



Home Information Packs need tough government action to become reality

HOME INFORMATION PACKS will struggle to be a reality by their planned launch date of June 2007 if the government does not stick rigidly to the published timetable for running pilot projects and assessing their impact. This was the view of the group after a meeting on the long-awaited packs.

The group heard three contrasting views on the likely impact of HIPs from Ray Boulger of brokers John Charcol, Ian Giles from Kensington Mortgages and Dominic Toller of Legal Marketing Services, a potential large provider of HIPs. The one point they all agreed on was the urgent need for detailed information about what had to be in the packs and about the plans for a trial run.

Baroness Gardner of Parkes said that during the debates on the bill in the House of Lords, the government had



Timetable: Deputy Prime Minister will be told to stick to plans

promised a full pilot covering every house sale in one region.

Group chairman John Greenway said he and other group members would table questions to the Office of the Deputy Prime Minister on the timetable and the

urgent need to provide more detail on what it expected in the packs: "It is clear to us that if the government cannot deliver the timetable it published then the introduction of the packs should be delayed beyond June 2007", he said.

All the speakers warned the group that too little work had been done on the impact the introduction of the packs could have on the housing market, in particular the potential for a rush of sellers in advance of the cut-off date for the start of compulsory packs for which sellers will have to pay £800 to £1000.

Concern was expressed about the ability of people having to sell because of financial problems to meet these costs.

One group HIPs will help is first time buyers whose costs will be reduced as they will no longer have to pay for surveys and searches.

FSA boss told of fears over non-advised sales

CONCERNS about the growth of non-advised sales have been taken up with the Financial Services Authority.

John Greenway has written to FSA boss John Tiner highlighting this as a "serious issue which needs to be addressed". He says that many consumers who buy non-advised products, especially over the internet, do not realise how little re-dress they have, particularly the lack of access to compensation: "There is anxiety about the fact that with many non-advised sales policy holders may not fully understand the product they have purchased. The more business that is conducted over the internet, the greater the concern. "As you know, policy holders who are not given advice are not expected to have access to any compensation scheme,

and this adds to concerns", wrote Mr Greenway.

Clive Briault, managing director of retail markets at the FSA, also came under pressure on this issue when he spoke to the group last month. Labour MP Jim Cousins told Mr Briault that MPs were "starting to have real concerns about non-advised products".

Mr Briault defended the current regime but admitted there were some problems with it: "We don't want to bar people from buying on a non-advised or execution-only basis but we have stressed that the onus is on the product provider to provide adequate information". He said that more had to be done to highlight significant exclusions where non-advised sales take place.

Chairman: John Greenway MP
Deputies: Baroness Turner of Camden, Vince Cable MP, Lord Hunt of Wirral
Hon Secs: Sir John Butterfill MP, Jim Cousins MP, Edward Leigh MP

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