



**Housing, Communities
and Local Government
Committee**

**Matthew Pennycook MP
Minister for Housing and Planning
Ministry of Housing, Communities and Local Government
2 Marsham Street
London, SW1P 4D**

27 April 2026

Dear Matthew,

Affordability of Home Ownership – Findings and Recommendations relating to the Buying and Selling Process

As you know, we have recently been conducting an inquiry into the Affordability of Home Ownership, and we intend to publish our report in the coming weeks. In the meantime, I am writing to share some findings and recommendations which emerged from our inquiry that relate specifically to the home buying and selling process. I realise that MHCLG's recent consultation into [Home buying and selling reform](#) closed on 29 December 2025. Nevertheless, we hope our thoughts and conclusions on this will be of use to MHCLG as it considers reforms.

About our inquiry

We launched our inquiry on 17 July 2025. We wanted to examine and highlight the challenges faced by first-time buyers, and the many obstacles that young people and those on lower incomes must overcome to get on the housing ladder. We received 57 pieces of written evidence and held four oral evidence sessions. As well as you and your colleagues, we have heard from: academics and think tanks; journalists; representatives of lenders, mortgage intermediaries, housing associations, home builders, property agents and conveyancers. We also ran an online survey aimed at people who had used, or attempted to use, any government-backed scheme to support first-time buyers. The survey launched on 29 October 2025 and ran for one month.

Key findings and recommendations relating to the buying and selling process

Our **conclusions are highlighted in bold** and *recommendations in bold italics*.



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1. The impact of the buying and selling process

The current buying and selling process in England and Wales makes homebuying longer and more difficult, and costs associated with delays and collapsed transactions (because of [gazumping](#), broken chains, etc.) exacerbate the affordability crisis.

MHCLG noted in your recent consultation that one in three transactions fail, costing people around £400 million a year.¹ However, a more recent report commissioned by Santander, *Fixing the Broken Chain*, says that the cost is higher, giving a "conservative calculation" of £1.5 billion lost in the economy and by consumers because of failed property transactions, including £560 million of direct costs to consumers (40% higher than the government's estimate).²

In written evidence, PEXA UK, who provide a platform for digital property transactions, told us that: "When transactions collapse, buyers often bear the majority of the financial cost, with 63% of buyers reporting unexpected bills exceeding £1,000. These barriers disproportionately affect lower-income buyers."³ According to Santander's report, the average cost to consumers is £1,240 per failed transaction, but one in five people reported losses over £2,000.⁴

Nationwide told us that "The complexity of the process is also a barrier to people putting their home on the market. This reduces the circulation of properties which is the sign of a well-functioning market."⁵ This is especially common among older people who are disincentivised to downsize. The Building Societies Association has also said that, "among homeowners over the age of 55 who are not yet retired, 37% cite the hassle and cost of moving overall, including estate agent fees, as a barrier to downsizing".⁶

According to *Fixing the Broken Chain*, "Beyond failed transactions [...], difficult processes act as barriers to families moving home. This causes housing misallocation and reduces the liquidity of the property market."⁷ It says 28% of consumers became

¹ Ministry of Housing, Communities and Local Government and Matthew Pennycook MP, [Home buying and selling to become quicker and cheaper](#), 9 February 2025

² Santander, *Fixing the Broken Chain*, September 2025; The Times, "[Home-buying chaos costs economy £950m a year](#)", 22 September 2025

³ PEXA UK ([AHO0043](#))

⁴ Santander, *Fixing the Broken Chain*, September 2025, page 8

⁵ Nationwide Building Society ([AHO0032](#))

⁶ Building Societies Association ([AHO0036](#)) paras 8.2-8.3

⁷ Santander, *Fixing the Broken Chain*, September 2025, page 10



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less likely to move after a previous experience of the transaction process, and 24% of homebuyers said that the complexity of the process made them consider giving up on buying a home altogether or at least delaying it.⁸

Conclusion: The current buying and selling process is a painful experience that reduces motivation to move and slows down the housing market. It risks unnecessary costs for buyers, sellers, other stakeholders, and the wider economy. Reducing these barriers will help encourage more people to move home, increasing day-to-day supply, as well as reduce failed transactions, making the buying and selling process more affordable for everyone. MHCLG's recent consultation to improve the process is welcome, and we look forward to seeing the government take clear action in this area.

2. Requiring upfront property information and streamlining transactions

According to transactions data held by the Landmark Information Group, the average time for a buyer from instructing a conveyancer to completing a purchase was 120 days in 2024, 60% longer than in 2007 (75 days). For sellers, the average time to completion was 160 days in 2024, 88% longer than in 2007 (85 days). In 2024, the seller's side of the process took around 40 days longer than the buyer's.⁹

According to Santander's [Fixing the Broken Chain](#), two of the most common reasons for transactions to fall through are excessive delays that force the buyer to find another property (19.3% of failed transactions), and problems being found on surveys after offers are accepted (16.3% of failed transactions).¹⁰ Vicky Spratt, Housing and Society Correspondent for *The i Paper*, told us that findings on surveys and searches, such as the lack of an [EWS1 form](#), can lead to lenders withdrawing mortgages and other financing.¹¹ These issues would be addressed in part by requiring upfront information and streamlining transactions.

At the last oral evidence session of our predecessor Committee, on [Improving the home buying and selling process](#), Timothy Douglas of Propertymark said:

⁸ Santander, [Fixing the Broken Chain](#), September 2025, pages 10 and 13

⁹ Landmark Information Group ([AHO0038](#)); Landmark Information Group, [Why don't lower volumes mean faster property transactions?](#), February 2025

¹⁰ Santander, [Fixing the Broken Chain](#), September 2025, page 12

¹¹ [Q28](#) [Vicky Spratt]



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We know that upfront information is essential for home buyers and sellers to make informed decisions. We have asked members recently and 73% said that providing that information upfront results in an increase in speed; 63% said that producing information upfront results in a reduction in the number of failed sales. We know that there is a positive reason for doing it.¹²

Several stakeholders have suggested issues and potential improvements to us in evidence. For example, the Building Societies Association suggested "standardised search results, such as coal mining or flood history, could be recorded once on the Land Registry, avoiding duplication and cutting conveyancer fees in later sales."¹³ Charles Roe of UK Finance told us:

A borrower may have to provide their ID up to nine times during that [home buying and selling] journey. If we can have it identified once by a reputable source, and that source is acceptable to all parties of the chain, then that would be a significant small improvement¹⁴

The government's consultation suggests property listings could be required to include a "standardised, easy-to-digest set of data", such as tenure, council tax band, EPC rating, property type, title information, seller ID verification, leasehold terms, building safety data, standard searches (local authority, drainage and water, environmental, and locality-specific risks such as mining or chalk), property information (such as that captured in the TA6 form), a property condition assessment tailored to the property age and type, and possibly others.¹⁵

We note the similarity in this approach to the Home Information Pack (HIP), introduced by the last Labour government in 2007 for very similar reasons, but subsequently suspended by the coalition government in 2010 and repealed in 2012. Criticisms of the HIP at the time included the upfront cost burden on sellers, out-of-date search information, variable quality and lack of robust regulation or enforcement, lack of trust in the product by solicitors and lenders, slow and confusing implementation, and the exclusion of certain important data like adequate valuations (which therefore often had

¹² Oral evidence taken by the Levelling Up, Housing and Communities Committee on 13 May 2024, [Q63](#) [Timothy Douglas]

¹³ Building Societies Association ([AHO0036](#)) paras 8.2-8.3

¹⁴ [Q88](#) [Charles Roe]

¹⁵ MHCLG, [Home buying and selling reform](#), 20 October 2025



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to be duplicated) or surveys by surveyors registered with the Royal Institution of Chartered Surveyors (RICS).¹⁶

Your department has considered how to address some of these issues as part of your consultation, including through use of real-time data sources like HM Land Registry, free refreshes from search providers, standard validity periods for included information, and a minimum standard for data provenance.¹⁷ While HIPs were criticised at the time, some stakeholders in the industry have argued that it is now appropriate to implement a replacement system.¹⁸

Lessons can be learned from other countries about what upfront information looks like. Most notably, the Home Reports required for home buying and selling in Scotland must be less than 12 weeks old when the property goes on sale, must be provided to buyers within nine days of request, and include a Single Survey that must be prepared by a RICS-registered chartered surveyor.¹⁹

Recommendation: As part of MHCLG's actions to improve the buying and selling process, it should mandate that certain information required for property transactions be provided upfront. This must include information about the property, produced by suitably authoritative providers (surveys prepared by chartered surveyors, for example), and made available by the seller and the seller's representatives when a property first goes on the market, not later during the buying process.

3. Binding conditional contracts

As the government's consultation notes, buyers or sellers can withdraw from a transaction any time between offer acceptance and the exchange of contracts, often at significant cost to the opposite party.²⁰

¹⁶ MHCLG, [Home buying and selling reform](#), 20 October 2025, 'Requiring upfront property information'; David Cosby Estate Agents, [Is It Time to Reintroduce the Home Information Pack?](#), 1 August 2025; Celexo, [What Is a Home Information Pack and Why It Matters for Buyers and Sellers](#), 15 February 2026

¹⁷ MHCLG, [Home buying and selling reform](#), 20 October 2025, 'Requiring upfront property information'

¹⁸ David Cosby Estate Agents, [Is It Time to Reintroduce the Home Information Pack?](#), 1 August 2025

¹⁹ Celexo, [What Is a Home Information Pack and Why It Matters for Buyers and Sellers](#), 15 February 2026; Walker Fraser Steele, [Ask the experts](#) (accessed 7 April 2026)

²⁰ MHCLG, [Home buying and selling reform](#), 20 October 2025



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According to Santander's [Fixing the Broken Chain](#), the most common reason for transactions to fall through, affecting 25.5% of failed transactions, is gazumping.²¹ A report by Market Financial Solutions said 37% of home buyers have been gazumped at least once.²² But buyers and sellers can also withdraw for other reasons, including because a buyer or seller for a different property withdrew, leading the whole chain to collapse. *Fixing the Broken Chain* notes that 15.7% of transactions failed because the seller withdrew without explanation, and 14.2% failed because the seller had nowhere to move, 11.8% failed because the buyer pulled out and the chain collapsed, and 13.5% failed because of problems with the wider chain.²³

England is unusual internationally for allowing withdrawals at any time. In Scotland, offers are legally binding, which relies on the availability of upfront information for Scottish homebuying. In Spain, an Arras Contract is a formal agreement to go through with the sale and there are penalties for failing to do so: buyers can lose the right to the house and to the deposit; sellers become liable to pay the buyer double the monies committed. In the United States, the offer comes with a signed Sale and Purchase agreement, which includes a list of contingencies that make contracts legally binding when met. Even in states of Australia that lack binding contracts, the risk of gazumping is minimised by reducing the time between offer and contract exchange.²⁴

The government's consultation proposes exploring ways to make offers more legally binding. The consultation specifically refers to comparative cases in Scotland (where only 9% of transactions fall through) and the United States.²⁵ Henry Jordan from Nationwide told us, "Binding offers, which I know have been looked at, would be a positive step."²⁶

Recommendation: As part of MHCLG's actions to improve the buying and selling process, it must make property transactions more binding at an earlier stage by means of conditional contracts, such that both parties are legally bound to a transaction once certain conditions are met. Failure to follow through on transaction once the conditions are met should lead to

²¹ Santander, [Fixing the Broken Chain](#), September 2025, page 12

²² Community Planning Alliance ([AHO0010](#))

²³ Santander, [Fixing the Broken Chain](#), September 2025, page 12

²⁴ Santander, [Fixing the Broken Chain](#), September 2025, page 19

²⁵ MHCLG, [Home buying and selling reform](#), 20 October 2025

²⁶ [Q86](#) [Henry Jordan]



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financial penalties. Furthermore, MHCLG should investigate other ways of reducing the time gaps between offer and completion.

4. Regulation of estate agents

As you noted in your consultation, estate agents are lightly regulated in the UK and only 37% of people trust the profession. The consultation proposes introducing a Code of Practice setting out minimum standards for all residential property agents, which includes estate agents, letting agents, and managing agents. MHCLG has also proposed to consult on mandatory qualifications for estate and lettings agents, having previously consulted on the same for managing agents.²⁷

Property agents currently have options for becoming accredited, such as with the professional body Propertymark, but application is voluntary. Not all estate agents need to be accredited and there is no requirement for them to belong to a professional body.²⁸ Witnesses at the last oral evidence session by the predecessor Committee, on [Improving the home buying and selling process](#), agreed that estate agents need to be regulated.²⁹ The Estate Agents Act 1979, which defines estate agency work, has not been reviewed in any detail for over 40 years.³⁰ We also received written evidence telling us "the Estate Agents Act 1979 is no longer fit for purpose".³¹ Timothy Douglas of Propertymark pointed out that Scotland, where letting agents are regulated, surveys have shown higher standards of satisfaction and professional competence.³² Beth Rudolf of the Home Buying and Selling Council said the current system rewards agents who do not follow the law regarding providing material information over those agents that do, but that the threat of fines or other enforcement from a regulator would encourage them to improve.³³

²⁷ Ministry of Housing, Communities and Local Government, [Home buying and selling reform](#), 20 October 2025; Ipsos, [Ipsos Veracity Index 2024](#), 20 November 2024

²⁸ Oral evidence taken by the Levelling Up, Housing and Communities Committee on 13 May 2024, [Q54](#) [Timothy Douglas]

²⁹ [Q105](#) [Beth Rudolf, Timothy Douglas]; Oral evidence taken by the Levelling Up, Housing and Communities Committee on 13 May 2024, [Q2](#) [Paula Higgins], [Q6](#) [Kate Faulkner], [Q64](#) [Timothy Douglas, Beth Rudolf, Mairead Carroll]

³⁰ Oral evidence taken by the Levelling Up, Housing and Communities Committee on 13 May 2024, [Q54](#) [Timothy Douglas]

³¹ Mr Peter Hendry ([AH00008](#))

³² [Q105](#) [Timothy Douglas]

³³ [Q105](#) [Beth Rudolf]



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Recommendation: MHCLG must introduce a Code of Practice and mandatory qualification for each type of property agents, including estate agents. The Code of Practice should set out minimum standards for estate agents to abide by, including around the provision of material property information. The Code of Practice and qualification should be overseen by an independent regulator, and MHCLG should work with stakeholders such as Propertymark to design and set up the Code of Practice and regulator body. The regulator should have the ability to enforce adoption of the Code of Practice through fines or other penalties.

Recommendation: The Estate Agents Act 1979 has not been updated for over 40 years. MHCLG should set out its assessment of whether the Act remains fit for purpose today or needs updating.

We would appreciate a response to our findings and recommendations prior to the House rising for Summer recess on 17 July 2026.

Best wishes,

Florence Eshalomi MP
Chair, Housing, Communities and Local Government Committee