

News Release

Scots will benefit from the new single survey

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The Scottish Consumer Council (SCC) says that proposed changes to the house buying system due to come into force in 2008 are in the interests of both buyers and sellers, and are what consumers want. It has sent every firm of solicitors, surveyors and estate agents in Scotland a briefing paper outlining the benefits of the proposed new system.

The paper also has the support of the consumer organisation Which? It explains the purpose behind the new system and the key issues involved.

The SCC was a member of the advisory group which recommended that Scotland's house buying system should be reformed. Under these proposals, house sellers will have a duty to supply prospective buyers with a copy of a survey that values the property and gives information about its condition. They will also have to complete a property sale questionnaire giving additional information including council tax banding, parking facilities and any alterations to the property. The changes are supported by the Scottish Executive and are currently out for consultation.

In the briefing paper, the SCC says these reforms are good for the house buying system in Scotland as they provide a solution to three key problems:

- buyers will only have to pay for one survey for the property they are successful in buying;
- buyers will have better information about the property before they buy;
- it should put an end to the practice by some selling agents of setting artificially low 'offers over' prices.

The paper then addresses issues raised by opponents of the proposed new system. It has been argued, for instance, that buyers will not be able to trust a

survey commissioned and paid for by a house seller. However, the SCC says such a view challenges the professional integrity of surveyors and suggests they can be persuaded by sellers to ignore defects or alter valuations. In fact, buyers will be able to rely legally on the survey and will be able to hold surveyors to account for its contents.

It has also been claimed that the emergence of a system where offers are made “subject to survey” provides the best way forward. However the SCC says this leaves buyers bidding blind, without any good information about the value and condition of the property.

The SCC accepts that the new system may increase costs for sellers who will have to pay for the sellers’ survey but says it is important to view this in context. The overall costs of moving home are high and can include stamp duty, estate agent’s and solicitor’s fees and removal costs. The survey will be only one element of these costs. It is also important to remember that most sellers are also buyers and stand to gain from the new system as purchasers.

Sarah O’Neill, Legal Officer at the Scottish Consumer Council said: “We believe the single survey is what consumers want. A recent online poll conducted by the Edinburgh Solicitors Property Centre supports this view. Of 706 people who responded to the poll in December 2006, over two thirds said they thought the single survey should be introduced, while only 22% said they disagreed.

“Buying a home is the most expensive purchase most people will ever make, yet most of us do so on the basis of very limited information about its condition. This new system will give buyers much better information to help guide them, as well as removing the problem of having to pay for multiple surveys. At the same time, fair dealing sellers have nothing to fear from an accurate and accessible independent assessment of the quality and valuation of the house they are offering for sale.”

Ends

About the Scottish Consumer Council

The Scottish Consumer Council was set up by the government in 1975 to promote the interests of consumers, particularly those who experience disadvantage in society. While producers and suppliers of goods and services are usually well organised when protecting their own interests, individual consumers very often are not. The people we represent are consumers of all kinds: they may be council tenants, patients, parents, solicitors’ clients, public transport users, or simply shoppers in a supermarket. We speak up for them by communicating with the professions, industry, business, local authorities and central government, using careful research and persuasive lobbying.