



Office of the
Deputy Prime Minister

Creating sustainable communities

HOME INFORMATION PACKS

Government Proposals

**CoPSO Annual Conference
7 December 2005**

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Office of the Deputy Prime Minister**



“There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success than the introduction of a new order of things, because the innovator has for enemies all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new.”



Why we need HIPs

- **At least £350 million is lost every year through failed transactions**
- **Under the current system buying and selling a home is incredibly stressful**
- **HIPs will provide EVERYONE with information up-front, creating more secure and better informed transaction chains, that are less likely to break down**
- **Consumers will have a clear picture of what they are buying/selling**
- **HIPs offer a better deal for consumers and the property industry alike, they are the product of Government working in close partnership with industry**



How will HIPs work?

- **From 1 June 2007 consumers will need a Home Information Pack before marketing a property – including a Home Condition Report (HCR)**
- **Qualified Home Inspectors will prepare the HCR and log them onto a database**
- **Estate agents, solicitors, surveyors, lenders and a variety of other bodies will offer consumers a pack provider service**
- **Databases will hold the HCR and a register of approved Home Inspectors**
- **Government approved certification scheme/s will archive this data**



What will HIPs achieve?

Home information packs will transform the home buying and selling process by injecting much needed transparency into the market place.

The packs will:

- **bring together key information about a property's condition, energy efficiency and ownership, before homes are marketed**
- **deliver real benefits to those buying and selling homes in England and Wales and help to re-shape the housing market**



Required content of home information pack (as proposed)

- **Index of contents**
- **Sale Statement**
- **Evidence of Title**
- **Standard searches (Info in: LLC1, CON.29 Part 1, CON29 D&W)**
- **Home Use Form**
- **Home Contents Form**
- **Home Condition Report and energy efficiency assessment**
- **Other information for leasehold properties**
- **New homes warranty**
- **Report on home not physically complete**



Authorised Documents

- **Additional searches (Mining, Environmental etc)**
- **Documentary evidence of work carried out after date of HCR**
- **Translations of documents, different formats (Braille, large print)**
- **Completed or partially completed home content, home use forms**



Flood Risk Search?

- **HIP Components Project Board recommendations on contents of pack**
- **Food risk search should be included provided the search gives robust, risk-based, user-friendly, property-specific information and avoids giving rise to unnecessary concerns and blight**
- **New search produced by Environment Agency – discussions ongoing but Government wishes to include search in HIP from 1 June 2007**



Conditions for required searches

- Prepared with reasonable care and skill
- Copies may be taken
- Terms enforced by buyers and lenders
- Liability to pay financial compensation backed by insurance
- May include additional terms



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Home Information Pack Logo



HOME INFORMATION PACK

local and regional government • housing • planning • fire • regeneration • social exclusion • neighbourhood renewal



The Dry Run will test HIPs in operation

- **A voluntary 'dry run' is being scoped in partnership with stakeholders (already started with "early adopters")**
- **To take place mid 2006 - paving the way for mandatory implementation in June 2007**
- **Industry will be able to test its processes and IT systems**
- **Will help consumers to become familiar with the new system**
- **Monitoring will enable any problem areas to be identified and resolved**

- Regulations to specify HIP contents etc
- OFT Report - Follow up action
- Research numbers, assess, train and recruit home inspectors
- Benchmark study into state of market pre-introduction
- Deliver HCR and certification scheme/s
- Raise consumer awareness
- Industry preparation - procedures tested during dry run will help ensure smooth implementation



Further Information

- **www.odpm.gov.uk/homeinformationpacks**
- **Contains up to date information on proposals and key documents**