

# PROGRESS

an industry update on Home Information Packs

Issue 19 : 1 August 2007

[www.homeinformationpacks.gov.uk](http://www.homeinformationpacks.gov.uk)

## HIPs are live

Home Information Packs (HIPs) have gone live and will apply from today to homes marketed with 4 or more bedrooms in England & Wales.

A key component of the HIP is the Energy Performance Certificate (EPC). The EPC will rate the home's energy efficiency, using graphs like those on fridges and washing machines. It includes recommendations on how to cut fuel bills and reduce carbon emissions, encouraging people to make improvements to the energy efficiency of their homes.

**Today, Communities and Local Government issued a press release on the Introduction of HIPs and the benefits of the Energy Performance Certificate:**

### **New support for homeowners to get green grants**

01 August 2007

A new system to help homebuyers get green grants worth hundreds of pounds to lower their fuel bills and make their homes greener has been announced today, linked to the introduction of Home Information Packs and Energy Performance Certificates.

Most people are unaware that there are typical grants of £100 to £300 available for cut-price loft and cavity wall insulation. The programme is expanding next year so even more home buyers will be able to benefit from hundreds of pounds off insulation.

Measures recommended in the EPC could save the average consumer £300 a year off their fuel bills, according to the Energy Saving Trust.

With EPCs (Energy Performance Certificates) being introduced today — giving homebuyers a home energy rating, the system will make it easier for consumers to get grants to make the improvements recommended in the certificates.

For the first time, the six major energy companies have agreed that when buyers move into their home and sign up to an energy contract they will get immediate access and information about 'green' grants or offers to consumers. This follows talks with the Government and will help them make their home more environmentally friendly and cut fuel bills.

In addition, the scheme will include a new portal on the Energy Saving Trust's website where consumers only need to enter their postcode to find details of offers available. Once fully rolled-out it is estimated that the energy certificates would save nearly a million tonnes of carbon per year by 2020.

Consumers who choose to give details from their EPC to suppliers will also receive targeted offers for recommendations in their certificate. This information will not be used for any other purpose and cannot be given to anyone else by the supplier.

The offers are funded by energy suppliers and other partners, with their investment in 'green grants' increasing to £2.5 billion over the next three years from April 2008, compared to £1 billion over the last three years.

EPCs are being introduced today as part of Home Information Packs, starting with four bedroom homes and above. The certificates will give consumers energy ratings for homes of A-G, similar to consumer friendly fridge ratings.

A snapshot of leading estate agents shows that most will offer a HIP for around £300 to £350 plus VAT — £200 to £250 of which is already paid for in the current system.

Some estate agents will be offering them for free or as part of their ordinary fees.

The introduction of HIPs is already leading to search prices coming down for consumers, with nearly fifty local authorities having already reduced what they charge consumers for searches, in some cases by more than £100.

Increased competition and transparency as result of HIPs is expected to reduce costs further.

The Government will monitor HIPs closely to ensure the benefits are being passed on to the consumer, with a new consumer panel being set up as part of a wider programme of action to make the home buying and selling process work in the interests of consumers.

The introduction of HIPs in August when the market is normally quieter, with fewer homes for sale, will help to support the smooth transition.

Housing Minister Yvette Cooper said:

*"Energy certificates have the potential to cut family fuel bills by hundreds of pounds. But it can still be a real hassle getting the work done. Most people don't know these grants are available or don't know how to apply for them. This means it should be much easier for homebuyers to get help to cut their fuel bills and carbon emissions too. It could save hundreds of pounds on insulation and hundreds of pounds on their fuel bills too."*

Philip Sellwood, Chief Executive of the Energy Saving Trust, said:

*"Our Green Barometer shows that more than half of people want tailored advice on energy saving. Energy Performance Certificates will make it easier for people to identify the simple things they can do in their home to reduce their energy consumption. More people will be reached now that energy companies are being proactive in providing information to householders on grants available to them."*

Friends of the Earth campaigner Dave Timms said:

*"We're delighted that Energy Performance Certificates are finally up and running. EPCs will give homeowners information which, if they act on it, will help them tackle climate change and save money on home energy bills."*

Paul King, Chief Executive of the UK-BC (Green Building Council), has said:

*"It's really very simple. We will fail to prevent the worst effects of climate change unless we make huge improvements to the energy efficiency of our existing homes. The new Energy Performance Certificates provide an essential tool for doing this. By showing people, for the first time, how their homes rate in terms of energy consumption, and giving them user-friendly advice about the most cost-effective ways of improving their performance, we can all be equipped to do something meaningful to tackle climate change."*

## Recent e-comms

Below is a round-up of the recent e-communication messages sent from CLG.

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### Monday 30 July

Countdown – 2 days to go...

#### HIPs preparation

To make sure you're fully prepared for this Wednesday when HIPs are introduced for homes with 4 or more bedrooms, check that you know:

1. Where you're getting your Packs from
2. What payment options you're offering your customers
3. How you will provide copies
4. How you will attach the energy information to the property particulars

For further information, visit <http://www.home-information.info/doc?id=94>

#### Property Particulars

The current regulations allow for written or electronic particulars to be produced without the two EPC graphs until they become available. Once an EPC is available, any description of the property produced that contains at least two out of the three criteria set out in the EPB Regulations will need to contain the EPC graphs. These criteria are:

- a) a photograph of the building or any room in the building;
- b) a floor plan of the building; or
- c) a description of the size of the rooms in the building

This means that as soon as the EPC is available, any adverts or particulars that fall within these criteria will need to include the EPC graphs, or have the EPC itself (but not the recommendations report) attached to them.

#### Response to media headlines

In response to accusations in today's Daily Mail that HIPs will increase Council Tax, a spokesman for Communities and Local Government said: *"This is total codswallop. Time and again we have made clear the Valuation Office Agency will not have access to this register. We even set it out in the law so there could be no doubt. "No revaluation is currently taking place in England. Reports of a revaluation by stealth are pure invention."*

On accusations in the Sunday Telegraph/Express, that EPCs are flawed because assessors gave different results on the same property, a spokesman for Communities and Local Government said: *"EPCs are a comprehensive assessment of the energy efficiency of a home, with standards set by industry experts and endorsed by environmental groups. All EPCs are carried out by trained and accredited assessors. The quality of assessments will also be fully monitored by each accredited scheme to ensure standards are met and customers unhappy with an assessment will be able to challenge the result."*

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### Tuesday 31 July

HIPs go live tomorrow...

## HIPs - OFT advises estate agents on their obligations

The Office of Fair Training (OFT) today advised all estate agents in England and Wales that a failure to comply with the new Home Information Packs (HIPs) regulations could result in a ban from estate agency work.

From 1 August 2007, all homes in England and Wales put on the market with four or more bedrooms will need a HIP to show to prospective buyers.

Under the Estate Agents Act and HIPs regulations, the OFT has the power to assess whether an estate agent is fit to practise. The OFT can issue a Warning Order and can impose a ban on an estate agent found to be in repeated breach of the Act.

To read more of the Press Notice visit <http://www.home-information.info/doc?id=95>

## HIPs ordering proforma

This form can be completed by a HIP provider and passed on to the marketer of a property to demonstrate that a HIP has been commissioned. This form is not mandatory and HIP providers may use their own systems and forms to give proof of commissioning to the marketer of a property.

To print out your copy visit <http://www.home-information.info/doc?id=96>

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## Friday 27 July

To read Issue 18 of **PROGRESS** please visit <http://www.home-information.info/doc?id=97>