

PROGRESS

an industry update on Home Information Packs

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www.homeinformationpacks.gov.uk

Full roll out of HIPs today

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Full roll out of HIPs today

From today homebuyers will benefit from A-G energy ratings which will help them to cut their fuel bills and carbon emissions and first time buyers will see their upfront costs drop, with the completion of the roll out of Home Information Packs and Energy Performance Certificates.



Buyers whose homes score poor energy ratings of F or G (currently around one-fifth of all homes) may receive an offer of a discount or free help with energy efficiency measures from the Green Homes Service which will be established, helping to save hundreds of pounds off fuel bills.

Before completing the roll out, the Government commissioned independent economic research and advice to analyse the impact of HIPs for three and four bedroom homes and its interaction with current market conditions.

The report found no evidence of any impact on transactions, prices or mortgages, and the advice concluded that there were strong arguments for rolling out as planned, and further delay could cause greater uncertainties.

HIPs benefit buyers, particularly first time buyers, who get important information for free, such as searches, which previously they would have had to pay for. They have also helped cut the cost of searches, with more than 85 local authorities reducing their prices. By providing information at the beginning of the process, HIPs can help to cut delays, and increase transparency and competition.

The implementation of HIPs so far shows the roll out has gone smoothly:

- HIPs are taking on average 7 to 10 days to prepare
- The majority of property, and drainage and water searches, are being delivered promptly within five days
- EPCs are being prepared on average within 2 to 4 days
- The average cost of a pack is £300 to £350 — costs which apart from the new information included in the EPC are already part of the home buying and selling process

Housing Minister Yvette Cooper said:

“All homebuyers should be able to get an energy rating for their new home as well as useful advice on how to cut fuel bills and carbon emissions. Those buyers with low rated homes will also be able to get grants to help put in things like loft insulation or a new boiler. HIPs will also help buyers, especially first-time buyers, by giving them important information about their homes they previously had to pay for.”

The Government published an independent report by Europe Economics on the impact of HIPs on the market on 22 November. Their report finds no evidence of any impact on transactions or prices, although there is a predicted short term impact on new listings as sellers change the timings of their listings. The report concludes that this impact on listings is short lived and the impact on the market is marginal compared to wider factors.

The Government also asked Europe Economics and Peter Williams of the National Housing and Planning Advice Unit (NHPAU) to consider whether changing housing market conditions meant we should change the approach to completing the roll out. They concluded that were strong arguments for rolling out as planned, and that further delay could cause greater uncertainties.

The introduction of HIPs is part of a wider programme of reforms to home buying and selling, including e-conveyancing and better redress, which aims to provide consumers with a clearer, more transparent and effective service, with better value for money, benefiting all potential homebuyers and helping in tackling climate change.

The Government will continue to actively monitor the roll out of HIPs and Energy Performance Certificates and the home buying and selling process to ensure we can respond where further improvements are needed.

Other measures being taken forward to promote interests of the consumer and ensure the smooth implementation continues include:

- Plans to publish guidance for local authorities and personal searchers to help them speed up searches and deliver a fairer deal for consumers
- A consultation on proposals for a complementary searches charging regime
- An extension of the temporary First Day Marketing provisions for an additional five months to allow for full flexibility (from 1 January to 1 June 2008)
- Temporarily amending the HIP Regulations until 1 June 2008. During this time HIPs will only need to include the Lease, while the HIP will authorise other leasehold documents

New guide — top tips for estate agents

We have today published a new brief guide for estate agents — *‘What you need to know about Home Information Packs’*. For a printable version, click [here](#)

Multiple hardcopies will be available to order in the New Year by e-mailing communities@twoten.com quoting product code: 07HIPI04597UEA

Bulletin and round-up

On 11 December an e-alert was sent out to subscribers, reminding them of changes to First Day Marketing, the Drop Dead Date and the required leasehold documents once HIP Regulations come into force on 14 December.

Energy Performance Certificates for Private Marketed Sales of Dwellings: Validity Period of Certificates

CLG have published a consultation on the validity period for EPCs including an Impact Assessment. The consultation closes on 6 March 2008.
<http://www.home-information.info/doc?id=121>

Your questions

The HIPs Team fields a large number of enquiries from consumers and stakeholders on HIPs policy. Here we feature some that might be of interest to others:

Q. Do regulations making leasehold documents optional rather than compulsory apply to HIPs commissioned prior to 14 December 2007?

A. Yes. The current rules will continue to apply until 14 December but from this date existing packs and packs in preparation will only be required to include a copy of the Lease.

Click [here](#) for more information on HIPs, leasehold information and full roll out.

EPCs and climate change

The EPC is an important part of the HIP and underlines the Government's commitment to cut carbon emissions. Here we feature some core facts about energy savings and how EPC recommendations can help cut fuel bills.



Did you know?

If everyone put an insulation jacket on their hot water tank, we'd cut CO₂ emissions by 740,000 tonnes — enough to fill around 148,000 hot air balloons.

[Source: Energy Savings Trust]

For more information on EPCs and green issues visit:

<http://www.communities.gov.uk/epbd>

<http://www.energysavingstrust.org.uk>

In the next issue...

*In the next issue of **PROGRESS**, we plan to examine some of the issues around searches.*

*If you have specific questions on searches, please get in touch with the Home Information Packs Programme Team by e-mailing:
homeinfopacks@communities.gsi.gov.uk*