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## **RICS criticises Government decision to drop HCR**

The Royal Institution of Chartered Surveyors (RICS) has criticised the Government's decision to make the Home Condition Report a voluntary component of the Home Information Pack.

The Government failed to allow sufficient time to iron out the problem of training adequate numbers of Home Inspectors - an issue RICS identified over a year ago.

If the Government had worked together with industry, as suggested, a workable solution would have been possible.

RICS welcomes the Government's request to discuss options to improve the home buying and selling process.

RICS research into the effect of HIPs on the UK housing market suggests the Government's decision leans towards the low-regulatory model used in Australia where their version of the Home Information Packs are compulsory, but the HCR equivalent is not.

The Australian model is a low cost approach to simplify the home buying process, and when introduced back in June 1988 had no effect on housing market activity.

The government's proposed first HIP model has similarities with the Danish 'Pre-sale Information Pack', where property condition reports are mandatory. Their introduction in the mid 1990s raised transaction costs significantly and stalled housing market activity.

### **ENDS**

#### About RICS

RICS (Royal Institution of Chartered Surveyors) is the mark of property professionalism worldwide. It covers all aspects of property, construction and associated environmental issues. RICS has 120,000 members globally and represents, regulates and promotes the work of property professionals throughout 120 countries. RICS is governed by a Royal Charter approved by Parliament which requires it to act in the public interest. It is also a professional regulatory body approved by Government (HM Treasury).

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