ipsos MORI

4.25 Among all audiences, the *‘neutral, bland’* language was the main criticism of the single survey, frequently interpreted by buyers and sellers as a lack of detail. Professionals and stakeholders saw this as particularly problematic as they felt the document was too long despite its perceived lack of depth.

4.26 A surveyor is liable to both the seller who commissions the report and the buyer who purchases the property. A buyer can claim damages against a surveyor where they have suffered a material loss¹⁰. This means that the surveyor could potentially be liable for any subjective or speculative statements they make.

4.27 Furthermore, a number of both industry professionals and national stakeholders believed that buyers were increasingly trying to use the Home Report as a basis for launching legal proceedings against surveyors.

“It is starting, what we predicted. It’s being used as a litigious document.”

Surveyor group

4.28 Industry professionals acknowledged that to some extent, the neutral language was a result of the legislation, leading to a factual, objective inspection of the property. However, professionals (including surveyors) suggested that surveyors neutralised their language in order to protect themselves in case a buyer tried to use the Home Report to get compensation from them in the event of a subsequent problem.

¹⁰ Housing (Scotland) Act 2006 (Consequential Provisions) Order 2008. Available at: <http://www.legislation.gov.uk/uksi/2008/1889/contents/made>

- 4.29 The neutral language used meant that some surveyors felt limited by what they could write in the single survey report, despite the fact that this was self-imposed to some extent. While they believed that the inspection carried out was the equivalent of a Scheme Two survey, the resulting report did not reflect this work. This was because they felt that the neutral language did not allow them to express their full opinion of the property.
- 4.30 Estate agents and surveyors tended to think that this neutral language was most beneficial to sellers since it could downplay the severity of condition issues. Unsurprisingly then, in the qualitative research it was clear that, with one or two exceptions, sellers were more positive about the single survey that was carried out on the property they were selling than the one they subsequently purchased. When they could see the survey happening they were more satisfied with its thoroughness, lending some weight to the concerns of surveyors.
- 4.31 Other complaints about the report or single survey included:
- the use of jargon and technical language that some buyers and sellers found difficult to understand
 - the use of the phrase “commensurate with the age of the property” without further context about what that means in practice in terms of repairs and maintenance for the owner, and
 - extensive use of caveating - to the point where the commentary risked losing any substantive meaning.
- 4.32 While some industry professionals (including some surveyors) believed that buyers’ misperceptions on the scope of the survey contributed to the neutral language of the single survey, others thought that the neutral language contributed to buyers’ misperceptions suggesting that there was a cyclical relationship between the two issues.
- 4.33 While the repair categories were thought by most buyers and sellers to be ‘very useful’, and one of the few aspects of the Home Report that was consistently scrutinised by buyers, this was an area where professionals had concerns about a conflict of interest between the seller, the surveyor and the buyer. The seller wants a report that minimises any mention of required repairs, category 3 repairs in particular. In contrast, the buyer wants the report to highlight any problems associated with the property. This has two potentially problematic consequences.
- 4.34 First, professionals reported that they knew of instances where selling agents (and, to a lesser degree, sellers themselves) had applied pressure on surveyors to change repair category ratings. This mostly consisted of agents asking surveyors to reconsider a category that they thought was open to interpretation or overly cautious. Selling agents saw asking for these changes as a fairly widespread and inevitable part of ‘doing business’.

“[Surveyors are] not going to tell lies and say there’s not dry rot when there is but they’re malleable on the categories”

Estate agent group

- 4.35 However, although thought to be far less widespread, professionals also raised the issues that existing business and financial relationships were being exploited to allow selling agents much greater influence over the contents of the single survey. In general, the professionals made reference to selling agents in the central belt when discussing this issue.
- 4.36 Second, it was also thought that this contributed to the use of beauty parades. ‘Beauty parades’ are the practice of engaging several surveyors to conduct a survey and/or a valuation report so that the one with the most flattering condition report can then be selected for use in marketing the property. While both selling agents and surveyors acknowledged that this still happens, they felt it was less prevalent than in the early stages of the Home Report.

Overall views of the valuation report

- 4.37 Most buyers and sellers thought that the valuation was reliable (66% of buyers and 71% of sellers). The qualitative research echoed this finding. It was common for both buyers and sellers to mention that the valuation report gave them confidence in the price at which they purchased/sold.
- 4.38 Professionals and lenders in particular, saw the valuation as an area in which the wider conflict of interest issue could play a role (see section 4.33). Buyers and sellers have opposing interest in the value of the property but the surveyor has a responsibility to both. The seller wants as high a price as possible, whereas the buyer wants as low a price as possible.
- 4.39 As with the repair categories professionals reported that pressure was sometimes placed upon surveyors to value in line with the selling agent’s wishes and the use of beauty parades to get the value desired. However, this was thought to be mostly confined to the central belt.

Overall views of the property questionnaire

- 4.40 As highlighted in section 4.12, the property questionnaire was seen by buyers as less helpful and less likely to influence decision making than either the single survey or the valuation. This was reflected in the views of industry professionals who said that most buyers do not place much importance on the property questionnaire.
- 4.41 For the most part, buyers only look at small portions of the Home Report, the sections that they think are essential to know (*i.e. how much does the property cost and is there anything wrong with it?*), and the property questionnaire is not one of these sections. While some stakeholders

suggested that much of the information is useful and interesting to a buyer, in practice, buyers do not tend to view it this way.

- 4.42 The contents of the property questionnaire were also criticised by housing industry professionals. Some questions were considered unnecessary (e.g. utility providers) while others were thought to repeat information collected by the surveyor (e.g. previous work carried out on the property). They also cited instances where the information in the single survey and property questionnaire contradicted each other.
- 4.43 Another criticism of the property questionnaire was that the form is not accurately completed by sellers. While, in some instances, this was simply due to a lack of knowledge on the seller's part, some professionals suggested that sellers may also be purposefully withholding information to improve the prospects of a sale. In some instances, such as repossessions, property questionnaires were left completely blank.
- 4.44 As buyers and professionals believed that sellers were often not completing property questionnaires fully or properly, there was a concern about the lack of accountability for the accuracy of the information included. A number of professionals felt that buyers should have a form of redress available if a seller was found to have submitted inaccurate information in the property questionnaire.
- 4.45 Despite these criticisms, some housing industry professionals thought the property questionnaire helped to speed up the conveyancing process by providing details of legal issues or at least highlighting areas which should be investigated in more detail.

Overall views of the energy report

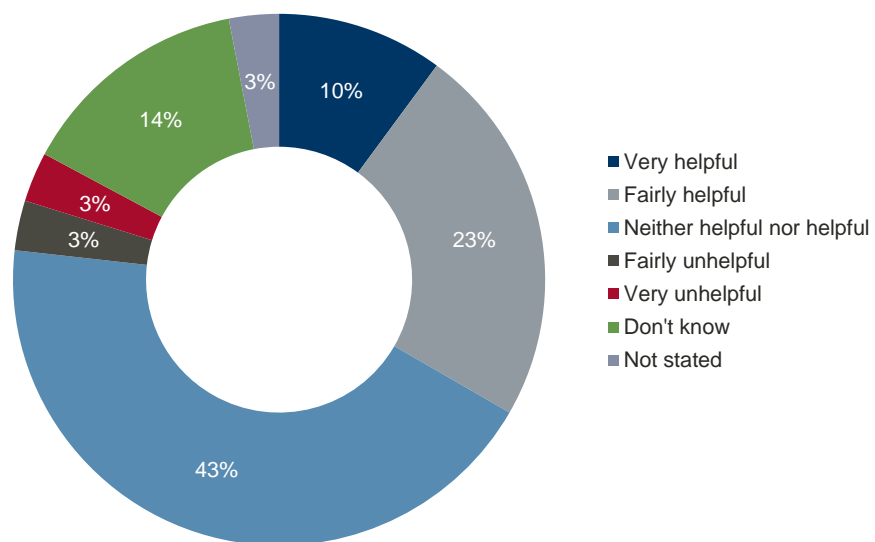
- 4.46 While acknowledging that an Energy Performance Certificate (EPC) is a legal requirement when selling a property (outwith the remit of the Home Report), both industry professionals and the buyers/sellers saw the energy report as the least important and useful part of the Home Report.
- 4.47 As with the property questionnaire, the energy report is not part of the buyers' 'must know' information (see section 4.24). While it may be of interest, it is unlikely to affect a purchase decision either way in most cases.
- 4.48 Some national stakeholders felt that there was too much jargon in the energy report. In addition they felt that any key points, namely the energy efficiency rating, the estimated average energy costs and recommended improvements were buried in superfluous information.
- 4.49 Some stakeholders also thought that changing the layout and presentation of the energy report could make it more relevant to buyers (e.g. having a summary upfront or incorporating some aspects into the single survey). However, the existing EPC legislation would need to be taken into careful consideration before making any changes.

4.50 There was a view from some professionals and stakeholders that although the energy report stimulates little interest now, this will change in the future. There were two reasons for this. First, the Scottish Government intends to consult in spring 2015 on proposals to set minimum standards of energy efficiency for existing private sector housing (the UK Government has recently consulted on proposals for the private rented sector only for England and Wales). Second, the rising cost of energy means that it will become increasingly important to make your home as energy efficient as possible.

Overall views of accessibility information

4.51 The accessibility information did not appear to be used by a large proportion of buyers. In the survey, most gave a neutral response when asked how helpful this information was, suggesting that it is not relevant to them (Figure 4.5).

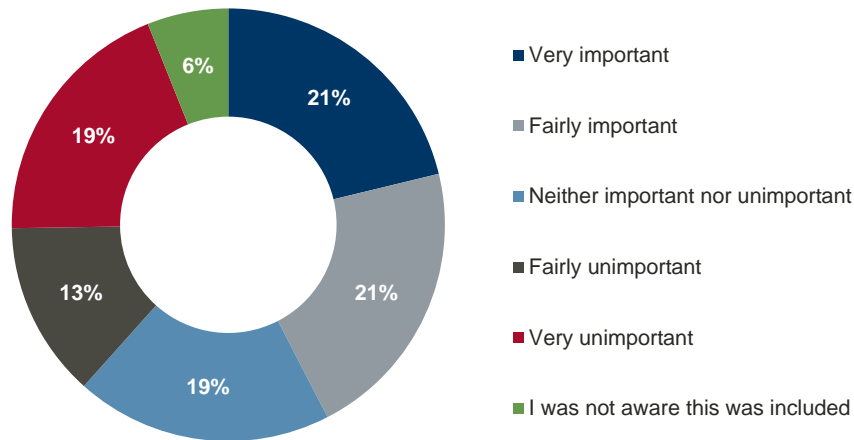
Figure 4.5 Helpfulness of accessibility information among buyers



Base: all who looked at the Home Report for the house they purchased (726) 5 Year Review. Source: Ipsos MORI

4.52 However, in the prospective buyers and sellers survey, 42% of prospective buyers did report that this information was important to them when making decisions about purchasing property (Figure 4.6). To some extent this will be due to the fact the respondent in the prospective buyers and sellers survey had an older profile, and therefore more likely to be interested in the accessibility information, than in the buyers and sellers survey.

Figure 4.6 Importance of accessibility information among prospective buyers



Base: prospective buyers who have looked at a Home Report (63) 5 Year Review. Source: Ipsos MORI

4.53 For those buyers who did use this information, it was largely seen as accurate and sufficient. In the qualitative research, there were no examples of the information being problematic.

4.54 One suggestion that did emerge from the qualitative research was that buyers who used this information would like to be able to use it to search for homes on property search engines.

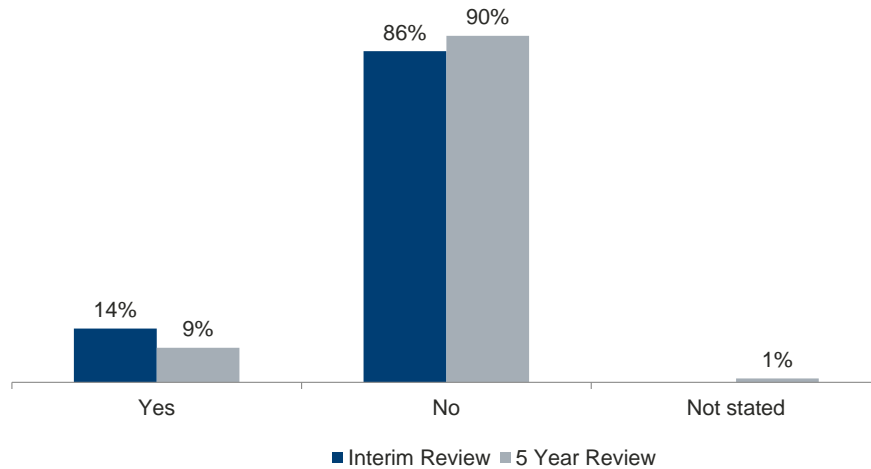
Practicalities

The process of obtaining a Home Report

4.55 For the most part, buyers and sellers did not report any serious problems when obtaining a Home Report and the process seemed to be straightforward (Figure 4.7).

4.56 Of the 9% of buyers who did face difficulties, the main issues were that selling agents were slow in forwarding the document or that it was not ready. The vast majority (96%) accessed the Home Report free of charge.

Figure 4.7 Difficulty accessing the Home Report

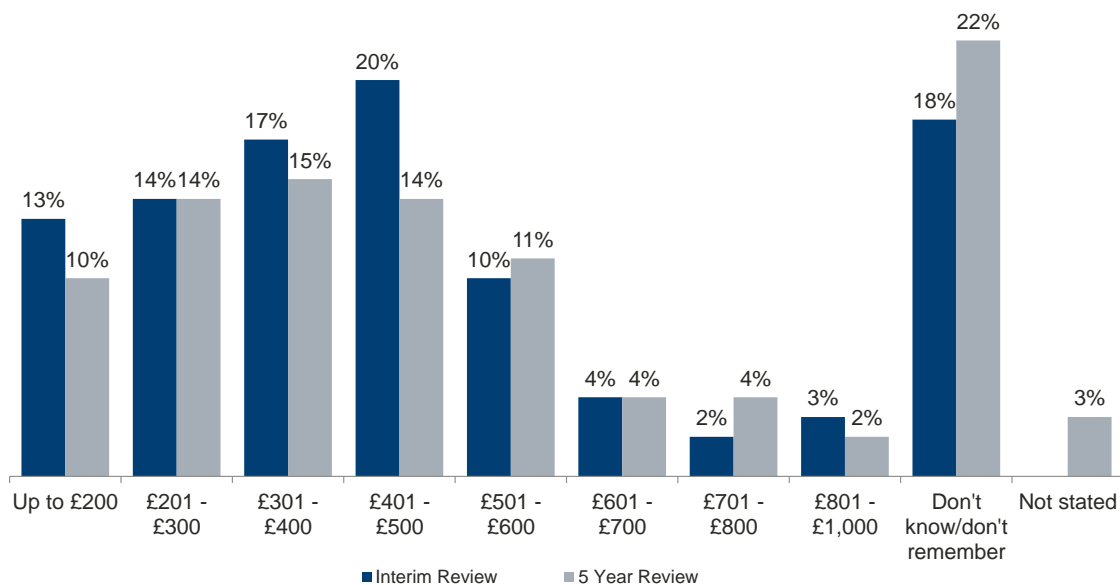


Base: all who had looked at a Home Report when buying their house Interim Review (901), 5 Year Review (746). Source: Ipsos MORI

4.57 The majority of sellers commissioned their Home Report through a selling agent, rather than approaching a surveyor directly (84%, compared with 13%, respectively).

4.58 As can be seen in Figure 4.8, the cost of the Home Report varied greatly between sellers. This is to be expected to some extent because the cost of the Home Report can depend on the value of the property. The vast majority paid for the survey upfront in a single payment (84%).

Figure 4.8 Cost of the Home Report



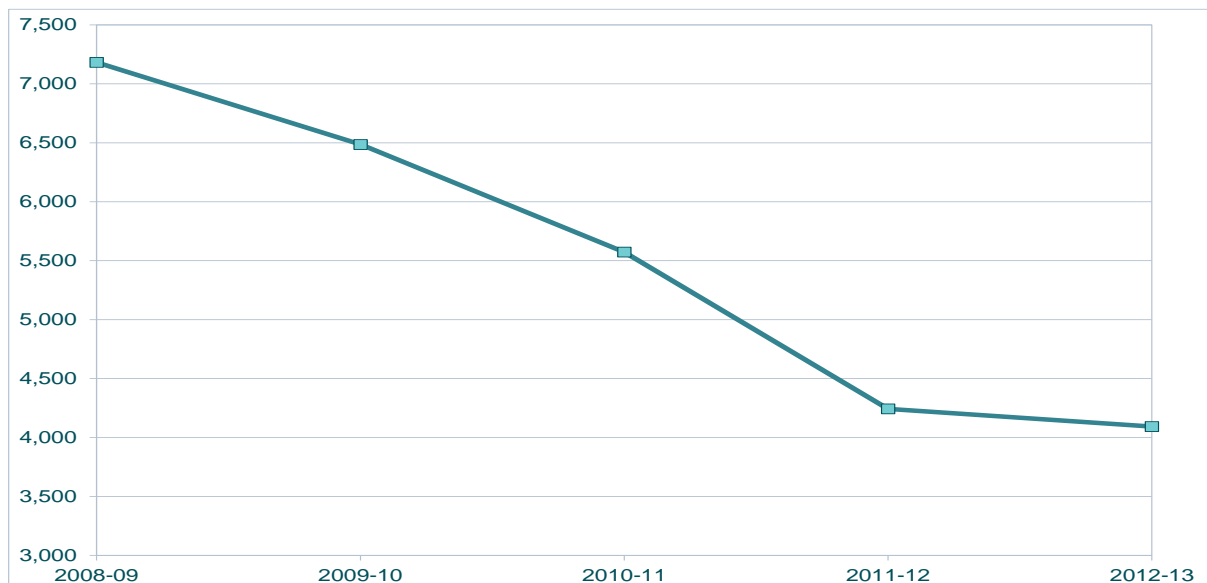
Base: all those who used a Home Report when selling their house Interim Review (455), 5 Year Review (458). Source: Ipsos MORI

4.59 Industry professionals had less to say about the process than some of the other aspects of the Home Report but selling agents did comment that it

had considerably slowed down the process of marketing a property. Whereas in the previous system they could get a property on the market the next day, it now takes 10-14 days to do so. A number of estate agents and surveyors were of the opinion that there was a capacity issue in the market due to surveyors moving jobs or being reassigned in the downturn. Their view was that as the market was now improving and surveying companies were restructuring themselves, it was taking longer for Home Reports to be completed and, therefore, for properties to be marketed. However, other professionals felt that this was actually due to delays during the drafting process, for example waiting for the seller to complete the property questionnaire, or the seller asking for revisions on the report.

- 4.60 Industry professionals also suggested that the additional upfront cost of the Home Report could put sellers off entering the property market, particularly if they just want to ‘test the water’. However, only 7% of prospective sellers said that the cost of the Home Report would ‘deter them a lot’ from putting their home up for sale.
- 4.61 The combination of these two issues – that it takes more time to put a property on the market and there are additional upfront costs– caused concern, again among some housing industry professionals, that this could lead to an increase in home repossessions. It was suggested that those in financial difficulty may not be able to afford to put their home on the market, or would not sell it quickly enough to prevent repossession. However, some stakeholders disputed this as the trend has been for mortgage lenders to leave those with financial difficulties in situ.
- 4.62 The latter view is supported by data on repossessions in Scotland, the number of which have fallen over the last five years (Figure 4.9).

Figure 4.9 Number of repossessions in Scotland, 2008/09-2012/13



Source: Scottish Government, Civil Law Statistics

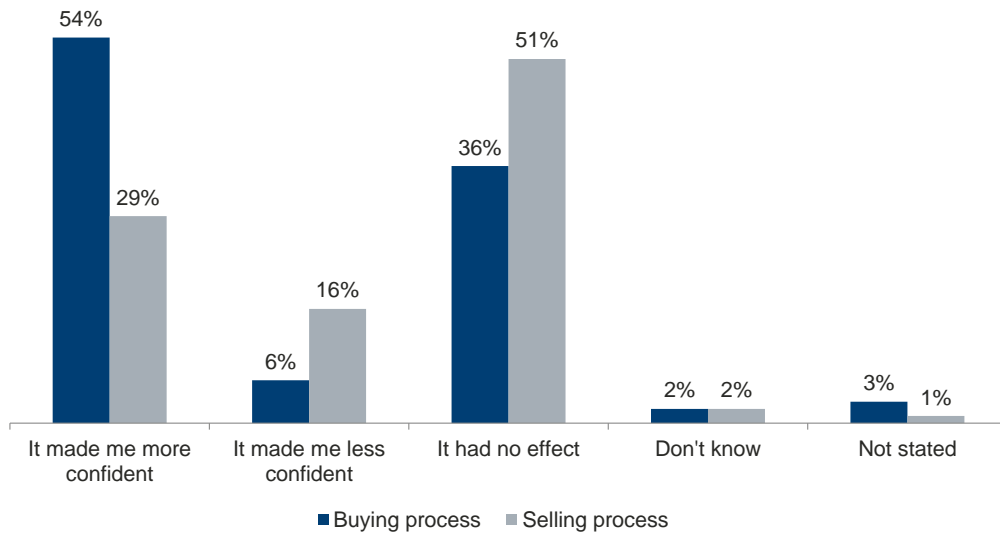
Complaints

- 4.63 Only 5% of buyers or sellers had made a complaint about the Home Report. This supports the key finding that, broadly speaking, consumers are satisfied with the Home Report.
- 4.64 Feedback from consumer advocacy stakeholders reinforced this finding as they reported receiving relatively few complaints about the Home Report compared with other aspects of the property buying process (most notably, issues around mortgage financing).
- 4.65 Stakeholders felt that problems of compliance with the Home Report were predominantly an issue on the west coast of Scotland, although they were not thought to be widespread and related to a number of specific businesses. The compliance issues that did arise were around marketing properties before a Home Report was obtained. Specific examples include using '*Coming Soon*' signs to advertise properties and marketing properties with a '*draft Home Report*' that is subject to change.
- 4.66 While stakeholders held the view that up until recently there was a tendency for auction houses to avoid getting a Home Report for properties in their brochures, they said that this was no longer a major problem.

Impact on consumers

- 4.67 Feedback from housing industry professionals and stakeholders tended to focus on problems with the Home Report and possible improvements. However, there were many positive impacts for the consumer.
- 4.68 Just over half of buyers (54%) reported that the Home Report had increased their confidence in the buying process (Figure 4.10). The qualitative research suggested that this was due to them having a greater amount of information readily available at the start of the buying process. National stakeholders highlighted the importance the Home Report has had in ensuring buyers are fully informed before purchasing a property. They believed that buyers are now more knowledgeable than they were in the past as previously the majority of buyers only commissioned a Scheme One mortgage valuation rather than an actual survey.

Figure 4.10 Confidence in the buying/selling process



Base: all who looked at the Home Report for the house they purchased (726) or sold (458) 5 Year Review. Source: Ipsos MORI

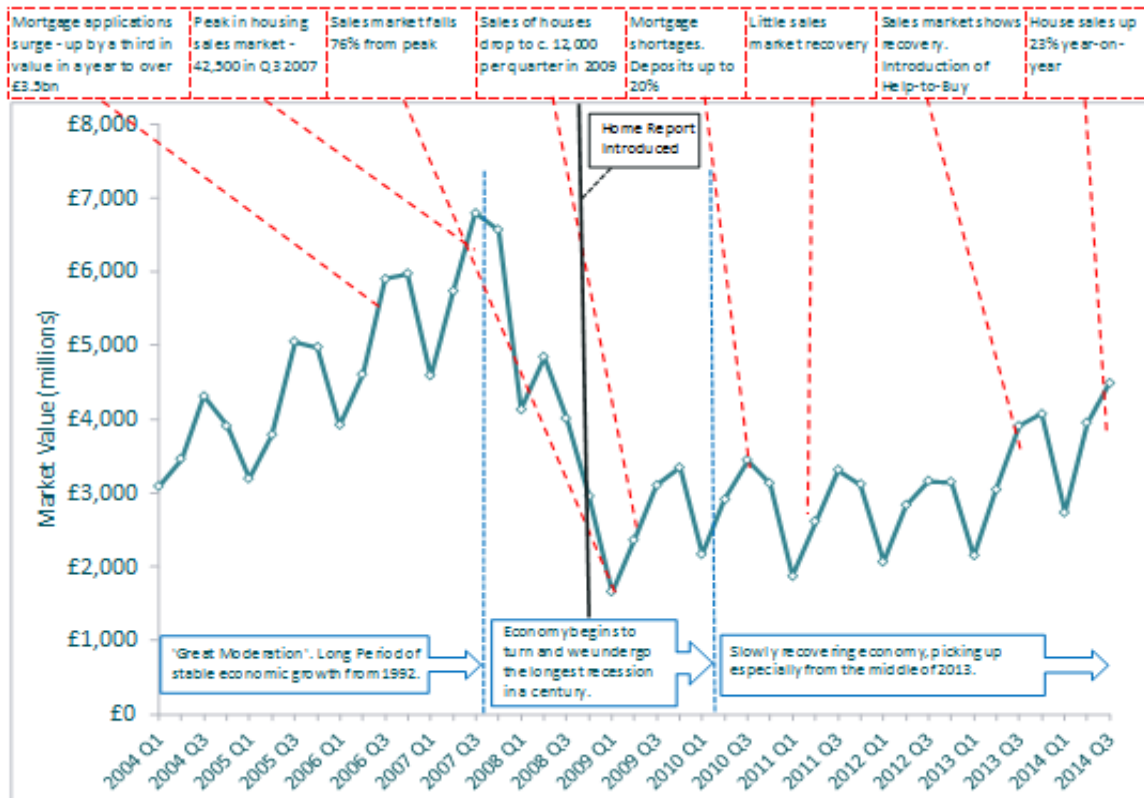
- 4.69 Findings from the qualitative research indicated that both buyers and sellers felt confident in the valuation provided by the Home Report. However, when asked if the Home Report had affected their confidence in the buying/selling process, buyers were more likely to say that it had increased their confidence than sellers (54% of buyers, compared with 29% of sellers).
- 4.70 Sellers reported that the Home Report helped them to identify necessary physical improvements or provided a 'reality check' and a 'second opinion' about the condition of the property. Even if they were aware that work needed to be done, it reassured them of their property's condition and provided a point of reference when showing potential buyers around their property.
- 4.71 Some national stakeholders mentioned that the Home Report made the property market fairer as information was provided upfront and all buyers were on an '*even playing field*'. Stakeholders thought this was particularly beneficial for first-time buyers who were unfamiliar with the market and those at the lower end of the market who do not have a great deal of money to spare on paying for multiple surveys.
- 4.72 However, while this means that the transparency of the process had increased in some ways - i.e. every potential buyer has access to the same information - in other ways transparency was seen to have reduced.
- 4.73 Industry professionals suggested that a lack of transparency exists because the buyer has no control over the survey, meaning that they have no way of knowing how it was commissioned or what kind of relationship exists between the surveyor and the selling agent.
- 4.74 For the most part, this meant that consumers were not aware of any less respectable business practices that could arise because of the conflict of

interest between sellers/surveyors/buyers (see section 4.33 and 4.39 for more details). While professionals thought instances of serious misconduct were not prevalent, they highlighted that buyers would not be able to see such business practices when they did occur.

Market performance since the Home Report was introduced

- 4.75 So far, the commentary in this section has focussed on the impact of the Home Report on both consumers and on the wider housing industry. In the remainder of the section consideration is given to the housing market data in Scotland since the Home Report was introduced. This helps to understand the context in which the Home Report has operated and allows some conclusions to be drawn about the impact its introduction may have had on the market compared to other factors, such as the prevailing economic conditions.
- 4.76 A key indicator of housing market performance is market value, i.e. the total value of all property sold, also known as turnover. This combines both transactions and prices (Figure 4.11).
- 4.77 The housing market grew rapidly between 2004 and 2008. This was at the end of the period that economists refer to as 'The Great Moderation', when the UK (including Scotland) experienced steady and consistent levels of economic growth. This positively impacted on employment, earnings and consumer sentiment. Combined with an expansionist lending policy, this led to the first housing 'bubble' in Scotland, with average house prices doubling between 2001 and 2007. Transactions (and turnover) reached record levels in Q3 2007.
- 4.78 However, the market began to change from this point. The 'credit crunch' began in the summer of 2007 and a number of financial crises began to gather momentum from this time. This impacted on lending volumes and, as a consequence, house sales.
- 4.79 However, it was the collapse of Lehman Brothers in September 2008 that precipitated an international financial crisis and the longest recession for nearly a century. It was from this time that most economic indicators began to move downwards quite rapidly, including housing market turnover. The Home Report was introduced in Scotland just as this sharp market correction had occurred.
- 4.80 Market recovery since has been slow, moving in its usual seasonal pattern. The slow recovery has been due to restrictive lending, weak economic growth and negative consumer sentiment. However, since mid-2013, the market has seen a noticeable improvement as the economy has improved, lending has returned at higher levels and government stimulus packages (such as 'Help to Buy') have assisted people in accessing mortgage finance again. Nevertheless, in terms of nominal market turnover, the market is only around two-thirds of where it was at peak (£6.8 million in Q3 2007 and £4.5 million at Q3 2014) and, in real terms, it is less than 40% of peak levels (£8.3 million at today's prices).

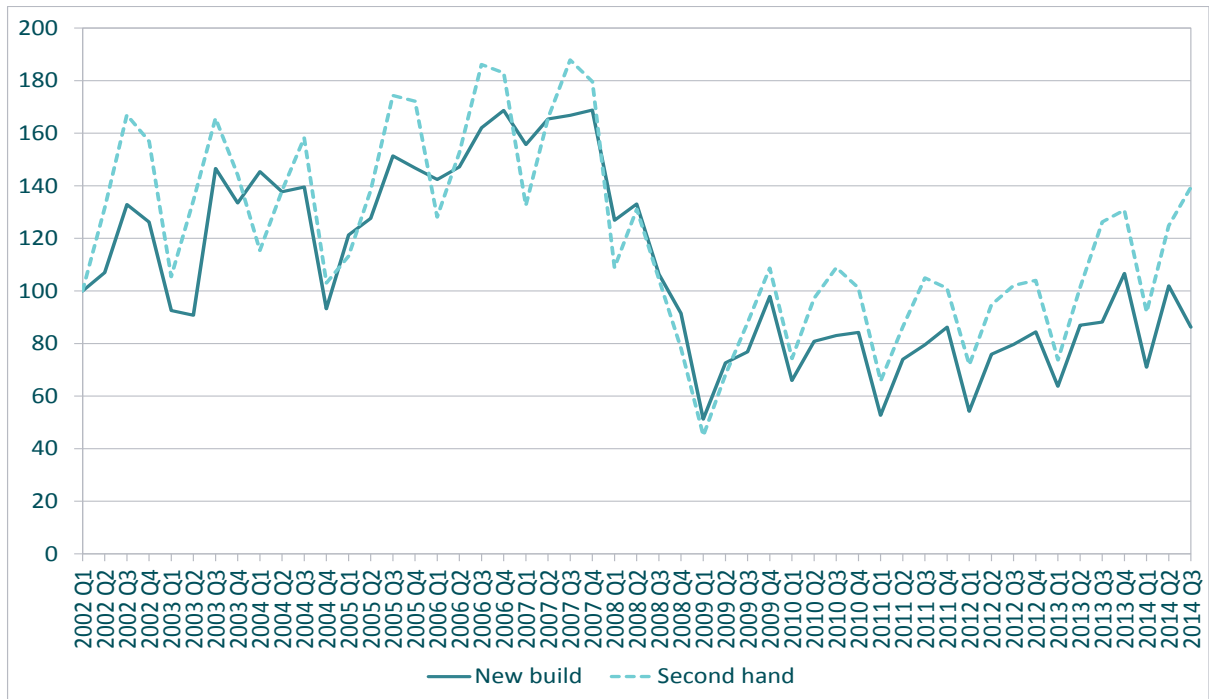
Figure 4.11 Economic timeline versus total market value of residential property sold in Scotland, 2004-14



Source: Rettie & Co. and Registers of Scotland

- 4.81 The changes in economic and housing market conditions since late 2008 suggest that care should be taken in attributing changes in market value to the Home Report.
- 4.82 The evidence suggests that impacts on house prices and transaction levels have been as a result of wider economic and housing market conditions. For example, transaction levels have followed a similar path for new build properties (where a Home Report is not required) and for second hand properties (where, in most cases, a Home Report is required); this is shown in Figure 4.12.

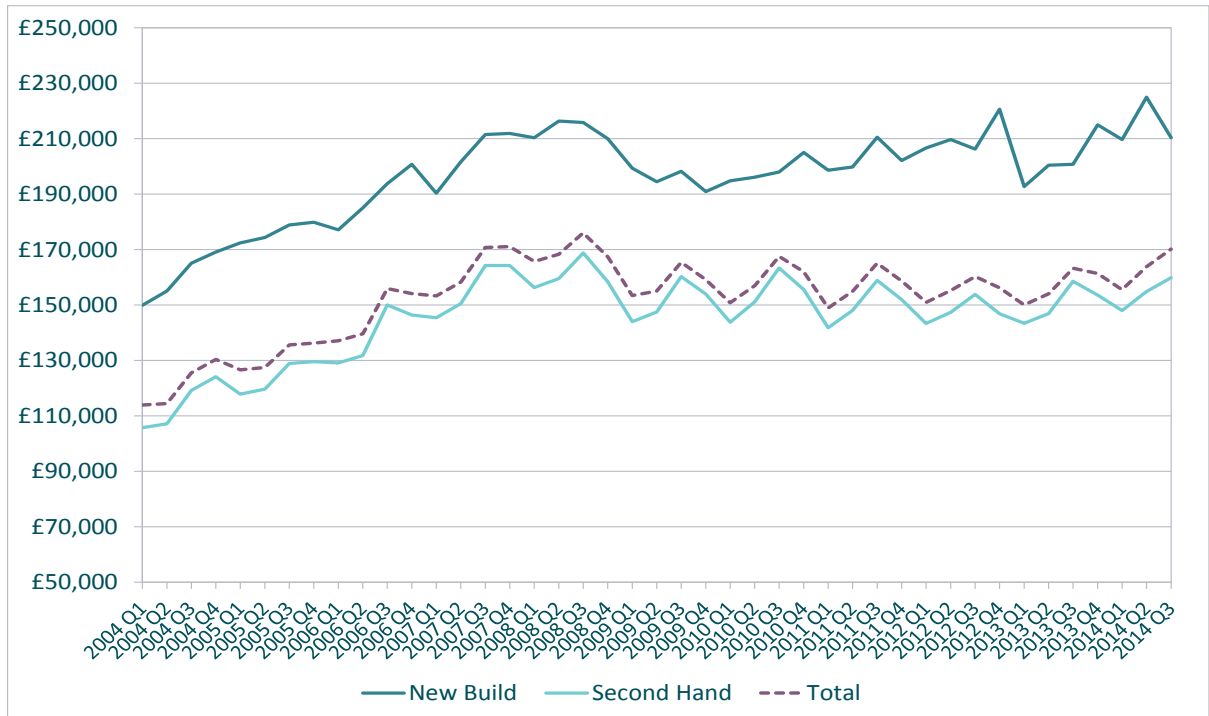
Figure 4.12 Index of quarterly sales volumes - Scotland, 2002-14 (2002 = 100)



Source: Rettie & Co analysis of Registers of Scotland data

4.83 In addition, house prices largely stabilised in nominal terms after the recession, but this is unlikely to be due to the Home Report as this happened for both new build and second hand properties (Figure 4.13).

Figure 4.13 Average quarterly sales prices, Scotland, 2004-14



Source: Rettie & Co analysis of Registers of Scotland data

4.84 It is also the case that there were similar price patterns across UK regions post-recession (where there is no Home Report), with the exception of London, where prices soared due to strong localised demand drivers (see Appendix J).

4.85 Wider market changes also meant that property took longer to sell in the downturn, although this is now improving (see Figure 4.14).

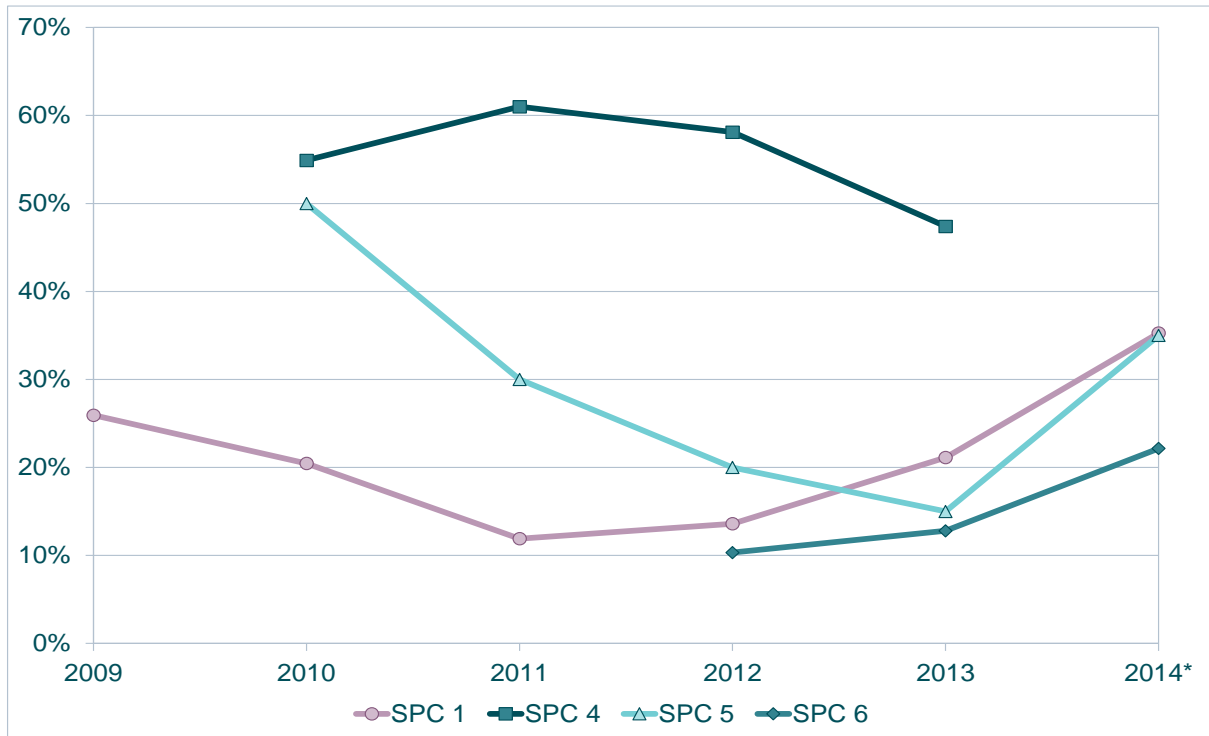
Figure 4.14 Average number of days of property on the market in selected Scottish areas, 2008-14



Source: Solicitor Property Centres

4.86 In the majority of SPC areas for which we have data, it is also interesting to note that, in the downturn, there was a move towards properties selling below Home Report valuation, but this has changed as the market has improved since mid-2013. A larger proportion of property is now being sold above Home Report valuation (see Figure 4.15). This is the case for both urban and rural SPC areas, although this data only represents a small number of Scottish areas.

Figure 4.15 Percentage of properties selling above Home Report valuation in Scottish areas



Source: Solicitors Property Centres

4.87 For one SPC area, we received data on the percentage of sales that occurred below and above the asking price. In this area, the proportion of sales fetching well above the asking price (10% or more) has substantially declined since 2008, from 55% of sales to just 8% of sales (Table 4.3).

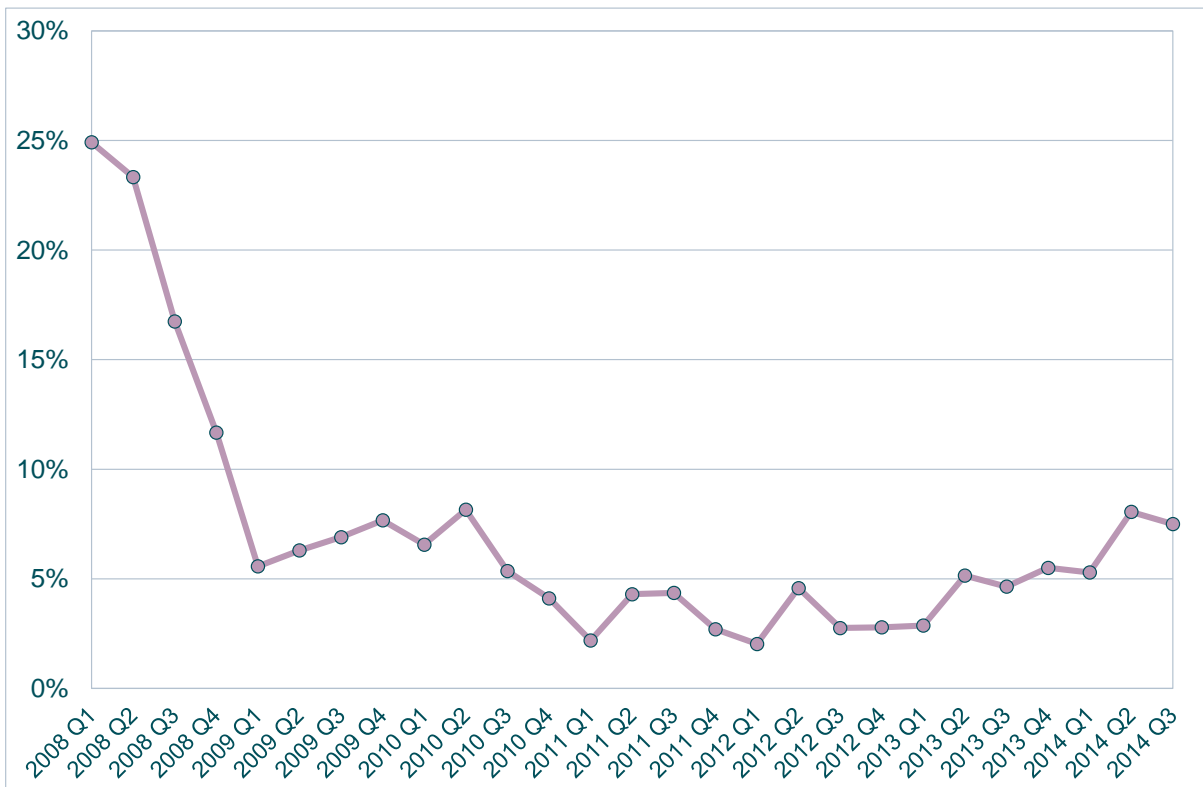
Table 4.3 Percentage of properties selling above and below asking price in an SPC area

Sales Price Against Asking Price						
	2008	2009	2010	2011	2012	2013
5% or More Below	14.8%	24.9%	21.9%	33.3%	35.4%	21.4%
Within 1%	13.9%	24.1%	27.4%	31.0%	30.6%	25.3%
1-10% Over	16.7%	43.5%	44.2%	32.7%	31.9%	45.7%
10-20% Over	25.9%	6.4%	5.3%	2.2%	1.5%	6.9%
20% or More Over	28.7%	1.0%	1.0%	0.6%	0.5%	0.7%

Source: Solicitors Property Centre

4.88 Another SPC area provided data on the average premium paid on properties marketed at Offers Over in their area on a quarterly basis from 2008. We can see here the sharp decline on premiums being achieved since early 2008, although this change appears to have been underway before the Home Report was introduced (Figure 4.16).

Figure 4.16 Average premium on properties marketed as Offers Over in an SPC area, 2008-14



4.89 These are only two areas and the results may have also been a result of wider market changes rather than the Home Report, but this does provide some evidence that artificially low prices are now not the problem they once were (and ties in with the evidence from industry professionals).

5 PERFORMANCE OF THE HOME REPORT AGAINST ITS OBJECTIVES

This section considers the extent to which the three objectives of the Home Report have been met. It then looks at the relevance of these objectives in the future and whether any new objectives should be set.

The Home Report has three objectives

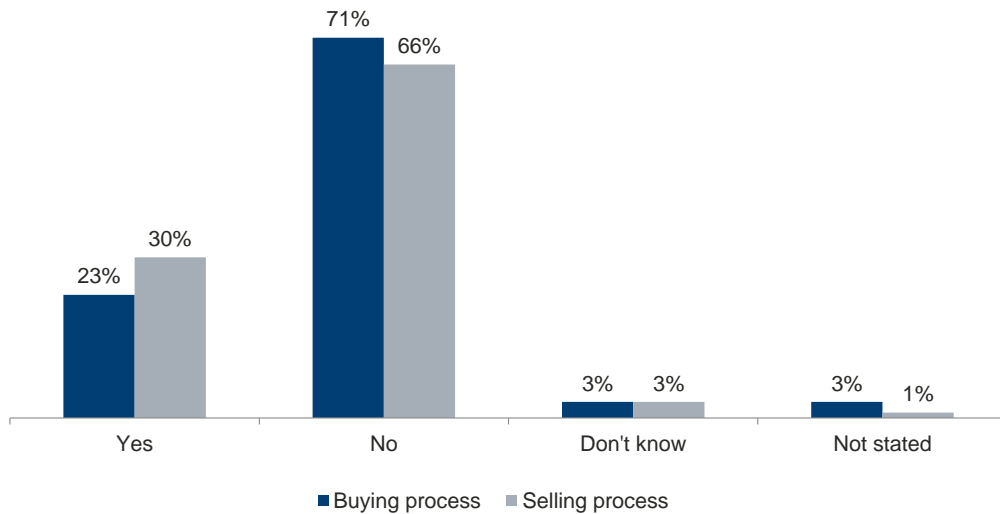
1. To address the problem of multiple surveys
2. To improve information about property conditions to provide an incentive for repairs to be done
3. To address the problems created by the practice of setting artificially low asking prices.

Objective 1: Reducing multiple surveys

- 5.1 The first objective of the Home Report is to reduce multiple buyers commissioning surveys for one property, and buyers having to commission surveys for every property in which they are interested.
- 5.2 It is clear that, as defined in the original objective, this has been achieved.
- 5.3 It was common for industry professionals, and to a lesser degree national stakeholders, to argue that this had already been addressed prior to the introduction of the Home Report by the use of 'subject to survey offers'. However, others suggested that 'subject to survey' offers were not universal and raised their own issues, particularly for sellers and their solicitor, as the offer was liable to change with the results of the survey.
- 5.4 However, there was consensus among industry professionals that although multiple surveys had stopped, many sellers and buyers were now having additional surveys (or valuations) completed.
- 5.5 In the buyers and sellers survey, an additional survey or valuation¹¹ was commissioned for 23% of buyers and 30% of sellers (Figure 5.1).

¹¹ The survey asked about additional surveys, valuations or a survey refresh. In the interests of brevity, the term additional survey will be used to refer to all of the above, even if not strictly a survey, unless stated otherwise.

Figure 5.1 Proportion of buyers and sellers who had additional surveys or valuations



Base: all who looked at the Home Report when buying their house (726) and all who used a Home Report when selling their house (458) 5 Year Review. Source: Ipsos MORI

5.6 Among buyers who arranged an additional survey on the home they purchased:

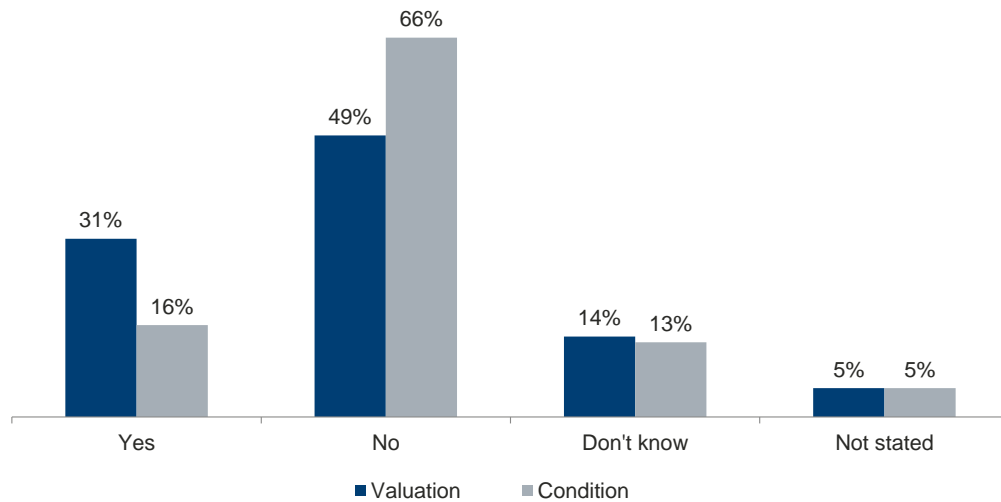
- 58% reported that the type of additional survey was a mortgage valuation report;
- 56% reported that the reason for the additional survey was for mortgage lending purposes and, finally;
- 61% reported that the additional survey was advised by their mortgage provider.

These findings support the views of industry professionals who suggested that it was the lenders who were driving additional surveys.

5.7 Two-thirds of buyers paid for the additional survey themselves. Around half (48%) paid less than £300, while just over a third (33%) did not remember how much they paid.

5.8 It was more common for the additional survey to show a change in valuation rather than the stated condition (31% of buyers saw a change in valuation, compared with 16% who saw a change in condition) (Figure 5.2). The valuation was also much more likely to have dropped than increased (75% of values had decreased, 25% had increased).

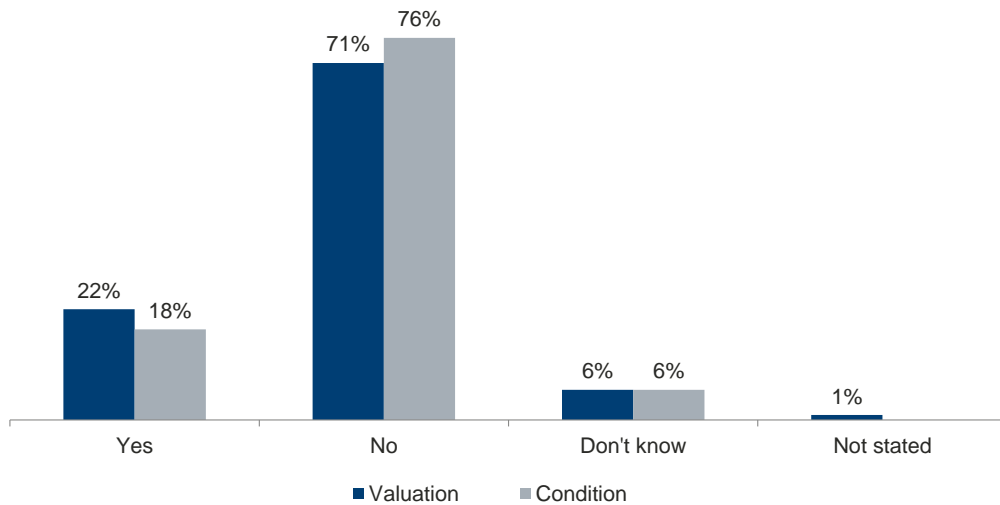
Figure 5.2 Change in value and condition when additional survey/valuation carried out – buyers



Base: all buyers who had another survey commissioned (166) 5 Year Review. Source: Ipsos MORI

- 5.9 Sellers were much less likely to get an additional survey commissioned in the first 3 months that their property had been on the market than in the Interim Review (46% in the Interim Review, compared with 21% in this research). As 80% of those who commissioned an additional survey in this research did so because an offer was made on the property, this may be due to the fact that the time taken to sell a home has increased.
- 5.10 The majority of additional surveys commissioned were a refresh of the seller's Home Report using the same surveyor (73%). However, as with the buyers, they were most likely to say this was for mortgage lending purposes. It was most common for sellers to be advised by either the buyer (40%) or the buyer's estate agent (37%) that it was necessary to commission another survey, valuation or refresh.
- 5.11 As with buyers, most sellers who got an additional survey paid for it themselves (73%). Over half (54%) paid less than £200 for the additional survey and 30% did not remember how much it cost.
- 5.12 There was less change in either valuation or condition in the additional surveys that were commissioned by sellers compared to those where the buyer arranged them (Figure 5.3). Among those sellers that did see a change in valuation, the majority responded by lowering their selling price (60%).

Figure 5.3 Change in value and condition when additional survey/valuation carried out - sellers



Base: all sellers who had another survey commissioned (139) 5 Year Review. Source: Ipsos MORI

- 5.13 As the survey results highlighted, it appeared to be mortgage lender requirements that were most frequently driving additional surveys, a finding with which industry professionals were in agreement.
- 5.14 Lenders felt that the GMVR, which is not a compulsory part of the Home Report, was added to the Home Report at a late stage in the process of development and that the Home Report was not necessarily designed to meet mortgage lending purposes. They also had concerns around the conflict of interest - they are expected to lend a large amount of money to the buyer of a property, based on a valuation commissioned by the person trying to sell that property. Furthermore, they highlighted their need to limit risk when paying out large sums of money for borrowing purposes, particularly in light of the current economic climate.
- 5.15 These factors meant that they could be wary of using the mortgage valuation in the Home Report. However, they felt that they had found a way to work with the Home Report system by applying certain criteria (even if that meant that they sometimes requested additional surveys from buyers and sellers).
- 5.16 Each lender had slightly different criteria for requesting another mortgage valuation, which meant that there was no consistency in what was required from the buyers or sellers. However, there were a number of criteria that were most commonly used by lenders.
- 5.17 The first was the length of time that the property had been on the market. The Home Report is only a factual account of the property on the day of the survey and had no built in time limit. Lenders only tended to accept the Home Report valuation if it was less than 12 weeks old (although as this is not part of the legislation, it could vary by lender). If the surveyor who conducted the original Home Report was on the lender's approved

panel (a list of surveyors that have been approved for use by the lender) the lender required a refresh of the Home Report. This was typically paid for by the seller.

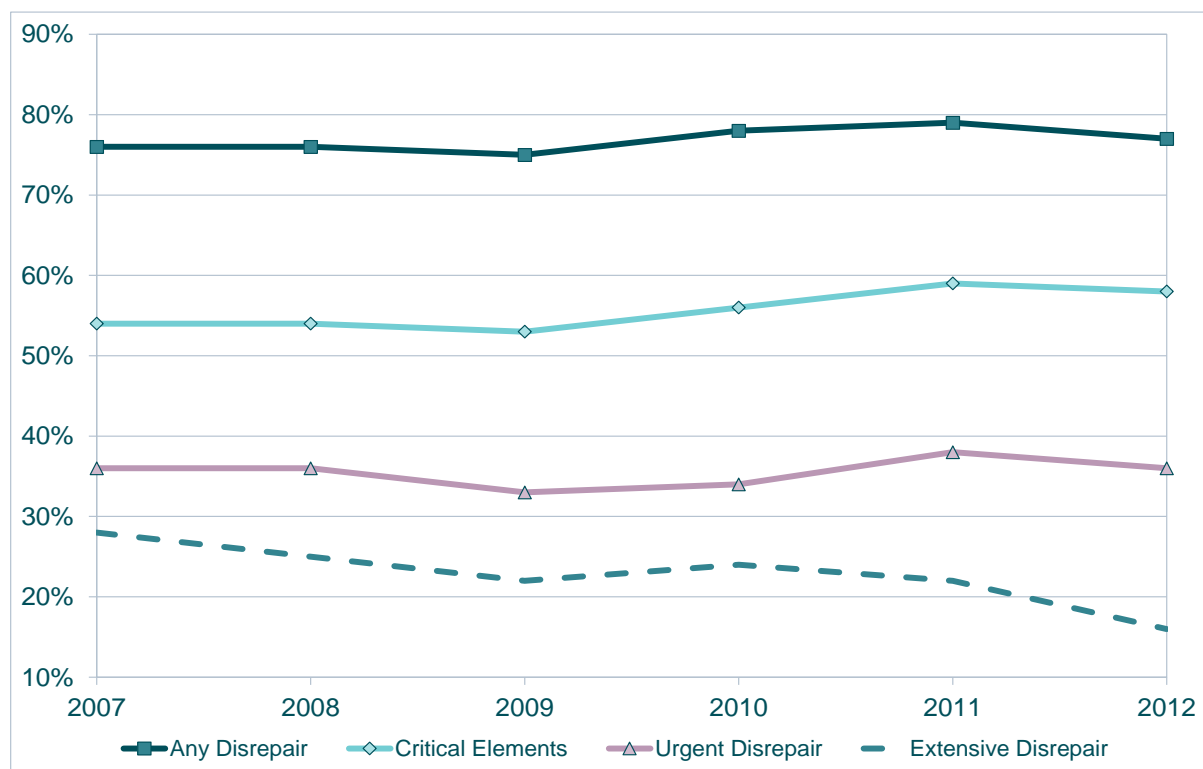
- 5.18 Industry professionals and stakeholders felt that the 12-week cut off was arbitrary and, in a slow-moving market, too strict. While sellers were only advised to get an additional survey if an offer was made (and the Home Report was more than 12 weeks old) rather than every 12 weeks, it was thought to be unfair that they may be expected to pay for an additional survey that was of no direct benefit to them.
- 5.19 The second criterion was whether the surveyor completing the Home Report was on their approved panel. This was also the case in the previous system although the buyer commissioned those surveys so would be aware of surveyors they could use. In this instance, where the original surveyor was not on the lender's panel, the additional survey required by the lender would typically be an independent mortgage valuation paid for by the buyer. However, there were a small number of lenders who said that they paid for this.
- 5.20 The third was whether there was a discrepancy between the Home Report valuation and the accepted offer price. If a discrepancy existed and was more than a certain percentage (which varied between lenders) then the lenders would require an additional survey – again an independent mortgage valuation, usually by their own in-house surveyors. Again, this was usually paid for by the buyer, although some lenders said that they paid for this.
- 5.21 Selling agents felt that Home Report valuations on high value properties were routinely discarded by lenders in favour of an independent mortgage valuation, even if they met the above criteria. To some extent lenders agreed that properties with higher values were subject to more scrutiny, and therefore more likely to require an additional survey, due to the greater amount of money they were asked to provide. However, most said they did not have a price threshold above which every property required an independent valuation.
- 5.22 The majority of stakeholders and professionals thought that the issue of additional surveys, driven by mortgage lenders, needed to be addressed, as the criteria they were applying were too restrictive and gave the lenders too much power over the process. Some selling agents also believed that lenders did not always use the above criteria and arbitrarily asked for additional surveys.
- 5.23 It should be borne in mind that not all additional surveys were commissioned due to the lenders and may actually have been recommended by the Home Report. In the survey, a fifth of the additional surveys commissioned by buyers were in order to look at an aspect of the property in more detail such as the roof (if the surveyor could not get access) or to look at prospective repairs in more depth (e.g. by a damp specialist). Some professionals felt that it was very important for a buyer

to commission an additional survey in these circumstances, and that buyers should not be discouraged from seeking out additional information where appropriate.

Objective 2: Improving property conditions

- 5.24 The second Home Report objective is to improve the condition of the housing stock.
- 5.25 It is difficult at this stage to conclude the extent to which this objective has been met.
- 5.26 Industry professionals held mixed views about the success of the Home Report in achieving this objective. However, all acknowledged that it is a long term objective.
- 5.27 Some stakeholders and, to a lesser extent housing industry professionals, felt that progress towards improving conditions was being made, albeit slowly. Those on the 'front-line' of the industry were less likely to think this was the case and many felt that the Home Report had made no difference to property conditions, and probably would not make a difference in the future. This was because they thought that sellers would only make small, cheap improvements, and that repairs would be used as a bargaining chip for the price rather than be completed.
- 5.28 The Scottish House Condition Survey (SHCS) provides data on the overall condition of the nation's housing stock. Figure 5.4 shows the proportion of homes in the owner-occupied sector in various forms of disrepair between 2007 and 2012, taken from the SHCS.
- 5.29 Overall, the proportion of homes in some disrepair has remained largely stable over the period, although there has been a significant decline in the proportion which are in 'extensive disrepair' (where at least 20% of a property is in need of repair). While this illustrates some progress in dealing with multiple disrepairs, we do not know what impact the Home Report has had as only a small proportion of these homes are likely to have been bought and sold over the period. Furthermore, the categories used to define repairs in the SHCS are different to those in the Home Report.

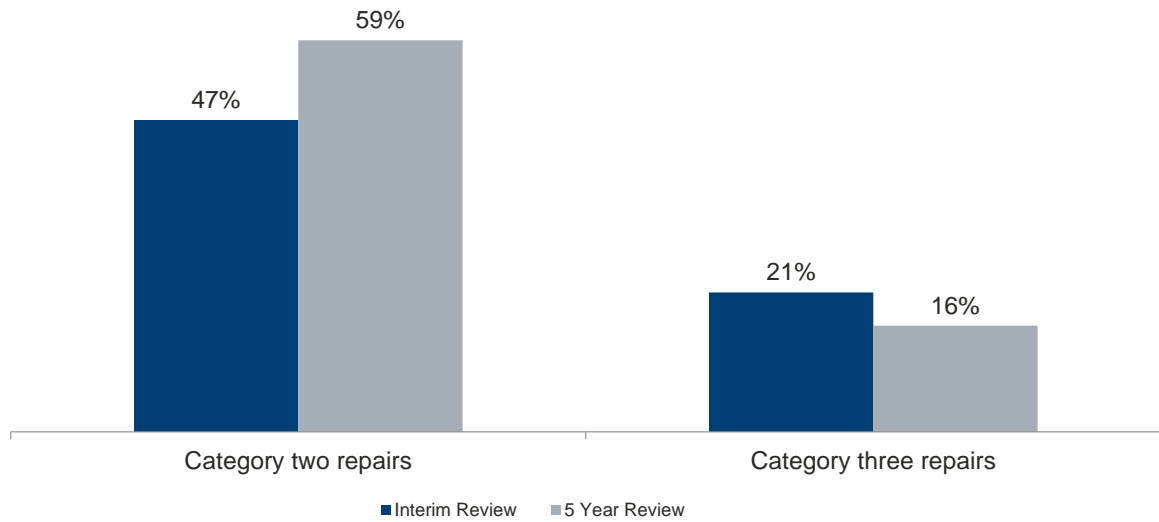
Figure 5.4 Percentage of properties in disrepair in Scotland in the owner occupied sector, 2007-12



Source: Scottish House Condition Survey

- 5.30 Overall, sellers were less likely than buyers to report having repairs identified in the Home Report in the last home that they bought/sold. Just under half of sellers (47%) said that repairs (either category 2 or 3) had been identified in their property. However, nearly two-thirds of buyers said the same (65%).
- 5.31 Buyers were also more likely than sellers to make repairs that had been identified. Among buyers who had had a repair identified in the Home Report (either a category two or category three repair), 75% had made at least one of those repairs, the majority of those being category two repairs. This compares to only 36% of sellers who made at least one repair (again, either a category two or category three repair) identified before selling the property.
- 5.32 Buyers reported that the proportion of urgent (category 3) repairs identified had decreased since the Interim Review (21% in Interim, compared with 16% in Year 5). However, the proportion of category 2 repairs has increased (47%, compared with 59%) (Figure 5.5).

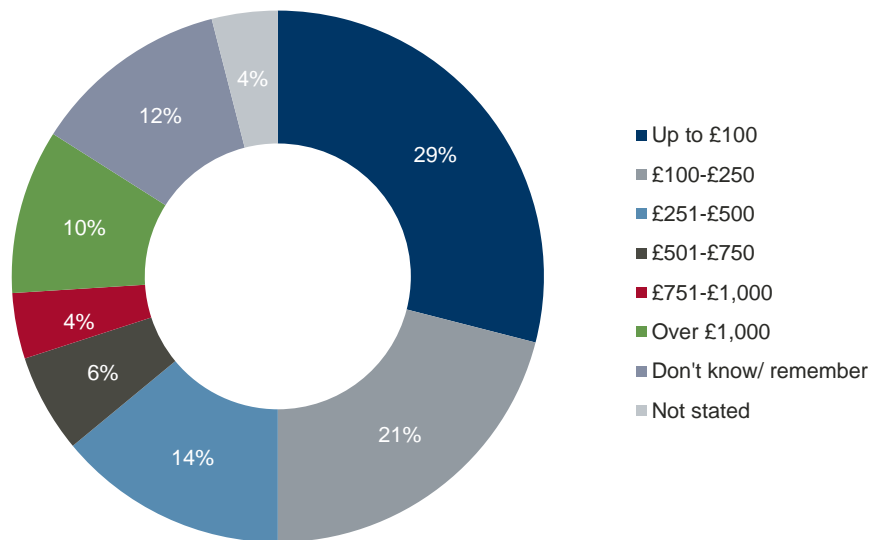
Figure 5.5 Change in repairs identified since Interim Review



Base: all who looked at the Home Report for the house they purchased Interim Review (991) 5 Year Review (726). Source: Ipsos MORI

5.33 Sellers were asked how much they had paid for the repairs that they had made. Half of those who made repairs spent £250 or less and only 10% spent over £1,000 on repairs (Figure 5.6). This suggests that sellers are most likely to make relatively minor and inexpensive repairs.

Figure 5.6 Cost of repairs



Base: all those who carried out repairs or replacements identified in the Home Report on the property they were selling (77) 5 Year Review. Source: Ipsos MORI

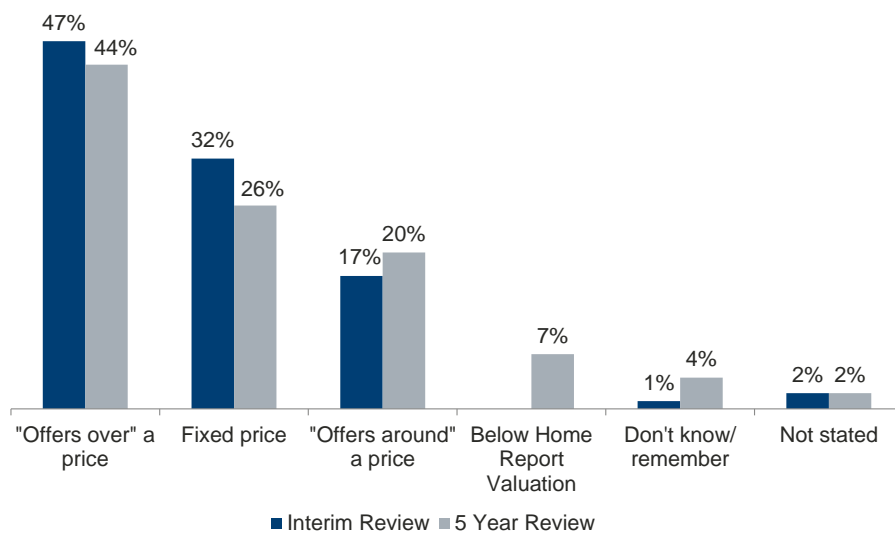
Objective 3: Preventing artificially low asking prices

5.34 The third Home Report objective is to prevent artificially low asking prices.

5.35 It is clear from the research that this has been achieved.

5.36 Since the Interim Review, there has been no change in the proportion of buyers who report that the property they last purchased was marketed as 'offers over'. Forty-four per cent of all buyers reported that the property they purchased was marketed as 'offers over' (Figure 5.7). However, this did not necessarily mean that the 'offers over' asking price was the same as the Home Report valuation.

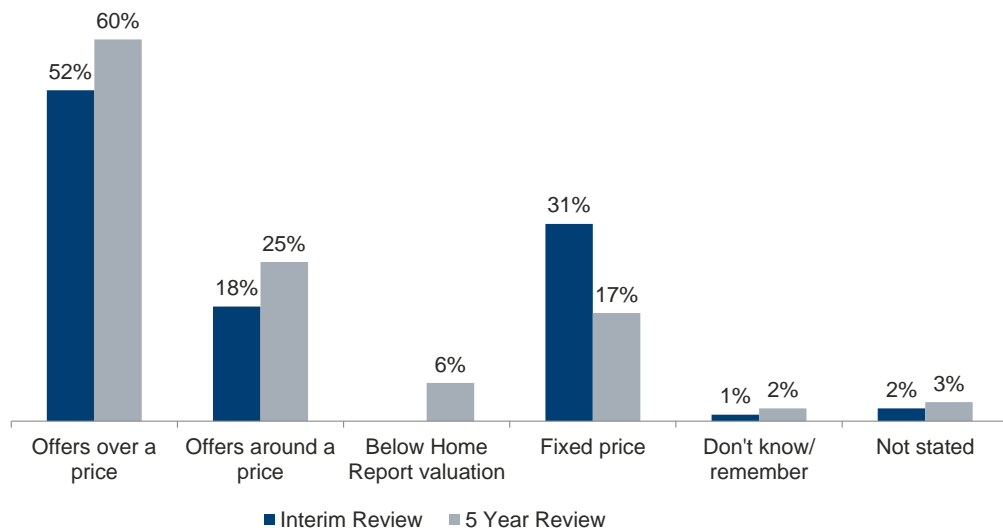
Figure 5.7 – Property marketing strategies - buyers



Base: all who bought a house in the last year Interim Review (1745), all who bought a house in the last two years 5 Year Review (835).
Source: Ipsos MORI

5.37 Among sellers, the proportion marketing the last property they sold as offers over had increased from 52% in the Interim Review to 60% now (Figure 5.8). There was also a corresponding fall in 'fixed price' marketing (31%, compared with 17% respectively).

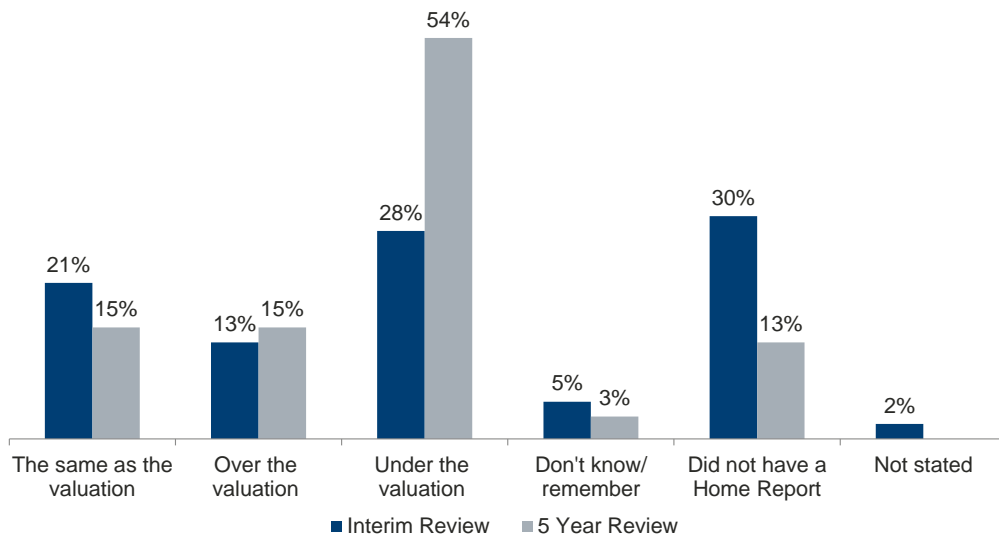
Figure 5.8 – Property marketing strategies - sellers



Base: all who sold a house in the past year Interim Review (804), all who sold a house in the past 2 years 5 Year Review (505). Source: Ipsos MORI

- 5.38 Professionals reported that when a property was marketed at ‘offers over’, the price stated was likely to be lower than the Home Report valuation, although, for the most part, not by a great deal. This was because they knew that the buyer could look at the Home Report valuation and see the price that the home was likely to sell at so there was nothing to be gained by marketing at an artificially low price.
- 5.39 In fact, some industry professionals knew of instances when the Home Report valuation was pushed upwards (by sellers or their agents pressurising surveyors) resulting in artificially high asking prices. This meant that the property could be advertised as ‘below the Home Report valuation’ but still achieve the price that they wanted.
- 5.40 In practice, while this objective refers to the marketed asking price rather than the valuation, of those buyers who had a Home Report, over half (54%) bought at under the valuation, compared to only 28% in the Interim Review (Figure 5.9). This is likely to be because of the poor market conditions in recent years and means that using artificially low asking prices would not be a successful marketing tool at this time. Some professionals questioned whether it was the market conditions rather than the Home Report that had reduced the prevalence of this practice and if it would return when the market picked up.

Figure 5.9 Differences between purchase price and valuation



Base: all who bought a house in the last year Interim Review (1745), all who bought a house in the last two years 5 Year Review (835). Source: Ipsos MORI

5.41 However, the valuation is one of the few things that the buyers look at in the Home Report with any consistency and had confidence in the price they paid because of it. Furthermore, half of buyers said they used the Home Report to help them decide on what to offer and over one-third used it in negotiations over price. This demonstrates that the Home Report valuation is helping to act as a price marker for buyers and could have a greater influence than the marketed price.

Views on continuation of the Home Report objectives

5.42 Professionals and stakeholders agreed that although the objective to reduce *multiple surveys* had been met in the strictest sense, the emergence of *additional surveys* meant that the problem had changed rather than been solved. For this reason, the consensus was that this objective should remain in place but be updated to take into account additional surveys as well as multiple surveys. As already highlighted, it will be important to clarify that additional surveys can be useful and buyers should be encouraged to access more information about the property they wish to purchase where appropriate.

5.43 While the objective of reducing artificially low asking prices was generally thought by professionals and stakeholders to have been met, there was a question raised over whether this would still be the case in different market conditions. One option would be to retain the objective as it is and see how the Home Report performs in a more buoyant market.

5.44 Professionals and stakeholders considered that improving the housing stock should be a long term goal that would only be met with slow progression. For the most part it was considered a relevant and appropriate objective that should be retained.

Possible new objectives

- 5.45 Neither industry professionals nor national stakeholders had many suggestions for future objectives for the Home Report
- 5.46 The one exception was the suggestion that, in order to improve the relevance and importance of the energy report, an objective should be set in relation to energy efficiency. It was suggested that this should either be linked to raising awareness of energy efficiency, or on raising the energy performance of households. Developing an objective around the energy report would require careful consideration and further thought should be given to how this would be built into the existing legislation surrounding the EPC.

6 CONCLUSIONS AND RECOMMENDATIONS

Conclusions

Overall views on the Home Report – consumers and professionals

- 6.1 There was a clear pattern in satisfaction with the Home Report based on audience. Buyers and sellers were the most positive about the Home Report, with front-line housing industry professionals being most critical. There was some variation within audiences but this gives a broad overview of perceptions across the different interested parties.
- 6.2 It is likely that buyers and sellers were largely happy with the Home Report because, in most cases, the process of buying and/or selling a home proceeds smoothly. Where there were problems, these were most commonly due to issues arising with the property condition after they had purchased it.
- 6.3 Consumer advocacy stakeholders were the most positive of the professionals, focusing on the benefits that the Home Report can provide to consumers. Other stakeholders were more likely to raise concerns, the most common of which was about the relationship between the seller/agent, the surveyor and the buyer. There was feedback that this relationship is impacted by a 'conflict of interest'. The Home Report is produced for the buyer to make informed decisions about a particular property. However, the report is commissioned by the seller who has a vested interest in presenting the property in as positive a light as possible.
- 6.4 Front-line professionals were the most negative about the Home Report, with perceived conflicts of interest highlighted as the most fundamental problem. However, there were geographical differences, with those in Glasgow and Edinburgh tending to be more negative than those in the rest of Scotland.

Usage and understanding of the Home Report

- 6.5 Over the past five years the Home Report has become increasingly embedded in the property buying process in terms of awareness and increased usage. Buyers are looking at more Home Reports and looking at them earlier in the process.
- 6.6 Despite this, the research makes it clear that there is a disconnect between what the Home Report provides and what buyers think they are getting. Professionals believed that it was common for buyers to think that the Home Report was a guarantee of the condition of the property, which it is not.

Content and Process of the Home Report

- 6.7 The Home Report is seen as being too long, discouraging buyers from reading the document, and as containing language which is ‘bland’, encouraging the misunderstandings mentioned above. As a result, consumers need the report to contain more information that is of use and less of what they see as irrelevant, bland or superfluous information. They also need the key findings to be clearer and more obvious to locate.
- 6.8 In line with findings from the Interim Review, for buyers and sellers the process of getting a Home Report appeared to work well. However, some professionals felt that the introduction of the Home Report had made the process of marketing a property slower and more expensive to the seller.

Impact of the Home Report

- 6.9 The Home Report has had a positive impact on buyers. They are a great deal more informed than in the past, with the same information as all other potential buyers. This was reflected in an increase in confidence in the buying process, with particular regard to the property price.
- 6.10 There were benefits for sellers, particularly increasing confidence in the property price, while also providing a ‘reality check’ on property condition.
- 6.11 Professionals were concerned that a lack of transparency around the commissioning of the Home Report meant that most buyers were not aware of the pressures that could be placed upon surveyors by selling agents to provide a favourable report for the seller.
- 6.12 While the Home Report has had an impact on buyers and sellers, the impact on the wider housing market was more limited.
- 6.13 Some industry professionals believed that the introduction of the Home Report “*prevented the housing market going through the floor*” by stabilising house prices. However, the evidence from the secondary data showed that house prices for new build properties, which do not require a Home Report, also stabilised. There was also a trend for stabilised prices in the rest of the UK, which does not use the Home Report. This suggests that the stabilising of prices was due to wider market forces than the Home Report.
- 6.14 A number of professionals believed that the increase in transaction costs and the increase in time taken to market properties made it more difficult for low income sellers to put their property up for sale leading to a rise in repossessions. However, this was not borne out by data on repossessions, which indicate the numbers are falling, or by the fact that lenders have procedures in place to limit the number of people who will have to leave their homes.
- 6.15 While most professionals agreed that the Home Report slowed down the marketing process, some solicitors thought that it has improved their

processes and procedures by giving them easier access to a lot of the paperwork they required, meaning that they could work more efficiently. Overall, though, this was thought to be of limited benefit as they still had to go through the process of checking all of the appropriate documentation.

The Home Report in different market conditions

- 6.16 Given that the housing market has largely been in a depressed condition (due to economic factors) since the Home Report was introduced, it is difficult to assess whether it works ‘across the housing cycle as a whole’ and whether there are different benefits and costs within different market conditions.
- 6.17 However, there were a number of issues worth highlighting.
- Buyers tended to use the Home Report valuation as a ‘marker’, but this could differ across markets. While professionals thought buyers saw it as a ceiling in a slow market, others who were working in areas with better growth thought that buyers were seeing the valuation as a minimum.
 - A number of estate agents and surveyors thought that there was a capacity issue in the market (due to surveyors moving jobs or being reassigned in the downturn) and now that the market is improving, it is taking longer for Home Reports to be completed.
 - The problem of additional surveys may lessen in a more buoyant market. If homes are selling faster, then sellers are less likely to require a Home Report refresh when an offer is made.
 - The delay in marketing properties could become more problematic in a buoyant market. The market is already slow due to wider economic considerations but if it were to speed up, then delays due to the Home Report would have greater significance.

Meeting the Home Report’s objectives

- 6.18 The objective of reducing multiple surveys has been achieved, a conclusion in line with the Interim Review. However, there is a new issue emerging around *additional surveys*, most commonly due to the requirements of mortgage lenders. Most professionals thought that this should be addressed as it meant that sellers were paying for additional refreshes on the Home Report or the buyer had to pay for a separate mortgage valuation based on the particular criteria of the mortgage lender. However, additional surveys can be useful and buyers should be encouraged to access more information about the property they wish to purchase where appropriate.
- 6.19 Although the Interim Review concluded that the Home Report would be likely to have a positive impact on stock conditions, there is insufficient evidence as to whether this is yet happening. Stakeholders hold mixed views on this issue but realise that it is a long-term goal.

- 6.20 It is clear from the research that the issue of artificially low asking prices has been reduced, building on the conclusions from the Interim Review. However, there was concern that this practice may resume when the market picks up.

Recommendations

- 6.21 These recommendations need to be considered by the Scottish Government. However, all organisations and professions involved in producing the Home Report must also be willing to work to ensure they happen. Recommendations fall into two categories:
- 6.22 **Report content** – improvements that can be made, primarily aimed at improving the information available to buyers and ensuring that the work involved in producing the reports is used more effectively.
- 6.23 **Longer-term changes** – changes with the relationships and workings between the different professions involved in producing the Home Report, to minimise conflicts of interest that are apparent to many professionals and stakeholders in the current system.

Report content

- 6.24 The Home Report needs to be shorter because professionals and national stakeholders think that its current length, on average over 40 pages, is off-putting to buyers and means that some important information is not being read. The property questionnaire is the part of the report which most urgently needs to be shorter.
- 6.25 The Home Report should include a one-page summary on the first page – this should detail the following information:
- the property value
 - summary of repairs required (with repair categories)
 - statement of report's purpose and status, in particular highlighting that the report is not a guarantee in the case of future condition issues.
- 6.26 The 'Terms and Conditions' should be at the end of the report.
- 6.27 More information/guidance about the Home Report directly addressing areas of misunderstanding (for example, that it is a visual survey only) should be available to buyers and sellers before they begin marketing or searching. This should be aimed at giving buyers and sellers realistic information about the Home Report in order to manage their expectations. Ideally, this information could appear on a range of websites, including the Scottish Government, RICS and SPCs.

- 6.28 Consideration should be given to the following changes to the Home Report's objectives:
- retain the objective on minimising multiple surveys but make it clear that additional surveys can be useful for buyers when required
 - retain the objective on improving conditions. In order to measure this, consideration should be given to adding a new question to the Scottish Household Survey around the impact of the Home Report repair categories on buying/selling decisions, and
 - retain the objective on eliminating artificially low asking prices.
- 6.29 The Energy Report could include the addition of the energy classifications expressed as repair categories in order that buyers and sellers are more aware of and focussed on this section of the report. This would mean, for example, that properties with F and G ratings would be classified as a category 3, D and E would be category 2 and A, B and C would be category one.

Operation of the Home Report

- 6.30 The report highlighted the conflicts of interest that exist in the current process of producing the Home Report. These exist on a number of levels and each need to be addressed.
- 6.31 This is likely to take a significant amount of time and involve detailed discussions with all professions and stakeholders. In order to begin this process we recommend the following:
- the Scottish Government should reconvene the 'Home Report Implementation Group', inviting representatives from all relevant professions and stakeholders to attend
 - the group should include full conflict of interest disclosure, and
 - the group should work towards the publication of resolution of current conflicts of interest and guidance for the avoidance of future conflicts.

APPENDIX A- BUYERS AND SELLERS POSTAL QUESTIONNAIRE

Home Report Survey

From December 2008, homes for sale in Scotland have been marketed with a Home Report made up of three documents: a Single Survey (including a valuation), an Energy Report, and a Property Questionnaire.

Ipsos MORI are conducting this survey to inform the Scottish Government's scheduled 5 year review of the Home Report; asking those who have used it what their experiences were and how it could be improved.

In order to do this Ipsos MORI would be grateful if the homeowner would complete this survey, expressing their personal experiences of the home report.

On receiving your survey, Ipsos MORI will enter you into a free prize draw to win £500 cash.

This questionnaire contains three sections:

- **Section A – Buying your current home**
- **Section B – Selling your last home**
- **Section C – About yourself.**

BEFORE YOU FILL IN YOUR SURVEY PLEASE READ THE INFORMATION BELOW

Please be assured that the confidentiality of your responses will be maintained and that no personal details or individual responses will be disclosed to any third party.

Most questions require 'tick box' responses. Please read each question carefully and cross (x) the box which comes closest to your views. Please only cross one box for each question, unless asked to cross more than one box. If you cross a box and want to change this, please score over your first answer and then cross your new answer in the box that applies. Please fill in the questionnaire using **black or blue ink**. The survey should take **no longer than 25 minutes** to complete.

When complete please return your survey, using the pre-paid envelope provided, to Ipsos MORI by **20th August 2014**. **You do not need to add a stamp**. If you do not have the supplied return envelope, please return your completed questionnaire to: **Freepost RSLE-YRCS-YHYS, Home Report Survey, Ipsos MORI, Research Services House, Elmgrove Road, Harrow, HA1 2QG** using a standard envelope; no stamp is required.

Thank you for taking the time to complete this survey.

Yours sincerely,



Mark Diffley
Research Director

If you need any help or have any questions, please contact Lucy Setterfield on 0131 226 8677 or email Lucy.setterfield@ipsos.com

Please note: in accordance with the Market Research Society Code of Conduct, to be entered into the prize draw your survey must reach us by 20th August 2014. The winner will be selected by Ipsos MORI by 19th September and will be contacted by telephone by the 3rd October. Your contact details will be taken for the purpose of the prize draw only, and will not be used for any other reason, unless permission is given, or passed on to any third party. Entry is by returning the questionnaire. No payment or purchase is required. Winners will be selected randomly. Only one entry per individual participant accepted. A copy of the full terms and conditions can be obtained on request. Contact email: Lucy.setterfield@ipsos.com. Post: Ipsos MORI, 4 Wemyss Place, Edinburgh, EH3 6DH. Phone: 0131 226 8677.

Section A: Buying your home

Please fill in the questions below. Section A is about your experience as a buyer and should be completed by all those who have bought a home since 1st July 2012. (Please note – if you have bought more than one home since 1st July 2012, please answer all of the questions in relation to **your most recent home purchase**).

A1 Are you the home owner?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to A2)
- No (Go to section B, on page 8)

A2 Have you bought a home since July 1st 2012?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to A3)
- No (Go to section B, on page 8)

A3 What type of purchase was this?
PLEASE CROSS ONE BOX ONLY

- First-time home purchase
- Purchased after selling previous home
- Purchased as a second or holiday home
- Purchased as a rental property
- Other, please state

A4 Who marketed your home?
PLEASE CROSS ONE BOX ONLY

- An estate agent
- A solicitor
- It was sold at auction
- An individual marketed the property (e.g. through a website, classified ad or for sale sign)
- Other, please state

House hunting

The next questions are about your experiences looking for a home prior to purchasing the one you bought.

A5 How important were each of the following factors in your decision to move home?
PLEASE CROSS ONE BOX ONLY FOR EACH ROW

	Very importa nt	Quite importa nt	Not very importa nt	Not at all importa nt
a) Personal/family circumstances (e.g. birth of a child, moving in with a partner etc.).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Personal financial circumstances (e.g. increase in salary, redundancy etc.).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Benefits of a new location (e.g. school catchment area, public transport links, job opportunities etc.).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) General economic outlook in Scotland (e.g. house prices, mortgage rates etc.).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) The cost of buying a home (e.g. surveyor costs, stamp duty etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Availability of reliable information on properties in the market....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A6 Before purchasing your home, did you know about Home Reports?
PLEASE CROSS ONE BOX ONLY

- Yes No Don't remember/don't know

A7 How many properties did you look at during your property search? If you do not know, please give your best estimate.
PLEASE WRITE IN BELOW

A8 Thinking about all of the properties you looked at during your property search, how many Home Reports did you look at? If you do not know please give your best estimate.
PLEASE WRITE IN BELOW

IF YOU DID NOT LOOK AT ANY HOME REPORTS PLEASE GO TO A17, IF YOU DID GO TO A9.

A9 What was the format of the Home Report(s) you received?
PLEASE CROSS ANY THAT APPLY

- Electronic Paper Don't know/don't remember

A10 Did you decide *not* to make an offer for any properties because of the information in the Home Report?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to A11) No (Go to A12)

A11 Which element(s) of the Home Report helped you make this decision?
PLEASE CROSS AS MANY AS APPLY

- The Single Survey The Property Questionnaire
 The Energy Report The valuation

A12 Did you ever have any difficulty getting copies of Home Reports from the sellers' solicitor/agent?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to A13) No (Go to A14)

A13 What was the reason for your difficulty in getting a copy of the Home Report?
PLEASE WRITE IN BELOW

A14 Were you ever charged a fee for getting copies of a Home Report?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to A15) No (Go to A16)

A15 How much did you pay for a copy of the Home Report? If you have paid for more than one copy please answer in relation to the most recent occasion.

PLEASE CROSS ONE BOX ONLY

- | | |
|------------------------------------|--|
| <input type="checkbox"/> Up to £10 | <input type="checkbox"/> More than £50 |
| <input type="checkbox"/> £11-£25 | <input type="checkbox"/> Don't know/don't remember |
| <input type="checkbox"/> £26-£50 | |

Your most recent home purchase

The next few questions are about the home you eventually purchased.

A16 Did you receive a Home Report when making your most recent home purchase?

PLEASE CROSS ONE BOX ONLY

- | | |
|--|---|
| <input type="checkbox"/> Yes (Go to A18) | <input type="checkbox"/> No (Go to A17) |
|--|---|

A17 Why did you **NOT** receive a Home Report?

PLEASE CROSS ONE BOX ONLY

- The property was newly converted
- The property was newly built
- The sale was made privately and was not marketed in any way
- Other, please state

A18 How was your current home marketed at the point you expressed interest?

PLEASE CROSS AS MANY AS APPLY

- | | |
|--|--|
| <input type="checkbox"/> 'Offers over' a price | <input type="checkbox"/> Fixed price |
| <input type="checkbox"/> 'Offers around' a price | <input type="checkbox"/> Don't know/don't remember |
| <input type="checkbox"/> Below Home Report valuation | |

A19 How much did you pay for the property?

PLEASE CROSS ONE BOX ONLY

- | | | |
|--|---|--|
| <input type="checkbox"/> Up to £80,000 | <input type="checkbox"/> £80,001 - £120,000 | <input type="checkbox"/> £120,001 - £200,000 |
| <input type="checkbox"/> £200,001 - £300,000 | <input type="checkbox"/> Over £300,000 | |

A20 Did you pay...?

PLEASE CROSS ONE BOX ONLY

- The same as the valuation in the original Home Report (Go to A21)
- Over the valuation in the original Home Report (Go to A21)
- Under the valuation in the original Home Report (Go to A21)
- Don't know/don't remember (Go to A21)
- Did not have a Home Report (Go to B1)

Using the Home Report

These questions apply only to those who looked at a Home Report when purchasing their current home. If you did not use a Home Report go to section B.

A21 Overall, how helpful was the information contained within the Home Report?

PLEASE CROSS ONE BOX ONLY

- Very helpful
- Quite helpful
- Not very helpful
- Not at all helpful
- Don't know

A22 How helpful was the following information in the Home Report?
PLEASE CROSS ONE BOX ONLY FOR EACH ROW

		Very helpful	Quite helpful	Not very helpful	Not at all helpful	Don't Know	Not Present
a)	The Single Survey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b)	The Energy Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c)	The Property Questionnaire.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d)	The valuation.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A23 Did the Home Report affect your decision to buy the property? Please answer for each row separately.

PLEASE CROSS ONE BOX ONLY FOR EACH ROW

		Yes	No	Don't know
a)	The Single Survey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b)	The Energy Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c)	The Property Questionnaire.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d)	The valuation.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A24 Did you think the information in the Home Report was reliable? Please answer for each row separately.

PLEASE CROSS ONE BOX ONLY FOR EACH ROW

		Yes	No	Don't know
a)	The Single Survey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b)	The Energy Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c)	The Property Questionnaire.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d)	The valuation.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A25 Did the information contained within the Home Report affect any of the following?
PLEASE CROSS ONE BOX ONLY FOR EACH ROW

		Yes	No	Don't know
a)	The price you offered.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b)	The negotiations over the price.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A26 How did the information in the Home Report affect your level of confidence in the buying process?

PLEASE CROSS ONE BOX ONLY

- It made me more confident
- It made me less confident
- It had no effect
- Don't know

A27 Thinking about the amount of information provided in the Home Report, was it...?

PLEASE CROSS ONE BOX ONLY

- | | |
|---|---|
| <input type="checkbox"/> The right amount (Go to A29) | <input type="checkbox"/> Not enough information (Go to A28) |
| <input type="checkbox"/> Too much information (Go to A28) | <input type="checkbox"/> Don't know (Go to A29) |

A28 What changes would you have liked to see in the information provided in the Home Report?
PLEASE WRITE IN BELOW

A29 How helpful was the accessibility information provided by the Home Report? The accessibility information is in section 3 of the single survey and includes an audit of accessible features useful for older and disabled people, and parents with young children.

PLEASE CROSS ONE BOX ONLY

- | | |
|--|---|
| <input type="checkbox"/> Very helpful | <input type="checkbox"/> Fairly unhelpful |
| <input type="checkbox"/> Fairly helpful | <input type="checkbox"/> Very unhelpful |
| <input type="checkbox"/> Neither helpful nor unhelpful | <input type="checkbox"/> Don't know |

A30 Did the Home Report Property Questionnaire identify any outstanding legal issues with the home you purchased? (Legal issues could include problems such as local authority statutory notices, building works completed without planning permission, boundary disputes etc.)

PLEASE CROSS ONE BOX ONLY

- | | | |
|--|---|---|
| <input type="checkbox"/> Yes (Go to A31) | <input type="checkbox"/> No (Go to A32) | <input type="checkbox"/> Don't know (Go to A32) |
|--|---|---|

A31 Do you think the Home Report helped to improve the speed with which these issues were resolved?

PLEASE CROSS ONE BOX ONLY

- | | |
|------------------------------|---|
| <input type="checkbox"/> Yes | <input type="checkbox"/> The issues were not resolved |
| <input type="checkbox"/> No | <input type="checkbox"/> Don't know |

Repairs, Improvements and the Home Report

The next few questions are about any repairs and improvements highlighted by the Home Report.

A32 Did the Home Report identify any issues relating to property condition that required urgent attention (category three repairs), prior to sale or as a condition of sale?

PLEASE CROSS ONE BOX ONLY

- | | |
|------------------------------|-------------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> No | |

A33 Did the Home Report identify repairs and improvements that required non-urgent attention (category two repairs)?

PLEASE CROSS ONE BOX ONLY

- | | |
|------------------------------|-------------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> No | |

A34 Do you think you would have identified urgent/non-urgent repairs or replacements without the Home Report?

PLEASE CROSS ONE BOX ONLY

- | | |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

- Don't know

A35 Since purchasing the property have you undertaken the repairs and/or improvements identified in the Home Report?

PLEASE CROSS ANY THAT APPLY

- Yes, those requiring urgent repair or replacement (category three repairs)
 Yes, repairs or replacement requiring future attention (category two repairs)
 No, I have not undertaken any of the repairs identified
 No, no repairs were identified
 Don't know

A36 Would the opportunity to discuss the contents of the Home Report with the surveyor who inspected the property have been helpful?

PLEASE CROSS ONE BOX ONLY

- Yes No Don't know

A37 Did you obtain any advice on the contents of the Home Report (for example, from your solicitor)?

PLEASE CROSS ONE BOX ONLY

- Yes No Don't know

Other Surveys/valuations

These questions are about surveys or valuations **other than the original Home Report** that you may have used when buying your current home.

A38 Apart from the original Home Report, was another survey or valuation commissioned for any purpose?

PLEASE CROSS ONE BOX ONLY

- Yes (Go to A39) No (Go to A46) Don't know (Go to A46)

A39 What type of survey or valuation was commissioned?

PLEASE CROSS AS MANY AS APPLY

- Mortgage valuation report
 Refresh of the seller's Home Report using the same surveyor
 A full independent Home Report using a different surveyor
 In-depth survey of a specific issue (e.g. damp, dry rot etc.)

A40 What was the main reason another survey or valuation was commissioned?

PLEASE CROSS ONE BOX ONLY

- For mortgage/lending purposes
 There was concern that the Home Report was not reliable
 More details were required than were given in the original Home Report
 Other, please state

A41 Who advised you to commission another survey or valuation?

PLEASE CROSS AS MANY AS APPLY

- Mortgage lender
- Selling agent

- My conveyancing Solicitor
- No-one, it was my choice

A42 Who paid for the survey or valuation?
PLEASE CROSS AS MANY AS APPLY

- I paid for it myself
- The seller paid for it
- Other, please state

A43 How much did the survey or valuation cost?
PLEASE CROSS ONE BOX ONLY

- | | | |
|--------------------------------------|--|--|
| <input type="checkbox"/> Up to £200 | <input type="checkbox"/> £501 - £600 | <input type="checkbox"/> Over £1,000 |
| <input type="checkbox"/> £201 - £300 | <input type="checkbox"/> £601 - £700 | <input type="checkbox"/> Don't know/don't remember |
| <input type="checkbox"/> £301 - £400 | <input type="checkbox"/> £701 - £800 | |
| <input type="checkbox"/> £401 - £500 | <input type="checkbox"/> £801 - £1,000 | |

A44 If there was more than one survey or valuation carried out on the property, was there a difference between them in terms of valuation?
PLEASE CROSS ONE BOX ONLY

- | | |
|---|-------------------------------------|
| <input type="checkbox"/> Yes, the valuation increased | <input type="checkbox"/> No |
| <input type="checkbox"/> Yes, the valuation decreased | <input type="checkbox"/> Don't know |

A45 If there was more than one survey carried out on the property, was there a difference between them in terms of the condition of the property?
PLEASE CROSS ONE BOX ONLY

- | | | |
|------------------------------|-----------------------------|-------------------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know |
|------------------------------|-----------------------------|-------------------------------------|

Complaints

These questions are about any complaints you may have had about the house buying process, when buying your current home.

A46 Did you make any complaints about any aspect of the buying process?
PLEASE CROSS ONE BOX ONLY

- | | |
|--|--|
| <input type="checkbox"/> Yes (Go to A46) | <input type="checkbox"/> No (Go to B1) |
|--|--|

A47 Where did you make your complaint?
PLEASE CROSS ONE BOX ONLY

- | | |
|---|--|
| <input type="checkbox"/> Local Authority Trading Standards Department | <input type="checkbox"/> Solicitors Regulatory Authority (SRA) |
| <input type="checkbox"/> The Property Ombudsman | <input type="checkbox"/> The Office of Fair Trading |
| <input type="checkbox"/> RICS Professional Conduct Department | <input type="checkbox"/> Other, please state |
| <input type="checkbox"/> Scottish Legal Complaints Commission | |

Section B: Selling your home

Section B asks about your experiences of the Home Report when selling your home. This section should be completed by all of those who have sold a home in the last two years (Please note – if you have sold more than one home since 1st July 2012, please answer all of the questions in relation to **your most recent home sale**).

B1 Have you sold a home since July 1st 2012?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to B2) No (Go to Section C)

B2 In which local authority is the home that you sold?
PLEASE CROSS ONE BOX ONLY

- | | | |
|--|--|--|
| <input type="checkbox"/> Aberdeen City | <input type="checkbox"/> Edinburgh (City of) | <input type="checkbox"/> Orkney Islands |
| <input type="checkbox"/> Aberdeenshire | <input type="checkbox"/> Eilean Siar (Western Isles) | <input type="checkbox"/> Perth & Kinross |
| <input type="checkbox"/> Angus | <input type="checkbox"/> Falkirk | <input type="checkbox"/> Renfrewshire |
| <input type="checkbox"/> Argyll & Bute | <input type="checkbox"/> Fife | <input type="checkbox"/> Scottish Borders |
| <input type="checkbox"/> Clackmannanshire | <input type="checkbox"/> Glasgow City | <input type="checkbox"/> Shetland Islands |
| <input type="checkbox"/> Dumfries & Galloway | <input type="checkbox"/> Highland | <input type="checkbox"/> South Ayrshire |
| <input type="checkbox"/> Dundee City | <input type="checkbox"/> Inverclyde | <input type="checkbox"/> South Lanarkshire |
| <input type="checkbox"/> East Ayrshire | <input type="checkbox"/> Midlothian | <input type="checkbox"/> Stirling |
| <input type="checkbox"/> East Dunbartonshire | <input type="checkbox"/> Moray | <input type="checkbox"/> West Dunbartonshire |
| <input type="checkbox"/> East Lothian | <input type="checkbox"/> North Ayrshire | <input type="checkbox"/> West Lothian |
| <input type="checkbox"/> East Renfrewshire | <input type="checkbox"/> North Lanarkshire | |

B3 Prior to selling this home how long was it on the market before an offer was accepted?
PLEASE CROSS ONE BOX ONLY

- Less than 1 month 4 – 6 months Over a year
 1 – 3 months 7 – 12 months

B4 Who marketed this home?
PLEASE CROSS ONE BOX ONLY

- An estate agent
 A solicitor
 It was sold at auction
 I marketed the property myself (e.g. through a website, classified ads or for sale sign)
 Other, please state

B5 How was this home marketed?
PLEASE CROSS AS MANY AS APPLY

- 'Offers over' a price Fixed price
 'Offers around' a price Don't know/don't remember
 Below Home Report valuation

B6 Did the way that this home was marketed change while it was on the market?
PLEASE CROSS ONE BOX ONLY

- Yes No Don't know

B7 Did the marketed price of this home change while it was on the

market?

PLEASE CROSS ONE BOX ONLY

- | | |
|---|-------------------------------------|
| <input type="checkbox"/> Yes, the price went up | <input type="checkbox"/> No |
| <input type="checkbox"/> Yes, the price went down | <input type="checkbox"/> Don't know |

B8 What was the final selling price?

PLEASE CROSS ONE BOX ONLY

- | | |
|--|--|
| <input type="checkbox"/> Up to £80,000 | <input type="checkbox"/> £200,001 - £300,000 |
| <input type="checkbox"/> £80,001 - £120,000 | <input type="checkbox"/> Over £300,000 |
| <input type="checkbox"/> £120,001 - £200,000 | |

Providing a Home Report when selling

The next few questions are about your experiences of using the Home Report as a seller.

B9 Before selling this home, did you know about Home Reports?

PLEASE CROSS ONE BOX ONLY

- | | | |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Don't know/don't remember |
|------------------------------|-----------------------------|--|

B10 Did you have a Home Report when selling this home?

PLEASE CROSS ONE BOX ONLY

- | | |
|--|---|
| <input type="checkbox"/> Yes (Go to B12) | <input type="checkbox"/> No (Go to B11) |
|--|---|

B11 Why did you not have a Home Report?

PLEASE CROSS ONE BOX ONLY

- | |
|--|
| <input type="checkbox"/> The property was newly converted |
| <input type="checkbox"/> The sale was made privately and was not marketed in any way (Go to section C) |
| <input type="checkbox"/> Other, please state (Go to section C) <input style="border: 1px solid black; width: 400px; height: 20px;" type="text"/> |

B12 How was the Home Report commissioned?

PLEASE CROSS ONE BOX ONLY

- | | |
|---|---|
| <input type="checkbox"/> I approached a surveyor directly | <input type="checkbox"/> Don't know/don't remember |
| <input type="checkbox"/> By my selling agent - solicitor | <input type="checkbox"/> Other, please state |
| <input type="checkbox"/> By my selling agent - estate agent | <input style="border: 1px solid black; width: 400px; height: 20px;" type="text"/> |

B13 What did you pay for the original Home Report?

PLEASE CROSS ONE BOX ONLY

- | | | |
|--------------------------------------|--|---|
| <input type="checkbox"/> Up to £200 | <input type="checkbox"/> £501 - £600 | <input type="checkbox"/> Over £1,000 |
| <input type="checkbox"/> £201 - £300 | <input type="checkbox"/> £601 - £700 | <input type="checkbox"/> Don't remember |
| <input type="checkbox"/> £301 - £400 | <input type="checkbox"/> £701 - £800 | |
| <input type="checkbox"/> £401 - £500 | <input type="checkbox"/> £801 - £1,000 | |

B14 Did your agent cover any of the cost of the Home Report?

PLEASE CROSS ONE BOX ONLY

- No – paid it all myself (Go to B15)
- Yes – agent covered some of the cost (Go to B15)
- Yes – agent covered all of the cost (Go to B16)
- Don't know (Go to B16)

B15 How did you pay for the Home Report?
PLEASE CROSS ONE BOX ONLY

- A single payment when the property went on the market
- A single payment when the property was sold
- A series of instalments when the property was on the market
- The cost was added to the mortgage of a new home purchase
- Other, please state

B16 Did you sell this home for...?
PLEASE CROSS ONE BOX ONLY

- The same as the valuation in the Home Report
- Over the valuation in the Home Report
- Under the valuation in the Home Report
- Did not have a Home Report
- Don't know/don't remember

B17 Did you think the information in the Home Report was reliable? Please answer for each section of the Home Report separately.
PLEASE CROSS ONE BOX ONLY FOR EACH ROW

	Yes	No	Don't know
a) The Single Survey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) The Energy Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) The Property Questionnaire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) The valuation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B18 Did the information provided in the Home Report affect any of the following?
PLEASE CROSS ONE BOX ONLY FOR EACH ROW

	Yes	No	Don't know
a) The price you initially asked.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Negotiations over the price	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

B19 How did the information in the Home Report affect your level of confidence in the selling process?
PLEASE CROSS ONE BOX ONLY

- It made me more confident
- It made me less confident
- It had no effect
- Don't know

B20 Thinking about the amount of information provided in the Home Report, was it...?
PLEASE CROSS ONE BOX ONLY

- The right amount (Go to B22)
- Too much information (Go to B21)

Not enough information (Go to B21)

Don't know (Go to B22)

B21 What changes would you have liked to see in the information provided in the Home Report?
PLEASE WRITE IN BELOW

B22 Did the Home Report contain any information that you disagreed with?
PLEASE CROSS ONE BOX ONLY

Yes (Go to B23)

Don't know (Go to B24)

No (Go to B24)

B23 What information was this?
PLEASE WRITE IN BELOW

B24 Did the Home Report Property Questionnaire identify any outstanding legal issues with the home you sold? (Legal issues could include problems such as local authority statutory notices, building works completed without planning permission, boundary disputes etc.)
PLEASE CROSS ONE BOX ONLY

Yes (Go to B25)

Don't know (Go to B26)

No (Go to B26)

B25 Do you think the Home Report helped to improve the speed with which these issues were resolved?

PLEASE CROSS ONE BOX ONLY

Yes

Don't know

No

Repairs, Improvements and the Home Report

The next few questions are about any repairs and improvements highlighted by the Home Report.

B26 Did you have any repairs or replacements made prior to marketing this home as a result of issues identified in the Home Report?

PLEASE CROSS AS MANY AS APPLY

Yes, those requiring urgent repair or replacement (category three repairs)

Yes, repairs or replacements requiring future attention (category two repairs)

No, I did not have any of the identified repairs or replacements made

No, no issues were identified

Don't know

B27 What did you pay to get the repair or replacement work done?
PLEASE CROSS ONE BOX ONLY

- | | | |
|--------------------------------------|---------------------------------------|--|
| <input type="checkbox"/> Up to £100 | <input type="checkbox"/> £501 - £750 | <input type="checkbox"/> Don't know/remember |
| <input type="checkbox"/> £100 - £250 | <input type="checkbox"/> £751 - £1000 | |
| <input type="checkbox"/> £251 - £500 | <input type="checkbox"/> Over £1000 | |

B28 Did you have any work done after the sale was negotiated or did you agree a reduced price due to issues identified in the Home Report?
PLEASE CROSS ONE BOX ONLY

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> Yes, carried out work | <input type="checkbox"/> No, neither |
| <input type="checkbox"/> Yes, agreed a reduced price | <input type="checkbox"/> Don't know |

B29 Are you aware of any repairs needed that were not picked up by the Home Report?
PLEASE CROSS ONE BOX ONLY

- | | |
|--|---|
| <input type="checkbox"/> Yes (Go to B30) | <input type="checkbox"/> Don't know (Go to B31) |
| <input type="checkbox"/> No (Go to B31) | |

B30 Did these repairs require..
PLEASE CROSS AS MANY AS APPLY

- Urgent repair and replacement (category three repairs)
- Future attention (category two repairs)

B31 Did you make energy performance improvements to this home prior to the sale, as a result of issues identified in the Home Report?
PLEASE CROSS ONE BOX ONLY

- | | | |
|--|---|---|
| <input type="checkbox"/> Yes (Go to B32) | <input type="checkbox"/> No (Go to B35) | <input type="checkbox"/> Don't know (Go to B35) |
|--|---|---|

B32 Which of the following energy performance improvements did you make?
PLEASE CROSS AS MANY AS APPLY

- Reduce draughts (e.g. double or secondary glazing; insulated doors)
- Improve the insulation (e.g. loft or other roof insulation; wall insulation; floor insulation)
- Improve heating system performance or control (replace an older heating system or boiler with a more efficient one)
- Install alternative energy sources (biomass boiler; solar photovoltaic (PV) panels; wind turbine)
- Other, please state

B33 Did the changes that you made improve the energy efficiency rating of this home?
PLEASE CROSS ONE BOX ONLY

- Yes
- No
- Don't know

B34 What did you pay to get these energy performance improvements made?
PLEASE CROSS ONE BOX ONLY

- | | | |
|-------------------------------------|--------------------------------------|--------------------------------------|
| <input type="checkbox"/> Up to £100 | <input type="checkbox"/> £100 - £250 | <input type="checkbox"/> £251 - £500 |
|-------------------------------------|--------------------------------------|--------------------------------------|

- £501 - £750
- £751 - £1000
- Over £1000
- Don't know/remember

Obtaining more than one survey, valuations or Home Report refresh

The next few questions ask about any surveys, valuations or refreshes, **other than your original Home Report**, that you may have used as a seller.

B35 Was another survey/valuation/Home Report refresh commissioned for any purpose?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to B36)
- No (Go to B46)
- Don't know (Go to B46)

B36 How long had this home been on the market when you had a survey/valuation/refresh?
PLEASE CROSS ONE BOX ONLY

- Less than 1 month
- 1 – 3 months
- 4 – 6 months
- 7 – 12 months
- Over a year

B37 Was this because an offer was made on this home?
PLEASE CROSS ONE BOX ONLY

- Yes
- No
- Don't know

B38 What type of survey, valuation or refresh was commissioned?
PLEASE CROSS ONE BOX ONLY

- Mortgage valuation report
- Refresh of the original Home Report using the same surveyor
- A full independent Home Report using a different surveyor
- In-depth survey of a specific issue (e.g. damp, dry rot etc.)

B39 What was the main reason another survey or valuation was commissioned?
PLEASE CROSS ONE BOX ONLY

- For mortgage/lending purposes
- There was concern that the original Home Report was not reliable
- More details were required than were given in the original Home Report
- Other, please state

B40 Who advised that it was necessary to commission another survey, valuation or refresh?
PLEASE CROSS AS MANY AS APPLY

- I made the decision
- My selling agent - solicitor
- My selling agent - estate agent
- My surveyor
- The buyer
- Don't know/don't remember
- Other, please state

B41 Who paid for the survey, valuation or refresh?
PLEASE CROSS AS MANY AS APPLY

- I paid for it myself
- The buyer paid for it

Other, please state

B42 How much did the survey, valuation or refresh cost? If you've had more than one survey/valuation/refresh, please answer about the most recent.
PLEASE CROSS ONE BOX ONLY

- | | | |
|--------------------------------------|--|--|
| <input type="checkbox"/> Up to £200 | <input type="checkbox"/> £501 - £600 | <input type="checkbox"/> Over £1,000 |
| <input type="checkbox"/> £201 - £300 | <input type="checkbox"/> £601 - £700 | <input type="checkbox"/> Don't know/remember |
| <input type="checkbox"/> £301 - £400 | <input type="checkbox"/> £701 - £800 | |
| <input type="checkbox"/> £401 - £500 | <input type="checkbox"/> £801 - £1,000 | |

B43 As a result of the survey/valuation/refresh was there any change to the valuation?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to B44)
- No (Go to B45)
- Don't know (Go to B45)

B44 As a result of the change in valuation, did you change the marketed price?
PLEASE CROSS ONE BOX ONLY

- Yes, I increased the marketed price
- Yes, I decreased the marketed price
- No
- Don't know

B45 Were there any differences noted/recorded to the condition of this home in the survey/valuation/refresh?
PLEASE CROSS ONE BOX ONLY

- Yes
- No
- Don't know

Complaints

These questions are about any complaints you may have had about the house buying process, when selling your current home.

B46 Did you make any complaints about any aspect of the selling process?
PLEASE CROSS ONE BOX ONLY

- Yes (Go to B47)
- No (Go to C1)

B47 Where did you make your complaint?
PLEASE CROSS ONE BOX ONLY

- Local Authority Trading Standards Department
- The Property Ombudsman
- RICS Professional Conduct Department
- Scottish Legal Complaints Commission
- Solicitors Regulatory Authority (SRA)
- The Office of Fair Trading
- Other, please state

About yourself

Please complete these questions which will help us to see if there are differences between the views of different respondents. All the information you give will be kept completely confidential.

C1 What was your age at your last birthday?
PLEASE CROSS ONE BOX ONLY

- | | | |
|--------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> 16-24 years | <input type="checkbox"/> 45-54 years | <input type="checkbox"/> 65-74 years |
| <input type="checkbox"/> 25-34 years | <input type="checkbox"/> 55-59 years | <input type="checkbox"/> 75+ years |
| <input type="checkbox"/> 35-44 years | <input type="checkbox"/> 60-64 years | <input type="checkbox"/> Rather not say |

C2 Which statement best describes your current working status?
PLEASE CROSS ONE BOX ONLY

- | | |
|--|---|
| <input type="checkbox"/> Working – 30 hours or more a week (full time) | <input type="checkbox"/> Not working – retired |
| <input type="checkbox"/> Working – 8 - 29 hours a week (part-time) | <input type="checkbox"/> Not working – student |
| <input type="checkbox"/> Not working – looking after the home | <input type="checkbox"/> Not working – long-term illness/disability |
| <input type="checkbox"/> Not working – unemployed | <input type="checkbox"/> Other |

C3 How many people aged 16 or over live in your household?
PLEASE CROSS ONE BOX ONLY

- | | | |
|----------------------------|----------------------------|-----------------------------|
| <input type="checkbox"/> 1 | <input type="checkbox"/> 3 | <input type="checkbox"/> 5+ |
| <input type="checkbox"/> 2 | <input type="checkbox"/> 4 | |

C4 And how many people aged 15 years or under live in your household?
PLEASE CROSS ONE BOX ONLY

- | | | |
|----------------------------|----------------------------|-------------------------------|
| <input type="checkbox"/> 1 | <input type="checkbox"/> 3 | <input type="checkbox"/> 5+ |
| <input type="checkbox"/> 2 | <input type="checkbox"/> 4 | <input type="checkbox"/> None |

C5 What is your household's total income from all sources (before tax) over the last 12 months?
(This should include any earnings, pensions, benefits, tax credits, grants, and interest from savings etc.)

PLEASE CROSS ONE BOX ONLY

- | | | |
|---|---|---|
| <input type="checkbox"/> Less than £5,200 | <input type="checkbox"/> £15,600 to £20,799 | <input type="checkbox"/> £36,400 to £51,999 |
| <input type="checkbox"/> £5,200 to £10,399 | <input type="checkbox"/> £20,800 to £25,999 | <input type="checkbox"/> £52,000 to £77,999 |
| <input type="checkbox"/> £10,400 to £15,599 | <input type="checkbox"/> £26,000 to £36,399 | <input type="checkbox"/> £78,000 or more |

C6 Would you consider yourself as having any of the following impairments?
PLEASE SELECT ALL THAT APPLY

- | | |
|---|---|
| <input type="checkbox"/> Visual | <input type="checkbox"/> Mental health problem |
| <input type="checkbox"/> Hearing | <input type="checkbox"/> Long term illness |
| <input type="checkbox"/> Learning disability | <input type="checkbox"/> Other degenerative condition |
| <input type="checkbox"/> Mobility – Wheelchair user | <input type="checkbox"/> No, none |
| <input type="checkbox"/> Other mobility impairment | <input type="checkbox"/> Other |
| <input type="checkbox"/> Other physical impairment | <input type="checkbox"/> Refused |

PD

To qualify for the prize draw of £500 cash please provide your contact details below:

Please note that these details will be used for the prize draw only, unless you give your consent to be recontacted, and will not be passed onto a third party.

Name:

Phone number:

Email:

Address:

The research team at Ipsos MORI would like to contact a small number of individuals to take part in a second phase of this study within the next 3 months.

This would involve an interview with a researcher to further discuss your experiences of using the Home Report. Your details will be stored securely and only the research team at Ipsos MORI will have access to them; they will not be shared with other parties.

Would you be willing to be re-contacted in the next 3 months for this purpose?

Even if you say yes today, we will ask you whether you want to take part again when we contact you, and you will be free to say no at that stage.

Yes

No

Respondent Declaration

I am happy for Ipsos MORI to recontact me via email, telephone or post in the next 3 months

Signature

Name (Print):

Date:

APPENDIX B- BUYERS AND SELLERS SURVEY TOPLINE RESULTS

5 Year Review of the Home Report Buyers and sellers survey topline results

Results are based on a survey of 928 respondents conducted using postal survey. The survey was conducted between 9 July and 17 September 2014.

An asterisk (*) indicates a percentage of less than 0.5% but greater than zero. Where percentages do not add up to 100, this may be due to computer rounding, multiple responses, or the exclusion of don't know categories.

A1. Are you the home owner?	
<i>Base: All respondents (928)</i>	%
Yes	95
No	4
Not Stated	2

A2. Have you bought a home since July 1st 2012?	
<i>Base: All who are the home owner (877)</i>	%
Yes	95
No	5
Not stated	*

A3. What type of purchase was this?	
<i>Base: All who bought a house in the last two years (835)</i>	%
Purchased after selling previous home	64
First time home purchase	22
Purchased as a second or holiday home	6
Purchased as a rental property	2
Purchased before selling previous home	2
Purchased on relocation	1
New family home	*
Future/retirement/home/property	*
Part exchange	*
Purchased after renting	*
Purchased but retained existing property	*
Purchase due to marital separation/divorce	*
Purchased to rebuild in the future	*
Other	1
Not stated	1

A4. Who marketed your home?	
<i>Base: All who bought a house in the last two years (835)</i>	%
An estate agent	66
A solicitor	20
House builder/developer	4
An individual marketed the property (e. g. through a website, classified ad or for sale sign)	2
Private/direct sale	2
Not marketed	1
It was sold at auction	*
Family member	*
New build	*
Owner	*
Part exchange/d	*
Purchased did not sell previous home	*
I marketed the property myself	-
Other	1
Not stated	1

A5. How important were each of the following factors in your decision to move home?					
<i>Base: All who bought a house in the last two years (835)</i>	%				
	Very Important	Quite Important	Not very important	Not at all important	Not stated
Personal/family circumstances (e.g. birth of a child, moving in with partner)	49	18	13	19	2
Personal financial circumstances (e.g. increase in salary, redundancy)	27	28	22	20	3
Benefits of a new location (e.g. school catchment area, public transport links, job opportunities)	33	31	17	17	3
General economic outlook in Scotland (e.g. house prices, mortgage rates)	15	30	28	23	4
The cost of buying a home (e.g. surveyor costs, stamp duty)	31	34	19	12	3
Availability of reliable information on properties on the market	31	36	19	11	3

A6. Before purchasing your home, did you know about Home Reports?	
<i>Base: All who bought a house in the last two years (835)</i>	%
Yes	92
No	6
Don't remember/don't know	1
Not stated	1

A7. How many properties did you look at during your property search? If you do not know, please give your best estimate.

<i>Base: All who bought a house in the last two years</i>	%	
	Interim Review	5 Year
	(1745)	(835)
0	-	1
1	22	11
2 - 3	50	18
4 - 5	17	19
6 – 10	9	30
11+	1	20
Not stated	-	*

A8. Thinking about all of the properties you looked at during your property search, how many Home Reports did you look at? If you do not know, please give your best estimate.

<i>Base: All who bought a house in the last two years</i>	%	
	Interim Review	5 Year
	(1745)	(835)
0	48	10
1	24	20
2 - 3	19	27
4 - 5	4	16
6 - 10	2	16
11+	2	9
Not stated	-	1

A9. What was the format of the Home report(s) you received?

<i>Base: All who looked at a Home Report when buying their house (746)</i>	%
Electronic	85
Paper	23
Don't know/don't remember	1
Not stated	1

A10. Did you decide not to make an offer for any properties because of the information in the Home Report?

<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	Year 5
	(901)	(746)
Yes	41	35
No	57	64
Not stated	2	1

A11. Which element(s) of the Home Report helped you make this decision?		
<i>Base: All who decided not to buy a property because of information in the Home Report</i>	%	
	Interim Review	Year 5
	(373)	(262)
The single survey	90	85
The valuation	64	51
The property questionnaire	31	33
The energy report	35	29
Not stated	-	-

A12. Did you ever have any difficulty getting copies of Home Reports from the sellers' solicitor/agent?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	Year 5
	(901)	(746)
No	86	90
Yes	14	9
Not stated	-	1

A13. What was the reason for your difficulty in getting a copy of the Home Report?		%
<i>Base: All who had difficulty getting access to the Home Report (67)</i>		%
Agent/solicitor was slow in preparing/forwarding document		37
Not available/not ready		24
Agents would not allow access		9
Problems with the website/online access		9
Report was out of date/due for renewal		9
Poor communication		6
Poor administration		4
Charges/costs involved		1
Other		10
Don't know		1
Not stated		3

A14. Were you ever charged a fee for getting copies of a Home Report?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 Year
	(901)	(746)
No	87	96
Yes	13	3
Not stated	1	1

A15. How much did you pay for a copy of the Home Report? If you have paid for more than one copy please answer in relation to the most recent occasion.

<i>Base: All who were charged a fee to access a Home Report</i>	%	
	Interim Review	Year 5
	(116)	(21 ^{**})
Up to £10	15	5
£11 to £25	37	19
£26 to £50	13	24
More than £50	12	33
Don't know/don't remember	22	19

(*^{**} Treat % figures with caution as base is very small)

A16. Did you receive a Home Report when making your most recent home purchase?	%	
<i>Base: All who looked at a Home Report when buying their house</i>	Interim Review	5 Year
	(1745)	(746)
Yes	57	92
No	43	7
Not stated	0	1

A17. Why did you not receive a Home Report?	%	
<i>Base: All who did not receive a Home Report when they purchased their property (144)</i>	%	
The property was newly built	63	
The sale was made privately and was not marketed in any way	15	
The property was newly converted	4	
It was never offered	2	
Did not ask for one	1	
Did not require one	1	
Not available to view	1	
Other	3	
Don't know	2	
Not stated	8	

A18. How was your current home marketed at the point you expressed interest?	%	
<i>Base: All who bought a house in the last two years</i>	Interim Review	Year 5
	(1745)	(835)
'Offers over' a price	47	44
Fixed price	32	26
'Offers around' a price	17	20
Below Home Report valuation	-	7
Don't know/don't remember	1	4
Not stated	2	2

A19. How much did you pay for the property?		
<i>Base: All who bought a house in the last two years</i>	%	
	Interim Review	Year 5
	(1745)	(835)
Up to £80,000	10	10
£80,001 - £120,000	25	16
£120,001 - £200,000	38	36
£200,001 - £300,000	18	24
Over £300,000	8	14
Not stated	-	*

A20. Did you pay...?		
<i>Base: All who bought a house in the last two years (835)</i>	%	
	Interim Review	Year 5
	(1745)	(835)
The same as the valuation in the original Home Report	21	15
Over the valuation in the original Home Report	13	15
Under the valuation in the original Home Report	28	54
Don't know/don't remember	5	3
Did not have a Home Report	30	13
Not stated	2	*

A21. Overall, how helpful was the information contained within the Home Report?		
<i>Base: All who looked at the Home Report for the house they purchased (726)</i>	%	
	Interim Review	Year 5
	(991)	(726)
Very helpful	35	33
Quite helpful	46	41
Not very helpful	11	15
Not at all helpful	4	7
Don't know	0	1
Not stated	4	3

A22. How helpful was the following information in the Home Report?								
<i>Base: All who looked at the Home Report for the house they purchased</i>	%							
	Very helpful		Quite helpful		Not very helpful		Not at all helpful	
Interim Review - (991)	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
5 Year - (726)	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The single survey	46	36	35	40	9	10	6	9
The energy report	21	19	41	43	20	18	13	15
The property questionnaire	20	23	42	40	18	16	8	13
The valuation	47	38	37	43	7	10	3	6

A23. Did the Home Report affect your decision to buy the property?								
<i>Base: All who looked at the Home Report for the house they purchased</i>	%							
Interim review - (991)	Yes		No		Don't know		Not stated	
5 Year - (726)	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The single survey	61	52	23	40	4	4	11	4
The energy report	20	25	54	67	7	4	18	4
The property questionnaire	24	31	47	58	10	7	19	4
The valuation	63	59	23	35	4	2	11	4

A24. Did you think the information in the Home Report was reliable?								
<i>Base: All who looked at the Home Report for the house they purchased</i>	%							
Interim review - (991)	Yes		No		Don't know		Not stated	
5 Year - (726)	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The single survey	74	63	15	23	6	11	5	3
The energy report	61	60	18	21	15	16	6	3
The property questionnaire	55	60	20	22	17	15	7	4
The valuation	76	66	10	20	8	10	5	4

A25. Did the information contained within the Home Report affect any of the following? The price you offered								
<i>Base: All who looked at the Home Report for the house they purchased</i>	%							
Interim review - (991)	Yes		No		Don't know		Not stated	
5 Year - (726)	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The price you offered	52	50	41	45	2	1	6	3
The negotiations over the price	34	34	54	58	3	2	9	6

A26. How did the information in the Home Report affect your level of confidence in the buying process?	
<i>Base: All who looked at the Home Report for the house they purchased (726)</i>	%
It made me more confident	54
It made me less confident	6
It had no effect	36
Don't know	2
Not stated	3

A27. Thinking about the amount of information provided in the Home Report, was it...?	
<i>Base: All who looked at the Home Report for the house they purchased (726)</i>	%
The right amount	55
Too much information	8
Not enough information	25
Don't know	8
Not stated	4

A28. What changes would you have liked to see to the information provided in the Home Report?	
<i>Base: All who felt that the information in the HR was too much or too little (240)</i>	%
The single survey	50
More detailed/comprehensive/information regarding condition of property	20
More thorough/in-depth survey	10
More accurate/reliable/honest information regarding condition of property	8
More details of electrical system/boiler tests/plumbing/safety certificates/service history	8
Other single survey	6
A more professional/accountable survey	5
Fewer disclaimers/unable to access certain areas mentions	4
More detailed information regarding faults/repairs	3
Less of a tick-box exercise	2
More detailed information regarding condition of fixture/fittings	2
A single survey is not adequate	2
More details of alterations/changes made	2
Cost implications for repairs	1
Better classification of repairs	*
Other faults and repairs	*
General information issues	30
More comprehensive/in depth information	12
More accurate/reliable/honest report	5
More concise information	4
More basic/simple/clear information/less jargon	4
Other general information	3
More relevant information	2
Less generic information	2
More professional/accountable report	1
Should include guarantees	*
Property questionnaire	10
More structural information/provide certificates for building work	3
Supporting documentation/verification required	2
The questionnaire is of no great value/not required	1
More accurate, reliable information	1
Previous history of property	1
The age of the property	1
The questionnaire needs to be professionally assessed	*
Other property questionnaire	2
Energy Report	9
More thorough/in-depth energy report	3
The energy report is not helpful/not required	2
Other energy report	2
More information on running costs/bills	2
More condensed/briefer report	*
More factual assessments on energy performance	*
Problems not related to information	9
The report is of no/little value/should be stopped	5
Waste of money/paper	3
Waste of time	1
Unidentified problems with the home report	1
Other system was better/return to previous system	*

Valuation	3
More accurate valuation of properties	2
Other valuation	1
Miscellaneous	4
Other	3
No answer	*
Not stated	10

A29. How helpful was the accessibility information provided by the Home Report? The accessibility information is in section 3 of the single survey and includes an audit of accessible features useful for older and disabled people, and parents with young children.	
<i>Base: All who looked at the Home Report for the house they purchased (726)</i>	%
Very helpful	10
Fairly helpful	23
Neither helpful no unhelpful	43
Fairly unhelpful	3
Very unhelpful	3
Don't know	14
Not stated	3

A30. Did the Home Report property questionnaire identify any outstanding legal issues with the home you purchased? (Legal issues could include problems such as local authority statutory notices, building works completed without permission, boundary disputes etc.)	
<i>Base: All who looked at a Home Report when buying their house (726)</i>	%
Yes	8
No	82
Don't know	6
Not stated	3

A31. Do you think the Home Report helped to improve the speed with which these issues were resolved?	
<i>Base: All who had legal issues identified in the Home Report (61*)</i>	%
Yes	52
No	21
The issues were not resolved	7
Don't know	18
Not stated	2

A32. Did the Home Report identify any issues relating to property condition that required urgent attention (category three repairs), prior to sale or as a condition of sale?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review (991)	5 Year (726)
Yes	21	16
No	74	78
Don't know	1	3
Not stated	4	3

A33. Did the Home Report identify repairs and improvements that required non-urgent attention (category two repairs)?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 Year
	(991)	(726)
Yes	47	59
No	46	35
Don't know	3	3
Not stated	4	3

A34. Do you think you would have identified urgent/non-urgent repairs or replacements without the Home Report?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 year
	(212)	(726)
Yes	56	54
No	33	28
Don't know	11	15
Not stated	-	3

A35. Since purchasing the property have you undertaken the repairs and/or improvements identified in the Home Report?		
<i>Base: All who looked at the Home Report for the house they purchased</i>	%	
	Interim Review	5 Year
	(466)	(726)
Yes, those requiring urgent repair or replacement (category three repairs)	46	18
Yes, repairs or replacement requiring future attention (category two repairs)	44	42
No, I have not undertaken any of the repairs identified	27	16
No, no repairs were identified	-	30
Don't know	-	2
Not stated	1	4

A36. Would the opportunity to discuss the contents of the Home Report with the surveyor who inspected the property have been helpful?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 Year
	(291)	(726)
Yes	60	65
No	22	22
Don't know	*	10
Not stated	*	3

A37. Did you obtain any advice on the contents of the Home Report (for example, from your solicitor)?		
<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 Year
	(291)	(726)
Yes	53	41
No	40	55
Don't know	*	1
Not stated	*	3

A38. Apart from the original Home Report, was another survey or valuation commissioned for any purpose?

<i>Base: All who looked at a Home Report when buying their house</i>	%	
	Interim Review	5 Year
	(991)	(726)
Yes	29	23
No	66	71
Don't know	1	3
Not stated	3	3

A39. What type of survey or valuation was commissioned?

<i>Base: All those who had another survey commissioned (166)</i>	%
Mortgage valuation report	58
Refresh of the seller's Home Report using the same surveyor	33
A full independent Home Report using a different surveyor	13
In-depth survey of a specific issue (e. g. damp, dry rot)	21
Not stated	1

A40. What was the main reason another survey or valuation was commissioned?

<i>Base: All those who had another survey commissioned</i>	%	
	Interim Review	5 Year
	(291)	(166)
For mortgage/lending purposes	69	56
More details were required than were given in the original Home Report	26	13
Original expired/over one year old/out of date/only valid for 3 months	-	8
There was concern that the Home Report was not reliable	14	7
Valuation/too low	-	2
Boundary issues	-	1
Damp issues	-	1
Structural inspection	-	1
Woodworm/survey /inspection	-	1
Other	-	2
Not stated	-	7

A41. Who advised you to commission another survey or valuation?

<i>Base: All those who had another survey commissioned (166)</i>	%
Mortgage lender	61
Selling agent	4
My conveyancing solicitor	22
No-one, it was my choice	19

A42. Who paid for the survey or valuation?

<i>Base: All those who had another survey commissioned (166)</i>	%
I paid for it myself	67
The seller paid for it	19
Mortgage company/lender	12
Split between myself and the seller	1
Other	1
No answer	1

A43. How much did the survey or valuation cost?		
<i>Base: All those who had another survey commissioned</i>	%	
	Interim Review	5 Year
	(291)	(166)
Up to £200	51	26
£201 - £300	15	22
£301 - £400	9	7
£401 - £500	3	5
£501 - £600	*	4
£601 - £700	*	-
£701 - £800	1	1
£801 - £1,000	*	1
Over £1,000	*	1
Don't know/don't remember	18	33
Not stated		2

A44. If there was more than one survey or valuation carried out on the property, was there a difference between them in terms of valuation?		
<i>Base: All those who had another survey commissioned</i>	%	
	Interim Review	5 Year
	(291)	(166)
Yes, the valuation increased	-	8
Yes, the valuation decreased	-	23
Yes (combined)	19	31
No	51	49
Don't know	29	14
Not stated	1	5

A45. If there was more than one survey carried out on the property, was there a difference between them in terms of the condition of the property?		
<i>Base: All those who had another survey commissioned</i>	%	
	Interim Review	5 Year
	(291)	(166)
Yes	18	16
No	53	66
Don't know	27	13
Not stated	2	5

A46. Did you make any complaints about any aspect of the buying process?	
<i>Base: All who looked at the Home Report for the house they purchased (726)</i>	%
Yes	5
No	92
Not stated	4

A47. Where did you make your complaint?	
<i>Base: All those who made a complaint about the buying process (34*)</i>	%
Solicitor	41
Surveyor	9
The Property Ombudsman	6
Local Authority Trading Standards Department	3
Scottish Legal Complaints Commission	3
Solicitors Regulatory Authority (SRA)	3

Estate agent	3
Bank	3
Mortgage company/mortgage advisor	3
RICS Professional Conduct Department	-
The Office of Fair Trading	-
House builder	-
Other	18
Not stated	6

B1. Have you sold a home since July 1st 2012?	
<i>Base: All respondents (928)</i>	%
Yes	54
No	42
Not Stated	4

B2. In which local authority is that home that you sold?	
<i>Base: all respondents who sold a house in the past two years (505)</i>	%
Aberdeen City	6
Aberdeenshire	7
Angus	2
Argyll & Bute	1
Clackmannanshire	2
Dumfries & Galloway	3
Dundee City	2
East Ayrshire	2
East Dunbartonshire	3
East Lothian	2
East Renfrewshire	3
Edinburgh (City of)	12
Eilean Siar (Western Isles)	-
Falkirk	1
Fife	6
Glasgow City	8
Highland	5
Inverclyde	1
Midlothian	3
Moray	2
North Ayrshire	2
North Lanarkshire	3
Orkney Islands	*
Perth & Kinross	4
Renfrewshire	3
Scottish Borders	1
Shetland Islands	3
South Ayrshire	5
South Lanarkshire	2
Stirling	-
West Dunbartonshire	-
West Lothian	2
Not stated	7

B3. Prior to selling this home how long was it on the market before an offer was accepted?		
<i>Base: all respondents who sold a house in the past two years</i>	%	
	Interim Review	5 Year
	(804)	(505)
Less than 1 month	25	33
1 - 3 months	25	21
4 - 6 months	18	15
7 - 12 months	19	13
Over a year	10	15
Not stated	2	3

B4. Who marketed this home?	
<i>Base: All respondents who sold a house in the past two years (505)</i>	%
An estate agent	69
A solicitor	22
It was sold at auction	*
An individual marketed the property (e. g. through a website, classified ad or for sale sign)	2
Builder	*
Not marketed	*
Part exchange/d	1
Private sale	1
Sold to a family member	*
Not stated	3

B5. How was this home marketed?		
<i>Base: All respondents who sold a house in the past two years</i>	%	
	Interim Review	5 Year
	(804)	(505)
Offers over a price	52	60
Offers around a price	18	25
Below Home Report valuation	-	6
Fixed price	31	17
Don't know/don't remember	1	2
Not stated	2	3

B6. Did the way that this home was marketed change while it was on the market?		
<i>Base: All respondents who sold a house in the past two years</i>	%	
	Interim review	5 Year
	(804)	(505)
Yes	23	21
No	72	75
Don't remember/ don't know	2	1
Not stated	2	3

B7. Did the marketed price of this home change while it was on the market?		
<i>Base: All respondents who sold a house in the past two years</i>	%	
	Interim Review	5 Year
	(804)	(505)
Yes, the price went up	-	2
Yes, the price went down	-	31
Yes (Combined)	32	33
No	64	63
Don't know	2	1
Not stated	2	3

B8. What was the final selling price?		
<i>Base: All respondents who sold a house in the past two years</i>	%	
	Interim Review	5 Year
	(804)	(505)
Up to £80,000	11	8
£80,001 - £120,000	25	16
£120,001 - £200,000	34	37
£200,001 - £300,000	20	22
Over £300,000	7	15
Not stated	-	2

B9. Before selling this home, did you know about Home Reports?	
<i>Base: All respondents who sold a house in the past two years (505)</i>	%
Yes	91
No	5
Don't remember/ don't know	1
Not stated	3

B10. Did you have a Home Report when selling this home?		
<i>Base: All respondents who sold a house in the past two years</i>	%	
	Interim Review	5 Year
	(804)	(505)
Yes	57	91
No	43	7
Not stated	2	2

B11. Why did you not have a Home Report?	
<i>Base: all those who didn't use a Home Report when selling their house (35*)</i>	%
The property was newly converted	3
The sale was made privately and was not marketed in any way	17
Part-exchange/d	9
Property in England/no home report needed/ required	54
Seller not required to provide	6
Other	11

B12. How was the Home Report commissioned?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
I approached a solicitor directly	-	13
By my selling agent solicitor	-	29
By my selling agent estate agent	48	55
By the house builder/ developer	-	*
A direct approach to me by a surveyor	16	-
By my solicitor	34	-
Don't know/don't remember	2	1
Other	1	-
Not stated	-	1

B13. What did you pay for the original Home Report?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
Up to £200	13	10
£201 - £300	14	14
£301 - £400	17	15
£401 - £500	20	14
£501 - £600	10	11
£601 - £700	4	4
£701 - £800	2	4
£801 - £1,000	3	2
Over £1,000	-	*
Don't know/don't remember	18	22
Not stated	-	3

B14. Did your agent cover any of the cost of the Home Report?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
No – paid for it myself	95	89
Yes – agent covered some of the cost	1	2
Yes – agent covered all of the cost	2	4
Don't know	1	5
Not stated	1	1

B15. How did you pay for the Home Report?		
<i>Base: All who paid for at least some of the cost of the Home Report</i>	%	
	Interim Review	5 Year
	(444)	(414)
A single payment when the property went on the market	80	84
A single payment when the property was sold	16	11
A series of instalments when the property was on the market	1	2
The cost was added to the mortgage of a new home purchase	*	*
Included in the agent's fees	-	*
I paid for it myself	-	*
A single payment before the survey was done	-	*
Other	2	-
Not stated	*	1

B16. Did you sell this home for...?		
<i>Base: All those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
The same as the valuation in the Home Report	32	19
Over the valuation in the Home Report	24	19
Under the valuation in the Home Report	35	59
Don't know/don't remember	7	2
Did not have a Home Report	-	-
Not stated	2	1

B17. Did you think the information in the Home Report was reliable? Please answer for each section of the Home Report separately.								
<i>Base: All those who used a Home Report when selling their house (458)</i>	%							
	Yes		No		Don't know		Not stated	
	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The single survey	85	80	10	14	3	5	2	1
The energy report	71	74	18	14	9	11	2	1
The property questionnaire	82	88	7	7	7	5	5	1
The valuation	72	71	18	22	6	6	4	1

B18. Did the information provided in the Home Report affect any of the following?								
<i>Base: All those who used a Home Report when selling their house (458)</i>	%							
	Yes		No		Don't know		Not stated	
	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year	Interim Review	5 Year
The price you initially asked	40	43	53	50	5	4	3	2
The negotiations over the price	24	29	64	61	5	5	7	5

B19. How did the information in the Home Report affect your level of confidence in the selling process?	
<i>Base: all those who used a Home Report when selling their house (458)</i>	%
It made me more confident	29
It made me less confident	16
It had no effect	51
Don't know	2
Not stated	1

B21. What changes would you have liked to see in the information provided in the Home Report?	
<i>Base: All those who think there is too much or too little information in the Home Report (110)</i>	%
General information issues	37
More basic/simple/ clear information/less jargon	10
More concise information	10
More comprehensive/indepth information	6
More relevant information	6
More accurate/ reliable/honest report	5
Other home report	3
Less generic information	2
More professional/ accountable report	1
The single survey	36
More thorough/in-depth survey	12
Other property	8
More detailed/ comprehensive/ information regarding condition of property	7
A more professional/ accountable survey	5
More details of electrical system/ boiler tests/plumbing/ safety certificates/ service history	4
More accurate/ reliable/honest information regarding condition of property	4
More details of alterations/changes made	4
Fewer disclaimers/ unable to access certain areas mentions	3
Less of a tick-box exercise	2
More detailed information regarding faults/repairs	2
A single survey is not adequate	1
More detailed information regarding condition of fixture/ fittings	1
Other faults and repairs	1
Problems not related to information	15
The report is of no/ little value/should be stopped	10
Waste of money/paper	9
Waste of time	2
Other system was better/return to previous system	2
Valuation	6
More accurate valuation of properties	5
Other valuation	2
Energy Report	5
More thorough/in-depth energy report	2
The energy report is not helpful/not required	2
More condensed/briefer report	1
More factual assessments on energy	1
More simple/clearer/ less jargon	1

Property questionnaire	5
More structural information/provide certificates for building work	3
Supporting documentation/ verification required	1
Other property questionnaire	1
Miscellaneous	8
Other	5
No answer	3
Not stated	14

B22. Did the Home Report contain any information that you disagreed with?	
<i>Base: All those that disagreed with information in their Home Report (105)</i>	%
Yes	23
No	71
Don't know	6
Not stated	1

B23. What information was this?	
<i>Base: All those who used a Home Report when selling their house (458)</i>	%
Inaccurate information	27
Property valuation/too low	25
Surveyor was not professional/did not do a good job/made too many mistakes	22
Identified too many minor issues/too petty	11
Issues with windows/ double glazing/doors	7
Issues with dampness/ dry/wet/rot	6
Issues with electrics/ heating	4
Insufficient information	3
Cost/too high	2
Issues with asbestos	2
Issues with garden/trees	2
Birds'/wasps'/nest	2
The report was not useful/helpful	2
Other	7
No answer	3
Not stated	3

B24. Did the Home Report property questionnaire identify any outstanding legal issues with the home you sold? (Legal issues could include problems such as local authority statutory notices, building works completed without planning permission, boundary disputes etc.)		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim review (455)	5 Year (458)
Yes	3	5
No	95	90
Don't know	1	4
Not stated	1	*

B25. Do you think the Home Report helped to improve the speed with which these issues were resolved?		
<i>Base: All who had outstanding legal issues</i>	%	
	Interim Review	5 Year
	(455)	(25**)
Yes	27	36
No	56	60
Don't know	15	4
Not stated	1	-

(** Treat % figures with caution as base is very small)

B26. Did you have any repairs or replacements made prior to marketing this home as a result of issues identified in the Home Report?	
<i>Base: all those who used a Home Report when selling their house (458)</i>	%
Yes, those requiring urgent repair or replacement (category three repairs)	5
Yes, repairs or replacement requiring future attention (category two repairs)	13
No, I did not have any of the identified repairs or replacements made	30
No, no issues were identified	52
Don't know	*
Not stated	1

B27. What did you pay to get the repair or replacement work done?	
<i>Base: All those who carried out repairs or identified in the Home Report (77*)</i>	%
Up to £100	29
£100 - £250	21
£251 - £500	14
£501 - £750	6
£751 - £1,000	4
Over £1,000	10
Don't know/remember	12
Not stated	4

B28. Did you have any work done after the sale was negotiated or did you agree a reduced price due to issues identified in the Home Report?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
Yes, carried out work	3	5
Yes, agreed a reduced price	4	4
No, neither	91	86
Don't know	1	1
Not stated	1	4

B29. Are you aware of any repairs needed that were not picked up by the Home Report?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
Yes	7	9
No	88	83
Don't know	1	6
Not stated	1	1

B30. Did these repairs require...?	
<i>Base: all those who had repairs that were not picked up by the Home report (42*)</i>	%
Urgent repair and replacement (category three repairs)	19
Future attention (category two repairs)	83

B31. Did you make energy performance improvements to this home prior to the sale, as a result of issues identified in the Home Report?		
<i>Base: all those who used a Home Report when selling their house</i>	%	
	Interim Review	5 year
	(455)	(458)
Yes	19	6
No	80	92
Don't know	*	1
Not stated	*	2

B32. Which of the following energy performance improvements did you make?	
<i>Base: all those who made energy performance improvements (26**)</i>	<i>Number of respondents</i>
Reduce draughts (e. g. double or secondary glazing, insulated doors)	5
Improve the insulation (e. g. loft or other roof insulation, wall insulation, floor insulation)	16
Improve heating system performance or control (replace an older heating system or boiler with a more efficient one)	8
Install alternative energy sources (biomass boiler, solar photovoltaic (PV) panels, wind turbine)	1
Used energy-efficient light bulbs	7
Other	-

B33. Did the changes that you made improve the energy efficiency rating of this home?	
<i>Base: All those who made energy performance improvements (26**)</i>	<i>Number of respondents</i>
Yes	19
No	-
Don't know	7
Not stated	-

B34. What did you pay to get these energy performance improvements made?	
<i>Base: all those who made energy performance improvements (26**)</i>	%
Up to £100	15
£100 - £250	12
£251 - £500	8
£501 - £750	-
£751 - £1,000	4
Over £1,000	38
Don't know/remember	19
Not stated	4

B35. Was another survey/valuation/Home Report refresh commissioned for any purpose?		
<i>Base: All those who used a Home Report when selling their house</i>	%	
	Interim Review	5 Year
	(455)	(458)
Yes	9	30
No	90	66
Don't know	*	3
Not stated	*	1

B36. How long had this home been on the market when you had a survey/valuation/refresh?		
<i>Base: All who had more than one survey commissioned for their property</i>	%	
	Interim Review	5 Year
	(36*)	(139)
Less than 1 month	23	8
1 - 3 months	23	13
4 - 6 months	38	32
7 - 12 months	*	24
Over a year	*	22
Not stated	-	1

B37. Was this because an offer was made on this home?	
<i>Base: All who had more than one survey commissioned for their property (139)</i>	%
Yes	80
No	19
Not stated	1

B38. What type of survey, valuation or refresh was commissioned?	
<i>Base: all who had more than one survey commissioned for their property (139)</i>	%
Mortgage valuation report	19
Refresh of the seller's Home Report using the same surveyor	73
A full independent Home Report using a different surveyor	5
In-depth survey of a specific issue (e. g. damp, dry rot)	2
Not stated	1

B39. What was the main reason another survey or valuation was commissioned?	
<i>Base: All who had more than one survey commissioned for their property (139)</i>	%
For mortgage/lending purposes	59
There was concern that the Home Report was not reliable	4
More details were required than were given in the original Home Report	5
Buyer requested the survey	1
Original expired/over one year old/out of date/only valid for 3 months	22
Re-marketed with another estate agent	1
Repairs carried out	1
Valuation/too low	1
Other	2
Not stated	4

B40. Who advised that it was necessary to commission another survey, valuation or refresh?		
<i>Base: All who had more than one survey commissioned for their property</i>	%	
	Interim Review	5 Year
	(39*)	(139)
I made the decision	13	3
My selling agent solicitor	*	23
My selling agent estate agent	21	37
My surveyor	*	2
The buyer	54	40
The buyer's lender	-	1
The buyer's solicitor	-	1
Other	-	-
Don't know/don't remember	-	1
No answer	-	1

B41. Who paid for the survey, valuation or refresh?	
<i>Base: all who had more than one survey commissioned for their property (139)</i>	%
I paid for it myself	73
The buyer paid for it	25
Was free of charge	1
Shared with the solicitor	1
Other	-
Don't know	1
No answer	1
Not stated	1

B42. How much did the survey, valuation or refresh cost? If you've had more than one survey/valuation/refresh, please answer about the most recent.	
<i>Base: all who had more than one survey commissioned for their property (139)</i>	%
Up to £200	54
£201 - £300	9
£301 - £400	3
£401 - £500	1
£501 - £600	-
£601 - £700	1
£701 - £800	-
£801 - £1,000	-
Over £1,000	-
Don't know/don't remember	30
Not stated	3

B43. As a result of the survey/valuation/refresh was there any change to the valuation?		
<i>Base: All who had more than one survey commissioned for their property</i>	%	
	Interim Review	5 Year
	(39*)	(139)
Yes	21	22
No	72	71
Don't know	*	6
Not stated	*	1

B44. As a result in the change of valuation, did you change the marketed price?		
<i>Base: all who had another survey with a different valuation than the original Home Report</i>	%	
	Interim Review	5 Year
	(8**)	(30*)
Yes, I increased the marketed price	*	-
Yes, I decreased the marketed price	*	60
No	*	40

B45. Were there any differences noted/recorded to the condition of this home in the survey/valuation/refresh?		
<i>Base: all who had more than one survey commissioned for their property</i>	%	
	Interim Review	5 Year
	(39*)	(139)
Yes	10	18
No	79	76
Don't know	*	6
Not stated	*	-

B46. Did you make any complaints about any aspect of the selling process?	
<i>Base: all those who used a Home Report when selling their house (458)</i>	%
Yes	5
No	92
Not stated	2

B47. Where did you make your complaint?	
<i>Base: all who made a complaint about the selling process (25**)</i>	%
Local Authority Trading Standards Department	-
The Property Ombudsman	4
RICS Professional Conduct Department	-
Scottish Legal Complaints Commission	4
Solicitors Regulatory Authority (SRA)	4
The Office of Fair Trading	-
Estate agent	44
House builder	4
Mortgage company/ mortgage advisor	4
Solicitor	8
Surveyor	20
Other	8

C1. What was your age at your last birthday?	
<i>Base: All respondents (928)</i>	%
16 - 24 years	3
25 - 34 years	25
35 - 44 years	22
45 - 54 years	16
55 - 59 years	8
60 - 64 years	11
65 - 74 years	12
75+ years	3
Rather not say	*
Not stated	2

C2 Which statement best describes your current working status?	
<i>Base: All respondents (928)</i>	%
Working - 30 hours or more a week (full time)	59
Working - 8 - 29 hours a week (part time)	12
Not working - looking after the home	4
Not working - unemployed	*
Not working - retired	21
Not working - student	*
Not working - long-term illness/disability	1
Other	1
Not stated	2

C3. How many people aged 16 or over live in your household?	
<i>Base: All respondents (928)</i>	%
1	23
2	66
3	5
4	2
5+	*
Not stated	3

C4. And how many people aged 15 years or younger live in your household?	
<i>Base: All respondents (928)</i>	%
1	14
2	12
3	3
4	*
5+	*
None	66
Not stated	5

C5. What is your household's total income from all sources (before tax) over the last 12 months? (This should include any earnings, pensions, benefits, tax credits, grants, and interest from savings etc.)	
<i>Base: All respondents (928)</i>	%
Less than £5,200	*
£5,200 - £10,399	3
£10,400 - £15,599	6
£15,600 - £20,799	8
£20,800 - £25,999	8
£26,000 - £36,399	16
£36,400 - £51,999	18
£52,000 - £77,999	20
£78,000 or more	15
Not stated	7

C6. Would you consider yourself as having any of the following impairments?	
<i>Base: All respondents (928)</i>	%
Visual	4
Hearing	4
Learning disability	*
Mobility - wheelchair user	*
Other mobility impairment	4
Other physical impairment	2
Mental health problem	1
Long-term illness	5
Other degenerative condition	3
Other	1
No, none	78
Refused	1
Not stated	6

APPENDIX C- BUYERS/SELLERS FOLLOW UP INTERVIEWS DISCUSSION GUIDE

INTERNAL USE ONLY 14-029755-01 Five year review of the Home Report – General public topic guide Standard version FINAL

Introduction

- Introduce self and Ipsos MORI.
- Thank participant for taking part and for their time.
- Explain that the interview will take 20-30 minutes.
- Explain background to the research – aims to investigate how the Home Report has performed over its first five years of operation. During this interview we will explore your views and experiences of the home report.
- Emphasise confidentiality and anonymity
- Ask permission to record.

Warm up

- First of all, can I just confirm that you have bought or sold a property in the last two years?
- Could you tell me a little bit about the property you most recently purchased and why you bought it?

PROBE FOR: type of property, age of property, condition of property when purchased, type of purchase (first time buyer?), is it a listed property? etc.

- Where did you get advice from when purchasing your current home?
PROBE FOR: legal advice? financial advice? house-hunting advice?

Looking for a property

First of all, I would like to ask about the your most recent property purchase and how you used the Home Report as a home-buyer.

The next three questions are about the process of finding a property in general, not just the home that you eventually purchased

- Before you started looking for a property, how much, if anything, did you know about the Home Report?
- How much impact did the Home Report have on the decisions you made when in the process of buying your current home?
IF NOT COVERED
 - At what point did you get a Home Report for a property?
 - Did it have an effect on whether you went to view a property?
 - Did it have an influence on whether you made an offer on a property?
 - What about the property you eventually purchased?

PROBE FOR: examples of properties they did/didn't pursue because of information in the Home Report, which part(s) of the Home Report had the most influence

- What did the process of accessing a Home Report involve?
PROBE FOR: Costs, format, timings etc. Any issues/problems?

I now want you to think about the property you actually purchased and the Home Report that was provided for it

- To what extent did you think the information within the Home Report was...
 - a) Complete? - What was missing? How important was this information?
 - b) Reliable? - Why do you say that? What was inaccurate? Did anything need to be revised?
 - c) Useful? – What was the impact on decision to buy, did it affect price negotiations?

PROBE FOR A-C: single survey (including repairs), property questionnaire, valuation, energy report, if listed property probe on info available related to this. Why is that?

- What about the section on accessibility...
 - was there enough information? Why do you say that?
 - was the information correct? Why do you say that?
 - was the information helpful? Why do you say that?
- How did the information in the Home Report affect your level of confidence in the buying process as a whole? Why was that?

ONLY ASK IF THE SURVEY INDICATES THE RESPONDENT SOUGHT FURTHER ADVICE ON THE HOME REPORT

- What advice did you seek about the contents of the Home Report?

IF NOT COVERED:

- Why?
- Who did you speak to?
- Was the advice in agreement with the Home Report?

ONLY ASK IF THE SURVEY INDICATES THE RESPONDENT COMMISSIONED A FURTHER SURVEY OR VALUATION REPORT

- What other surveys or valuation reports were commissioned for the property?

PLEASE ENSURE YOU PROBE FULLY

IF NOT COVERED:

- What type of survey was this? A Home Report refresh, or something else?
- Why was it commissioned? What stage of the buying process were you at?
- Who told you that an additional survey/valuation was needed? Was it a suggestion or a requirement?
- How much was the new survey/valuation? Who paid for it? What of that was fees?
- Was it the same surveyor or a different surveyor?
- Was the new survey in agreement with the Home Report? What was different about it? What reasons were given for the difference? Were you able to talk to anyone about it?
- Was the new valuation in agreement with the Home Report? Was it higher or lower? How big was the difference? What reasons were given for the difference? Were you able to talk to anyone about it?

Selling your home

First of all I would like to ask about the process of selling your home.

- Could you tell me a little bit about the property you most recently sold and why you sold it?
- Can you just tell me a little bit about the process of selling your home?
PROBE ON: Who was involved? How long was it on the market? Were any changes made to the way it was marketed – why?

- To what extent did the cost of the Home Report impact on your decision to sell your property in the first place? What about the other costs and fees associated with putting your home up for sale?
PROBE ON: what were costs for and how much?
- What did the process of getting a Home Report involve?
PROBE ON: who commissioned? who carried out? did you shop around for a surveyor – why was that? cost of HR/valuation?
- What issues, if any, did you encounter when getting your Home Report?
PROBE ON: What happened? Who was involved? How was this resolved?
- To what extent did you think the information within the Home Report was...
 - a) Complete? - What was missing? How important was this information?
 - b) Reliable? - Why do you say that? What was inaccurate? Did anything need to be revised?
 - c) Useful? – What was the impact on decision to sell, did it affect price negotiations?

PROBE FOR A-C: single survey (including repairs), property questionnaire, valuation, energy report. Why is that?

IF NOT ALREADY COVERED:

- How easy or difficult was it to complete the required information in the property questionnaire?
PROBE ON: was there any information you didn't know? Was there any information you didn't want to give – why was that? Did you think this would affect the sale of your property? What did you do?
- How did the information in the Home Report affect your level of confidence in the selling process? Why was that?

ASK IF THE SURVEY INDICATES THE RESPONDENT DISAGREED WITH INFORMATION IN THE HOME REPORT OR IF THEY INDICATE THERE WAS MISSING OR INACCURATE INFORMATION EARLIER IN THE DISCUSSION

- To what extent did you agree with the contents of the Home Report? Can you tell me a little bit about the situation?

IF NOT COVERED:

- What was the information you disagreed with?
- Why did you disagree?
- What did you do about it? Did you ask for a revision to the Home Report?
- Was the issue resolved?

ONLY ASK IF THE SURVEY INDICATES THE RESPONDENT COMMISSIONED A FURTHER SURVEY OR VALUATION REPORT

- What other surveys or valuation reports were commissioned for the property?

IF NOT COVERED:

- What type of survey was this? A Home Report refresh, or something else?
- Why was it commissioned? What stage of the buying process were you at?
- Who told you that an additional survey/valuation was needed? Was it a suggestion or a requirement?
- How much was the new survey/valuation? Who paid for it? What of that was fees?
- Was it the same surveyor or a different surveyor?
- Was the new survey in agreement with the Home Report? What was different about it? What reasons were given for the difference? Were you able to talk to anyone about it?
- Was the new valuation in agreement with the Home Report? Was it higher or

lower? How big was the difference? What reasons were given for the difference? Were you able to talk to anyone about it?

Summing up

- Overall, how positive or negative was your experience of using Home Reports? Why do you say that?
- How much influence did the Home Report have on the price you offered/accepted for the property you bought/sold?
- What changes/improvements would you like to see to the Home Report?

IF NOT COVERED:

- What other information would you like to see in the Home Report?
PROBE ON: Why? Are you interested in that as a buyer or a seller?
- Is there anything else you would like to add to the discussion, that we haven't already covered?

Thank and close.

APPENDIX D- EXIT SURVEY WITH PROSPECTIVE BUYERS AND SELLERS QUESTIONNAIRE

Five Year Review of the Home Report Potential Buyer/ Seller Survey – FINAL version

Good morning/afternoon/evening. My name is from Ipsos MORI, the independent research organisation, and we are working with Rettie & Co to carry out some research for the Scottish Government. The research is about your knowledge of and views about the Home Report. It should take around 5-6 minutes.

I would like to assure you that all the information we collect will be kept in the strictest confidence, will only be seen by the researchers at Ipsos MORI, Rettie & Co. and the Scottish Government, and used for research purposes only. It will not be possible to identify any particular individual in the results.

Gender SINGLE CODE ONLY

Male Female

Age SINGLE CODE ONLY

- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65+
- Refused

Exact age

--	--

Working Status of Respondent: SINGLE CODE ONLY

- Working** - Full time (30+ hrs)
- Part-time (9-29 hrs)
- Unemployed**
- Not working** – retired
- looking after house/children
- invalid/disabled
- Student
- Other
- Refused

Interviewer Declaration

I confirm that I have carried out this Interview face-to-face with the named person of the address attached and that I asked all the relevant questions fully and recorded the answers in conformance with the survey specification and within the MRS Code of Conduct and the Data Protection Act 1998.

Signature:

Interviewer Name (CAPS):.....

Sample point no:

--	--	--

Interviewer Number:

	-					
--	---	--	--	--	--	--

Day of Interview 1 2 3 4 5 6 7
(Mon (Sun)

Date of Interview:

--	--

 /

--	--

 /14

INTERVIEWER RECORD
EXACT END
TIME AFTER
DEMOGRAPHI
CS

Hours		Mins	

Interview
START TIME

Hours		Mins	

Section 1: Screening questions

Q1 SHOWCARD A **Are you thinking of buying or selling a property within the next 12 months?** SINGLE CODE ONLY

- A Yes – buying a property
B Yes – selling a property
C Yes – both buying and selling
D No – neither buying or selling

IF NEITHER THINKING OF BUYING OR SELLING A HOUSE IN THE NEXT 12 MONTHS (CODE D), THANK AND CLOSE

Q2 **Have you bought or sold a property within the last 5 years?** SINGLE CODE ONLY

- A Yes
B No

Section 2: Potential buyers

ASK IF THINKING OF BUYING A PROPERTY IN THE NEXT 12 MONTHS (CODE A OR C AT Q1), ELSE GO TO Q16

Q3 SHOWCARD B **You said you were thinking of buying a property within the next 12 months, what type of purchase will this be?** SINGLE CODE ONLY

- A A first time home purchase
B A buy to let property
C A purchase after selling my previous home
D A second or holiday home purchase
E Other

Q4 SHOWCARD C **What stage would you say you are at in the buying process?** MULTICODE OK

- A I am at the browsing stage (e.g. looking online or at an estate agents, property centre or solicitor)
B I am viewing properties
C I am checking Home Reports on properties
D I have talked with a mortgage broker
E I have placed an offer
F I am finalising paperwork

Q5 SHOWCARD D **How much do you know about Home Reports?** SINGLE CODE ONLY

- A I know what is covered in a Home Report in detail
B I know what is covered in a Home Report but not in detail ASK Q6
C I know what a Home Report is used for but I do not know what it covers
D I have heard Home Reports but know nothing about them
E I have never heard of Home Reports GO TO Q13
F Don't know

Section 3: Potential buyers who are aware of the Home Report

ASK IF AWARE OF THE HOME REPORT (CODE A-C AT Q5), ELSE GO TO Q13

Q6 SHOWCARD E **Who do you think is responsible for getting a Home Report completed?**
SINGLE CODE ONLY

- A The buyer C Other, please state
- B The seller D Don't know

Q7 SHOWCARD F **What impact do you think the Home Report has had on your level of confidence in the buying process?** SINGLE CODE ONLY

- A It has increased my confidence
- B It has made no difference ASK Q8
- C It has decreased my confidence
- D I have not looked at a Home Report yet GO TO Q16
- E Don't know

IF CODE D OR E AT Q7, GO TO Q16, ELSE GO TO Q8

Q8 **In your search for a property, how many Home Reports have you viewed?** SINGLE CODE ONLY

- A 1
- B 2
- C 3
- D 4
- E 5+
- F None
- G Don't know

ASK IF VIEWED AT LEAST ONE HOME REPORT (CODE A-E AT Q8), ELSE GO TO Q16

Q9 SHOWCARD G **Thinking about the amount of information provided in the Home Report, was it...?**
SINGLE CODE ONLY

- A The right amount
- B Too much information
- C Not enough information
- D Don't know

Q10 What changes, if any, would you like to see to the information provided in the Home Report?

PLEASE WRITE IN BELOW

Q11 SHOWCARD H The single survey includes an audit of accessible features useful for older and disabled people, and parents with young children. How important or unimportant is this information to you when making decisions about the process of buying a property?

SINGLE CODE ONLY

- A Very important
- B Fairly important
- C Neither important nor unimportant
- D Fairly unimportant
- E Very unimportant
- F I was not aware that this information was included in the Home Report
- G I don't know

Q12 SHOWCARD I How much impact has information in the following sections of the Home Report(s) had on the decisions you have made in the process of buying a property?

SINGLE CODE ONLY

	A great deal	A fair amount	Not very much	None at all	Don't Know	Not Present
a) The Single Survey.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) The Energy Report.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) The Property Questionnaire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) The valuation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IF BOTH BUYER AND SELLER (CODE C AT Q1), GO TO Q16. ELSE, THANK AND CLOSE AND COMPLETE DETAILS ON BACK PAGE

Section 4: Potential buyers who are NOT aware of the Home Report

READ OUT STATEMENT AND ASK Q13 TO RESPONDENT IF UNAWARE OF THE HOME REPORT (CODE D-F AT Q5)

Q13 SHOWCARD J - Homes for sale in Scotland have to be marketed with a Home Report, which contains three documents that provide buyers and sellers with better information about the condition and value of homes before an offer to purchase is made.

The Home report is a pack of three documents: a single survey, an energy report and a property questionnaire.

The Single survey contains detailed information about the condition and value of a home as well as an accessibility audit. The Property Questionnaire is completed by the seller of the home, and gives prospective buyers a useful summary of information such as council tax banding, factoring arrangements and alterations made to the home. The final document is the Energy Report which shows the home's energy efficiency rating.

The report is commissioned by, and paid for by the property seller. The Home report will be made available on request to prospective buyers of the property, but you may be charged a small fee.

SHOWCARD K Do you think viewing a Home Report would make you more or less confident about the property buying process? SINGLE CODE ONLY

- A More confident
B Less confident
C Would make no difference
D Don't know

ASK IF MORE OR LESS CONFIDENT BECAUSE OF THE HOME REPORT (CODE A OR B AT Q13), ELSE GO TO Q15

Q14 Why do you say that?
PLEASE WRITE IN BELOW

Q15 SHOWCARD L Who would you go to for advice about the Home Report? MULTICODE OK

- A Estate agent
B Solicitor
C Family/ friends
D Surveyor
E No-one
F Other
G Don't know

IF ALSO THINKING OF SELLING A HOUSE IN THE NEXT 12 MONTHS (CODE C AT Q1), GO TO Q16, ELSE THANK AND CLOSE AND COMPLETE DETAILS ON BACK PAGE

Section 5: Potential sellers

ASK IF THINKING OF SELLING IN THE NEXT 12 MONTHS (CODE B OR C AT Q1), ELSE THANK AND CLOSE AND COMPLETE DETAILS ON BACK PAGE

Q16 SHOWCARD M You said you were thinking of selling a property within the next 12 months, what stage would you say you are at in the selling process? MULTICODE OK

- A I am at the thinking stage
B I have talked with an estate agent (or property centre/solicitor)
C I have commissioned a Home Report
D The property is on the market
E I am considering offers
F I have accepted an offer

Q17 SHOWCARD N **How much do you know about Home Reports?** SINGLE CODE ONLY

- A I know what is covered in a Home Report in detail
- B I know what is covered in a Home Report but not in detail ASK Q18
- C I know what a Home Report is used for but I do not know what it covers
- D I have heard Home Reports but know nothing about them
- E I have never heard of Home Reports GO TO Q30
- F Don't know

IF CODE A-C AT Q17, CONTINUE
IF CODE D-F AT Q17, GO TO Q30

Section 6: Potential sellers who are aware of the Home Report

ONLY ASK IF AWARE OF THE HOME REPORT AND THINKING OF SELLING ONLY, NOT BUYING (CODE A OR B OR C AT Q17 AND CODE B AT Q1), ELSE GO TO Q19

Q18 SHOWCARD O **Who do you think is responsible for commissioning a Home Report?** SINGLE CODE ONLY

- A The buyer
- B The seller
- C Other, please state
- D Don't know

Q19 **Have you commissioned a Home Report for the sale of this property?** SINGLE CODE ONLY

- A Yes
- B No
- C Don't know

ASK IF THEY HAVE NOT COMMISSIONED A HOME REPORT FOR THEIR PROPERTY (CODE B OR C AT Q19), ELSE GO TO Q22

Q20 SHOWCARD P **How much would you expect to pay for a Home Report on your property?** SINGLE CODE ONLY

- A Up to £200
- B £201 - £300
- C £301 - £400
- D £401 - £500
- E £501 - £600
- F £601 - £700
- G £701 - £800
- H £801 - £1,000
- I Over £1,000
- J Don't know/don't remember

Q21 SHOWCARD Q **A Home Report typically costs the seller between £300 and £800. To what extent would the cost of the Home Report deter you from putting your property on the market?** SINGLE CODE ONLY

- A A lot
- B A little
- C Not at all
- D Don't know

THANK AND CLOSE AND COMPLETE DETAILS ON BACK PAGE

ASK IF THEY HAVE COMMISSIONED A HOME REPORT (CODE A AT Q19), ELSE THANK AND CLOSE

Q22 SHOWCARD R **How much did you pay for a Home Report on your property?** SINGLE CODE ONLY

- | | | | | | |
|---|--------------------------|-------------|---|--------------------------|---------------------------|
| A | <input type="checkbox"/> | Up to £200 | F | <input type="checkbox"/> | £601 - £700 |
| B | <input type="checkbox"/> | £201 - £300 | G | <input type="checkbox"/> | £701 - £800 |
| C | <input type="checkbox"/> | £301 - £400 | H | <input type="checkbox"/> | £801 - £1,000 |
| D | <input type="checkbox"/> | £401 - £500 | I | <input type="checkbox"/> | Over £1,000 |
| E | <input type="checkbox"/> | £501 - £600 | J | <input type="checkbox"/> | Don't know/don't remember |

Q23 SHOWCARD S **Did the results of the Home Report affect your decision to put your property on the market?** SINGLE CODE ONLY

- | | | | | | |
|---|--------------------------|--|---|--------------------------|---------------------------|
| A | <input type="checkbox"/> | Yes, it made me unsure about the decision to sell my property | C | <input type="checkbox"/> | No, it made no difference |
| B | <input type="checkbox"/> | Yes, it made me more sure about the decision to sell my property | D | <input type="checkbox"/> | Don't know |

ASK IF THE HOME REPORT AFFECTED THEIR DECISION TO PUT THE PROPERTY ON THE MARKET (CODE A OR B AT Q23), ELSE GO TO Q25

Q24 **Why do you say that?** PLEASE WRITE IN BELOW

Q25 **Did the Home Report highlight any repairs or replacements needed on your property?** SINGLE CODE ONLY

- | | | | | | |
|---|--------------------------|------------|---|--------------------------|----|
| A | <input type="checkbox"/> | Yes | B | <input type="checkbox"/> | No |
| C | <input type="checkbox"/> | Don't know | | | |

ASK IF THE HOME REPORT HIGHLIGHTED ANY REPAIRS NEEDED ON THE PROPERTY (CODE A AT Q25), ELSE GO TO Q27

Q26 SHOWCARD T **Have you completed these repairs?** SINGLE CODE ONLY

- | | | |
|---|--------------------------|------------------------|
| A | <input type="checkbox"/> | Yes |
| B | <input type="checkbox"/> | No, but I intend to |
| C | <input type="checkbox"/> | No, I do not intend to |
| D | <input type="checkbox"/> | Don't know |

Q27 SHOWCARD U **Did the Home Report affect the price you thought you would market your property at? SINGLE CODE ONLY**

- A Yes, I increased the price
B Yes, I decreased the price
C No, it made no difference
D Don't know

Q28 SHOWCARD V **How did the information in the Home Report affect your level of confidence in the selling process? SINGLE CODE ONLY**

- A It made me more confident
B It made me less confident
C It had no effect
D Don't know

Q29 SHOWCARD W **Thinking about the amount of information provided in the Home Report, was it...? SINGLE CODE ONLY**

- A The right amount
B Not enough information
C Too much information
D Don't know

THANK AND CLOSE AND COMPLETE DETAILS ON BACK PAGE

Section 7: Potential sellers who are NOT aware of the Home Report

READ OUT STATEMENT AND ASK Q30 OF POTENTIAL SELLERS WHO ARE NOT AWARE OF THE HOME REPORT (CODE D-F AT Q17)

Q30 SHOWCARD X **Homes for sale in Scotland have to be marketed with a Home Report, which contains three documents that provide buyers and sellers with better information about the condition and value of homes before an offer to purchase is made.**

The Home report is a pack of three documents: a single survey, an energy report and a property questionnaire.

The Single survey contains detailed information about the condition and value of a home as well as an accessibility audit. The Property Questionnaire is completed by the seller of the home, and gives prospective buyers a useful summary of information such as council tax banding, factoring arrangements and alterations made to the home. The final document is the Energy Report which shows the home's energy efficiency rating.

The report is commissioned by, and paid for by the property seller. The Home report will be made available on request to prospective buyers of the property.

SHOWCARD Y **Do you think viewing a Home Report would make you more or less confident in the property selling process? SINGLE CODE ONLY**

- A More confident
B Less confident
C Would have no affect
D Don't know

ASK IF HOME REPORT WOULD CHANGE CONFIDENCE LEVEL (CODE A OR B AT Q31), ELSE GO TO Q32

Q31 Why do you say that? PLEASE WRITE IN BELOW

Q32 SHOWCARD Z Who would you seek advice from about the Home Report? MULTICODE OK

- A Estate agent
- B Solicitor
- C Family/ friends
- D Surveyor
- E No-one
- F Other
- G Don't know

Q33 SHOWCARD AA After hearing about the Home Report, do you think it would make you more or less likely to market your property?

SINGLE CODE ONLY

- | | |
|--|---|
| A <input type="checkbox"/> More likely | C <input type="checkbox"/> Would have no impact |
| B <input type="checkbox"/> Less likely | D <input type="checkbox"/> Don't know |

ASK IF HOME REPORT WOULD MAKE THEM MORE OR LESS LIKELY TO MARKET PROPERTY (CODE A OR B AT Q33), ELSE THANK AND CLOSE

Q34 Why do you say that?
PLEASE WRITE IN BELOW

Q35 SHOWCARD BB A Home Report typically costs between £300 and £800. To what extent would the cost of the Home Report deter you from putting your property on the market?
SINGLE CODE ONLY

- | | |
|-------------------------------------|---------------------------------------|
| A <input type="checkbox"/> A lot | C <input type="checkbox"/> Not at all |
| B <input type="checkbox"/> A little | D <input type="checkbox"/> Don't know |

APPENDIX E- PROSPECTIVE BUYERS AND SELLERS SURVEY TOPLINE RESULTS

5 Year Review of the Home Report Prospective buyers and sellers topline results

Results are based on a survey of 133 respondents conducted using exit face to face survey. The survey was conducted between 4 October and 9 November 2014.

An asterisk (*) indicates a percentage of less than 0.5% but greater than zero. Where percentages do not add up to 100, this may be due to computer rounding, multiple responses, or the exclusion of don't know categories.

Asterisks on bases (**/*) highlight small/very small base sizes. Where base sizes are too small, actual figures have been reported rather than percentages.

Q1. Are you thinking of buying or selling a property within the next 12 months?	
<i>Base: All respondents (133)</i>	%
Yes- buying a property	49
Yes- selling a property	11
Yes- both buying and selling	41
No-neither buying nor selling	-
Not stated	-

Q2. Have you bought or sold a property in the last 5 years?	
<i>Base: All respondents (133)</i>	%
Yes	28
No	47
Not stated	26

Q3. You said you were thinking of buying a property within the next 12 months; what type of purchase will this be?	
<i>Base: potential buyers (119)</i>	%
A first time home purchase	13
A buy-to-let property	10
A purchase after selling my previous home	52
A second or holiday home purchase	5
Other	19
Not stated	-

Q.4 What stage would you say that you are at in the buying process?	
<i>Base: potential buyers (119)</i>	%
I am at the browsing stage (e.g. looking online or at an estate agent's property centre/solicitor)	57
I am viewing properties	41
I am checking Home Reports on properties	17
I have talked with a mortgage broker	2
I have placed an offer	8
I am finalising paperwork	5
Not stated	2

Q.5 How much do you know about Home Reports?	
<i>Base: potential buyers (119)</i>	<i>%</i>
I know what is covered in a Home Report in detail	50
I know what is covered in a Home Report but not in detail	25
I know what a Home Report is used for but I do not know what it covers	8
I have heard of Home Reports but know nothing about them	14
I have never heard of Home Reports	3
Don't know	-
Not stated	1

Q6. Who do you think is responsible for getting a Home Report completed?	
<i>Base: potential buyers who are aware of the Home Report (98*)</i>	<i>Actual</i>
The buyer	-
The seller	95
Other	1
Don't know	2
Not stated	-

Q7. What impact do you think the Home Report has had on your level of confidence in the buying process	
<i>Base: potential buyers who are aware of the Home Report (98*)</i>	<i>Actual</i>
It has increased my confidence	38
It has made no difference	21
It has decreased my confidence	4
I have not looked at a home report yet	35
Don't know	-
Not stated	-

Q8. In your search for a property, how many Home Reports have you viewed?	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
1	5
2	9
3	6
4	4
5+	39
None	-
Don't know	-
Not stated	-

Q9. Thinking about the information provided in the Home Report, was it...?	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
The right amount	30
Too much information	9
Not enough information	17
Don't know	6
Not stated	1

Q10. What changes, if any, would you like to see to the information provided in the Home Report?	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
More detailed/comprehensive information regarding the condition of the property (single survey)	8
A more professional/ accountable single survey	6
More comprehensive/ in-depth information in the Home Report	6
More concise information in the Home Report	6
More basic/ simple/ clear information, less jargon in Home Report	5
More accurate/ reliable/ honest information regarding condition of fixture/ fittings (single survey)	4
Fewer disclaimers/ unable to access certain areas mentions (single survey)	3
More detailed information regarding faults/ repairs (single survey)	3
More professional/ accountable Home Report	2
More structural information/ provide certificates for building work (property questionnaire)	2
Better classification of repairs (single survey)	1
Less of a tick-box exercise (single survey)	1
More accurate/ reliable/ honest Home Report	1
More condensed/ briefer energy report	1
More details of electrical system/ boiler tests/ plumbing etc.	1
The Home Report is of no value/ should be stopped	1
Waste of time	1
Waste of money	1
There should be no changes	7
Other	19
Don't know	4
No answer	1
Not stated	8

Q11. The single survey includes an audit of accessible features useful for older and disabled people, and parents with young children. How important or unimportant is this information to you when making decisions about the process of buying a property.	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
Very important	13
Fairly important	13
Neither important nor unimportant	12
Fairly unimportant	8
Very unimportant	12
I was not aware that this information was included in the Home Report	4
I don't know	-
Not stated	1

Q12. How much impact has the following sections of the Home Report(s) had on the decisions you have made in the process of buying a property?	
A)The single survey	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
A great deal	14
A fair amount	22
Not very much	12
None at all	9
Don't know	5
Not present	-
Not stated	1

Q12. How much impact has the following sections of the Home Report(s) had on the decisions you have made in the process of buying a property?	
B)The energy report	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
A great deal	4
A fair amount	18
Not very much	27
None at all	10
Don't know	2
Not present	-
Not stated	2

Q12. How much impact has the following sections of the Home Report(s) had on the decisions you have made in the process of buying a property?	
C)The property questionnaire	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
A great deal	10
A fair amount	20
Not very much	14
None at all	11
Don't know	7
Not present	-
Not stated	1

Q12. How much impact has the following sections of the Home Report(s) had on the decisions you have made in the process of buying a property?	
D)The valuation	
<i>Base: potential buyers who have looked at a Home Report (63*)</i>	<i>Actual</i>
A great deal	27
A fair amount	21
Not very much	4
None at all	7
Don't know	2
Not present	-
Not stated	2

Q13. (Explanation of Home Report)... Do you think viewing a Home report would make you more or less confident about the property buying process?	
<i>Base: potential buyers who are unaware of the Home Report (21**)</i>	<i>Actual</i>
More confident	5
Less confident	1
Would make no difference	7
Don't know	6
Not stated	2

Q14. Why do you say that?	
<i>Base: potential buyers who think that the Home Report will change their confidence level in the buying process (6**)</i>	<i>Actual</i>
The more information the better	4
Other	2
Not stated	-

Q15. Who would you go to for advice about the Home Report?	
<i>Base: potential buyers who are unaware of the Home Report (21**)</i>	<i>Actual</i>
Solicitor	10
Family/ friends	5
Surveyor	5
Estate agent	3
Don't know	2
Not stated	2

Q16. You said you were thinking of selling a property within the next 12 months; what stage would you say you were in the selling process?	
<i>Base: potential sellers (68*)</i>	<i>Actual</i>
I am at the thinking stage	29
The property is on the market	22
I have talked with an estate agent (or property centre/solicitor)	14
I have commissioned a Home Report	10
I have accepted an offer	4
I am considering offers	-
Not stated	2

Q17. How much do you know about the Home Report?	
<i>Base: potential sellers (68*)</i>	<i>Actual</i>
I know what is covered in a Home Report in detail	35
I know what is covered in a Home Report but not in detail	18
I know what a Home Report is used for but I do not know what it covers	4
I have heard of Home Reports but know nothing about them	7
I have never heard of Home Reports	-
Don't know	2
Not stated	2

Q18. Who do you think is responsible for commissioning a Home Report?	
<i>Base: potential sellers, excluding buyers who are aware of the Home Report (12**)</i>	<i>Actual</i>
The buyer	-
The seller	11
Other	-
Don't know	-
Not stated	1

Q19. Have you commissioned a Home Report for your property?	
<i>Base: potential sellers, excluding buyers who are aware of the Home Report (12**)</i>	<i>Actual</i>
Yes	27
No	28
Don't know	-
Not stated	2

Q20. How much would you expect to pay for a Home Report on your property?	
<i>Base: potential sellers who have not commissioned a Home Report (30*)</i>	<i>Actual</i>
Up to £200	1
£201- £300	2
£301- £400	5
£401- £500	10
£501- £600	4
£601- £700	-
£701- £800	2
£801- £1,000	-
Over £1,000	-
Don't know/ don't remember	4
Not stated	2

Q21. A Home Report typically costs the seller between £300 and £800. To what extent would the cost of the Home Report deter you from putting your property on the market?	
<i>Base: potential sellers who have not commissioned a Home Report (30*)</i>	<i>Actual</i>
A lot	3
A little	5
Not at all	20
Don't know	-
Not stated	2

Q22. How much did you pay for a Home Report on your property?	
<i>Base: potential sellers who have not commissioned a Home Report (30*)</i>	<i>Actual</i>
Up to £200	-
£201- £300	4
£301- £400	4
£401- £500	6
£501- £600	4
£601- £700	2
£701- £800	1
£801- £1,000	1
Over £1,000	-
Don't know/ don't remember	1
Not stated	4

Q23. Did the results of the Home Report affect your decision to put your property on the market?	
<i>Base: potential sellers who have commissioned a Home Report (27**)</i>	<i>Actual</i>
Yes, it made me unsure about the decision to sell my property	5
Yes, it made me more sure about the decision to sell my property	3
No, it made no difference at all	16
Don't know	-
Not stated	3

Q24. Why do you say that?	
<i>Base: potential sellers whose decision to put their home on the market was affected by the Home Report (8**)</i>	<i>Actual</i>
Yes, inaccurate valuation of the properties	2
Had no choice/ had to put the property on the market /property is up for sale	-
Other	7
No answer	-
Not stated	1

Q25. Did the Home Report highlight any repairs or replacements needed on your property?	
<i>Base: potential sellers who have commissioned a Home Report (27**)</i>	<i>Actual</i>
Yes	12
No	11
Don't know	-
Not stated	4

Q26. Have you completed these repairs?	
<i>Base: potential sellers whose Home Report highlighted repairs (12**)</i>	<i>Actual</i>
Yes	5
No, but I intend to	2
No, I do not intend to	4
Don't know	-
Not stated	1

Q27. Did the Home Report affect the price you thought you would market your property at?	
<i>Base: potential sellers who have commissioned a Home Report (27**)</i>	<i>Actual</i>
Yes, I increased the price	2
Yes, I decreased the price	8
No, it made no difference	13
Don't know	-
Not stated	4

Q28. How did the information in the Home Report affect your level of confidence in the selling process?	
<i>Base: potential sellers who have commissioned a Home Report (27**)</i>	<i>Actual</i>
It made me more confident	7
It made me less confident	6
It had no effect	10
Don't know	-
Not stated	4

Q29. Thinking about the amount of information provided in the Home Report, was it... ?	
<i>Base: potential sellers who have commissioned a Home Report (27**)</i>	<i>Actual</i>
The right amount	10
Not enough information	6
Too much information	4
Don't know	2
Not stated	5

Q30. (Explanation of Home Report)... Do you think viewing a Home report would make you more or less confident about the property selling process?	
<i>Base: potential sellers who are unaware of the Home Report (11**)</i>	<i>Actual</i>
More confident	3
Less confident	-
Would have no effect	3
Don't know	-
Not stated	5

Q31. Why do you say that?	
<i>Base: potential sellers who think that the Home Report will change their confidence level in the buying process (3**)</i>	<i>Actual</i>
More information	2
Other	1
Not stated	-

Q32. Who would seek advice from about the Home Report?	
<i>Base: potential sellers who are unaware of the Home Report (11**)</i>	<i>Actual</i>
Solicitor	5
Estate agent	1
Surveyor	1
Family/ friends	-
Don't know	1
Not stated	5

Q33. After hearing about the Home Report, do you think it would make you more or less likely to market your property?	
<i>Base: potential sellers who are unaware of the Home Report (11**)</i>	<i>Actual</i>
More likely	1
Less likely	-
Would have no impact	4
Don't know	1
Not stated	5

Q34. Why do you say that?	
<i>Base: potential sellers who are unaware of the Home Report (1**)</i>	<i>Actual</i>
Other	-
Not stated	1

Q35. A Home Report costs between £300 and £800. To what extent would the cost of the Home Report deter you from putting your property on the market?	
<i>Base: potential sellers who are unaware of the Home Report (11**)</i>	<i>Actual</i>
A lot	-
A little	1
Not at all	3
Don't know	-
Not stated	7

APPENDIX F- LIST OF PARTICIPATING STAKEHOLDERS

Royal Institute of Chartered Surveyors
Energy Saving Trust
National Association of Estate Agents
Law Society of Scotland
Council of Mortgage Lenders
Society of Chief Officers of Trading Standards in Scotland
The Building Societies Association
Chartered Institute of Housing
Association of Local Authority Chief Housing Officers
SPC Scotland
Capability Scotland
Citizens Advice Scotland
The Ombudsman

APPENDIX G- ADVANCED RECRUITMENT LETTER FOR DEPTH INTERVIEWS

July 2014

RESEARCH FOR THE FIVE YEAR REVIEW OF THE HOME REPORT

Dear xx

The Scottish Government has commissioned Rettie & Co and Ipsos MORI to undertake a review of the Home Report; five years on from its introduction. The research is designed to assess the effectiveness of the Home Report within the housing market and evaluate its contribution over the past five years. The research will also review the extent to which the Home Report has met its set objectives during this time.

I am writing to you in the hope that you will agree to participate in a short interview to discuss your experiences of the Home Report. We are keen to speak to a wide range of professionals within the housing industry, in order to ensure that all perspectives are represented. We would therefore be very grateful if you could spare some time to take part.

Fieldwork will take place between 4th August and 26th September and the interview would be conducted at a time which is convenient for you. It can be undertaken either over the telephone or at our Edinburgh office, whichever suits you best.

Please be assured that any comments you make during the interview will be treated in the strictest confidence and you will not be identifiable in any reports that we produce.

You do not need to do anything immediately, as a member of the Ipsos MORI research team will phone you to arrange a suitable date and time for the interview to take place.

If you would prefer not to participate, or if you would like further information about the research, please do not hesitate to contact Carolyn Black at Ipsos MORI on 0131 240 3261 or by email (carolyn.black@ipsos.com). The Project Manager at the Scottish Government is Ruth Whatling, who can be contacted on 0131 244 0427 or Ruth.Whatling@scotland.gsi.gov.uk

Yours sincerely,

Mark Diffley
Research Director, Ipsos MORI Scotland

APPENDIX H - ADVANCED RECRUITMENT LETTER FOR FOCUS GROUPS

Dear XX

The Scottish Government has commissioned Ipsos MORI and Rettie & Co to conduct the 5-year review of the Home Report.

This important research will inform Ministers about the operation of the Home Report and provide advice on its future direction.

The review will examine how the Home Report has performed over the past five years and has five key objectives.

1. Explore the awareness, knowledge and understanding of the Home Report, and specifically the three documents that make up the Home Report, among buyers, sellers and industry professionals.
2. Examine how the Home Report works in practice and how it affects the house buying and selling process.
3. Examine whether the Home Report is meeting its original objectives and consider whether these objectives are still appropriate.
4. Assess whether the Home Report structure works across the housing cycle as a whole by investigating the benefits and costs it has in different market conditions.
5. Identify any wider impacts of the Home Report on the housing market.

As part of this research, we are conducting a series of focus groups with industry professionals and would like to invite you along to one of these meetings. We are hosting a focus group of solicitors at **12.30pm on Thursday 25th September 2014**. This will be held in the offices of Rettie & Co at 147 Bath Street, Glasgow G2 4SQ. If you are not able to attend, a suitable representative from your company can take your place. Numbers are limited to one per company.

The group will consist of six to ten individuals from a number of Glasgow solicitors. Lunch will be provided and we anticipate the event lasting around one hour. The Scottish Government will not be represented as we want to have as full and frank discussion as possible on the issues above and any other relevant matters. Although evidence gathered will be used in reporting, responses will be treated in confidence and no comments will be attributed to any identifiable person in reporting. If you are able to attend, please let me know by Friday 19th September on 0131 240 3261 or at Carolyn.black@ipsos.com.

Yours sincerely,

APPENDIX I - DEPTH INTERVIEW AND FOCUS GROUP DISCUSSION GUIDE

INTERNAL USE ONLY 14-029755-01 Five year review of the Home Report - Stakeholder topic guide Standard version FINAL

Introduction

- Introduce self and Ipsos MORI.
- Thank participant for taking part and for their time.
- Explain that the interview will take 20-30 minutes.
- Explain background to the research – aims to investigate how the Home Report has performed over its first five years of operation. During this interview we will explore your views and experiences of the home report.
- Emphasise confidentiality
- Explain that while the research is anonymous, i.e. the individual will not be named and their organisations will not be named, there is a small chance that other stakeholders in the industry may be able to identify them through their comments. We will anonymise any findings that could be identifiable (e.g. removing place names) and let participants know we will exclude any comments from the report if they are not comfortable for us to include them.
- Ask permission to record.

Overall views of the Home Report and its objectives

To begin with, we are going to talk about the how the Home Report has been performing and whether it is meeting its original objectives.

- Could you please tell me a little bit about how you use the Home Report within your role? What about your organisation as a whole?
IF NOT COVERED. What does your role involve? Do you mainly deal with buyers or sellers?
- Which aspects of the Home Report work particularly well?
IF NOT COVERED. What about... a) the single survey b) the property questionnaire c) the energy report d) the valuation
 - PROBE for each issue raised – What is it about that aspect that works well? Why do you say that?
- And what aspects do not work well?
IF NOT COVERED. What about... a) the single survey b) the property questionnaire c) the energy report d) the valuation
 - PROBE for each issues raised – What is it about that aspect that does not work? Why do you say that?
- What about the information collected on accessibility...
 - Is it collected in sufficient detail?
 - Is it accurate?
 - How useful is it?

- Have you dealt with any complaints about the Home Report?
IF YES. What was the complaint about? Was it resolved? How was it resolved?
- In your opinion, how successful has the Home Report been in meeting its original objectives?
Probe on:
 - impact on improving the quality of the housing stock
 - impact on addressing the issues of multiple buyers commissioning surveys for one property, and buyers having to commission surveys for every property they are interested in
 - impact on addressing the issue of artificially low asking prices
- What impact has the introduction of the Home Report had on the housing market? Anything else?
- How have changes in the housing market affected the way the Home Report is used?
 - In which market conditions are the HR most/least useful?

Practicalities and procedures

I'd now like to ask about the Home Report and the impact it may have had on the way your organisation works day to day...

- What impact has the introduction of the Home Report had on your organisations internal procedures and processes?
 - *IF NOT COVERED.* What about... paying for HRs, marketing homes with HRs, providing customer access to HRs, engaging with other professionals, changes to timescales
 - PROBE: positive/negative impact?
 - PROBE: would this differ in different market conditions?
 - PROBE: issues around non-compliance - who was involved?

Other survey and valuation reports

Data from the interim one year review report suggests that a third of buyers are still commissioning further surveys or valuation reports in addition to the Home Report.

- To what extent is this still happening?
- What is the main reason for commissioning a further survey or valuation report? What other reasons are there? Anything else?
 - PROBE: lack of confidence in HR, lack of understanding of HR, require additional information, lender requires it?
- Who is it that usually initiates a further survey or valuation report?
 - Who else provides clients with advice in this issue?

Improvements

And finally...

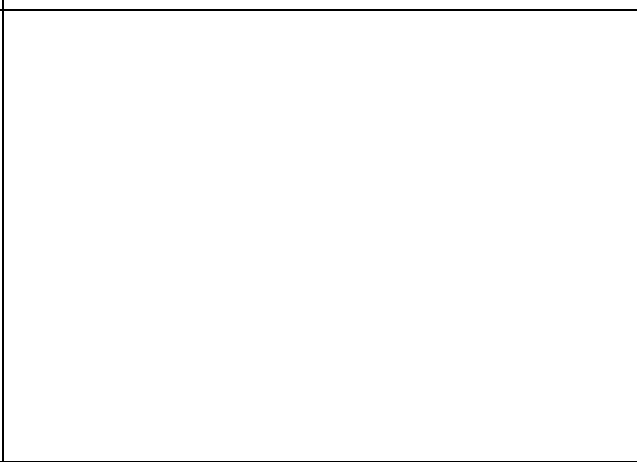
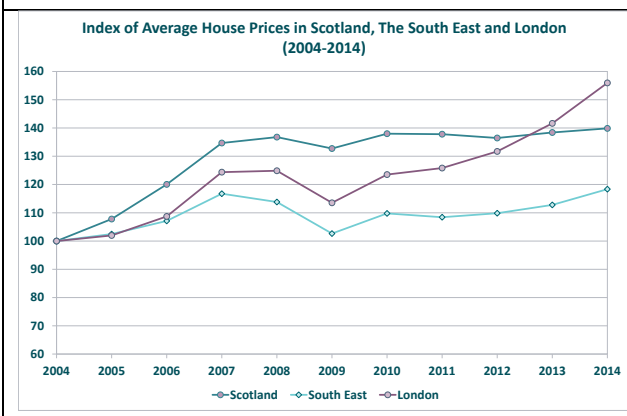
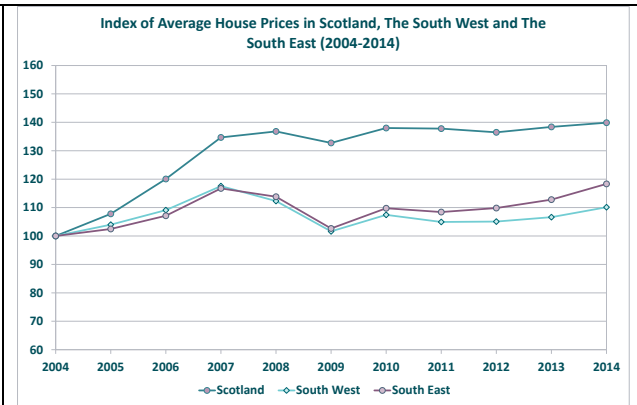
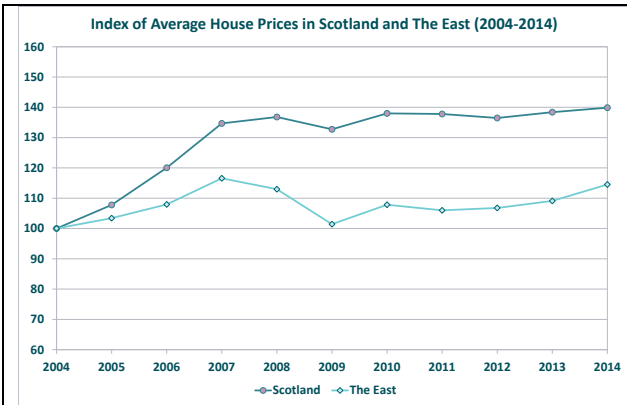
- What are the main ways in which you feel that the Home Report could be improved? Anything else?
 - PROBE: what about improving processes e.g. speeding up processes, reducing costs?
 - What about improving the content e.g. including further information, such as rental costs, flooding, Japanese Knotweed and radon, or removing information that isn't used?
 - What impact are these improvements likely to have?
- Are the current Home Report objectives still relevant? (If necessary, read out existing objectives)
 - IF NOT - what new objectives, if any, should be set instead?
- Is there anything else you would like to add to the discussion, that we haven't already covered?

Thank and close.

APPENDIX J- LAND REGISTRY GRAPHS



Source: Land Registry and Registers of Scotland



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