



Ministry of Housing, Communities and Local Government

Consultation on Home Buying and Selling Reform

Response from Propertymark

December 2025

Background

1. Propertymark is the UK's leading professional body of property agents, with over 19,000 members representing over 12,500 branches. We are member-led with a Board which is made up of practicing agents, and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development¹.

Consultation – overview

2. The Ministry of Housing, Communities and Local Government (MHCLG) is looking to reform the home buying and selling process. According to MHCLG, transaction times have increased by 60% since 2007 and one in three transactions fail. In order to improve the home buying and selling process, MHCLG has set the following objectives which it aims to achieve through a range of measures which will be highlighted within our response:
 - **Faster, more reliable transactions** – enabled by better digital tools, streamlined processes, and reduced repetition.
 - **Reduced fall throughs and risks, including those caused by property chains** – giving consumers and professionals greater clarity.
 - **High professional standards** – ensuring competence and accountability across the sector.
 - **Better informed consumers** – through improved education and transparency.
 - **Trust and confidence in the system** – leading to higher satisfactions and a more resilient market.
3. This consultation sits alongside reforms to material information requirements which Propertymark has also responded to.²

¹ <https://www.propertymark.co.uk/>

² <https://www.gov.uk/government/consultations/material-information-in-property-listings/material-information-in-property-listings>

Propertymark response – summary

4. Given the potential impact the reforms will have on the sector, property agents and the economy, Propertymark has engaged extensively with our members from across the UK, with around 100 members attending roundtables to discuss the proposals. Furthermore, over 145 Propertymark members responded to a survey we released on the consultation which all fed into our position on the consultation as we ultimately represent our members' views.
5. Propertymark welcomes the opportunity to respond to MHCLG's consultation on Home Buying and Selling Reform. We agree with the assessment that the home buying and selling process is too slow, with our own research suggesting that the process has taken longer in recent years. In March 2016, 78 per cent of transactions progressed from offer acceptance to exchange of contracts within 12 weeks, whereas in March 2024, the figure was just 29 per cent³. Our member survey on the consultation found 55% of members agree that over the past five years, fall throughs are becoming more frequent and transactions are taking longer. An additional 30% stated transactions are taking longer, even though fall throughs had remained stable. No respondents experienced fewer fall throughs and faster transaction times in the past five years.
6. In April 2024, Propertymark published its position paper on The Future of Home Buying and Selling which highlighted many of the challenges facing agents within the process and proposed several solutions, some of which have been proposed by the UK Government such as requiring property agents to be qualified and using digital solutions to encourage greater collaboration of industries involved in the process⁴.
7. Overall, our response to the consultation can be summarised by the following five positions linked to the UK Government's objectives for the home buying and selling process:
 - **Faster, more reliable transactions** – currently, each organisation and sector involved in the Home Buying and Selling Process works in silos, with separate forms that sellers need to complete that often ask similar if not the same questions. To create faster, more reliable transactions, there must be a single trusted list of material information that all parties can

³ <https://www.propertymark.co.uk/resource/spotlight-a-dickensian-legal-process.html>

⁴ <https://www.propertymark.co.uk/resource/the-future-of-home-buying-and-selling.html>

work towards simultaneously to ensure buyers have all the information they need to make an informed decision.

- **Reduced fall throughs and risks, including those caused by property chains** – buyers often miss important information as information is not tailored to their needs, a lengthy list of material information is not helpful and is often ignored by consumers. An expected process must be defined with the need for certain information to be presented when, how and by who.
- **High professional standards** – since there is no requirement for all estate agents to be qualified, there is a considerable variety in the level of service and working practices within the sector. Qualification requirements however will be difficult to enforce across the sector. To resolve this, we recommend that membership of a UK Government-approved professional body, in the same way that insolvency practitioners have to be registered with one of the Recognised Supervisory Bodies and Recognised Qualifying Bodies. Existing membership bodies such as Propertymark could transition to a supervisory body which would enforce the Code of Practice and ensure all their members are qualified.
- **Better informed consumers** – the proposals for introducing qualifications for property agents should be used to help inform consumers about the standards expected from estate agents and what to do when things go wrong. However, vendors who do not undergo a property search or condition report often cite an urgent need to get the property on the market as fast as possible and are concerned about the potential cost of searches and condition reports. Beyond informing consumers of the benefits of doing more work before the property is listed for sale, we need to ensure that the process for doing so is quick, easy and low cost to prevent sellers from arguing that the property should be listed before it is ready.
- **Trust and confidence in the system** – there is a general mistrust of information that is shared by all parties involved, often leading to the duplication of information gathering. While introducing mandatory qualifications and minimum standards for estate agents can improve trust, we would recommend introducing a new process that involves all organisations working towards a single digital access point about property and transactions to improve confidence even further.

Consultation Questions

Question 1: Are you responding as an individual or organisation?

8. We are responding as an organisation.

Question 2: If responding as an individual - what is your name?

9. We are not responding as an individual, but any correspondence should be sent to the Propertymark Policy and Campaigns team via the email address policy@propertymark.co.uk

Question 3: If responding on behalf of an organisation - what is the name of your organisation and what is your role?

10. Our organisation is Propertymark. Our response has been written by the Policy and Campaigns Team who represent Propertymark's members' views and seeks to support them understand legislative and other changes to the housing market.

Question 4: What type of organisation are you responding on behalf of – estate agent, surveyor, conveyancer, professional body, developer, other?

11. We are responding on behalf of our members who, for the purposes of this consultation, are primarily residential estate agents working across the UK, but also some letting agents for applicable questions.

Objectives for home buying and selling reform

Question 5: Do you agree with the proposed objectives for reforming the home buying and selling system?

12. Yes, we generally agree with the proposed objectives for reforming the home buying and selling system. Our member survey found that only 3% disagreed with all of the objectives, with 70% believing the most important objective to achieve is faster, more reliable transactions. 14% stated reducing fall throughs and risks is the most important objective to achieve. Any contention that

we would have with the UK Government's aims to improve the home buying and selling process is not that they have considered the wrong objectives, but rather how they might best be achieved. As stated earlier, on average the time it takes to sell a property is increasing which increases the workload for all industries involved, increases the chance of fall throughs (every property sale that falls through costs estate agents an average of £4,123 for⁵), reduces consumer satisfaction and stalls economic growth.

Question 6: Are there any objectives you think should be changed, removed, or added?

13. We would recommend introducing two new objectives. Firstly, relating to reducing cost. Secondly, increasing consumer satisfaction. While this can be achieved through other objectives such as faster transactions and reduced fall throughs, the effort to achieve these objectives from the vendor/buyer and organisations involved should not make the transaction more expensive and frustrating despite taking less time to complete. A balance needs to be struck to ensure that, even if more effort or upfront cost is required by any or all parties involved, it does effectively make the transaction less expensive overall and increases the satisfaction of both the buyer and seller.

Requiring upfront property information

Question 7: Do you agree that there should be a mandatory requirement for sellers and estate agents to provide comprehensive upfront information?

14. Yes, we agree that there should be a mandatory requirement for sellers and estate agents to provide comprehensive upfront information. This is backed up both by views expressed during our member roundtables and the fact that only 8% of our survey respondents disagreed that consumers would benefit from receiving more information (than is typically provided) in the property listing. Providing more upfront information can help to increase the speed of the conveyancing process and help mortgage providers make quicker more informed decisions but also ensure that buyers do not pull out of the transaction after putting in an offer due to new information being uncovered. What is important to note is that the professional organisations involved also benefit much more from detailed information provided in a different format than most buyers, who would benefit from focusing on information that is specifically important to

⁵ <https://www.propertymark.co.uk/resource/estate-agents-lose-over-4-000-for-every-property-sale-that-falls-through.html>

them. As such, we would recommend that there should be different approaches to material information depending on who is receiving it.

15. For mortgage providers and conveyancers, detailed information is useful to understand the full implications of any issues at a property which they can take back to their clients or make informed lending assessments. Currently, each organisation involved will have their own form and ways of finding out information which slows down the process. Often, if an estate agent provides this information, this is often ignored, and the vendor is handing another form to fill in which often the same or very similar questions. This has been cited by Propertymark members as a key reason why the expanded material information requirements introduced by the National Trading Standards Estate and Letting Agency Team in November 2023 had a minimal impact on fall throughs and transaction times.
16. To ensure that material information requirements reduce fall throughs and increase the speed of transactions, there are three prerequisites that MHCLG must ensure take place across the sector:
 - **Firstly, the information provided must be trusted to avoid the duplication of work within the process.** This comes down to liability, where the organisations involved feel they need to verify that the information provided by others is correct in order to ensure they do not face any legal consequences for providing false information. This is also due to each profession involved being subject to different regulatory bodies which have their own standards and forms for information.
 - **Secondly, to avoid all organisations involved being subject to different requirements, MHCLG should consider introducing a single digital access point where the information required should be listed, ideally with set information requirements split between the seller, estate agent and conveyancer where information requires additional legal knowledge.** An online filing system would speed up the process and allow for documents to be loaded onto a central point, and importantly, to be downloaded quickly and easily to produce documents on request. Furthermore, the conveyancing process requires information from various third parties before contracts can be exchanged. The single digital access point would help to avoid delays and allow regular contact with the agent and buyer to help deal with any issues that arise.

- **Thirdly, this single digital access point should provide the ability for all parties to access and edit it simultaneously. It was often stated during Propertymark's member roundtables that a list of information disputes could be resolved within an afternoon over the phone or via online meeting software like Zoom or Teams.** We acknowledge that this would require a considerable change in the way homes are bought and sold, however, given the scale of the need for change and that the UK has one of the world's slowest processes, we argue this is necessary to improve the speed of the home buying and selling process.

17. For buyers, providing a full list of material information in the property listing is not always useful. While we agree that more information should be provided that is currently included on most listings, which is typically only a small percentage of the full list of information the UK Government is suggesting, Propertymark members have informed us that buyers disregard a full list and often just ask the agent what they need to be aware of. Effectively, the more information that is provided, the less likely a buyer is to read it. This has the unintended consequence of agents believing they have provided all the information the buyer needs, even if the buyer doesn't read it and they miss crucial information, pulling out of the sale at a late stage. In that case, we would recommend that material information on a property listing should be a condensed list and the agent should be encouraged to discuss what information the buyer specifically needs. Alternatively, the agent should be able to highlight what information within a full list of material information is more important to note, be that it is unusual or would come with an additional cost to the buyer. This would however require the estate agent and buyer to discuss what factors may impact the decision for the buyer to purchase the property. Exploring property information this way would ensure that any information that would lead to the buyer pulling out of the sale can be provided as early as possible. Ultimately, this is better in the long-term as the buyer would pull out of the sale regardless of when they receive the information. Since the full list of material information would have been shared with the buyer's conveyancer, the buyer and agent would be able to cut to the information the buyer needs, while ensuring the full list is still available for the buyer to read if they chose to. With all the most important information shared in this way, we would expect that the buyer, seller, their legal representatives and the agent to go through the full list before an offer has been made.

Question 8: Do you agree that this should include a requirement to order property searches and undertake a property condition report?

18. Yes, the requirement to order property searches and undertake a condition report has been well received by Propertymark membership, however, many have raised concerns over previous efforts to introduce information packs. Many are concerned that this would be a return to Home Information Packs (HIPs) which were not well received by estate agents, because the information was often not trusted or ignored by the conveyancer or lender involved. Primarily, this is because the information contained within HIPs was not well considered by other parties involved in the home buying and selling process, who did not adapt their own processes thus making HIPs ineffective. This was not helped by how property searches were only valid for six months which will need to be addressed in order for any property search to be useful in improving the speed of transactions and prevent fall throughs. Additionally, customers involved in the process are not often willing to spend the time or money on these reports when there isn't need to. Sellers are typically under the impression that the best way to sell a home quickly is to list it for sale as fast as possible and some avoid agents or change to a different agent who suggests otherwise. That being said, if implemented correctly property searches and condition reports have the potential to prevent fall throughs and speed up the process.

19. There are three clear ways to ensure property searches and condition reports effectively improve the home buying and selling process:

- **Firstly, the information contained in these reports needs to be trusted by all parties involved** - either through a commitment from regulatory bodies such, as the Solicitors Regulation Authority, Financial Conduct Authority and estate agent professional bodies, or to prepopulate a single digital access point of information on a property.
- **Secondly, the benefits of taking more time to ensure the property is ready before the listing should be promoted as part of methods to better inform customers.** Not only would this ensure that reports and surveys are conducted before the property is brought onto the market, but buyers may see a lack of said reports to be a red flag. If a property is not securing any interest due to a lack of a survey or condition report, that could incentivise sellers to organise one.

- **Thirdly, the new Code of Practice and qualifications for estate agents could be used to promote new business practices** - such as recommending that property surveys and condition reports should be organised.

Question 9: What steps should government take to ensure that conveyancing lawyers, estate agents and surveyors have the capacity and capability to implement this change?

20. The move from the current home buying and selling process where organisations work in silos, with separate forms and regulations, to one where all organisations work towards a single set of information, will require a complete reshaping of how the process is conducted. To do this, the UK Government should consider establishing a new regulated process for home buying and selling which the regulatory bodies of the firms involved must agree to. This must set clear expectations of all firms involved, when they are expected to be involved in the process and what is expected of them. This may require a new home buying and selling process manual to be complied by all regulatory and/or professional bodies. This would have three clear benefits:

- **Firstly, all parties involved would have a greater expectation of what is expected by each other** - which enables them to prepare in advance and helps them to work together with clear expectations for the estate agent, conveyancer and surveyor.
- **Secondly, it helps consumers to identify and challenge the party responsible for any stalling of the process.**
- **Thirdly, rather than each organisation working towards their own standards and needs, they can all work towards a unified set of requirements where each can better trust each other that the information provided is correct.** This would be best achieved by a new unified set of standards and requirements, facilitated by a single digital access point where information and be filled in the appropriate areas designated to each organisation.

21. What the UK Government would need to do is to set out a new Code of Practice, work with the regulatory and professional membership bodies to agree to it and enforce this as the new standard. The UK Government would also have to create a single digital access point that includes all the material information that needs to be filled in on a property, based on the Unique Property

Reference Number (UPRN) that each homeowner would have access to⁶. When selling a property, the homeowner would provide access on a time-limited basis to their estate agent and conveyancer to fill in, who would have specified pieces of information to complete. This information would then be used to create the property listing, and a paper version or digital copy could be provided during viewings.

Question 10: What resources and additional training would be needed in order to implement these changes?

22. While the changes suggested in our response to question 9 would require all regulated bodies and by extension all firms operating in the home buying and selling process to agree to a new standard, it would not require considerable training to adapt to this new way of working. When it comes to providing information, the changes suggested do not change what each party is required to do, just when it is provided. All parties involved would however require training on using the new portal where they can work on potential disputes and identify more difficult information to uncover at the start, while enabling both the agent, seller and conveyancer to work on the information or review it together in real time. Additionally, estate agents would require additional training in order to best work with vendors to promote the use of property searches and buyers to discuss what information they specifically need to know.

Professionalising property agents

Question 11: Do you agree that we should intervene to drive up standards amongst, and improve trust in, property agents?

23. Yes, we agree that the UK Government should intervene to drive up standards amongst, and improve trust in, property agents. This is important for five reasons:

- **Firstly, improve quality of service for consumers** - anyone can operate as a sales, letting or managing agent, regardless of qualifications, background, skills or experience. This can result in variable service levels for tenants, landlords, leaseholders, homebuyers and sellers, including general bad practice, lack of financial protection and no effective way to resolve complaints.

⁶ <https://www.geoplace.co.uk/addresses-streets/location-data/the-uprn>

- **Secondly, introduce minimum operating requirements and enhance integrity** - there are no minimum standards to work in the property sector, and there are no statutory rules to ensure property agents are suitably qualified. Additionally, agents who are not members of a professional body do not have to meet minimum competency standards.
- **Thirdly, greater enforcement and accountability** – a more coordinated regulated structure for property agents would provide greater consistency in the qualifications of property agents and of enforcement against them as well support local authorities or Trading Standards teams across the country with specialist people, training and the right intelligence.
- **Fourthly, more protections for consumers** – it is mandatory for property agents to belong to one of two government approved redress schemes. The redress schemes can order agents to pay financial awards where they have harmed consumers, but the value of these awards cannot exceed the individual harm done. Furthermore, the redress schemes are limited by only acting where individual cases are brought by consumers, and they cannot mandate that agents be qualified or adhere to a code of practice.
- **Fifthly, reduce the risk of economic crime in the property sector** - property agents, auctioneers and high value dealers are all attractive targets for those looking to launder money. Both small and large agencies are susceptible to criminal activity. The London property market and the wider UK housing market are highly attractive options and are both affected by financial crime. While the property sector remains largely unregulated, and without minimum standards to operate, the industry is vulnerable to attack.⁷

24. Furthermore, YouGov research conducted on behalf of Propertymark in January 2025 with 1,012 consumers involved in property transactions in the last 12 months, showed the largest proportion (55%) chose a local property agent for advice and 60% said the most important qualities were holding a regulated qualification and belonging to a professional body.

⁷ Transparency International UK has been collating information on questionable funds from around the world being invested in UK property since 2016. This figure now stands at £6.7 billion (Feb 2022)
<https://www.transparency.org.uk/news/stats-reveal-extent-suspect-wealth-uk-property-and-britains-role-global-money-laundering-hub>

Question 12: Do you agree with our proposal to bring forward a Code of Practice on a non-statutory basis, and to legislate to put this on a statutory footing in future if necessary?

25. We agree with the proposal to bring forward a Code of Practice for all property agents; however, we disagree that it should be introduced on a non-statutory basis. In order to have a positive impact on the home buying and selling process, the Code of Practice needs to be statutory. Making the Code of Practice statutory emphasises the importance for property agents to adhere to the Code and sets clearer expectations for enforcement bodies, professional bodies and redress scheme to regulate agents based on the Code.

Question 13: Do you agree with our proposal to consult on mandatory qualifications for estate and lettings agents?

26. Yes, we agree with the UK Government's proposal to consult on mandatory qualifications for estate and lettings agents. This is important for three reasons:

- **Firstly, this would be consistent with the proposals for Managing Agents.** We have long held the view that professional bodies, continued professional development, and a code of practice must be utilised as part of the UK Government's plans. It is vital to ensure that any proposals involve mandatory qualification requirements for sales and letting agents, to drive up standards and protect consumers when buying, selling and renting homes regardless of tenure, whilst also forming an integrated blueprint for regulatory reform across the property sector.
- **Secondly, alignment across property agency will help to deliver leasehold reforms, building safety, the Decent Homes Standard and renters reforms.** Property agents have a significant role to play in keeping consumers safe and can help deliver legislative reforms. Improving the standards of agents can help ensure greater compliance with changes to the law.
- **Thirdly, parity is needed with the social rented sector** – under the Social Housing (Regulation) Act, property managers in the social rented sector must gain professional qualifications under new rules to protect residents and raise standards in the sector. As a

result, we do think that all tenants and consumers regardless of housing tenure should receive high levels of service from a qualified professional.

27. Furthermore, in 2014, legislation was passed making provisions for the regulation of letting agents in Scotland. This includes minimum training and qualification requirements, complying with the Letting Agent Code of Practice and joining the Register of Letting Agents. A recent report into letting agent qualifications and Continued Professional Development highlights the importance that professional qualifications is playing in driving up standards across the private rented sector in Scotland:

- 87% of letting agents who had completed a qualification said it had a positive impact on their professional capabilities.
- 51% of landlords said that requirement for letting agent qualification had been a positive thing for the private rented sector overall.
- 84% of letting agents said the introduction of qualifications has been positive for the sector overall highlighting more people looking at property agency as a long-term professional career option.⁸

Question 14: Are there additional interventions you think government should take to drive up standards amongst property agents?

28. Yes, we think there are three additional interventions should take to drive up standards amongst property agents:

- **Firstly, the UK Government could do more to promote the benefits of using a professional agent.** Consumers currently benefit from those agents who already choose, voluntarily, to belong to a professional body, such as Propertymark, and in doing so, adhere to high standards and professionalism. Therefore, the focus of any new regulatory regime must be on ensuring those same consumer protections exist across the whole industry rather than being provided solely by those agents who have chosen to be regulated through one of several professional bodies.

⁸ <https://www.cih.org/publications/review-of-letting-agent-qualifications-and-cpd-final-report/>

- **Secondly, all estate agents must have a complaints procedure in place that is supported by a standardised process set out by government.** The legal requirement for estate agents to belong to one of two government approved independent redress schemes assumes that all agents have a complaints procedure. Whilst the schemes are independent and provide an impartial service for resolving disputes between consumers and agents, they can only take action after the agent's complaints procedure has first been exhausted.
- **Thirdly, all developers should be required to sign up to the Consumer Code for New Homes.** The Code has been established to ensure that best practice is followed by registered developers in respect of the marketing, selling and purchasing of New Homes, and also sets expected standards for after sales customer care service. This would help to level the playing the field for consumers between new build property and property bought and sold on the second-hand property market.⁹

Question 15: Are there any other areas across the property agent sector that needs to be monitored or regulated in order to improve the customer journey?

29. We would also encourage the UK Government to establish mandatory Continuing Professional Development hours for estate and letting agents, facilitated by professional bodies. This would help to ensure that property agents are kept up to date with any further legislative changes. It should consist of formal and informal training. Formal training such as courses, conferences, lectures, seminars or webinars. Informal training including work shadowing and coaching, informal learning within a company or interactive discussions with experts.

Digital property logbooks and packs

Question 16: Do you agree that government should aim to support the wider use of digital property logbooks and packs?

30. Yes, we agree that government should aim to support the wider use of digital property logbooks and packs. When surveyed, 73% members stated this would be an effective way to mitigate the

⁹ <https://consumercode.co.uk/the-code/what-is-the-code/>

challenges with gathering material information, which was the most popular answer. We think this would have a positive impact on the property sector for three reasons:

- **Firstly, working towards filling in a digital property logbook would provide the list of information that sellers have to fill in, with the explicit requirement or strong recommendation that the seller instructs an estate agent, conveyancer, surveyor and any other professional necessary to complete it.** This prevents each professional working towards their own list of information that they hand to the seller as they will each have access to the logbook. This would require each logbook to establish who is responsible for providing each information point, but we see this as a necessary change to add greater clarity and increase the speed of the process.
- **Secondly, having a single data source online helps to facilitate more real time collaboration between all parties without the need to fill in multiple different forms and send back queries over email.** This works in the same way that having multiple people work together on a single document online is faster and prevents any miscommunication of potential disagreements, when compared to sending multiple documents of information back and forth.
- **Thirdly, when completed, this information can be saved for future sales with most of the information filled in.** Working with a pre-filled logbook, especially for sales that take place only a few years after the previous one, will be much easier and quicker to complete compared to the current market where vendors may know little about their property. In time, works and reports on the property could be logged to make the sales process even quicker.

Question 17: If yes, what do you think would drive their wider adoption? How could government support this and do you think that legislation might be needed to bring about this change?

31. There are two potential solutions, one that is facilitated by private companies and one where the UK Government sets up a single digital access point. Both have different pros and cons. Some private firms already offer a similar service where the property information collected and logged in an online portal, which is provided to the buyer and their legal representation. Propertymark

members who use this system have stated it leads to fewer fall throughs and a faster process.

There are three benefits of this system over one is that it facilitated by the UK Government:

- Firstly, it enables estate agents to choose which firm offers the best service or to set up their own service based on their individual business needs.
- Secondly, it helps to facilitate competition to create a better system where private companies can offer a wider range of services alongside the property portal which can improve the speed of the process.
- Thirdly, this would come at a lower cost for the UK Government, who could also set up a short-list of approved firms providing property portals which could reduce some competition but would ensure wider adoption and a greater quality of product.

32. The second option, that the UK Government produces a single digital access point would come at a greater cost to the UK Government but with the development of UPRNs and the ongoing digitisation of Land Registry's own information on properties, some of the digital infrastructure required is in place. Having the UK Government develop and run a portal would have six considerable benefits at the cost of needing to spend time and resources developing a portal:

- Firstly, a UK Government run single digital access point would have the benefit of ensuring every homeowner has access to a digital logbook, who wouldn't have to pay for the privilege.
- Secondly, a UK ran logbook service would be more likely to be trusted by homeowners who may not wish to provide information to a private company.
- Thirdly, all parties involved in the home buying and selling process would become a lot more familiar with the process if the single digital access point was hosted and ran by the UK Government, rather than having to be familiar with multiple products.
- Fourthly, having the information maintained on a single digital access point enables data to be retained for subsequent transactions rather than relying on data being transferred from one firm to another which may not be feasible for these firms to do.

- Fifthly, it would make any changes to material information or other legislative requirements easier to facilitate as the UK Government can make changes to the single digital access point which would apply to all transactions.
- Sixthly, it would reduce economic crime by making it more difficult to hide the beneficial owner of the property and more difficult for criminals to access the single digital access point and claim to be the owner.

33. Out of the two options, we would recommend that the UK Government develop its own single digital access point. There may still be room for private firms to offer solutions to gathering information that can be uploaded to the single digital access point without the need for the private firm to host the information themselves, ensuring a degree of competition and entrepreneurship remains in the information collecting space.

Question 18: What risks would need to be considered when creating and storing digital logbooks?

34. There are three main risks that need to be considered. Firstly, any potentially accessible data which can be bought and sold. Secondly, unscrupulous actors may be able to access property information for their own gain, be that potentially through targeted selling based on property information or for criminal purposes. Thirdly, with private firms creating digital logbooks, this risk is amplified as firms could sell data they hold, however a UK Government run service could also be vulnerable to a cyber-attack or hacking from foreign actors. To minimise risks, we recommend that each property should have a unique code that is only accessible by the owner, which can be transferred once the property is sold. During a property transaction, a seller would be able to request a unique “share code” that only lasts for a certain period of time to avoid the organisations involved in the sales process having permanent access.

Binding conditional contracts**Question 19: Do you agree that government should support mechanisms to make property transactions more binding at an earlier stage?**

35. Yes, we agree that the government should support mechanisms to make property transactions more binding at an earlier stage. Some Propertymark members have expressed concerns that it may reduce the number of potential transactions with sellers and buyers less likely to test the market. However, this downside would be offset through greater certainty for all parties involved and a reduction in fall throughs which saves time and money for all parties involved. We note that binding contracts have been successfully utilised by auctioneers in the UK as well as for general property sales in multiple countries, including the USA, Scotland, South Africa and New Zealand without issue. Propertymark research carried out in 2021 found that 62% of transaction fall throughs were due to a buyer changing their mind¹⁰. Binding contracts earlier on would mitigate this. Of those who changed their mind, 34% stated it was the condition of the property which would be mitigated by requiring the property to undergo a condition report and new professional standards for estate agents to go through the condition of the property in greater detail with the buyer.

Question 20: What do you think is the most effective means of doing this – incentivise estate agents to offer this as a service, raise consumer awareness of binding agreements, legislate to require their use in property transactions etcetera?

36. We would recommend that only by legislating the requirement to use a binding or “reservation” agreement can using binding contracts at an early stage be effective. The largest concern from Propertymark members has been the impact on a chain if one sale falls through. If binding contracts were an option, it would only take one sale in the chain without an early binding contract to fall through to ruin an entire chain of multiple properties. We would however recommend a degree of flexibility on the terms of the binding agreement. While we acknowledge that it may take more time to write these agreements than it would if the UK Government released an unmodifiable binding agreement, it would allow for the buyer and seller to negotiate their own agreement based on their individual circumstances.

¹⁰ <https://www.propertymark.co.uk/resource/estate-agents-lose-over-4-000-for-every-property-sale-that-falls-through.html>

Question 21: What would be appropriate costs or penalties for failure to comply with binding contracts?

37. Propertymark members think that a financial penalty is more appropriate than a binding agreement to continue with the transaction. But we recommend that the UK Government produces a list of circumstances where a financial penalty is reduced or not applicable. There will be circumstances that are unavoidable for both parties, such as a sudden death in the family, a loss of financial assets, natural disasters or a property chain collapsing. In that case, it would not be beneficial to force a contract to go through or for one party to pay a financial penalty for a situation that is outside of their control.

Question 22: Would there be any listed exceptions, or certain situations, for binding contracts not being applied?

38. We would recommend that the vendor and the buyer should be able to determine their own circumstances for binding contracts, in conversation with their instructed legal representatives. This would ensure that all the terms of voiding the contract are understood and approved by both parties, enabling the additional security of a binding contract while reducing the barriers to enter into one.

Increasing consumer education and transparency

Question 23: Do you agree that publishing information on the services of property professionals would improve home buying and selling by supporting consumer choice and driving competition?

39. We agree that publishing information on the services of property professionals would improve the home buying and selling process, however we do not see any reason for this to be legislated. Estate agents who are qualified in or have expertise in different specialisms usually market themselves in that way.

Question 24: What information would you want to see included in a service of this type?

40. We do not see any benefit from the UK Government in introducing a centralised property professional charter. We have three concerns:

- Firstly, this is a service that professional bodies would be able to do at no expense to the UK Government.
- Secondly, Propertymark already runs a service where consumers can find a local property agent and understand the services they provide, meaning that no further legislation or changes would be required for consumers to access this service.¹¹
- Thirdly, professional bodies like Propertymark would be able to demonstrate the specific courses, qualifications or events each agent has attended which would save time for the UK Government and agents in uploading new information about each estate agent. This would require all estate agents to join a professional body, but this is something that would have additional positive repercussions for the home buying and selling process.

Question 25: Do you think a charter as set out above would be useful in supporting consumers to identify quality property professional services?

41. While we agree that consumers would benefit from clearer information about the services provided by estate agents, this is something that can be achieved by requiring professional bodies to publish details on each member, which members could update with their services, new training and their specific expertise. Propertymark already does this and can easily update what we display about our members to meet UK Government requirements without the need for a new charter.

Streamlining transactions

Question 26: Do you agree that AML checks should be streamlined?

42. We would caution against streamlining AML checks that reduce the number of checks from professionals who are supervised for Anti-Money Laundering. Under existing legislation, all parties involved in the home buying and selling process are required to conduct money laundering checks with both the buyer and the seller. There are three main reasons why all parties involved have to conduct checks:

¹¹ <https://www.propertymark.co.uk/find-an-expert.html>

- Firstly, there is no guarantee that each supervised organisation is conducting thorough checks.
- Secondly, there is a possibility that the vendor or the buyer could be working closely with their agent or conveyancer who states they have conducted thorough checks and is looking to persuade other supervised organisations do not do.
- Thirdly, even if all supervised organisations involved in a transaction are carrying out effective customer due diligence, having multiple organisations conducting checks increases the likelihood of identifying all potential risks. Due to this, we would recommend that any streamlining should only apply to information that the client has to provide which can be shared with all organisations carrying out checks. This could be facilitated through a UK Government single digital access point which would have the additional benefit of being more easily shared with the National Crime Agency if a Suspicious Activity Report has been submitted.

Question 27: How can government most effectively support the application of AI conveyancing technology?

43. This question is more applicable to conveyancers who are able to provide a more accurate assessment on the state of existing technology and their workload than Propertymark can. As such, we have left this question to professionals within the conveyancing industry.

Question 28: What else do you think government should do to streamline the conveyancing process?

44. This question is more applicable to conveyancers who are able to provide a more accurate assessment on the state of existing technology and their workload than Propertymark can. As such, we have left this question to professionals within the conveyancing industry.

Next steps for digitalisation**Question 29: Do you agree that this is the correct direction of travel?**

45. We agree that digitalisation is the correct direction of travel for the home buying and selling process. As mentioned throughout our response, digital tools can facilitate coordination between all parties involved in the process and allow for information on a property to be saved which would further increase the speed of subsequent transactions.

Question 30: Is there anything else that government should be doing to promote digitalisation of the property sector?

46. The UK Government must continue to ensure that data is interconnected and more easily accessible. Property agents are concerned that within the home buying and selling process data is currently fragmented and can be difficult for both consumers and professionals to access. Relevant data is spread between several sources including local authorities, HM Land Registry, utility providers and individual homeowners. Research from Warwick Business School adds to this view and shows that, “PropTech companies in the UK face significant challenges in accessing high-quality, comprehensive data. Real estate data is often fragmented across various public and private sources, requiring extensive integration efforts to obtain a complete market view. Moreover, data acquisition costs can be prohibitive for many PropTech startups, with proprietary data from private providers often carrying high fees. Additionally, compliance with stringent data privacy regulations such as the General Data Protection Regulation (GDPR) adds further complexity, as companies must ensure that all data handling adheres to legal standards, increasing both time and operational costs. These challenges can inhibit PropTech innovation and reduce competitive agility within the market.”¹² They recommend focussing on three areas to support the digitalisation of the property sector: Firstly, Green Property Tech. Secondly, promote data-sharing. Thirdly, regulation driven innovation.

¹² https://online.flippingbook.com/view/788045212/?utm_source=il-fp