HBSG

How to change the home buying and selling process

Our ambition:

To reduce the risk in the buying and selling process for all

How we intend to achieve this:-

- Increase the efficiency of the buying and selling process
- This will increase the success rate of buying and selling

By doing this we will:-

- Build confidence in the buying and selling process
- Save wasted time and money by reducing 25-30% fall throughs helping to:-
  - Save hundreds of millions of pounds lost annually due to fall throughs
    Source: Department of Business, Energy & Industrial Strategy (BEIS)
  - Help reduce delayed expenditure of a further £6.7bln spend
    Source: Twentyci

Buying and selling a home is complex

Seller - ID x 3	Buyer - ID x 4
Engage an agent	Mortgage broker/advisor
Property portal	Another legal company
Mortgage broker/advisor	Lender
EPC provider	Insurance
Insurance	Search reports (up to six)
Property legal company	Survey
Removals	Removals
Land Registry	Land Registry
HMRC	HMRC

Seller and the buyer may also require help and additional services/support:-

Tax: IHT, CGT and SDLT
Probate/divorce lawyer
Lifetime ISA
Right to Buy
Freeholder
Council (Right to Buy)
Management Company
Shared Ownership (Housing Associations)
First Homes
Help to Buy (Lenvi)
Rent Charge Owner
Gas Safe engineers
HETAS
Structural engineer
Drainage
Utilities
Electricians
FENSA
Building Regulations
Planning Office

Examples of collaboration

- **Successfully worked together to deliver covid guidance**
  - Lender to removal approved
- **Managed SDLT cliff edge fall throughs**
  - Letters and media messaging to advise who may miss the deadline
- **Produced the snagging recommendations for NHOS**
- **Those on the steering group work together on codes of conduct, guidelines and protocols**
- **Worked together, with government, to produce the .gov consumer guides**
  - We are hoping organisations will require the .gov guides to be issued prior to mandating to allow testing and trials

How we can change the HB&S process now

Government

- Publish up to date .gov guides
- Mandate the guides
- Consult on reservation agreements and property condition/safety

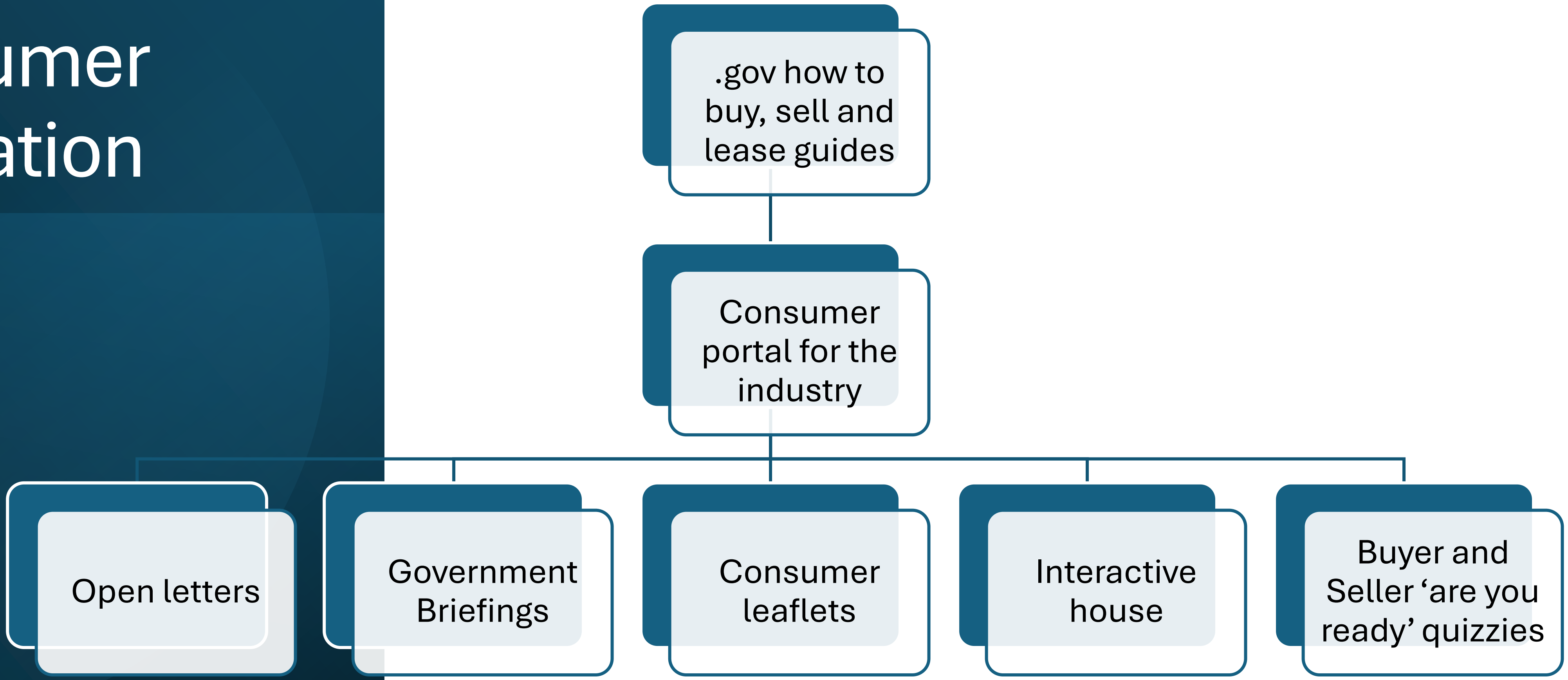
Industry

- Send a letter to consumers introducing material information
- Create cross sector consumer communication
- Secure mortgage funds 24-48 hours before completion
- Encourage completion by 1pm

Consumer

- Understand MI
- Instruct legal companies' day one of marketing
- Buyers financially validated prior to viewings
- Transfer funds within time and financial limits required
- Be ready to move by 1pm

Drive for consistent consumer education



Full access: £100 per year
– depending on number of companies signing up

How we can change the process in the future

Government

Agree Digital Property Information Protocol (DPMSG)

Approve Property Data Trust Framework

Govt depts to deliver data digitally

Mandate Property logbooks/legal packs

Implement ROPA

Implement one digital ID check

Industry

Agree Digital Property Information Protocol (DPMSG)

All providers supply buying and selling costs

Digital ID, AML checks done prior to buying/ selling

Mortgage funds drawn down using digital banking reconciliation service

Ensure smart data from heating systems etc can be easily and safely transferred

Consumer

Ensure smart data supports affordability and property buying and selling decisions

Buyers provide proof of funds prior to viewing properties

Sellers order a property logbook and/or legal pack, if agreed, a pre-marketing survey

The future of buying and selling a home

- Buyers know what they can afford
- They understand what they are buying
- They know what they can/can’t do in/to the property
- They understand how to organise payment at the right time
- They are ready to move by 1pm

- Sellers, agents and legal property companies work together to market a property transparently
- Properties are valued accordingly
- Timescales to sell are understood and sellers are better prepared
- They understand how to organise payment at the right time
- They are ready to move by 1pm

The efficiency and success rate of the buying and selling process is improved