

Paul Marsh  
President of the Law Society  
The Law Society  
DX 56 London/Chancery Lane

19 February 2009

Dear Sir

### **Home Information Packs and Energy Performance Certificates**

I am writing in my capacity as President of Birmingham Law Society (BLS), one of the largest local Law Societies in England and Wales with approximately 3,000 members.

Our members are concerned that the residential housing market has effectively ground to a halt in the current economic climate and that it is incumbent upon HM Government to consider ways in which to start this market moving again, given its importance to the overall economy.

There have already been significant redundancies in each part of the transaction chain – not only in solicitors' firms, but also estate agents/licensed conveyancers, removal companies and of course, in particular all those who are part of the building and construction trade. We are all aware of development sites throughout the country, which are either unsold or half built and await funding from banks before completion is possible. This problem is likely to be further compounded by the prospects of a downward revaluation of construction sites leading to reduced lending to those construction companies. In the Midlands, we have seen companies such as Chase Midlands fold and the market in new build properties fall away almost entirely.

There is evidence that Land Registry applications for ordinary residential purchases fell by 63% for the year ending September 2008 and it is likely that more recent statistics will confirm an even greater fall.

The cost of the provision of a HIP pack is currently in the region of £350. This can be prohibitive to a seller whose house is mortgaged to near negative equity given the current down-valuation of properties across the UK. Consider the position of the seller who is desperate to sell before his property's value

diminishes even further, or who has found himself unemployed and unable to maintain mortgage payments.

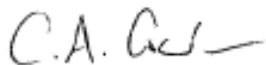
Clearly there has to be a balance between seller and buyer and in the opinion of BLS the financial burden on the seller is currently greater than any benefit to the buyer afforded by the provision of a HIP pack in the current financial climate".

In these circumstances, we suggest that one measure that could be quickly and easily undertaken is the removal of the requirement for preparation of a Home Information Pack ("HIP") and Energy Performance Certificate ("EPC") from the sale or letting of both residential and commercial properties. We suggest that a suspension of these requirements for an initial 12 month period would go some way to rekindle market interest and assist in one of the Government's stated intentions to see a return to stability of the property market.

Our members are aware of certain estate agents who are currently placing properties on the market without a HIP pack on the basis that clients will prepare a HIP pack in haste in the event that a potential purchaser is located. This is an unacceptable practice and suspension of the regulation of the requirements would remove such reprehensible practices.

We are not attempting at this time to revisit the fundamental question of whether HIP packs and EPCs are either necessary or achieve the objective that HM Government desire – that debate can be heard another day. What is needed right now, is a pragmatic and practical approach to getting the property market moving. We believe that a suspension of requirements for HIP packs and EPCs will assist.

Yours faithfully



Caroline Coates  
**President of Birmingham Law Society**

And on behalf of The Non Contentious Business Committee of the Society

CC: The Birmingham Post  
Local MP's