



Home Information Packs, Consumer Focus Groups:
Qualitative Research
Summary Findings



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Research study conducted for Communities and Local Government

Ipsos MORI

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The findings in this report are those of the authors and do not necessarily represent the views of the Department for Communities and Local Government

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Section 1: Background

1.1 Background

The Government is committed to making the home buying and selling process in England and Wales more transparent, certain and consumer friendly through the introduction of Home Information Packs (HIPs). Legislation to introduce HIPs was put in place in the Housing Act 2004 and became law on 18 November 2004. Since 1 August 2007 a HIP has been required for all properties marketed for sale with four or more bedrooms, and for three bed-roomed properties from 20 September 2007. The introduction of HIPs for the rest of the housing market was made on 14 December 2007.

The intention of this research was to examine the introduction of HIPs in a live market environment, looking in particular at the views and perceptions of its main stakeholders - the consumers who have had experience of buying or selling their home with a HIP. The issues addressed in this study are as follows:

- Overall understanding of the HIP, its purpose and various components
- How the requirement for a HIP has affected the buying/selling process
- Usefulness of the HIP to buyers and sellers
- Which elements of the HIP were most useful and why?
- Which elements of the HIP were not useful and why?
- Of those elements that did not work well – what changes could be made to improve them?

1.2 Methodology

This report provides summary findings from 12 focus groups with buyers and sellers. Two groups were held in each of the following locations: Stockport, Nottingham, Cardiff, Maidenhead, Birmingham and London. Fieldwork took place between 26th February 2008 and 6th March 2008. Group participants were randomly recruited using face to face methods.

Groups	Date	Location	No. of participants
Group 1	26th February 2008	Stockport	5
Group 2	26th February 2008	Stockport	7
Group 3	27th February 2008	Nottingham	9
Group 4	27th February 2008	Nottingham	10
Group 5	28th February 2008	Cardiff	8
Group 6	28th February 2008	Cardiff	7
Group 7	4th March 2008	Maidenhead	11
Group 8	4th March 2008	Maidenhead	10
Group 9	5th March 2008	Birmingham	10
Group 10	5th March 2008	Birmingham	11
Group 11	6th March 2008	London	6
Group 12	6th March 2008	London	8
Total			102

It should be noted that there were a mix of buyers and sellers in each group. Many of the sellers were also planning to buy a property in the future and some had also seen a HIP for the properties they were interested in. Therefore the majority of sellers were also considering the issues from a buyer's perspective. Likewise, some buyers assumed that they would want to sell a property at some point in the future and therefore considered all issues from a seller's point of view as well. For this reason, it is difficult to distinguish the overall attitudes of buyers from those of the sellers.

Buyers and sellers in each group were at various stages of the buying/selling process. All sellers had marketed their property after August 2007 (if a four bedroom property), after 10th September (if a three bedroom property) or after 17th December (if a smaller property) but whilst some were at the completion stage, others had only recently commissioned their HIP. Most buyers were at the completion stage of their purchase, and some were about to move in to their property. However, a few were still looking at properties and had not yet put in an offer on one.

Each group contained buyers and sellers of a range of property sizes and types (e.g., large and small, leasehold and freehold, urban and suburban). At least one first-time buyer attended each group.

Qualitative findings are based on a small number of respondents. Therefore, by their nature, they are subjective and should not be interpreted as definitive or statistically representative of the larger target population. For the reader's ease, these findings are depicted to some extent as definitive. The findings are designed to give a detailed insight into what is driving their opinions, but does not provide robust evidence as to the proportion of people who think or act in a particular way.

Qualitative research provides a depth of understanding which cannot be achieved from a structured questionnaire. The free-flowing format of the discussions provides an insight into participants' views and concerns, while seeking to identify not only *what* they know and think, but also *why* they do so. It is a flexible and interactive process and, therefore, it is possible to respond to the individual circumstances of each participant and to bring their experiences to light. Home Information Packs have only recently been implemented and so the range of buyer and seller responses to them is as yet unknown. The qualitative approach ensured that participants could fully express their attitudes and experiences, rather than being restricted to a limited number of pre-defined (and possibly inappropriate) answers.

Qualitative research focuses more on perceptions than facts. However, perceptions are important to bear in mind even if the *perceptions* can be – technically speaking – incorrect. All quotes used within this report are therefore based on the perceptions of only those buyers and sellers who took part in the research.

Qualitative research tends to be done on a smaller scale than quantitative research and therefore the findings should be seen as reflective rather than representative of the larger target population. Nevertheless, twelve focus groups are considered to be more than sufficient to discover the full range of attitudes and opinions that are present in the population. This is particularly true in this instance, where the target population is relatively small. Six locations also enabled a good mix of consumers to be approached living in both urban and suburban areas as well as covering both England and Wales.

Section 2: Summary of findings

Overall perceptions of the HIP

Many discussion group participants had a limited understanding of the purpose of HIPs and a low level of knowledge of what information the HIP contained.

Few participants had read through a HIP for their property in any level of detail. Most had assumed that their solicitor would alert them to anything they needed to be aware of and so they were not concerned about the information it contained.

Most consumers had first heard about HIPs in the news and recalled that this media coverage had focused on the perceived problematic aspects of the HIP, such as the additional cost for the seller and initial lack of HIP providers.

Some participants had also found their estate agents were fairly negative about HIPs and had showed certain levels of apathy towards the HIP. Those participants who had not yet seen a HIP were more likely to have retained these negative perceptions based on “word of mouth” rather than concrete experience.

Some buyers and sellers had assumed that the Energy Performance Certificate (EPC) was the main focus of the HIP. This is likely to be a result of estate agents highlighting this element over other parts (many recall seeing the energy efficiency charts in the brochures provided by estate agents). A few had first assumed that the HIP would include a survey and were disappointed to find out that this was not necessarily the case.

There was also some confusion about whether HIPs were now compulsory for all properties and for how long they had been in place.

Perceived advantages of the HIP

The majority of buyers and sellers were optimistic about the future of HIPs, saying that it is a step in the right direction to making the buying and selling process more transparent.

The most commonly cited advantage of HIPs was the belief that the requirement for a HIP would ensure greater commitment from sellers and would prevent those who were not serious about selling their property from putting it on the market.

Both buyers and sellers agreed that having all the necessary information up-front, in particular information such as those found in standard searches would mean that it was less likely that sales would fall through.

The fact that the HIP is put together by an independent party was also seen as an advantage, with the caveat that the HIPs should be properly regulated by the Government.

Other positive aspects tended to focus on the EPC, which many participants felt was a good way of raising awareness about more wide-spread environmental issues. Unlike other aspects of the HIP this element was thought to be entirely new, providing useful information that would not otherwise be available in this process.

Perceived disadvantages of the HIP

The additional cost involved in acquiring a HIP was not, in itself, a particularly strong concern for most participants; however they did stress the importance of getting value for money and many felt that at present the cost was not sufficiently balanced out by the benefits. A large proportion of participants stated that the requirement of HIPs made the buying and selling process more complicated although this opinion is not supported by the individual's personal experience.

Overall, it was felt that the HIP contains too much "jargon" and that it is too complicated for most people to understand. Many participants reported being put off by the sheer size of the HIP and it was felt that the "legal" language used is inappropriate, given that the pack is intended for people who do not have legal training.

Some buyers felt the HIP does not provide a complete overview of the property and that some vital elements are missing from its contents. In fact, some said that the things they were most interested in (e.g., the structure of the property, building regulations and local amenities) were not included in the pack.¹ There was some confusion amongst buyers as to whether or not they should seek out or be concerned about the information that is not provided in their HIP.

In line with these concerns, sellers generally agreed that the HIP did not provide a complete package. Some sellers found that they had to pay for their solicitor to do additional searches because the standard searches performed for the HIP did not cover everything that potential buyers wanted to know. For example, coal mining searches were required in the North West. Buyers also sought further information about the structure of the property, something which a basic HIP does not include.

¹ Information on building regulation applications and consents is included in the HIP as part of the local search.

Questions were also raised about the length of time the HIP remained valid. Sellers in particular wanted to know whether, if the property didn't sell within a set amount of time, they would be required to pay for another HIP to be compiled.

There was limited knowledge about whether HIPs can be transferred between estate agents, a question which many agents were unable (or unwilling) to answer.²

Individual components of the HIP

The Sale Statement was considered to be very straightforward, easy to understand and fairly useful. The Evidence of Title on the other hand was seen as unnecessary, as the information it contained is readily available from the Land Registry. While participants agreed that it is useful to have all information in one pack, the knowledge that this information can so easily be obtained resulted in some further discussion about whether the cost of the overall HIP was justifiable.

In general, standard searches were seen as the most useful aspect of the HIP because the outcomes from these searches would have a direct impact on the buyers' decision to purchase a property. Having searches completed up-front was generally perceived to be an advantage to preventing delays in the process.

The Energy Performance Certificate

On the whole, buyers and sellers found the EPC interesting and easy to understand. The EPC was considered to be the most memorable and recognised part of the HIP.

A few consumers were concerned that the rating did not make allowances for older properties, which would inevitably be less energy efficient than a new-build and there should be more clarification regarding this in the EPC itself.

None of the participants had acted on the information provided in the EPC or negotiated with the buyer/seller over its contents. Sellers had not taken any action because they did not think this information was relevant to them.

Despite saying that they had not acted on the information in the EPC the majority of buyers said that they would implement changes to the property based on these recommendations once they have moved in.

² There is no requirement for sellers to renew the HIP as long as the property remains on the market. Where marketing is interrupted, the HIP has an effective shelf life of at least 12 months for the seller. There is no reason why the HIP cannot be transferred to a different estate agent.

Buyers emphasised that the contents of the EPC had not or would not affect their decision to buy a property and most believed that this would be true of other buyers. Nevertheless it was felt that given the growing concerns about climate change and the possibility of environmentally driven taxes people may start to take more notice of energy saving issues in the future.

The Home Condition Report

Knowledge of the Home Condition Report (HCR) was limited among both buyers and sellers.

Sellers that had commissioned their HIP directly from a HIP provider, rather than through their estate agent, were more likely to know about the HCR. Those who had acquired the HIP through their estate agent had little or no knowledge of the HCR, and none could recall being told about the HCR by their estate agent.

Initial reactions to the HCR were mixed. Some participants had a very poor opinion of it, saying that it was not thorough enough to offer any real guarantee to buyers (many highlighted the disclaimer in the document), while others were significantly more positive, believing that it could be an extremely useful document for buyers and sellers alike.

Most buyers and sellers said that the inclusion of the HCR would vastly improve perceptions of the HIP overall. Buyers generally thought that making the HCR mandatory might encourage sellers to make improvements to their property prior to putting it on the market.

A small number of buyers and sellers who had had sales fall through in the past because surveys had uncovered structural problems with the property they intended to buy said the presence of an HCR would prevent such problems from occurring and so were keen for the HCR to be made mandatory. Even those who had not experienced such problems tended to agree with this point of view.

Some sellers were concerned that by including an HCR with their HIP they would be taking on the burden of cost compared with the buyer, however the general consensus was that the additional cost to the seller is acceptable if the HCR fully replaces the Home Buyers Survey.

Sellers' experiences

Most sellers had left the responsibility for commissioning a HIP to their estate agent (who had offered to provide the HIP as part of their fee). Only a small number had commissioned the HIP independently through HIP providers (sometimes online).

In most cases the HIP took about two weeks to complete, an amount of time which was seen as fairly reasonable by most. Regardless of how the HIP had been commissioned, sellers reported few delays in the marketing of their property.

The majority of sellers had found that they were able to market their property prior to the completion of their HIP.

Some sellers (particularly those whose estate agents had requested the HIP on their behalf) were not automatically sent a copy of the HIP as this had been passed directly to their solicitor.

The majority of sellers who had been sent a copy of their HIP had received it via e-mail. However, most felt that this was an inappropriate way to receive the HIP, and that given the size and the detail of the document a hard copy version would be preferable.

Sellers reported a general lack of interest amongst buyers with regards to the HIP and they recalled that few buyers actually requested to see the HIP for their property. This fed into a general apathy amongst sellers who struggled to see the purpose of paying for something that received low levels of interest from buyers.

The fact that buyers did not ask sellers to see the HIP does not mean that they would not have seen them at all, as they may have been shown the HIP by the estate agent or through their solicitor.³ However sellers felt that the apparent lack of buyer interest may stem from a lack of knowledge about the HIP, or understanding of its contents and purpose.

Buyers' experiences

Some buyers had seen a HIP at an early stage in the buying process; either on first viewing or whilst they were considering whether or not to buy a property. Others had not seen the HIP for the property they were buying until after they had made an offer. In most cases, when the buyer saw the HIP was dependent on the estate agent and whether or not they highlighted that a HIP was available.

All felt that it would have been useful to see the HIP at an earlier stage. Some suggested that estate agents were unwilling to share this information with them and a few had experienced low levels of knowledge amongst the estate agents they met. Some estate agents had apparently not known whether they were allowed to show the buyer the HIP for a property.⁴

³ Under the Housing Act, the seller's estate agent is under a duty to provide a copy of the pack to potential buyers on request. This duty falls on the seller if he does not use an estate agent.

⁴ See above, estate agents are under a positive duty to provide the pack on request.

Buyers that had not yet seen a HIP tended not to have done so as a result of their estate agent not giving them the option of doing so. However, most had seen energy rating charts from the EPC for the properties they viewed as these were included by the estate agent as part of the information in the property details.

Compiling their own HIP

Most buyers and sellers were surprised by the suggestion that they could compile their own HIP components directly from the relevant bodies as many of them had not previously been aware that this is possible. Participants wanted to know what this would involve.

Section 3: Overall perceptions of the HIP

Amongst buyers and sellers alike, there was limited understanding of the purpose of HIPs and a low level of knowledge of what information they contain. Few group participants had read through a HIP in any level of detail and the majority admitted that they had merely “flicked through” the HIP for their property. Even the sellers, all of whom had paid between £250 and £500 for a HIP to be compiled, said they had taken little interest in its content and some had not seen the HIP for their property at all. Most had assumed that their solicitor would alert them to anything they needed to be aware of and so they were not concerned about the information it contained.

A large number of group participants had first heard about HIPs in the news and most recalled that this media coverage had focused on perceived problematic aspects of the HIP such as the additional cost for the seller and initial lack of HIP providers. Moreover some had also found that their estate agents were fairly negative about the initiative and both buyers and sellers had developed a certain level of apathy towards the packs as a result of this. Those that had not yet seen a HIP were more likely to have retained these negative perceptions, which were based on “word of mouth” rather than concrete experience.

Whenever anyone mentions HIPs, they always say “waste of time, waste of time” so you’ve always got that in your head. You think ‘what’s the point in reading it because it’ll just be a load of junk that I don’t even need to know about’... The media portray it as a waste of time, and to be honest the estate agents told me it was a waste of time as well, so the estate agents don’t think well of it and I’ve never heard a good word about it.

Buyer, Stockport, Group 2

Because it just seems like it’s all the estate agents that are a bit confused and not passing the information on and it’s like they’re resisting the change and therefore the information is not going any further.

Buyer, Nottingham, Group 3

Some buyers and sellers had first assumed that the EPC was the main focus of the HIP, and those that had not seen a HIP still thought that this was the case at the beginning of the group discussions. This is likely to be a result of estate agents highlighting this element over everything else (many recall seeing the energy efficiency charts in the brochures provided by estate agents). A few had first assumed that the HIP would include a survey and were disappointed to find

out that this was not necessarily the case. There was also some confusion about whether HIPs were now compulsory for all properties and for how long they had been in place.

It is perhaps as a result of this confusion that initial perceptions of HIPs tended to be fairly negative.

3.1 Advantages of HIPs

Both buyers and sellers agreed that it was important to have the information contained in the HIP upfront. A few participants cited past experiences of sales falling through due to a lack of information at the beginning of the process (particularly in relation to information contained in the standard searches) and it was felt that this could have been avoided had a HIP been available.

Most group participants were able to think of some advantages to HIPs. Most commonly cited was the belief that the requirement for a HIP would ensure greater commitment from sellers and would prevent those who were not serious about selling their property from putting it on the market.

The fact that the HIP is put together by an independent party was also seen as an advantage, with the caveat that the HIPs should be properly regulated by the government.

It's good for house buyers knowing upfront about key aspects, your energy efficiency and your local searches you know what you want to know if there's going to be 200 houses built on your back yard.

Buyer, Nottingham, Group 3

My initial feeling was, it was quite reassuring at first, because you've got all your land registry, you've got all your fees and everything included. And also everything that I need, that I personally needed to know, structure wise ... but I, again, I've only just touched base on it. I've only just flicked through, but my initial feeling, at the moment, is, I thought it was quite reassuring.

Buyer, Maidenhead, Group 7

Anything that's going to simplify the system by giving reassurance to a) the person selling the property and b) the person buying the property has got to be a benefit. Providing it's properly regulated.

Seller, London, Group 12

A few buyers thought that the requirement for HIP might encourage sellers to make improvements to their property in order to secure a more positive report. However, it should also be noted that the majority (particularly the sellers) felt that in reality, this was unlikely to happen.

Some buyers also reported saving money because their solicitor had been able to use some of the information contained in the HIP (usually the standard searches). However, buyers perceived these savings to be fairly small, with some assuming that they had paid a set charge to their solicitor regardless of whether the searches were already available. There was some disagreement regarding the amount of savings, but this tended to be in the region of £30 to £100. The participant cited below believed that he had only saved around £30 on the local searches⁵ Other buyers reported that the drainage search had been the only part their solicitor had used.

The HIP report that we've got, when we passed it to the solicitor it worked out that our solicitors fee was slightly cheaper. The actual search, I think it was the local search, its worked out about thirty quid.

Buyer, Stockport, Group 1

Other positive aspects of the HIP tended to focus on the Energy Performance Certificate (EPC) (discussed further in Chapter 5), which many participants felt was a good way of raising awareness about more wide-spread environmental issues. Unlike other aspects of the HIP this element was thought to be entirely new, providing useful information that would not otherwise be available in this process. A few participants felt that such information would be important in alerting individuals to the energy efficiency of their homes, and hence engendering a heightened sense of personal responsibility.

I hadn't thought about the green agenda at all... underlying it is this green agenda so it's a huge issue really. I think more of that should be known by the general public and then people might take HIPs more seriously and we might think about investing in our homes and caring more about energy efficiency but right now I don't think people do.

Buyer, Nottingham, Group 4

The majority of buyers and sellers were optimistic about the future of HIPs, saying that it is a step in the right direction towards making the buying and selling process more transparent. One participant likened the future process to that of buying a car, whereby a full "service history" will be available to potential buyers, alerting them of any issues as well as highlighting any work that has been

⁵The average Local Land Charges Search costs between £100 and £150 so the respondent's recollection may not be accurate.

carried out. Most discussion group members agreed with this idea, saying that there would be benefits “somewhere down the line”, once HIPs have been fully integrated and accepted in the home buying and selling process. It was generally accepted that increased awareness of the quality of the property and knowledge of any potential issues is always going to be beneficial.

Basically everyone knows what's going on. In two or three generations time when the house gets sold on two or three times in the future it will be a more streamlined system and I think costs will probably go down. Sellers have to do the work so if they want to sell they'll do it quicker.

Seller, Stockport, Group 1

On a similar note, it was suggested that most people will go through the buying and selling process more than once in their lifetime and that HIPs will become more useful to buyers once they have been fully integrated and accepted as part of the selling process.

Once you've done it a few times, it's like well ... buyers, it's an excellent tool. Because they're going along, and they're actually being told, this is the information you do need as a minimum. And on that basis, I think it's preventing them from getting ripped off.

Buyer, Maidenhead, Group 7

3.2 Disadvantages of HIPs

Despite being able to list numerous advantages of HIPs, both buyers and sellers agreed that the additional cost involved in acquiring a HIP was not sufficiently balanced out by its benefits. A large proportion of participants stated that the implementation of HIPs made the buying and selling process more complicated but this opinion was not supported by personal experience, (discussed further in Chapter 7), merely adding another requirement and expense to an already stressful and costly process. A small number of participants, who were particularly anti-HIPs throughout the discussions, referred to the additional cost as a “stealth tax” and just another way for the Government to make money.

Many participants felt that the HIP contains too much “jargon” and that it is too complicated for most people to understand. Many participants reported being put off by the sheer size of the HIP and felt that the “legal” language used is inappropriate, given that the pack is intended for people who have not been legally trained.

Many buyers felt the HIP does not provide a complete overview of the property and that some vital elements are missing from its contents. In fact, some said that the things they were most interested in (e.g., the structure of the property, building regulations and local amenities) were not included in the pack they received. Moreover, there was some confusion amongst buyers over whether they should seek out or be concerned about the information that is not provided in their HIP.

The bits that at that time were pertinent to us were building regulations and planning and on the HIP report that we've got it says has there been any applications approved and consents for planning or building regs. Some of it is categorically "no", other bits, in particular building regs, were "N/A – not available", with a disclaimer at the bottom saying "you'll need to contact your solicitor to ensure this".

Buyer, Stockport, Group 1

When it says N/A on the forms, it doesn't mean that it's not applicable, it's not important. It says in the summary that the questions could not be answered or that the information was unavailable from the council. My question is, is it important and do you decide to pursue it independently?

Buyer, Stockport, Group 2

In line with these concerns, sellers generally agreed that the HIP is not currently a complete package. Some found that they had to pay their solicitor to do additional searches because the standard searches performed for the HIP did not cover everything that potential buyers wanted to know. This was particularly true in the North West, where buyers were interested in coal mining searches to ensure that the property in question was structurally sound. The importance of such local searches lead to some requests for the pack to be customized according to the area in which a property is located.

Within a week of putting my property on the market I had an offer. And after the New Year I had my HIPs pack and I went to my solicitor and they said "there's a sum here for searches" and I said "no, no, no I've got a HIPs pack" and they said not all searches are in the HIPs pack. Well, why did I pay for a HIPs pack if all the searches aren't in there? I thought that's what a HIPs pack was for.

Seller, Stockport, Group 1

Questions were raised about the length of time the HIP remained valid. Sellers in particular wanted to know whether, if the property didn't sell within a set amount of time, they would be required to pay for another HIP to be compiled.

There was also limited knowledge about whether HIPs can be transferred between estate agents, a question which many participants felt that their estate agent was unable (or unwilling) to answer.

I've been told by many estate agents that it should last for the sale of the house, but a lot of the things that I've looked on the internet are saying that searches can only last for six months and then where does that leave you?

Seller, Nottingham, Group 3

The extra cost incurred by sellers was not, in itself, a particularly strong concern for most group participants, though they did stress the importance of getting value for money (as previously mentioned, many participants felt that the cost of a HIP is not currently justified by its benefits).

Section 4: Individual components of the HIP

Few buyers and sellers had read through a HIP in detail. Many had merely skim-read the pack for their property, and therefore had limited recollection of its contents. Some sellers had not received a copy of the HIP compiled for their property and hence had no knowledge of its contents. This chapter therefore focuses primarily on participants reactions to an example HIP that they viewed during the discussion group.

4.1 The HIP Index

Buyers and sellers had little to say about the HIP Index, however some felt that the one shown in the example HIP was too complicated and that it was not immediately obvious what its purpose was. However, it should be noted that the example HIP Index showed everything that *might* be provided in the HIP so it is likely that their own HIPs would have been simpler.

4.2 Sale Statement

The Sale Statement was considered to be very straightforward and easy to understand. All buyers and sellers, even those who had not previously seen a HIP, understood the content of the Sale Statement and could see its relevance.

Many participants felt that it is a very useful and important document, containing essential information that all buyers need to know prior to purchase. Moreover, the availability of a Sale Statement would alleviate the concern, highlighted by some buyers, that estate agents deliberately misrepresent information (e.g., market leasehold properties as freehold) in order to make a sale. Having this information from an independent source would safeguard against this problem.

I've bought houses before where the estate agents have had it as freehold but it's turned out to be leasehold but only to the extent where it's cost you a hundred quid... but it would be good to know to start with.

Seller, Stockport, Group 2

However, some participants believed that the information contained in the Sale Statement, such as the address and whether the property was vacant, is either obvious or easily obtainable from the estate agent or seller.

You'd hope that the property was being sold with vacant possession.

Buyer, Stockport, Group 2

4.3 Evidence of Title

Buyers and sellers generally felt that this was an unnecessary element of the HIP, as the information contained in the Evidence of Title section is readily available (at a small cost) from the Land Registry. Participants agreed that it is useful to have all information upfront and in one pack but the knowledge that this information can so easily be obtained resulted in some further discussion about whether the cost of the overall HIP is justifiable.

Some buyers also highlighted that they would expect their solicitor to check ownership of the property as a matter of course. They felt that the inclusion of the Evidence of Title in the HIP means that these checks are being performed twice and, hence, being paid for twice (by the seller as well as the buyer).

4.4 Standard Searches

In general, standard searches were seen as the most useful aspect of the HIP because the outcomes from these searches will have a direct impact on the buyer's decision to purchase a property.

Completion of the required searches was considered to be one of the main reasons for delay in the home buying process and so it was generally considered that having these up-front may save time further down the line (when a sale is agreed). Some participants recalled the frustration of having to wait for searches to be completed in the past (prior to the implementation of HIPs) and for this reason were extremely positive about the fact that the searches had been completed prior to their first viewing of the property.

I think the searches, I think that's often something that can take a while when you're actually coming to completion. Because I had that with the last place I had. That was what delayed the completion. So if that's already done for you, I think that's often going to be a positive.

Buyer, Maidenhead, Group 7

However many buyers and sellers felt that the contents of these searches are too complicated for most people to understand and that it would ultimately be the solicitor who would read through them in detail. In fact, those who had looked at the HIP for their own property recalled seeing numerous pages of searches but had relied on their solicitor to flag any areas of concern rather than trying to decipher the contents themselves.

Most buyers found that their solicitor was required to undertake further searches in addition to those included in the HIP. Hence, the time and money that is actually saved by the having the standard searches upfront is thought to be minimal.

We're having a delay though, because our solicitor's waiting for an answer on a search. So he's obviously not taking the search information in the HIP as gospel, so he's doing it again.

Buyer, Maidenhead, Group 7

Similar to the concerns about HIPs in general, there was some confusion regarding how long the searches remained valid. The majority assumed that they would have a short shelf-life and would need to be re-done after three to six months.

Section 5: The Energy Performance Certificate

The Energy Performance Certificate (EPC) was considered to be the most memorable and recognised part of the HIP. Prior to the discussion groups some participants, particularly those that had not previously seen a HIP, were surprised to learn that it was one of many components of a HIP.

On the whole, buyers and sellers found the EPC interesting and easy to understand. Most buyers had seen the comparisons charts in property brochures provided by their estate agent so were already familiar with the energy efficiency ratings and comparisons. However some reported finding the charts a little confusing at first glance and felt that the EPC should include a better explanation of what the figures in the chart represent and how they were derived.

Both buyers and sellers felt that alerting people to the energy efficiency of their homes is a “step in the right direction” in raising awareness about environmental issues in general.

Increased knowledge is always a better thing. And increased global warming knowledge for generations in the future... so it's in everyone's interest.

Seller, Stockport, Group 1

However, a few buyers and sellers stated that the ratings provided were meaningless without some allowances for older properties. It was felt that an older property would inevitably be less energy efficient than a new-build and there should be more clarification regarding this in the EPC itself and perhaps some allowances made.

But if you've got a house that was built in the 1950's, or the 1930's, or the 1820's, I'm sorry, but there's nothing you can actually do about the energy rating. So this is actually a very, very unfair imposition on the majority of properties in this country.

Seller, Maidenhead, Group 7

Sellers had not acted on the information provided in their EPC because they did not think this information was relevant to them, given that they would not be living in the property for much longer. For this reason they did not consider acting on any of the recommendations for improvement.

It tells me I can save £15 if I put energy efficient light bulbs in my house or if I get a condensing boiler. I'm selling my property I don't want to start putting a new boiler in the house. We've done all the work that we want to do. And it might be beneficial to someone buying the property but there's nothing wrong with the existing boiler.

Seller, Stockport, Group 2

None of the buyers who participated in the discussion groups had acted on the information in the EPC but the majority felt that the recommendations for improvement and the predicted savings would be of some use to them in the future. The general consensus amongst buyers was that they would implement changes to the property based on these recommendations once they had moved in (none of the buyers had moved into their property at the time of fieldwork).

Buyers emphasised that the contents of the EPC had not or would not affect their decision on whether or not to buy a particular property and most believed that this would be true for most consumers. Most felt that the majority of buyers would have already decided to buy the property in question prior to seeing the EPC and that the information it contained would do little to sway their decision to purchase or not. Nevertheless, it was felt that given growing concerns about climate change and the possibility of environmentally driven taxes people may start to take more notice of energy saving issues in the future.

I don't know whether or not that tick there in the efficiency thing is good for me or bad for me. I just know it's in the middle of the scale... I don't care. I love its south facing garden and that it's got a big garage.

Buyer, Nottingham, Group 4

The best thing you can do is double glazing and loft insulation. But even double glazing – what you pay you're never going to get back in a life-time of that double glazed unit you'll never recoup the money you've spent.

Buyer, Stockport, Group 1

Despite being largely positive about the EPC, buyers and sellers alike believed that some of what it covered was merely common sense. For example, a property with double glazed windows will be more energy efficient than one with only single glazing. The relative impact of energy saving light bulbs was also disputed. Some buyers felt that the EPC could be more comprehensive and that the recommendations did not go far enough in highlighting possible actions that may be taken to improve the energy efficiency of the property.

The HIP reports that I've seen have no mention of a water butt. The simplest thing to conserve and help the climate is get a water butt. They're pretty cheap; you just plug it into your drain water pipe.

Buyer, Stockport, Group 1

Opinions were divided on the extent to which the roof space should be inspected for an EPC. All participants recognised that insulation is something that would not be immediately obvious to a buyer (i.e., at first viewing buyers would not be able to see for themselves whether or not a house had roof insulation) but whilst buyers thought that the provision of this information was a good thing, sellers did not. A few sellers, whose properties did not have roof insulation, expressed concern that this information might put potential buyers off. There was also some concern about the accuracy of the information recorded. For example, one seller, whose property did have insulation, complained that this had not been recorded correctly in the EPC for his property.

There's a few bits in there where it says assumed as well... the information is wrong. When I looked at mine it says very poor because it's not got loft insulation, "assumed", because they've not gone up there and had a look. It makes my HIP as a seller look bad because it's got very poor energy efficiency, whereas in fact we have got loft insulation, we only did it about four months ago. They never asked us they just put it in there that it was assumed.

Seller, Stockport, Group 2

He didn't go up in the loft. He didn't check, he didn't notice there was cavity wall insulation; we had to tell him that. And we still got marked really low, because it was an old house. He didn't have any meter with him. I don't know, I thought, how is he actually rating this place?

Seller, Maidenhead, Group 7

Section 6: The Home Condition Report

Knowledge of the Home Condition Report (HCR) was fairly limited. Sellers that had commissioned their HIP directly from a HIP provider, rather than through their estate agent, were more likely to have some knowledge of the HCR. Those who had ordered their HIP via their estate agent had little or no knowledge of it, and none could recall being told about the HCR by their estate agent.

None of the sellers had opted to include an HCR with their HIP and none of the buyers had seen an HCR prior to attending the focus group. Generally sellers appeared to have a greater understanding of the HCR than buyers.

Initial reactions to the HCR (all group participants were shown an example HCR prior to discussions) were mixed. Some participants had a very poor opinion of it, saying that it was not thorough enough to offer any real guarantee to buyers (many highlighted the disclaimer in the document), while others were significantly more positive, believing that it could be an extremely useful document for buyers and sellers alike.

A small number of buyers and sellers, who had had sales fall through in the past because surveys had uncovered structural problems with the property they intended to buy, said the presence of an HCR would prevent such problems from occurring and so were keen for the HCR to be made compulsory. The participant cited below had recently been forced to pull out of a transaction because the buyer's survey she commissioned had uncovered major structural problems with the property in question. Even if she had wished to purchase the property regardless of these issues, her mortgage company would not have lent her money to do so. She highlighted that other potential buyers of this property were likely to go through the same process (and lose similar amounts of money) because important structural information is not available up-front.

I've had a house fall through based on the survey so have decided to walk away and so you're 600 quid down... just like money down the drain and then someone else will come and get the same. So from one point of view it's good.

Buyer, Stockport, Group 1

Even those who had not experienced such problems tended to agree with this point of view. It is also interesting to note that the majority of sellers (considering the HCR from a buyer's perspective) also felt that the presence of an HCR would be useful. While they expressed some concerns about the additional cost involved, the majority agreed that it should be made compulsory. However, it should be noted that sellers were only willing to pay extra on the assumption that the HCR would offer the same guarantees as a Home Buyers Survey.

This is where all the reassurance lies.

Seller, Slough, Group 1

Spend the money, the extra £100, on having a survey done, which I think is the most important thing.

Seller, Stockport, Group 1

Buyers generally thought that making the HCR mandatory might encourage sellers to make improvements to their property prior to putting it on the market. However, few sellers felt that they would take any action if the report highlighted something negative, but rather that it would be useful for them to know about any issues in advance so that they could discuss them upfront with potential buyers, avoiding problems further on in the process.

Some sellers were concerned that by including an HCR with their HIP they would be taking on the burden of cost compared with the buyer. It is thought that some level of financial commitment from the buyer is necessary to ensure that they are serious about buying the property in question.

You're then taking all the costs. Alright if you're selling to buy then you gain those costs when you buy but otherwise if you're just selling your property you're taking on all the responsibility and the cost and the buyer is then not bound with any money, they've not got to pay for a survey so they could pull out at any time, which I should imagine would make the market more unstable.

Seller, Stockport, Group 2

The general consensus however, was that the additional cost to the seller was acceptable if the HCR fully replaces the Home Buyers Survey. There was some level of confusion among participants as to whether this was the case or not. Many buyers felt that mortgage companies would not accept the HCR because it has been commissioned by the seller. Moreover, some buyers commented that the contents of the HCR does not provide enough detail to be of any real use, while many others said they would simply get another survey done regardless of whether or not an HCR was available. The extensive "disclaimers" in the example document provided to participants offered little reassurance for buyers, most of whom said they would want to see a full structural report before committing to anything.

Regardless of these concerns, most buyers and sellers said that the inclusion of the HCR would vastly improve perceptions of the HIP overall. The overall consensus amongst participants was that the HCR and HIP should be combined and condensed into one document, providing an overview of everything the buyer needs to know. In fact, some only wanted to see a short, summary of the HIP and HCR contents, rather than a “huge” detailed document, of which they would read (and understand) very little.

One suggestion for improvement was made. This would take the form of a “traffic light” system, whereby buyers and sellers are alerted to the things that are most likely to be of interest or concern to them.

Section 7: The Consumer Experience

7.1 The sellers' experiences

In most cases the HIP took about two weeks to complete, an amount of time which was seen as fairly reasonable among participants. Most sellers left the responsibility for commissioning a HIP to their estate agent (who had offered to provide the HIP as part of their fee). Only a small number had commissioned the HIP independently through HIP providers (sometimes online).

Regardless of how the HIP had been commissioned, sellers reported few delays in the marketing of their property. The majority of sellers had found that they were able to market their property prior to the completion of their HIP.

From a seller's perspective it was completed quite quickly, we went into estate agents, an appointment was booked and it was for the next day and somebody came round and it was non intrusive I didn't even have to be there, the estate agents came round and let somebody in who did all they needed to do and it was done. So it was quick and easy to do.

Seller, Nottingham, Group 3

Some sellers believed that the requirement for a HIP to be commissioned prior to a property being marketed may discourage potential sellers. In contrast, others thought that sellers would soon get used to the process and would know that they needed to commission a HIP several weeks before they wish to put their property on the market. They argued that the decision to sell a property tends to be made after considerable time and deliberation; therefore sellers will not be deterred by the extra couple of weeks it takes to compile a HIP.

Some sellers (particularly those whose estate agents had requested the HIP on their behalf) were not automatically sent a copy of the HIP as this had been passed directly to their solicitor. These sellers had assumed that this was how the process worked and many had not questioned the fact that they had not seen a copy. In some cases the seller had requested to see a copy of the HIP for their property but they admit that they had taken little interest in its contents.

The majority of sellers had been sent a copy of their HIP via e-mail. However, most felt that this was an inappropriate way to receive the HIP, and that given the size and the detail of the document a hard copy version would be preferable. The main advantage of this is that paper documents are easier for sellers to read through in detail. It was also suggested that older people in particular may not have access to a computer or may not have the required computer skills to navigate such a document online. Some sellers also felt that they would like a hard copy

to keep with other important related documents. One possible suggested compromise would be receive the HIP on a CD, which is seen as less vulnerable than an email copy and more appropriate for long-term storage. Sellers who had no firm opinions on whether they would prefer a hard or electronic copy tended not to have examined the details of their HIP (or not to have requested a copy) as extensively as those with more definite opinions.

Sellers reported a general lack of interest amongst buyers with regards to the HIP and they recalled that few buyers actually requested to see the HIP for their property. This fed into a general apathy amongst sellers who struggled to see the purpose of paying for something that received low levels of interest from buyers.

In the three weeks that my house has been up for sale, we've had three looking at it and no-one's asked for the pack.

Seller, Stockport, Group 1

I didn't see any relevance in it to be quite honest because the guy who came to buy my house wasn't interested in looking at it in the slightest, he just came in he said OK there's a HIP put it to one side and just looked at the house and that was. It had no relevance whatsoever apart from the fact it had cost me 400 quid

Seller, Nottingham, Group 3

Clearly the fact that buyers did not ask sellers to see the pack does not mean that they would not have seen them at all, as they may have been shown the HIP by the estate agent or through their solicitor. However sellers felt that the apparent lack of buyer interest may stem from a lack of knowledge about the HIP or understanding of its contents and purpose.

I don't think the majority of buyers will understand it so I don't think it will make any difference.

Seller, Nottingham, Group 4

7.2 The buyers' experiences

The buyers who participated in the discussion groups were at different stages in the buying process. Most were at the completion stage of their purchase, and some were about to move in to their property. Others were still looking at properties and had not yet put in an offer on one.

Some buyers had seen a HIP at an early stage in the buying process; either on first viewing or whilst they were considering whether or not to buy a property. Others had not seen the HIP for the property they were buying until after they had put an offer in. In most cases the stage at which the buyer saw the HIP was dependent on the estate agent and whether or not they highlighted that a HIP was available. While some had immediately been given the option of seeing the HIP on any property they viewed, others found they had to specifically ask to see it. Buyers that had not yet seen a HIP tended not to have done so as a result of their estate agent not giving them the option of doing so. However, most had seen energy rating charts from the EPC for the properties they viewed as these were included by the estate agent as part of the information in the property details.

Buyers generally agreed that estate agents should offer to show the HIP to potential buyers as a matter of course. However, opinions were divided on the issue of when the HIP should be received. Some buyers argued that they would like to see a property's HIP before viewing it, while others would only like to see it once they are seriously considering buying a property (after the viewing). The perceived advantage of seeing the HIP at an earlier stage was that it could allow a buyer to make an objective decision before "falling for the property". The perceived advantage of seeing it later is that the HIP is a minor consideration compared to any "gut" feelings a buyer might have when looking at the property.

Many of the buyers did not actually see the HIP for their property until after they had put an offer in (in a couple of cases this was because the HIP was not ready). All felt that it would have been useful to see the HIP at an earlier stage. Some suggested that estate agents were unwilling to share this information with them and some had experienced low levels of knowledge amongst the estate agents they met. Some estate agents had apparently not known whether they were allowed to show the buyer the HIP for a property.

We rang our estate Agent because when we went to view the property and we put the property and they said to us that it's got a HIPs pack, it's with the estate Agent. So we rang the Estate Agent and she had to come back to us after a day because she wasn't sure whether we could have it or not. Whether we were able to view it or if it should go straight to our solicitor.

Buyer, Stockport, Group 1

7.3 Commissioning their own HIP components

Most buyers and sellers were surprised by the suggestion that they could commission their own HIP components directly from the relevant bodies as many of them had not previously been aware that this is possible. Participants wanted to know what exactly what this would involve.

Many buyers and sellers suggested that they would not trust a HIP where the components had been commissioned independently by an individual seller unless that seller has a legal knowledge. One of the reasons for this was the assumption that the HIP provider's role is to ensure that the HIP includes all the relevant documents, and that the documents are completed correctly and to a high standard. An individual compiling their own HIP may not have the knowledge or inclination to ensure each component meets the necessary standards. There were particular concerns about the EPC in this regard. Some participants highlighted that an individual providing their own HIP would be more likely to pressurise an energy assessor to provide an inaccurate inspection that would be 'biased' to the seller.

Appendix

The Discussion Guide

Home Information Packs Research

Buyers and Sellers – Group Discussion Guide

Objective:

- To monitor the views and perspectives of consumers who have had experience of HIPs in the “live market”
- To examine overall perceptions of the use of HIPs from a consumer’s point of view and assess the impact and usefulness of the HIP in helping the buying/selling process.
- To find out what role the HIP plays in the house buying/selling process and determine its perceived importance.
- Identify perceptions of the individual elements of the HIP – which elements of the pack worked well and which did not.
- To explore would be whether or not consumers would feel comfortable putting a HIP together themselves, and whether or not they should be allowed to market their property before the HIP is put together, as well as how local housing market conditions impact on the HIP.

Section	Timing
Introduction	5 mins
Icebreaker and background	25 mins
The HIP process	30 mins
Individual components	10 mins
Home Condition Reports	10 mins
Energy Performance Certificates	10 mins
Conclusions	5 mins

Topic areas, questions and probes	Objective/ Materials	Timing
<p>Welcome Participants.</p> <p>Thank everyone for attending</p> <p>Introduce self/colleagues, Ipsos MORI, explain objectives of the group (to get a more in depth understanding of attitudes and opinions expressed in the staff survey).</p> <p>All opinions are valid, okay to disagree. No right or wrong answers</p> <p>Assure confidentiality, MRS Code of Conduct</p> <p>Ask permission to record the discussion</p>	<p>Consistent introduction.</p> <p>Ensure MRS requirements met.</p>	<p>5 mins</p>

Topic areas, questions and probes Icebreaker & Background	Objectives/ Materials	Timing
<p>Participant introductions</p> <p>FIRST NAME, WHEN FIRST HEARD ABOUT HIPS AND FROM WHOM, TYPE OF PROPERTY BOUGHT/BUYING, TYPE OF PROPERTY SOLD/SELLING, WHETHER SEEN A HIP FOR THE PROPERTY THEY ARE BUYING/SELLING AND HOW WELL DO THEY FEEL THEY UNDERSTAND HIPS (E.G., PURPOSE).</p> <p>ASK EACH PARTICIPANT FOR A BRIEF DESCRIPTION OF THEIR HOUSE BUYING/SELLING EXPERIENCE SO FAR.</p> <p>READ OUT: We will specifically be looking at the impact of HIPs on the house buying and selling process. When expressing your experiences it would be useful if you could explain whether the experiences occurred when buying or selling a property.</p>	<p>Warm the group up and get them talking.</p> <p>Understand the experiences of the group and elicit spontaneous views of HIPs.</p> <p>To ensure the subject focuses on the impact of HIPs rather than property generally. The post-it exercise also allows each member of the group to state their own feelings – without being dominated by any single person.</p>	<p>25 mins</p>

Topic areas, questions and probes Icebreaker & Background	Objectives/ Materials	Timing
<p>Individual exercise</p> <p>HAND OUT SHOWCARDS WITH INSTRUCTIONS:</p> <p>Using the three different colour post-it notes provided, in one colour ask write down everything positive you have to say about HIPs, one another colour record anything negative you have to say, and on the third colour write any questions you have about HIPs.</p> <p>PUT POST-ITS ON THE FLIP CHART – ONE SHEET FOR EACH COLOUR.</p>	<p>USE POST-ITS TO PUT ON FLIPCHART – PEOPLE WRITE THEIR (+) AND (-) ON POST-ITS. PARK LESS RELEVANT ISSUES.</p>	
<p>Positives</p> <p>Are these statements similar to each other or different?</p> <p>FOR EACH STATEMENT:</p> <ul style="list-style-type: none"> – Why is this positive thing? – Does everybody agree/ disagree with this statement? PROBE FOR DIFFERENCES BETWEEN THOSE WHO HAVE SEEN A HIP AND THOSE WHO HAVE NOT. 	<p>MAKE A LIST OF MAJOR POSITIVES/ NEGATIVES FOR THE BUYING/ SELLING PROCESS</p>	
<p>Negatives</p> <p>Are these statements similar to each other or different?</p> <p>FOR EACH STATEMENT:</p> <ul style="list-style-type: none"> – Why is this negative thing? – Does everybody agree/ disagree with this statement? PROBE FOR DIFFERENCES BETWEEN THOSE WHO HAVE SEEN A HIP AND THOSE WHO HAVE NOT. 	<p>The consideration of negative aspects will allow participants to “park” issues that might otherwise dominate the discussion.</p> <p>ON THE FLIPCHART TRY TO ARRANGE PARTICIPANTS QUESTIONS BY THEME</p>	

Topic areas, questions and probes Icebreaker & Background	Objectives/ Materials	Timing
<p>Questions/doubts</p> <p>EXPLAIN THAT AS A RESEARCHER YOU MAY NOT BE ABLE TO ANSWER QUESTIONS AND THE KEY IS TO LOOK AT UNDERSTANDING OF HIPS.</p> <p>Looking at the questions you wrote down (if there are any):</p> <p>Are these questions similar to each other or different?</p> <p>Has anyone else been confused by this issue? PROBE FOR DIFFERENCES BETWEEN THOSE WHO HAVE SEEN A HIP AND THOSE WHO HAVE NOT.</p> <p>What are the answers to these questions does the group know?</p>	<p>EXTRA INFORMATION: HIPS must contain an EPC; an index of contents; A sale statement; evidence of title; searches; leasehold and commonhold documents where appropriate. However, evidence of title, searches and leasehold/ commonhold information do not have to be part of the HIP when marketing starts, although they should be added as soon as they are available.</p>	

Topic areas, questions and probes Icebreaker & Background	Objectives/ Materials	Timing
<p>Test statements</p> <p>The following suggestions have been made about the potential advantages and disadvantages of HIPs. What do you think of these statements? DISCUSS EACH OF THE FOLLOWING SUGGESTIONS IN TURN. GET SPONTANEOUS REACTIONS FIRST, THEN ASK THE FOLLOWING OF EACH:</p> <ul style="list-style-type: none"> – Did you know this? – Do you agree/disagree with this statement? Why? – Does this statement match up with what we have already discussed? Why/why not? – Does it match up with your personal experience? If yes, how? <ol style="list-style-type: none"> 1. <i>HIPs will decrease costs through reduced failure rates.</i> 2. <i>HIPs will increase the speed of the house buying process by having information up front.</i> 3. <i>HIPs will increase customer satisfaction, with more certainty of the process having information up front.</i> 4. <i>There is a cost upfront to the seller. (Some sellers will be unwilling to pay for an HCR.)</i> 5. <i>The first day of marketing may be delayed. (Delay until all the relevant constituent parts of the HIP have been prepared.)</i> <p>RANK STATEMENTS: Can you rank these statements – from most useful to least useful in terms of buying a property.</p>		

Topic areas, questions and probes <u>The HIP Process</u>	Objectives/ Materials	Timing
<p>SELLERS' QUESTIONS: Commissioning the HIP</p> <p>EXPLAIN THAT THE FOLLOWING QUESTIONS RELATE TO SELLERS' EXPERIENCES OF RECEIVING A HIP BUT THAT WE ARE INTERESTED IN THE BUYERS' OPINIONS AS WELL.</p> <p>At what point did you find out about the requirement to have a HIP? Who did you find out from? (Estate Agent, Media coverage, Solicitor?)</p> <p>Did you decide to compile the HIP yourself?</p> <p>IF YES:</p> <p>Why did you decide to do this? Where did you get the information/advice you needed from? What have been the advantages/disadvantages of doing this?</p> <p>IF NO:</p> <p>When did you commission the HIP for your property?</p> <p>From whom did you commission the HIP (Solicitor/ HIP provider/ Estate Agent?)</p> <p>At what point in the selling process did you see your HIP? (at first viewing/subsequent viewings/ before offer/before exchange/never?)</p>	<p>NOTE TO INTERVIEWER: IT IS UNLIKELY THAT MANY PARTICIPANTS WILL HAVE CHOSEN TO COMPILE THE HIP THEMSELVES</p>	

Topic areas, questions and probes The HIP Process	Objectives/ Materials	Timing
<p>IF NOT SEEN THE HIP:</p> <p>Why did you not see the HIP? PROBE: ESTATE AGENT WAS DEALING WITH IT, WASN'T GIVEN THE OPPORTUNITY TO, NOT INTERESTED, DIDN'T REALISE THEY COULD SEE IT.</p> <p>How has this affected your opinion of HIPs in general? Why do you say this?</p> <p>Would you have liked to see the HIP for your property? Why, why not?</p> <p>Did you receive any other information about what the HIP contained? IF YES: What was this? Who was it from (e.g. Estate Agent, Solicitor)? What format did this take (verbal, hard copy, e-mail)? What information did it contain? Was it useful/ comprehensive/ understandable?</p> <p>When do you think would have been the ideal time to see the HIP?</p> <p>How did you receive the HIP? (email/ CD-ROM/ Hard copy) What is your preferred way of receiving this information? What are the advantages and disadvantages of the different ways of receiving the HIP?</p>	<p>NOTE TO INTERVIEWER: SOME ESTATE AGENTS OFFER TO SORT OUT THE HIP AS PART OF THEIR SERVICE, THEREFORE SOME SELLERS MAY HAVE HAD VERY LOW INVOLVEMENT IN THE HIP PROCESS</p>	

Topic areas, questions and probes <u>The HIP Process</u>	Objectives/ Materials	Timing
<p>BUYERS' QUESTIONS: Receiving the HIP</p> <p>EXPLAIN THAT THE FOLLOWING QUESTIONS RELATE TO BUYERS' EXPERIENCES OF RECEIVING A HIP BUT THAT WE ARE INTERESTED IN THE SELLERS' OPINIONS AS WELL.</p> <p>At what point in the buying process did you see the HIP? (at first viewing/subsequent viewings/ before offer/before exchange/never?)</p> <p>IF NOT SEEN THE HIP:</p> <p>Why did you not see the HIP? PROBE: WASN'T GIVEN THE OPPORTUNITY TO, NOT INTERESTED, DIDN'T REALISE THEY COULD SEE IT.</p> <p>How has this affected your opinion of HIPs in general? Why do you say this?</p> <p>Would you have liked to see the HIP for the property you viewed? Why, why not?</p> <p>Did you receive any other information about what the HIP contained? IF YES: What was this? Who was it from (e.g. Estate Agent, Seller)? What format did this take (verbal, hard copy, e-mail)? What information did it contain? Was it useful/ comprehensive/ understandable?</p> <p>When do you think would have been the ideal time to see the HIP?</p> <p>From whom did you get the HIP (Solicitor/ HIP provider/ Estate Agent?)</p> <p>How did you receive the HIP? (email/ CD-ROM/ Hard copy) What is your preferred way of receiving this information?</p> <p>What are the advantages of the different ways of receiving the HIP?</p> <p>What are the disadvantages of the different ways of receiving the HIP?</p>		

Topic areas, questions and probes The HIP Process	Objectives/ Materials	Timing
<p>ASK ALL:</p> <p>What did you do when you received the HIP (read through, only skim-read, did not read)?</p> <p>What were your initial impressions of it? Why do you say this?</p> <p>Were the contents easy to understand? Why, why not?</p> <p>Did you discuss the contents of the HIP with anyone (Estate Agent, Solicitor, CAB, family and friends, other)?</p> <p>Did you act on any of the information contained in the HIP?</p> <p style="padding-left: 40px;">IF YES: What information was this? What did you do? Why? What impact did this have, if any, on the buying/selling process?</p> <p style="padding-left: 40px;">IF NO: Why was this?</p>		

Topic areas, questions and probes Individual components	Objectives/ Materials	Timing
<p>SHOW PARTICIPANTS AN <u>EXAMPLE HIP</u>. USE AS REMINDER AND STIMULIS.</p> <p>FOR EACH INDIVIDUAL COMPONENT LISTED BELOW ASK THE FOLLOWING QUESTIONS:</p> <p>What do you think this section is telling you? Is it easy to understand? Why, why not? How useful do you think this section? Why do you say that? Who would find this useful (Buyers, sellers, solicitors)?</p> <ul style="list-style-type: none"> • <i>Sale statement</i> • <i>HIP index</i> • <i>Standard searches</i> • <i>Evidence of title</i> • <i>Home Contents Form*</i> • <i>Home Use Form*</i> • <i>Legal summary*</i> <p>*MODERATOR NOTE THESE ARE NOT COMPUSARY DOCUMENTS SO THEY MAY NOT HAVE SEEN THEM.</p>	<p>To get more detail about what buyers and sellers think of each individual component of the HIP. The example HIP provides a good point of reference for buyers and sellers and ensures that their opinions are based on fact.</p> <p>PROBE FULLY ON ANY CONFLICTS OF OPINION BETWEEN BUYERS AND SELLERS</p>	10 mins

Topic areas, questions and probes HCRs	Objectives/ Materials	Timing
<p>Understanding the take up and impact of HCRs</p> <p>Have you heard of something called a Home Condition Report? PROBE FOR DIFFERENCES IN AWARENESS BETWEEN THOSE WHO HAVE SEEN A HIP AND THOSE WHO HAVE NOT.</p> <p>IF YES: What information does this contain? PROBE FOR LEVELS OF KNOWLEDGE.</p> <p>FOR THOSE THAT HAVE NOT SEEN A HIP: How did you find out about the HCR (if at all)? Did the Estate Agent send you any information about the HCR? IF YES: What was this? Was it useful?</p> <p>FOR THOSE THAT HAVE SEEN A HIP: Did the HIP you received/commissioned include a Home Condition Report (HCR)?</p> <p>IF YES: What did you think of it? (PROBE interesting/useful?/What have you used the HCR for?/If you haven't looked at the HCR, why not?) SELLERS ONLY: Why did you choose to include a Home Condition Report with the HIP? PROBE FULLY ON PERCEIVED ADVANTAGES.</p> <p><i>The HCR is a report, similar to a home buyers survey which is included in the HIP</i></p> <p>Do you think having (or not having) an HCR impacted on the time it took to buy/sell your house? Why? Why not?</p> <p>And what impact did it have on the cost of buying/selling the property (if any)?</p> <p>Did you get your own survey done (why/ why not?)</p> <p>Was the HCR used in price negotiations?</p> <p>Do you think an HCR is/would have been useful when buying/selling a house?</p> <ul style="list-style-type: none"> – Why/why not? – How would you have used the information? <p>BUYERS: Would you choose to include one in your HIP when you come to sell your house? Why/why not?</p>	<p>Understanding buyers' and sellers' levels of awareness re HCRs and establishing whether HCRs make a difference to the time taken/ ease of the buying/selling process.</p> <p>SHOW PARTICIPANTS AN EXAMPLE HCR</p> <p>WRITE ON FLIPCHART: Comparison of those who have bought/sold or will buy/sell properties with HCRs and those who bought/ sold them or will buy/sell them without?</p>	<p>10 mins</p>

Topic areas, questions and probes EPCs	Objectives/ Materials	Timing
<p>Understanding the take up and impact of EPCs in the buying/selling process.</p> <p>Can you tell me what the Energy Performance Certificate is? PROBE FOR DIFFERENCES IN AWARENESS BETWEEN THOSE WHO HAVE SEEN A HIP AND THOSE WHO HAVE NOT.</p> <p>IF YES: What information does this contain? PROBE FOR LEVELS OF KNOWLEDGE.</p> <p>FOR THOSE THAT HAVE NOT SEEN A HIP: How did you find out about the EPC (if at all)? Did the Estate Agent send you any information about the EPC? IF YES: What was this? Was it useful?</p> <p>FOR THOSE THAT HAVE SEEN A HIP: Did you come across the Energy Performance Certificate in your HIP?</p> <p>IF YES: was this because someone drew your attention to it or did you come across it when looking through? (if so who? Estate agent? Solicitor? Seller etc)</p> <p>ASK ALL:</p> <p>What were/are your first impressions?</p> <p>What do you like or not like about the EPC?</p> <p>Have you found it/would you find it interesting/useful?</p> <p>What have you used the EPC for? If you haven't looked at the EPC, why not?</p> <p>Did/would you ask any questions about the EPC (e.g. to the seller, estate agent or your solicitor). IF YES, what questions did/would you ask? Why?</p> <p>THOSE WHO HAVE SEEN IT:</p> <p>Did the EPC affect your decision to purchase the property? Why, why not?</p>	<p>Understanding buyers' and sellers' levels of awareness of EPCs and the perceived impact that they have on the buying process.</p> <p>SHOW EPC AS REMINDER FOR THOSE THAT HAVE SEEN ONE AND AS STIMULUS FOR THOSE THAT HAVEN'T SEEN ONE.</p>	<p>10 mins</p>

Topic areas, questions and probes EPCs	Objectives/ Materials	Timing
<p>Did you/the buyer conduct any negotiations with the seller/you based on the EPC? Why, why not? Describe these.</p> <p>BUYERS: Now that you've moved in/when you move in. Have you taken/ will you take any action or do you intend to take action to improve the energy efficiency of the property using the advice in the EPC? Why/Why not – PROBE FOR DETAILS</p> <p>SELLERS: Have your buyers indicated whether they will make energy efficiency improvements?</p>		

Topic areas, questions and probes Concluding Comments	Objectives/ Materials	Timing
<p>In your opinion, what impact has the requirement for a HIP had on the home buying/ selling process?</p> <p>How could HIPs be improved for buyers?</p> <p>How could HIPs be improved for sellers?</p> <p>Is there anything that hasn't been mentioned that you want to bring up?</p>	<p>Summarising the discussion and drawing out final conclusions.</p>	<p>5 mins</p>

