Citizen Participation and Public Petitions Committee Wednesday 18 June 2025 11th Meeting, 2025 (Session 6)

PE2152: Review and update the Home Report system to ensure it protects both the seller and the buyer

Introduction

Petitioner Lesley Roberts

- Petition summary Calling on the Scottish Parliament to urge the Scottish Government to review and update the Home Report system to
 - require Home Reports to be updated every three months while a property remains for sale
 - ensure surveyors are held accountable where they are found to have assessed a property inaccurately.

Webpage <u>https://petitions.parliament.scot/petitions/PE2152</u>

- 1. This is a new petition that was lodged on 27 March 2025.
- 2. A full summary of this petition and its aims can be found at **Annexe A**.
- 3. A SPICe briefing has been prepared to inform the Committee's consideration of the petition and can be found at **Annexe B**.
- 4. Every petition collects signatures while it remains under consideration. At the time of writing, 20 signatures have been received on this petition.
- 5. The Committee seeks views from the Scottish Government on all new petitions before they are formally considered.
- 6. The Committee has received submissions from the Scottish Government and the Petitioner, which are set out in **Annexe C** of this paper.

Action

7. The Committee is invited to consider what action it wishes to take.

Clerks to the Committee June 2025

Annexe A: Summary of petition

PE2152: Review and update the Home Report system to ensure it protects both the seller and the buyer

Petitioner

Lesley Roberts

Date Lodged

27 March 2025

Petition summary

Calling on the Scottish Parliament to urge the Scottish Government to review and update the Home Report system to –

- require Home Reports to be updated every three months while a property remains for sale
- ensure surveyors are held accountable where they are found to have assessed a property inaccurately.

Background information

In 2023, I bought a house valued in excess of £300,000. Very quickly I noticed that there were inaccuracies within the Home Report that were going to be costly to fix. Evidence provided to all showcased that the problems were there long before the Home Report was provided, yet there was no recourse to challenge the surveyor. The repairs are going to be costly and I have decided to sell at a loss simply to get rid of the problematic property.

Whilst a rented house must be watertight and safe, there is no recourse to ensure that the same can be said for a purchased property. This puts the buyer at complete and utter risk, which in my view is inappropriate. There needs to be adequate scrutiny over the content of survey reports and the information provided to buyers, which would create accountability within the profession.

Annexe B: SPICe briefing on PE2152

SPICe The Information Centre An t-Ionad Fiosrachaidh

Brief overview of issues raised by the petition

The petitioner bought a house in 2023, but quickly noticed that, "there were inaccuracies within the Home Report that were going to be costly to fix" and that, although there was evidence that the problems were there before the Home Report was provided, "there was no recourse to challenge the surveyor."

The petitioner indicates that the house was sold at a loss and states that:

"Whilst a rented house must be watertight and safe, there is no recourse to ensure that the same can be said for a purchased property. This puts the buyer at complete and utter risk, which in my view is inappropriate. There needs to be adequate scrutiny over the content of survey reports and the information provided to buyers, which would create accountability within the profession."

The petitioner calls on the Scottish Parliament to urge the Scottish Government to review and update the Home Report system to –

- require Home Reports to be updated every three months while a property remains for sale
- ensure surveyors are held accountable where they are found to have assessed a property inaccurately.

Home Reports

The petition is very similar to <u>petition PE1957</u>: Home – make surveyors more <u>accountable</u>. The Citizen Participation and Public Petitions Committee agreed to <u>close that petition on 21 February 2024</u> on the basis that:

- 1. the scope of the Home Report is outlined at the beginning of the report; and
- 2. members of the Royal Institution of Chartered Surveyors are subject to various requirements when drawing up Home Reports.

<u>The SPICe Briefing for petition PE1957</u> explains the background to the Home Report system. It explains that the "Single Survey" which is part of the Home Report, and which is provided by the seller of most homes, is not the same as a structural survey which provides more detailed information on the structure and fabric of a property.

It also explains that the Single Survey has to be drawn up by a surveyor "registered with or authorised to practise by the Royal Institution of Chartered Surveyors"

CPPP/S6/25/11/11

(Regulation 5(1) of the Housing (Scotland) Act 2006 (Prescribed Documents) (Regulations) 2008).

<u>The SPICe Briefing for petition PE1957</u> also outlines the various legal responsibilities which surveyors have in relation to information in the Single Survey, as well as the professional standards which they have to comply with.

Although the underlying legislation (Regulation 6 of <u>the Housing (Scotland) Act 2006</u> (<u>Prescribed Documents</u>) (<u>Regulations</u>) 2008) requires information in a Home Report to be no older than 12 weeks before the property is put on the market, Home Reports do not have an "expiry date" as such.

Mortgage lenders will, however, often require a Home Report to be "refreshed", i.e. updated after 3 months, before they will approve a mortgage. Buyers can also ask for a Home Report to be updated by the seller, although this is a matter for negotiation.

<u>The technical guidance of the Royal Institution of Chartered Surveyors on Single</u> <u>Surveys</u> includes guidance on the last section of the Single Survey which contains information relevant to the solicitor. This guidance states:

"Sellers or prospective Purchasers may consider it prudent to instruct a reinspection and revaluation after a period of 12 weeks (or sooner if appropriate) to reflect changing circumstances in the market and/or in the physical condition of the Property."

More information on the workings of the Home Report system and the potential liabilities of surveyors, as well as different views on the need for change, can be found in the written submissions in petition PE1957.

Scottish Government Home Report Review

The petitioner requests the Scottish Government to review the Home Report system.

The Scottish Government is planning to review the Home Report system. The Scottish Government's website states:

"We carried out a review of the Home Report to look at how it worked in its first five years. This included a <u>Home Report public consultation</u> held in December 2013 and a <u>Home Report research report</u> published in January 2015. A fresh review of the Home Report is planned for the second half of 2021."

In response to <u>Parliamentary Question S6W-22599</u> from Miles Briggs MSP on when the Home Report review will take place, the Minister for Housing, Paul McLennan, stated on 10 November 2023 that:

"The Scottish Government's Home Report Review is expected later in the current parliamentary term. The review will take account of the recommendations outlined in the five-year review published in 2015 and be informed by work on wider housing considerations including Housing Standards."

CPPP/S6/25/11/11

The Scottish Government has informed SPICe that the review of the Home Report system commenced in November 2024 and that it is anticipated that the working group carrying out the review will make recommendations to the Scottish Ministers by autumn 2025.

Angus Evans

Senior Researcher

18 April 2025

The purpose of this briefing is to provide a brief overview of issues raised by the petition. SPICe research specialists are not able to discuss the content of petition briefings with petitioners or other members of the public. However, if you have any comments on any petition briefing you can email us at <u>spice@parliament.scot</u>

Every effort is made to ensure that the information contained in petition briefings is correct at the time of publication. Readers should be aware however that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

Published by the Scottish Parliament Information Centre (SPICe), an office of the Scottish Parliamentary Corporate Body, The Scottish Parliament, Edinburgh, EH99 1SP

Annexe C: Written submissions

Scottish Government written submission, 8 May 2025

PE2152/A: Review and update the Home Report system to ensure it protects both the seller and the buyer

Thank you for your email of 27 March 2025 seeking the Scottish Government's views on the action called for in Petition PE2152.

The petition calls on the Scottish Parliament to update the Home Report system to require Home Reports to be updated every three months and to ensure surveyors are held accountable where they are found to have assessed a property inaccurately.

The view of the Scottish Government is that this would be inappropriate for the following reasons:

- The scope and limitations of the home report survey are outlined at the beginning of the report. The Home Report is aimed at providing an assessment of all elements that can be accessed in the property at the time of inspection, based on a visual, non-invasive inspection/survey. The surveyor is not expected to move any obstructions within the property and externally is expected to carry out the inspection from ground level.
- A review of the Home Report is currently underway. The group leading the review are updating the Home Report guidance to ensure the limitations are clear to buyers, along with providing information about other steps they can take to assess the condition of the home they are considering buying.
- Under the Housing (Scotland) Act 2006, only members of the Royal Institution of Chartered Surveyors (RICS) can carry out the single survey and valuation in the home report. A home report must be signed off by a fully qualified member of RICS who is also a registered valuer. To gain qualification to the RICS the valuer must have passed the appropriate examinations or hold an accredited degree and will have passed an Assessment of Professional Competence based on relevant work experience. Members of the RICS who carry out a home report must have in place a complaints handling procedure, offer independent 3rd party recourse to complaints, including Alternative Dispute Resolution by The Property Ombudsman (TPO), and carry professional indemnity insurance (PII).
- There is no evidence to support the request for Home Reports to be updated every three months while a property is on the market. This would have no impact on the accountability of the surveyor, would not have addressed the issue raised by the petitioner, and would be costly for sellers.

Better Homes Division

Petitioner written submission, 9 May 2025

PE2152/B: Review and update the Home Report system to ensure it protects both the seller and the buyer

I have taken the time to read the document and I am genuinely troubled by the contents within.

I purchased a property that was over £300,000. I spent every penny I had in order to buy what I thought was a dream home. It turned into my worse nightmare, and it was like something out of a horror movie when I realised that lintels were not safe, the back stairs were falling down, and all sorts of issues became apparent.

When I began to look at the home report, I realised that the defects should have been picked up by Allied Scotland and yet they weren't. In their desperate quest to remove themselves from any accountability Allied told me to seek out a second surveyor but the second surveyor told me to get builders reports as showcasing the defects through professionals was a better route to take. Such reports showcased the home in itself did not resemble anything like what was in the home report. The builders reports also showcased that they believed the defects were there long before the house was surveyed and were simply not picked up by a very inept surveyor.

After I collected the keys of what I hoped would be a dream house, the outside banister fell down and to that end I ended up sustaining a massive injury to my left leg. Had the banister been safe at the time, I may not have fallen.

The routes that I have travelled to try and seek accountability have been long and tiring. No one seems to be accountable for anything in Scotland and it seems more like Secret Scotland every day.

While rented houses must be watertight there is no legal necessity to ensure that purchased homes are watertight. How ridiculous does that sound. There needs to be some type of accountability and yet no matter where one travels in Scotland, it is not to be found.

I think it is imperative that the committee understands that protecting the buyer is as important as protecting the seller. I am well aware that the buyer has the opportunity to bring in a second surveyor: however, this surely defeats the purpose of having a home report in the first place.

A home report should be honest and accurate and I am of the view that Allied were incompetence and even negligent. The buyer should be able to read a home report and trust the information that is within it. I found that the home report that I received, was far from competent and then the governing body simply shielded the surveyor from any accountability. It is seriously unfair and it brings the entire situation regarding home reports under real scrutiny.

Lastly, it is worth noting that the very long route to try and get anyone held to account was a stressful period. The governing body required a lot of information and then simply deflected what was said anyway. An appeal was also a waste of time, when they once again simply deflected all that was being brought to them.

CPPP/S6/25/11/11

Prior to me buying this house a family had made an offer and it had been accepted. They were the lucky ones and decided not to go ahead with the sale. However, I have been told that they had a number of children. Given the fact that wrought iron was broken and "deadly" as quoted by the investigating surveyor, and stairs were really to collapse it is very concerning that any surveyor continued to be of the view that all points were deemed to be a 1 or a 2. Health and safety was simply ignored by everyone who has looked at this very worrying situation.

It really does seem like accountability is ignored in order to protect an incompetent surveyor who did not work in line with the code of practice as laid out. I urge the committee to look at the time scales and the work in line with health and safety. Home reports needs to have a shelf life and surely the Scottish Government must understand this. Anything else is putting the buyer at complete and utter risk. Everything rots through time and houses fall into that category. The UK Government have understood the need for more checks and scrutiny when purchasing a house and yet it seems that the Scottish Government once again cannot understand the need for protection for both the seller and the buyer.

Kind Regards

Lesley E Roberts