

# **Annexe B**

## **Survey of conveyancers**

**September 2005**

A report prepared for the Office of Fair Trading  
by Synovate

OFT810b

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# 1 EXECUTIVE SUMMARY

## The local property search process

- 1.1 The majority (72 per cent) of conveyancers<sup>1</sup> in Great Britain claim to discuss to some extent the types of property searches and enquiries they are going to conduct. This is less the case in Scotland than in England and Wales, perhaps due to the differences in the services offered in the two markets.
- 1.2 The most common method of quoting the costs of property searches to clients is as part of an overall conveyancing package cost, itemising specific search costs (63 per cent). This is more the case in Scotland than in England and Wales.
- 1.3 The decision on the search method to use is made in the main personally by the conveyancer (88 per cent) as opposed to the client giving their input (eight per cent).
- 1.4 The most important factor in choosing a property search method is the reliability of the information provided, stated by 60 per cent of conveyancers.

## Usage of search methods

- 1.5 Of the three methods, those most used by conveyancers in Great Britain to obtain their local property searches were property search companies<sup>2</sup> (PSCs – 77 per cent) and postal applications to local authorities (LAs – 71 per cent). In addition, 38 per cent of conveyancers in England and Wales had used a National Land Information Service (NLIS) channel to obtain their searches (this option is not available in Scotland).
- 1.6 Postal applications see the most change in usage in terms of cessation (13 per cent) or reduction (34 per cent) over the past two years – mainly due to the length of time taken (56 per cent) and expense (24 per cent).

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<sup>1</sup> 'Conveyancers' should be understood to be licensed conveyancers or solicitors undertaking conveyancing unless otherwise specified.

<sup>2</sup> In Scotland PSCs are also known as property search agents. We use the term PSCs to include property search agents where appropriate throughout this annexe.

- 1.7 When conveyancers in England and Wales were asked what method they would never use, NLIS channels receive the highest rejection level (57 per cent), likely due to the lack of knowledge of the system.

## Comparison of postal/PSC/NLIS performance

- 1.8 When comparing the performance of the three core local property search methods, NLIS searches perform best, whilst PSCs perform least well.
- 1.9 When comparing ratings across the key factors for deciding which search method to use, NLIS receives the best overall ratings. NLIS and postal perform better than PSCs in terms of the most important factor, reliability.

**Table 1.1: Ratings for key decision factors**

<i>Mean Scores*</i>	<i>Postal</i>	<i>PSC</i>	<i>NLIS</i>
Reliability	4.1	3.9	4.2
Speed	2.9	4.1	4.0
Price	2.8	3.9	3.2
Ease of use	3.0	4.2	4.3

\*Where 1 is 'poor' and 5 is 'excellent'

- 1.10 The survey has revealed that if the price of postal application increased by 10 per cent, almost a half (46 per cent) of conveyancers say they would switch to another method, whereas if the price charged by PSCs increased by 10 per cent only 27 per cent of conveyancers would switch.
- 1.11 NLIS searches are the most likely to be complete (85 per cent) and error free (82 per cent) when compared to postal (82 per cent complete and 69 per cent error free), and PSCs (77 per cent complete and 66 per cent error free).

1.12 When comparing the number of incomplete searches and those containing errors per 100 searches, the highest number of incomplete postal searches occurs in Scotland. There is a slightly higher occurrence of incomplete searches and searches containing errors by PSCs in England and Wales than in Scotland.

**Table 1.2: Incomplete searches and errors per 100 searches<sup>3</sup>**

<i>Mean Scores per 100</i>	<i>Postal</i>	<i>PSC</i>	<i>NLIS</i>
Incomplete (England and Wales)	0.3	1.9	0.7
Incomplete (Scotland)	3.2	0.9	N/A
Contain errors (England and Wales)	0.6	1.0	0.3
Contain errors (Scotland)	2.1	1.3	N/A

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<sup>3</sup> This analysis uses only data from those conveyancers that used each particular type of search. Cases where the number of searches was unknown or the conveyancer had not bought any of these searches in the last twelve months were excluded.

## 2 INTRODUCTION

2.1 The key aim of this research for the Office of Fair Trading (OFT) was to achieve an understanding of the market for local property searches and how consumers purchase property searches.

2.2 Specific objectives included:

- identifying the decision makers in the purchase of property information (consumer or conveyancer)
- identifying the determinants in the choice of route used for obtaining property information
- exploring whether pricing and quality alterations would affect choice
- identifying the route by which information, pricing etc is communicated to consumers, and
- identifying any problems or issues arising from the purchase of property information searches.

### 3 RESEARCH METHODOLOGY

- 3.1 In order to meet these objectives, a quantitative telephone survey was conducted amongst solicitors and licensed conveyancers in England, Wales and Scotland.
- 3.2 A total of 609 interviews were conducted. Data from the Yellow Pages was used as the sampling frame for the interviews with solicitors, and data from the Institute of Licensed Conveyancers was used for the licensed conveyancer sampling frame.
- 3.3 Quotas were set to give a disproportionately stratified sample, enabling analysis by subgroup. Quotas were also set for the sample to be representative of businesses within each Government Office Region.

**Table 3.3: Sample quota and achievement**

<i>Strata</i>	<i>Quota Set</i>	<i>Sample Achieved</i>	<i>Universe</i>
England and Wales solicitors	371	401	c.20,000
England and Wales conveyancers	88	96	836
Scottish solicitors	88	107	9,800
Scottish conveyancers	23	5	23
TOTAL	570	609	

- 3.4 As can be seen, despite our best efforts, we did not manage to achieve a full universe sample of licensed conveyancers in Scotland, so additional interviews were conducted amongst Scottish solicitors to make up for the shortfall. Additional interviews were also gained in England and Wales, which have been included to boost sample sizes.
- 3.5 For the final analysis, the total data was weighted to be representative of the two markets, using the universe sizes in the table above. A profile of the companies and respondents included in the research is provided in Appendices A and B.

- 3.6 The telephone interviews were conducted during late April and May 2005 at Synovate's telephone centre. All fieldwork was conducted by trained interviewers, all of whom were fully briefed about the survey objectives prior to the start of fieldwork.
- 3.7 Fieldwork was undertaken during the day, with respondents contacted at work. The interview was conducted with the 'solicitor who regularly conducts conveyancing or the person primarily responsible for commissioning local property searches such as a clerk or legal secretary' or 'a conveyancer', dependent on the sample.
- 3.8 The research was introduced as a survey on behalf of the OFT, looking at the local property search market and no incentive was offered to take part in the research.
- 3.9 The questionnaire was fully piloted before the main fieldwork began. It averaged between 10 and 15 minutes, depending on the number of search methods used by the respondent. A copy of the final questionnaire is appended to this report in Appendix C. This report focuses on the two markets (England and Wales, and Scotland) separately in turn.

## ENGLAND AND WALES

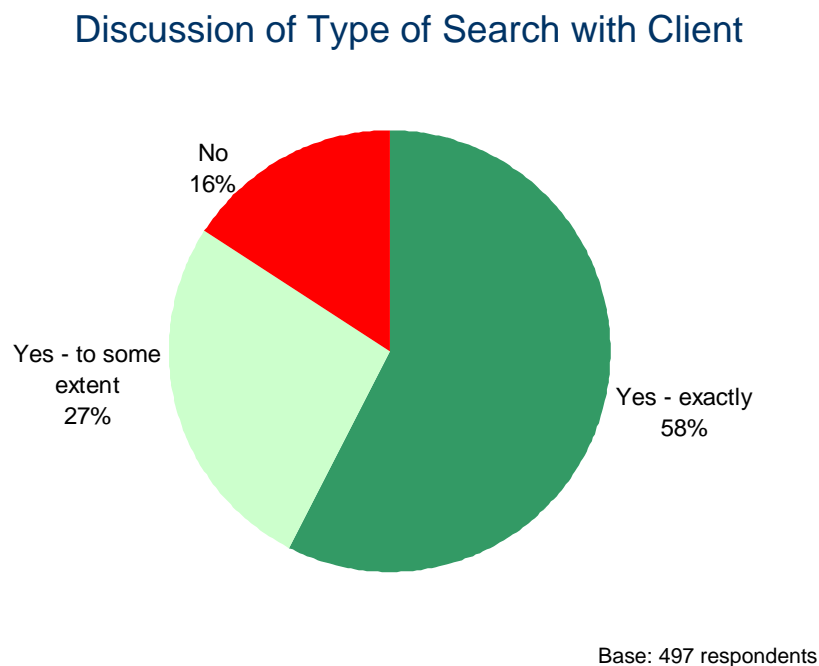
### 4 THE PROPERTY SEARCH PROCESS

4.1 Respondents were initially asked a number of questions about the process of discussing property searches with clients and choosing a search method.

#### Discussions with clients

4.2 The majority of conveyancers in England and Wales discuss the types of searches and enquiries they are going to conduct with their clients – 84 per cent discuss search types with their clients at least to some extent<sup>4</sup>.

**Figure 4.4: Discussion of type of search with client**



4.3 In England and Wales there is no significant difference in the extent to which solicitors and licensed conveyancers discuss types of search they are going

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<sup>4</sup> May not equal sum of data in figure 4.4 due to rounding. This applies to the analysis throughout the annexe.

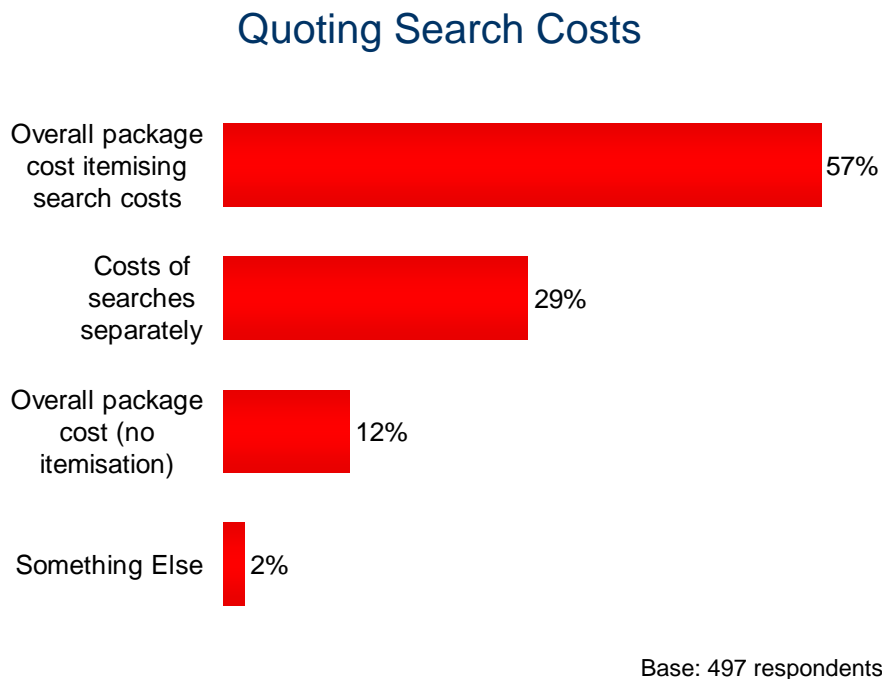
to conduct with their clients. Solicitors are slightly more inclined to have a discussion with their client than licensed conveyancers.

**Table 4.5: Discussions of search method with clients by type of firm**

<i>Per cent</i>	<i>Yes – exactly/to some extent</i>	<i>No</i>	<i>Base (Count)</i>
Solicitors	85	15	401
Licensed conveyancers	80	20	96

4.4 The most common method of quoting the cost of searches to clients is as part of an overall conveyancing package cost, which itemises the specific search costs – almost three-fifths of conveyancers do this.

**Figure 4.6: Quoting search costs**



4.5 Those conveyancers doing 'something else' tend to say it depends on the property or what the customers want, or that they provide an itemised breakdown of all costs.

4.6 Licensed conveyancers in England and Wales are more likely to give an overall package cost itemising search costs compared to solicitors (65 per cent compared to 57 per cent). In contrast, a higher percentage of solicitors supply search costs separately compared to licensed conveyancers (29 per cent compared to 20 per cent).

**Table 4.7: Conveyancing costs by type of firm**

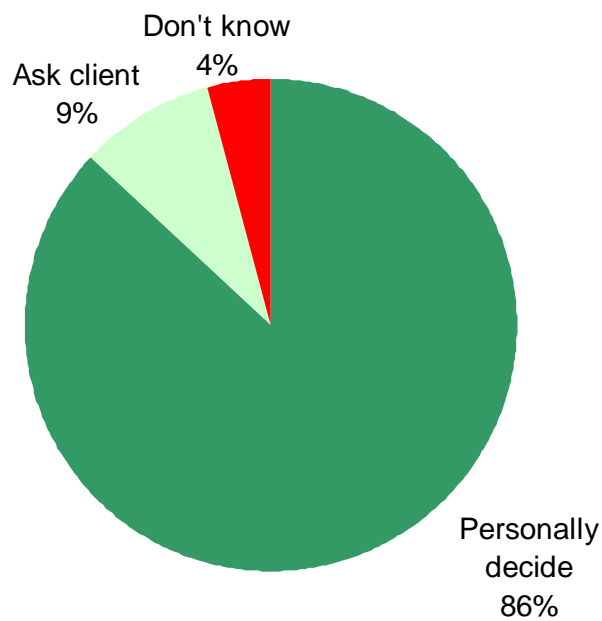
<i>Per cent</i>	<i>Overall package cost itemising search costs</i>	<i>Search costs separately</i>	<i>Overall package cost (no itemisation)</i>	<i>Base (Count)</i>
Solicitors	57	29	12	401
Licensed conveyancers	65	20	9	96

## Choice of search method

- 4.7 Almost nine out of 10 (86 per cent) conveyancers decide personally which search method should be used, rather than asking the client which method they would prefer.

**Figure 4.8: Decision on type of search**

### Decision on Type of Search



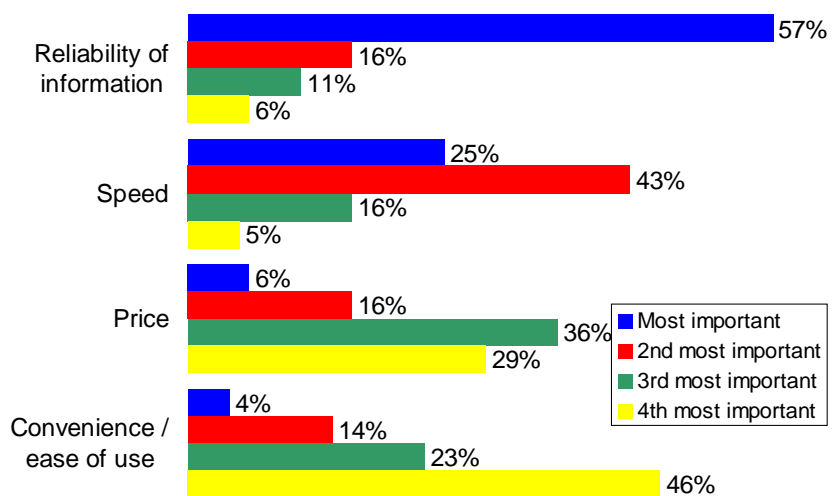
Base: 497 respondents

- 4.8 This situation remains the same across both solicitors (86 per cent) and licensed conveyancers (92 per cent).

4.9 Respondents were then given four factors on which they may base their decision on the type of search method to use, and were asked to rank them in terms of their importance to the decision. Reliability of the information provided from the search is the most important factor for around three in five respondents, whilst speed comes through as most important for one in four.

**Figure 4.9: Importance of factors in search type decision**

### Importance of Factors in Search Type Decision



Base: 497 respondents

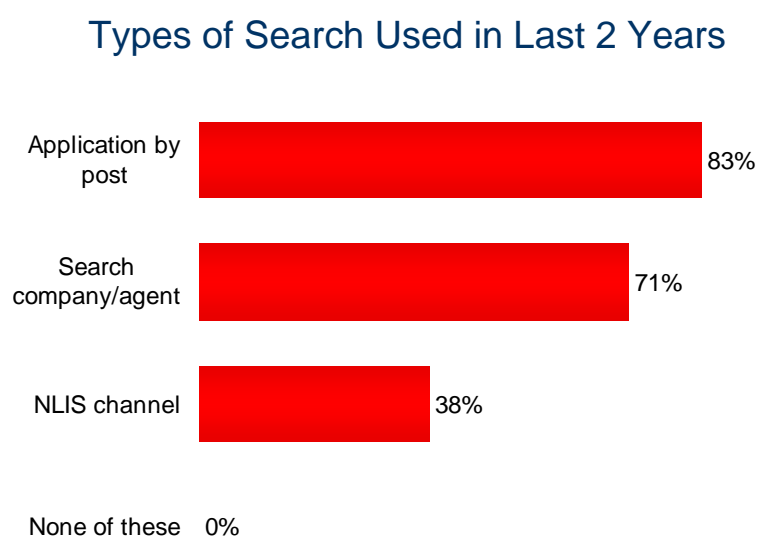
4.11 This ranking does not vary between solicitors and licensed conveyancers.

## 5 USAGE OF SEARCH METHODS

### Search methods used in last two years

- 5.1 All respondents were asked which methods of gaining property information from LA registers they had used in the last two years.
- 5.2 Postal searches and PSCs are used significantly more than NLIS channels.

**Figure 5.10: Types of search used in last two years**



Base: 497 respondents

- 5.3 Solicitors are significantly more likely to use a property search company than licensed conveyancers (72 per cent compared to 58 per cent).

**Table 5.11: Preferred search methods by type of firm**

<i>Per cent</i>	<i>Postal application</i>	<i>Property search company</i>	<i>NLIS channel</i>	<i>None of these</i>	<i>Base (Count)</i>
Solicitors	83	72	38	0	401
Licensed conveyancers	85	58	46	0	96

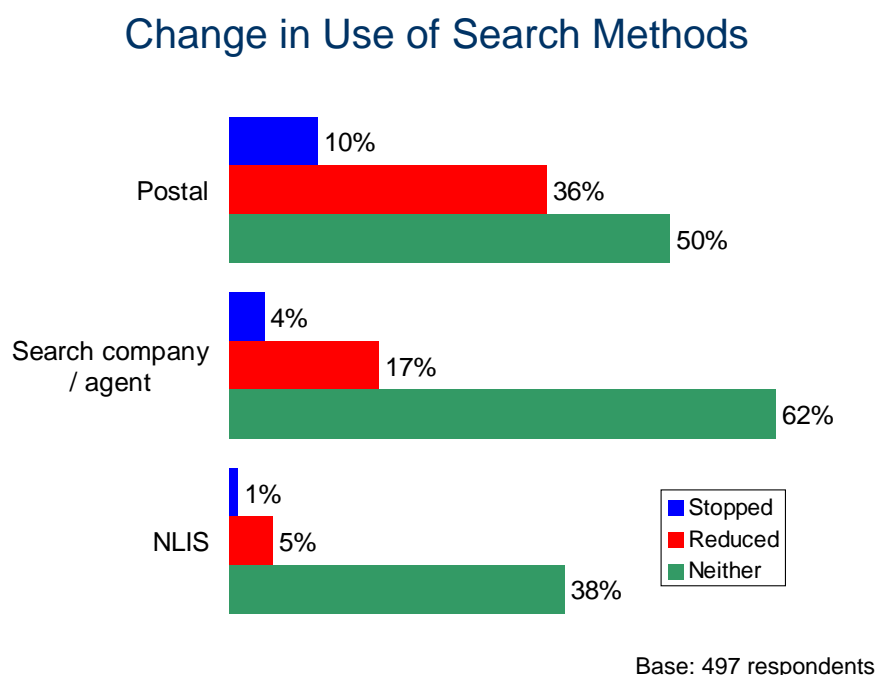
5.4 Those who have not used NLIS were asked whether they would consider using an NLIS or similar online channel for gaining property information. Three quarters (78 per cent) of solicitors and two thirds (67 per cent) of licensed conveyancers stated that they would consider such a system.

## Search methods stopped or reduced usage in last two years

5.5 Respondents were also asked whether they had changed their usage of any search methods over the past two years.<sup>5</sup> Postal applications saw the most change in usage, in terms of both cessation and reduction.

5.6 Over one third of conveyancers have reduced their usage of postal applications in the past two years.

**Figure 5.12: Change in use of search methods**



5.7 Those respondents who had stopped or reduced their usage of specific methods were then asked to give reasons why they had done this. These are outlined in the following sections, and reasons mentioned by five per cent of respondents or more are shown.

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<sup>5</sup> These figures do not add to 100 per cent due to some respondents stating they have never used a method – these figures are incorporated from paragraph 5.11.

## Reasons for stopping or reducing postal usage

5.8 The main reason given for changing usage of postal applications is that the system takes too long. Expense was also an important reason for stopping postal usage.

**Table 5.13: Reasons for stopping or reducing postal usage**

<i>Per cent</i>	<i>Stopped</i>	<i>Reduced</i>
Takes too long	62	46
Too expensive	28	16
Too slow/cumbersome	19	10
Inconvenient	12	11
Use a PSC more/instead	12	10
Use NLIS more/instead	10	14
Too difficult to use	8	6
Prefer online systems	7	11
Other methods are cheaper/more cost effective	5	5
<i>Base</i>	<i>47</i>	<i>181</i>

## Reasons for stopping or reducing PSC usage

5.9 The main reason given for changing usage of PSCs is again that it takes too long.

**Table 5.14: Reasons for stopping or reducing PSC usage**

<i>Per cent</i>	<i>Stopped</i>	<i>Reduced</i>
Takes too long	26	26
Contains errors	26	10
Use NLIS more/instead	26	6
Too slow/cumbersome	13	9
Prefer LAs	13	6
Too difficult to use	7	-
Not approved/accepted/acknowledged by mortgage lenders	7	14
Other methods are more reliable	7	-
Too expensive	-	7
Not insured/guaranteed	-	8
Inconvenient	-	6
<i>Base</i>	16	84

## Reasons for stopping or reducing NLIS usage

5.10 The main reasons given for changing usage of NLIS are reliability, cost and length of time taken to use – perhaps because it is still relatively unknown.

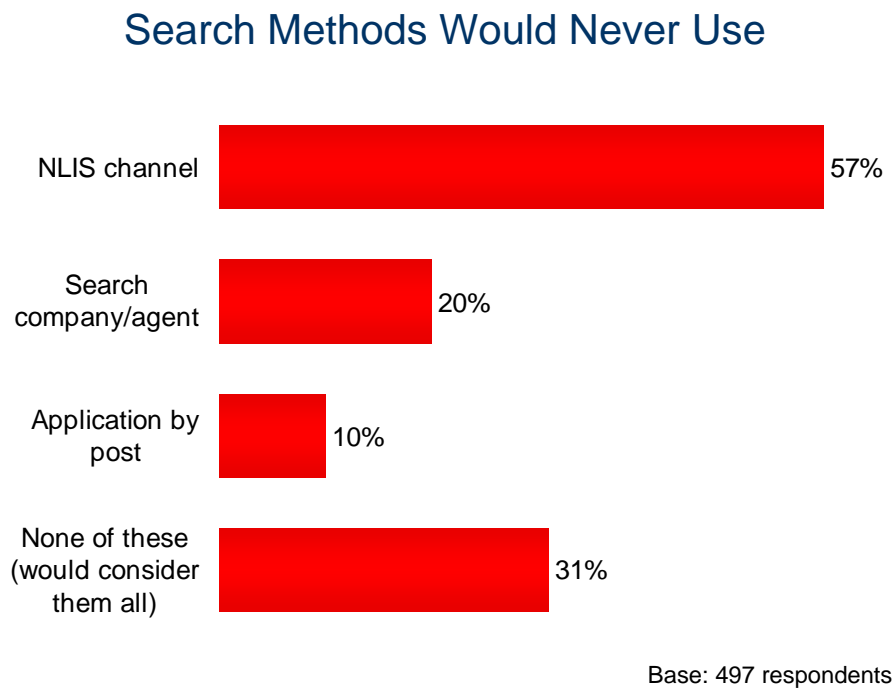
**Table 5.15: Reasons for stopping or reducing NLIS usage**

<i>Per cent</i>	<i>Stopped</i>	<i>Reduced</i>
Other methods are more reliable	37	0
Takes too long	22	18
Too expensive	22	49
Too difficult to use	19	7
Problems with the technology	19	5
Depends on the level of business	0	10
Don't have access to it/not authorised	0	6
<i>Base (count)</i>	<i>7</i>	<i>27</i>

## Search methods would never use

5.11 Respondents were also asked whether there were any search methods that they would never use. NLIS is the method most likely to be cited.<sup>6</sup>

**Figure 5.16: Search methods would never use**



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<sup>6</sup> Respondents were able to say they would never use more than one method, so percentages may add to more than 100 per cent.

5.12 Those stating they would never use a method of search were then asked to give reasons for this.<sup>7</sup> Although base sizes are small, the biggest problem with postal searches is that they take too long and property search companies are too expensive, error prone or unavailable.

**Table 5.17: Reasons for never using search methods**

<i>Count</i>	<i>Postal</i>	<i>PSC</i>	<i>NLIS</i>
Takes too long	17	0	0
Too expensive	7	1	0
Inconvenient	4	0	1
Too difficult to use	1	0	0
Use PSC more/instead	2	N/A	1
Contains errors	0	2	0
Other methods are cheaper/more cost effective	1	0	0
Not available/authorised	0	3	0
<i>Base</i>	<i>24</i>	<i>10</i>	<i>5</i>

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<sup>7</sup> Respondents were able to give more than one reason for never using particular methods.

## Other search methods used

5.13 Respondents were asked whether there were any other search methods, aside from the core three (postal, PSC, NLIS) that they had used to obtain property information. Only 13 per cent of respondents had used other methods.

5.14 The methods mentioned by these 65 respondents were as follows:

**Table 5.18: Other search methods used (per cent)**

Personal search/visit by self	50
Local council/authority	13
PSC	11
Written letters	9
Websites/online services	8
Other	13

## Incentives from property search suppliers

- 5.15 Respondents were also asked whether they received any financial incentive from the suppliers of their property searches. One in 20 respondents (four per cent) said that they had received such incentives. There is no variation based on what search method was used.
- 5.16 The incentives mentioned by these 19 respondents when questioned further were as follows:

**Table 5.19: Incentives received (count)**

Certain number of free searches	5
Payment per search	5
Commission	2
Discounts	1
Cash back/percentage back	1
Other	2
Refused/Don't know	3

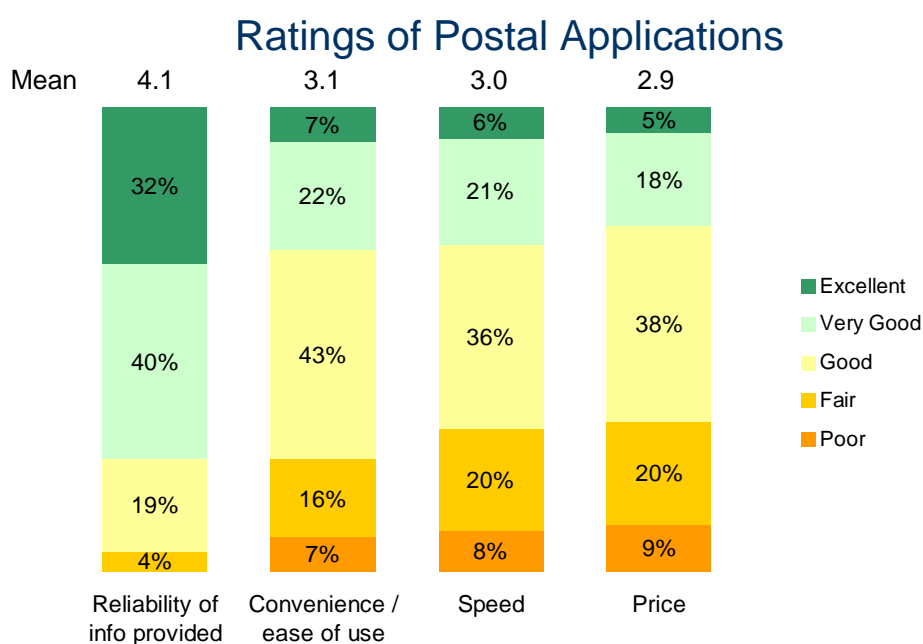
## 6 POSTAL APPLICATIONS

6.1 Eighty-three per cent of respondents had used postal applications within the last two years. They were then asked further questions regarding their experience of the use of postal applications.

### Ratings of service

6.2 Respondents were asked to rate elements of the service received through postal applications on a five point scale from excellent (five) to poor (one). Reliability of information provided (the most important factor when choosing a search method) received the strongest rating for postal applications, with no respondents rating it as poor.

**Figure 6.20: Ratings of postal applications**



Base: Those who have used postal – 413 respondents

6.3 Overall the scores are very similar for conveyancers. However, licensed conveyancers give a significantly higher rating to the reliability of information in a postal search (mean score of 4.3 against 4.0 by solicitors).

## Price sensitivity

6.4 Respondents were asked whether they would switch from using postal applications if the price increased by 10 per cent. Two fifths of conveyancers (42 per cent) said they would switch to another method, a similar proportion (40 per cent) would not and the remaining 18 per cent were unsure.

**Table 6.21: Likelihood to switch if price increased by type of firm**

<i>Per cent</i>	<i>Yes</i>	<i>No</i>	<i>Unsure</i>	<i>Base (Count)</i>
Solicitors	42	40	18	331
Licensed conveyancers	39	40	21	82

6.5 Those who said they would switch were asked what method of search they would use instead. Over half (55 per cent) would choose NLIS, whilst slightly fewer (48 per cent) would choose a PSC. Other answers given included personal search (two per cent), the internet (one per cent) and the cheapest (one per cent).

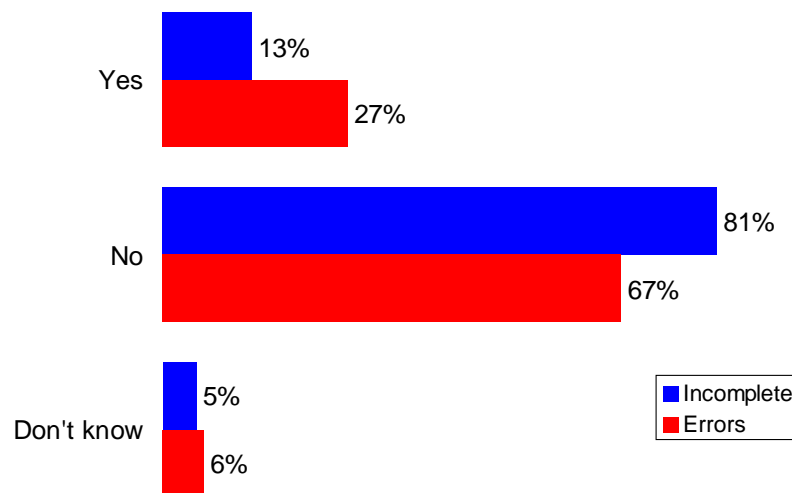
## Accuracy of postal searches

6.6 Respondents were asked how many postal searches in the last twelve months were incomplete or contained errors. The proportion of those experiencing errors is almost twice as high as those experiencing incomplete searches.

**Figure 6.22: Experience of at least one incomplete search/search with errors**

6.7

### Experience of At Least One Incomplete Search/ Search With Errors

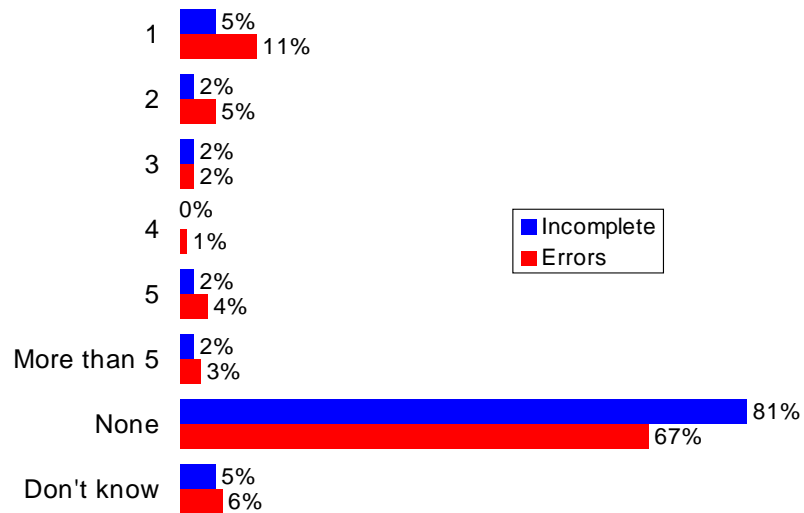


Base: Those who gave a number of postal searches – 335

One in every 155 postal searches contained an error or were incomplete.

**Figure 6.23: Number of searches incomplete/with errors**

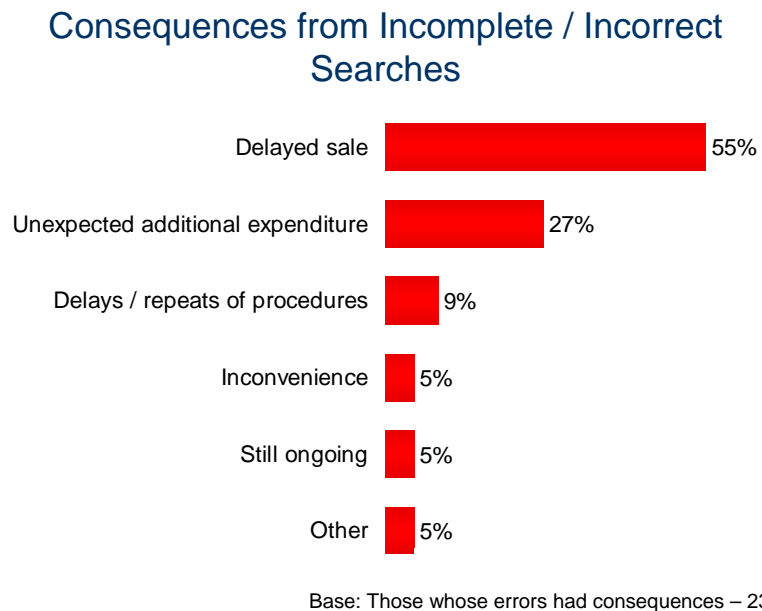
### Number of Searches Incomplete / With Errors



Base: Those who gave a number of postal searches – 335

6.8 There were consequences from just one in five (20 per cent) of these incomplete or incorrect postal searches. Although this is a low base, over half of these caused a delay to a sale.

**Figure 6.24: Consequences from incomplete/incorrect searches**



6.9 For the clients affected by these consequences, there was no financial redress. Eighty-six per cent received no redress, and 14 per cent did not know whether compensation had been received.

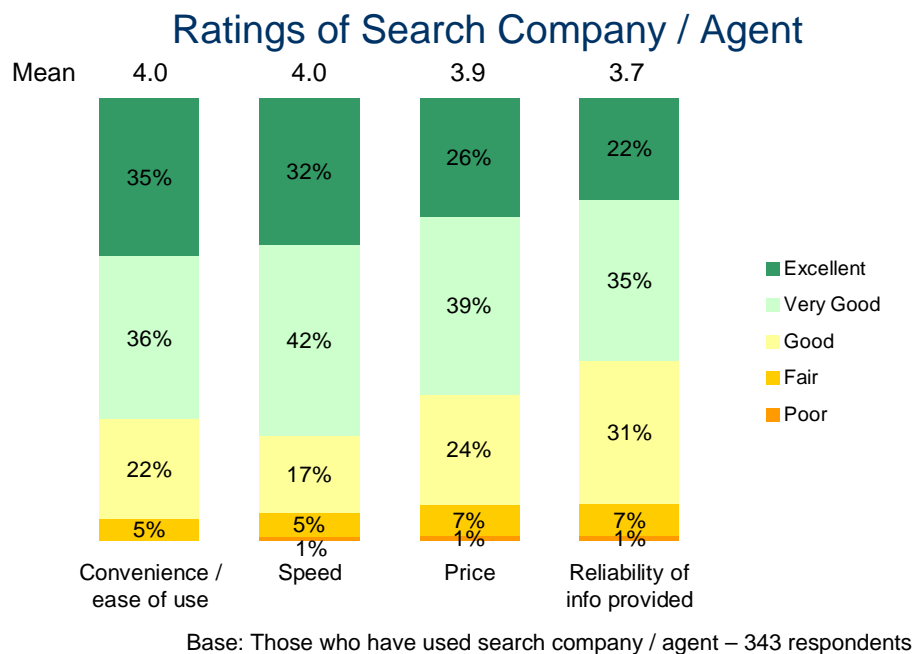
## 7 PROPERTY SEARCH COMPANY

7.1 Seventy-one per cent of respondents had used a PSC within the last two years. They were then asked further questions regarding their experience of the use of these companies.

### Ratings of service

7.2 As previously, respondents were asked to rate elements of the service received from property search companies on a five point scale from excellent to poor. Ease of use receives the strongest rating for PSCs, with no respondents rating this as poor.

**Figure 7.25: Ratings of search company/agent**



7.3 Overall the scores are very similar for solicitors and licensed conveyancers.

### Price sensitivity

7.4 Respondents were asked whether they would switch from using PSCs if the price increased by 10 per cent. Nearly three in ten (29 per cent) said they would switch to another method, 57 per cent would not and the remaining 15

per cent were unsure. No differences were seen across solicitors versus licensed conveyancers.

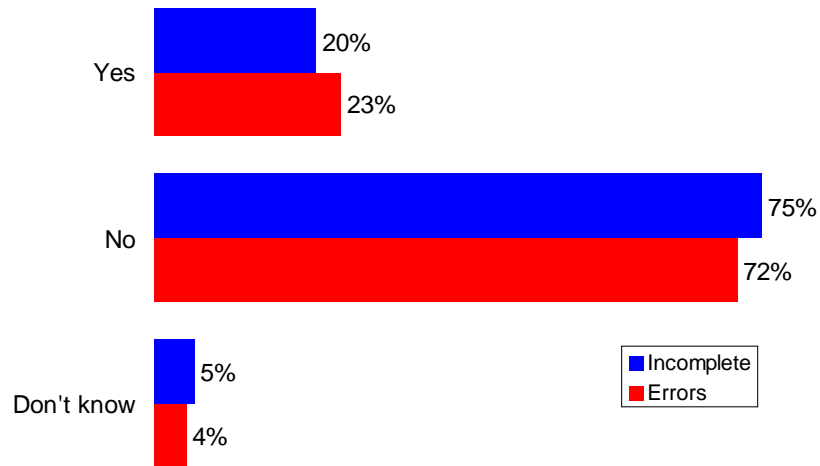
- 7.5 Those who said they would switch were asked what method of search they would use instead. Over half (52 per cent) would choose NLIS, whilst over one third (37 per cent) would choose postal applications. A further 10 per cent stated that they would switch to a different PSC. Other answers given included the internet (two per cent), council searches (one per cent) and whatever is available (one per cent).

### **Accuracy of PSCs**

- 7.6 Respondents were asked if the PSCs that they use inform them if they are not able to access all the required information for a search. The majority (83 per cent) of those using PSCs state that they are informed in advance if the information is likely to be incomplete.
- 7.7 Respondents were asked how many searches via PSCs in the last twelve months were incomplete or contained errors. One in six conveyancers (17 per cent) have experienced incomplete searches and one in four (23 per cent) have experienced searches that contained errors.

**Figure 7.26: Experience of at least one incomplete search/search with errors**

Experience of At Least One Incomplete Search/  
Search With Errors

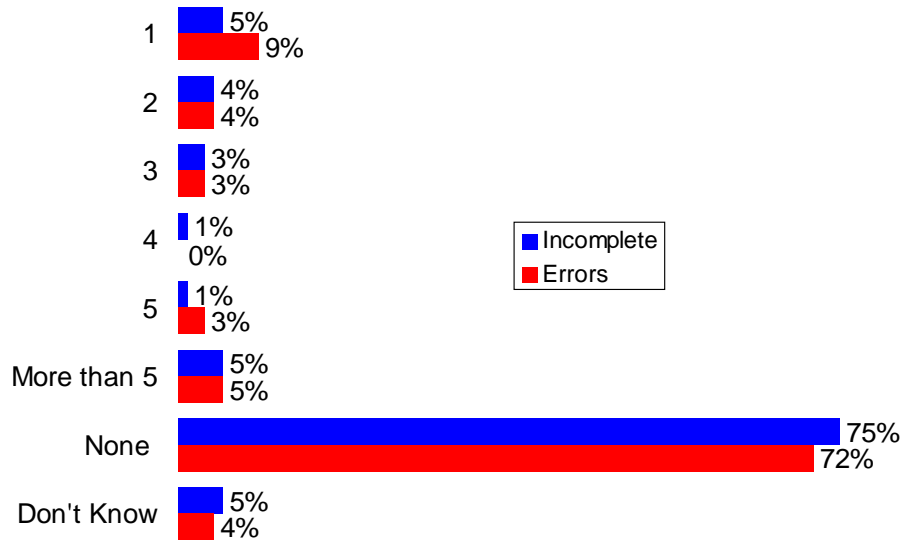


Base: Those who gave a number of company / agent searches – 281

7.8 On average three in every 147 searches by PSCs were incomplete, whilst two in every 147 contained an error.

**Figure 7.27: Number of searches incomplete/with errors**

### Number of Searches Incomplete / With Errors



Base: Those who gave a number of company / agent searches – 281

Fourteen per cent of incomplete or incorrect searches had consequences. Although this is a low base, one third of these caused a delay to a sale.

**Figure 7.28: Consequence from incomplete/incorrect searches**

### Consequences from Incomplete / Incorrect Searches



Base: Those whose errors had consequences – 12

7.9 For the clients affected by these consequences, there was no financial redress. Around one in 10 (eight per cent) received some level of compensation, with the remaining 92 per cent receiving nothing, although this is on a very low base.

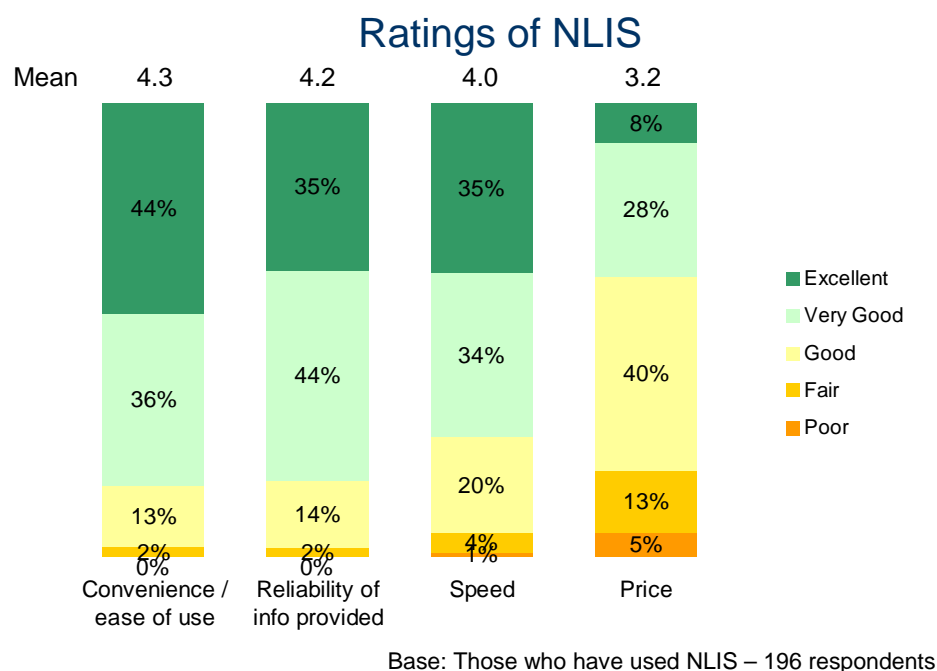
## 8 NLIS CHANNELS

8.1 Thirty-eight per cent of conveyancers had used NLIS within the last two years, and were therefore asked further questions about their experience.

### Ratings of service

8.2 Once again, respondents were asked to rate elements of the service received from NLIS channels on a five point scale from excellent to poor. Ease of use receives the strongest rating for NLIS, with no respondents rating it as poor.

**Figure 8.29: Ratings of NLIS**



8.3 There are no significant differences between the ratings given by solicitors and those given by licensed conveyancers.

### Price sensitivity

8.4 Respondents were asked whether they would switch from using NLIS channels if the price increased by 10 per cent. Just over one third (36 per

cent) said they would switch to another method, half (49 per cent) would not and the remaining 15 per cent were unsure.

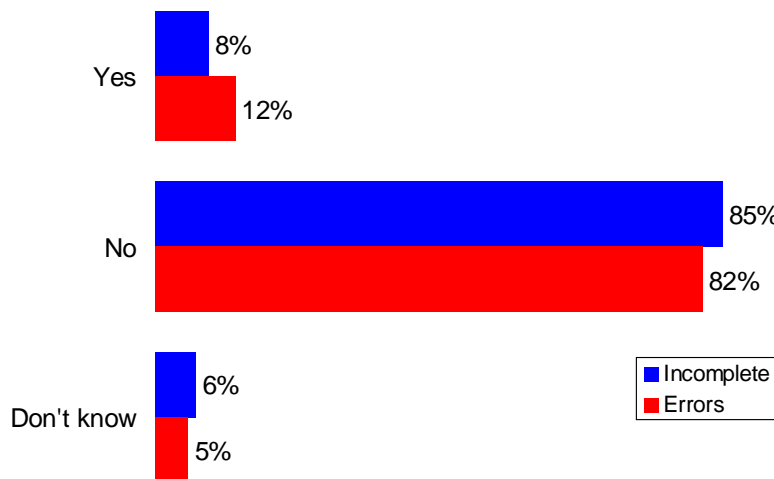
8.5 Those who said they would switch were asked what method of search they would use instead. Half (49 per cent) would choose postal applications in replacement, whilst one third (35 per cent) would choose a PSC. Nine per cent mentioned that they would find another online search channel, whilst seven per cent mentioned personal searches.

### Accuracy of NLIS searches

8.6 Respondents were asked how many NLIS searches in the last twelve months were incomplete or contained errors. The proportion experiencing errors is relatively low, but slightly higher than those experiencing incomplete searches.

**Figure 8.30: Experience of at least one incomplete search/search with errors**

8.7 Experience of At Least One Incomplete Search/  
Search With Errors

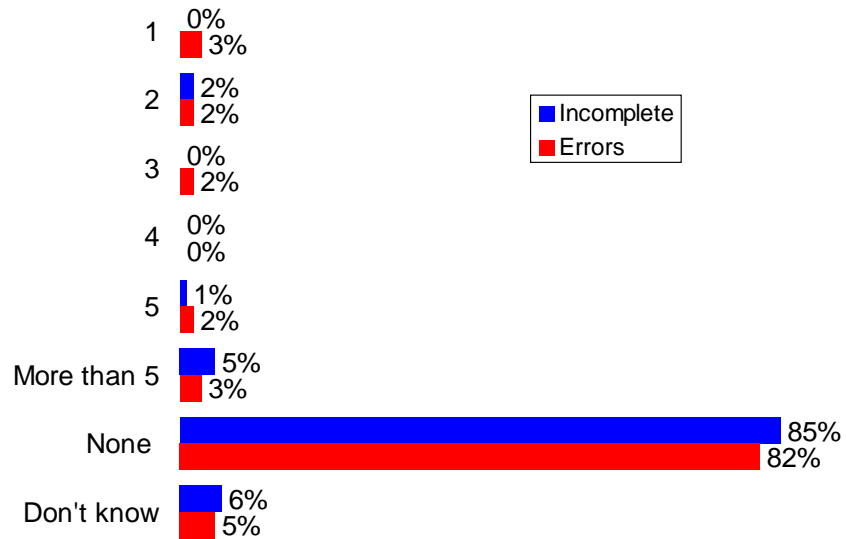


Base: Those who gave a number of NLIS searches – 153

On average one in every 179 NLIS searches were incomplete or contained an error.

**Figure 8.31: Number of searches incomplete/with errors**

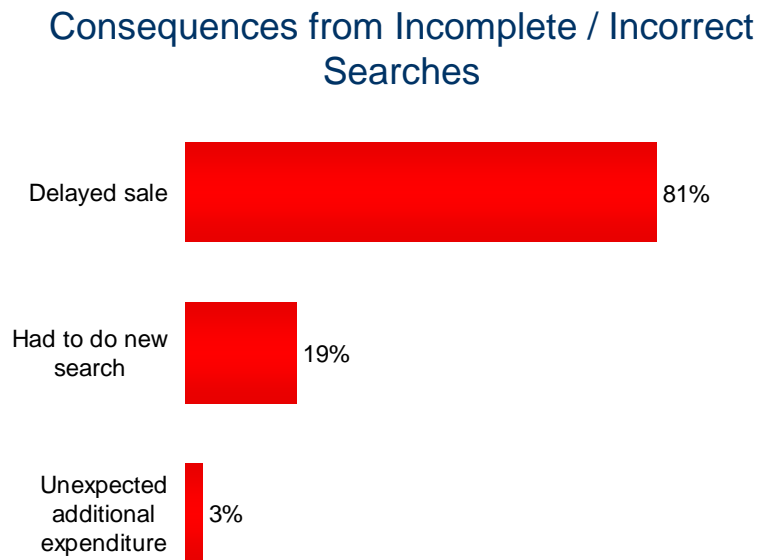
### Number of Searches Incomplete / With Errors



Base: Those who gave a number of NLIS searches – 153

8.8 There were consequences from just over one quarter (27 per cent) of these incomplete or incorrect NLIS searches. Although this is a low base, the majority of these caused a delay to sale.

**Figure 8.32: Consequences from incomplete/incorrect searches**



Base: Those whose errors had consequences – 6

8.9 For the clients affected by these consequences, there was no financial redress. None received any compensation.

## SCOTLAND

### 9 THE PROPERTY SEARCH PROCESS

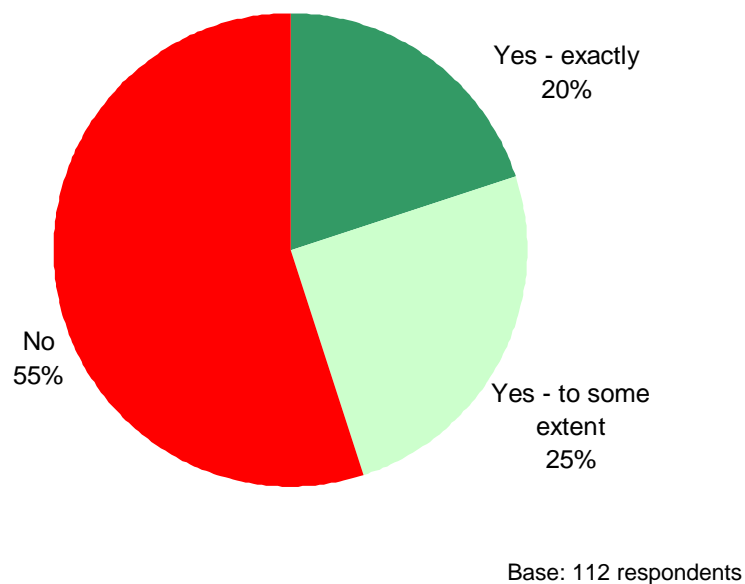
9.1 Respondents were initially asked a number of questions about the process of discussing property searches with clients and choosing a search method.

#### Discussions with clients

9.2 The majority (55 per cent) of conveyancers do not discuss the types of searches and enquiries they are going to conduct with their clients. Forty-five per cent discuss search types with their clients at least to some extent.

**Figure 9.33: Discussion of type of search with client**

#### Discussion of Type of Search with Client



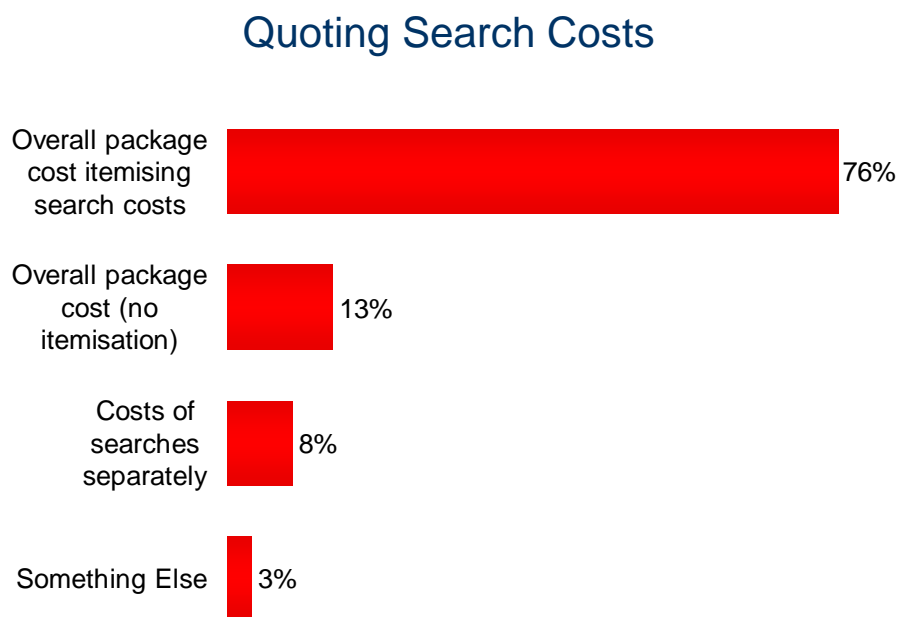
9.3 Licensed conveyancers are more likely to discuss the exact details of a search compared to solicitors. Forty per cent of licensed conveyancers discuss the searches exactly with clients, significantly higher than the 20 per cent of solicitors who do so.

**Table 9.34: Discussions with clients by type of firm**

<i>Per cent</i>	<i>Yes – exactly/to some extent</i>	<i>No</i>	<i>Base (Count)</i>
Solicitors	45	55	107
Licensed conveyancers	40	60	5

9.4 The most common method of quoting the cost of searches to clients is as part of an overall conveyancing package cost, which itemises the specific search costs. Over three quarters of conveyancers do this.

**Figure 9.35: Quoting search costs**



Base: 112 respondents

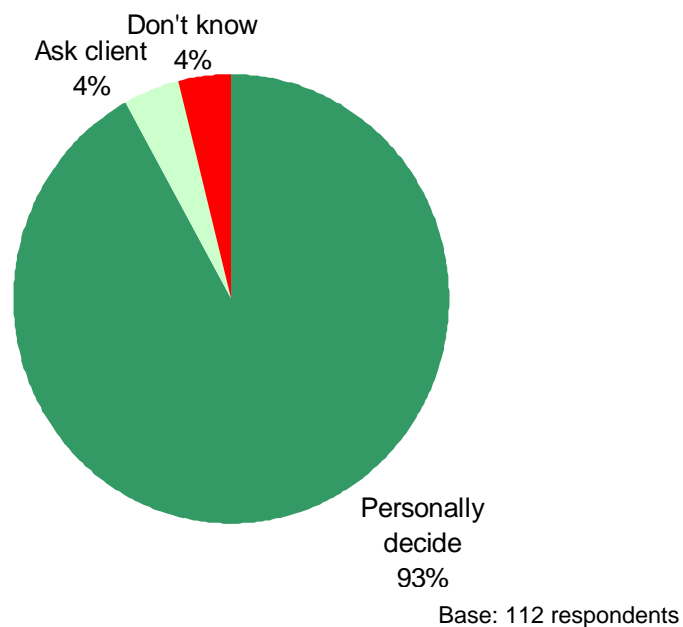
9.5 Those conveyancers doing 'something else' tend to say it depends on the property or what the customers want, or that they provide an itemised breakdown of all costs.

### Choice of search method

9.6 Over nine out of 10 (93 per cent) conveyancers decide personally which search method should be used, rather than asking the client which method they would prefer.

**Figure 9.36: Decision on type of search**

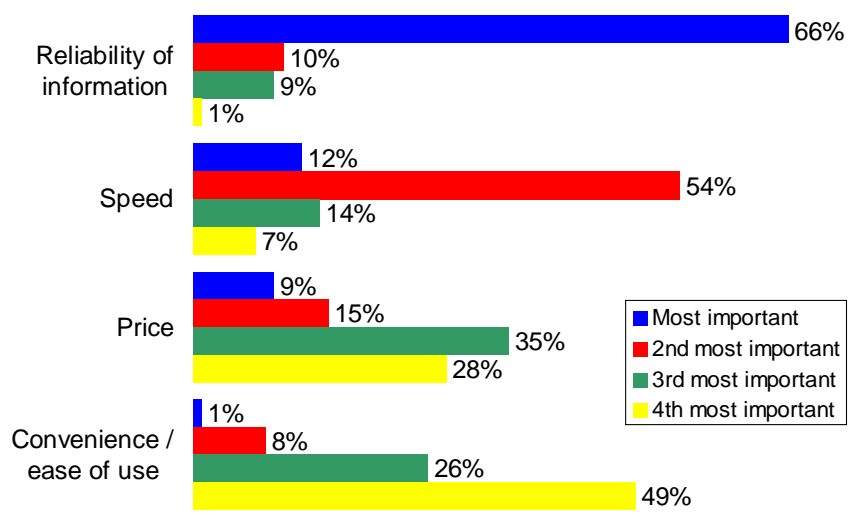
#### Decision on Type of Search



9.7 Respondents were then given four factors on which they may base their decision on the type of search method to use, and were asked to rank them in terms of their importance to the decision. Reliability of the information provided from the search is the most important factor for two thirds of respondents, whilst speed comes through as second most important over half.

**Figure 9.37: Importance of factors in search type decision**

### Importance of Factors in Search Type Decision



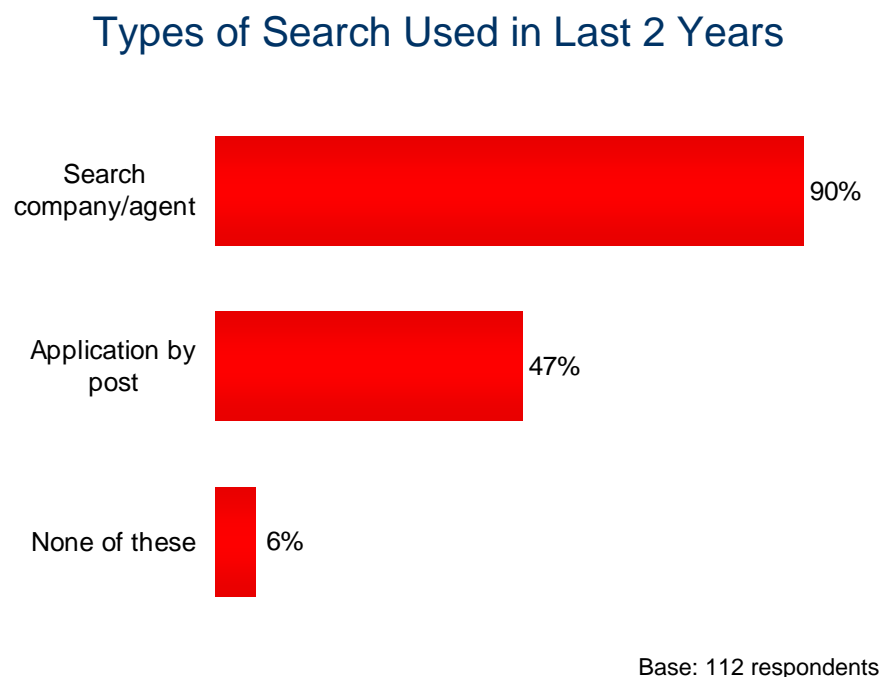
Base: 112 respondents

## 10 USAGE OF SEARCH METHODS

### Search methods used in last two years

10.1 All respondents were asked which methods of gaining property information from LA registers they had used in the last two years. NLIS channels were excluded in Scotland, as these are only available in England and Wales.

**Figure 10.38: Types of search used in last two years**



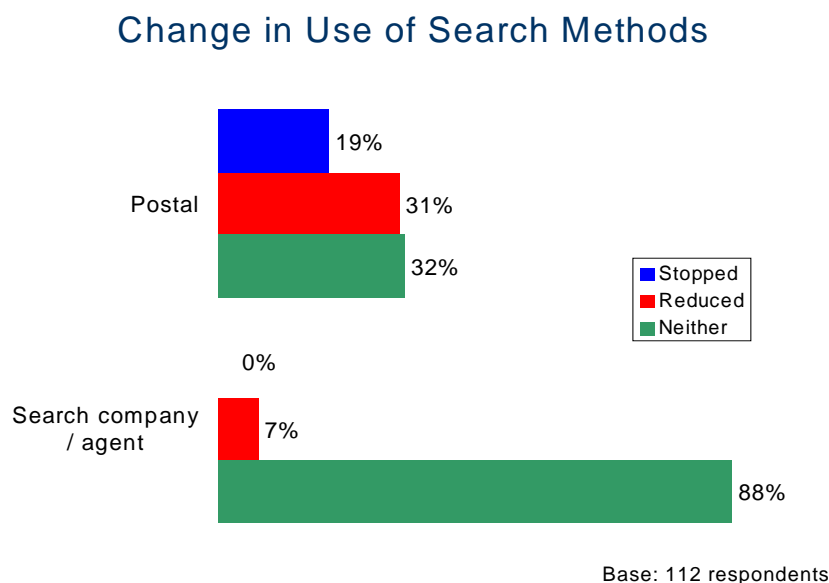
10.2 Searches by a PSC are used significantly more than postal searches.

10.3 There are no significant differences between solicitors and licensed conveyancers in the methods used to obtain property information during the last two years.

## Search methods stopped or reduced usage in last two years

10.4 Respondents were also asked whether they had changed their usage of any search methods over the past two years.<sup>8</sup> Postal applications saw the most change in usage, in terms of both cessation and reduction.

**Figure 10.39: Change in use of search methods**



10.5 No conveyancers have stopped using PSCs.

10.6 Those respondents who had stopped or reduced their usage of specific methods were then asked to give reasons why they had done this. These are outlined in the following sections, and reasons mentioned by five per cent of respondents or more are shown.

### Reasons for stopping or reducing postal usage

10.7 The main reason given for changing usage of postal applications is that the system takes too long. Expense was also an important reason for stopping postal usage.

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<sup>8</sup> These figures do not add to 100 per cent due to some respondents stating they have never used a method – these figures are incorporated in paragraph 10.9.

**Table 10.40: Reasons for stopping or reducing postal usage**

<i>Per cent</i>	<i>Stopped</i>	<i>Reduced</i>
Takes too long	70	70
Too expensive	50	24
Use a PSC more/instead	5	12
Prefer online systems	-	12
Inconvenient	5	6
Too difficult to use	5	-
Too slow/cumbersome	5	-
Other methods more efficient	-	6
Contain errors	5	-
Other methods are cheaper/more cost effective	-	6
<i>Base (count)</i>	20	36

**Reasons for stopping or reducing PSC usage**

10.8 The main reason given for changing usage of PSCs is again that it takes too long, bearing in mind that no conveyancers have stopped using this method.

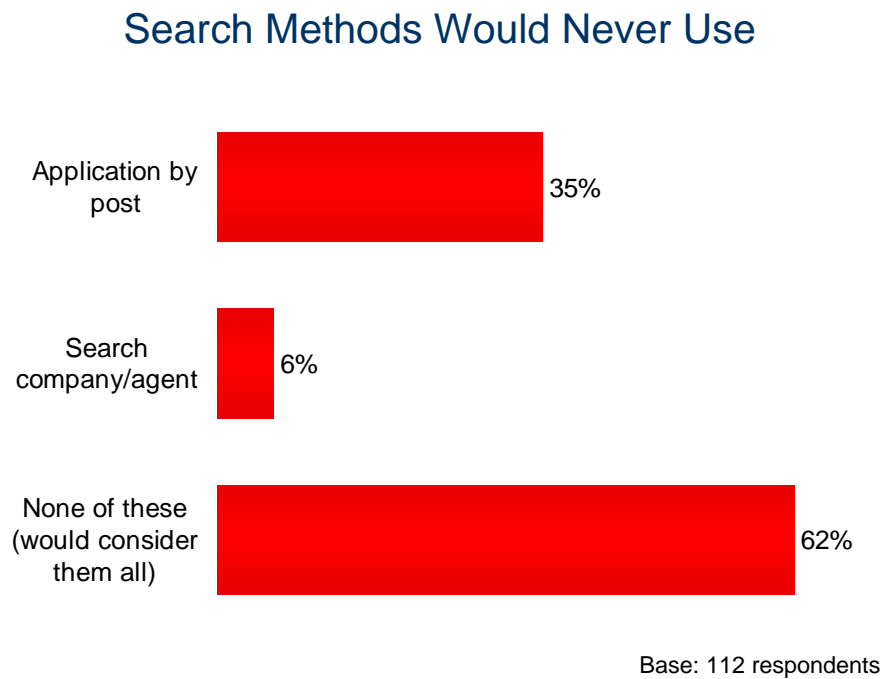
**Table 10.41: Reasons for stopping or reducing PSC usage**

<i>Count</i>	<i>Reduced</i>
Contains errors	2
Too expensive	2
Too difficult to use	1
Not approved/accepted/acknowledged by mortgage lenders	1
Depends on the level of business	1
No particular reason	1
<i>Base</i>	8

## Search methods would never use

10.9 Respondents were also asked whether there were any search methods that they would never use. Application by post is the most likely to be cited.<sup>9</sup>

**Figure 10.42: Search methods would never use**



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<sup>9</sup> Respondents could say that they would never use more than one methods, so percentages may add to more than 100 per cent.

10.10 Those stating they would never use a method of search were then asked to give reasons for this.<sup>10</sup> Although base sizes are small, the biggest problem with postal searches is that they take too long and PSCs are too expensive, error prone or unavailable.

**Table 10.43: Reasons for never using search methods**

<i>Count</i>	<i>Postal</i>	<i>PSC</i>
Takes too long	14	0
Too expensive	7	1
Contains errors	1	0
Too difficult to use	1	0
Inconvenient	1	0
It is more accountable	1	0
Prefer online system	1	0
Other methods are simpler	1	0
Other methods are cheaper	0	1
No indemnity provided	1	0
<i>Base</i>	<i>17</i>	<i>1</i>

<sup>10</sup> Respondents were able to give more than one reason for never using particular methods.

## Other search methods used

10.11 Respondents were asked whether there were any other search methods, aside from the core two (postal, PSC) that they had used to obtain property information. Only 18 per cent of respondents had used other methods.

10.12 The methods mentioned by these 19 respondents were as follows:

**Table 10.44: Other search methods used (count)**

Personal search/visit by self	8
Websites/online services	5
Local council/authority	5
Written letters	2
Other	4

## Incentives from property search suppliers

10.13 Respondents were also asked whether they received any financial incentive from the suppliers of their property searches. One in five respondents (21 per cent) said that they had received such incentives.

10.14 The incentives mentioned by these 24 respondents when questioned further were as follows:

**Table 10.45: Incentives received (count)**

Commission	14
Loyalty bonus/reward	7
Cash back/percentage back	3
Discounts	1

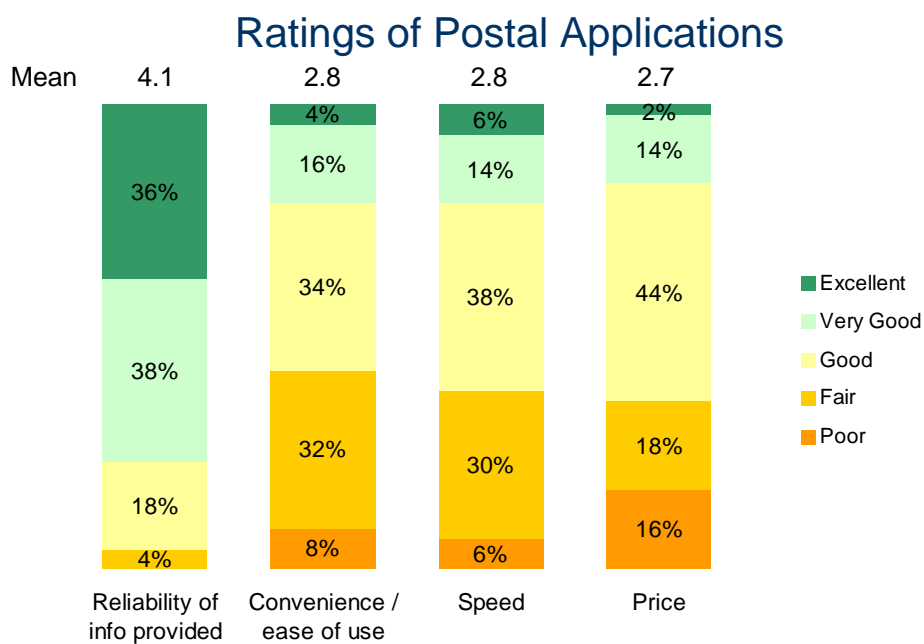
## 11 POSTAL APPLICATIONS

11.1 Forty-seven per cent of respondents had used postal applications within the last two years. They were then asked further questions regarding their experience of the use of postal applications.

### Ratings of service

11.2 Respondents were asked to rate elements of the service received through postal applications on a five point scale from excellent to poor. Reliability of information provided (the most important factor when choosing a search method) receives the strongest rating for postal applications, with no respondents rating it as poor.

**Figure 11.46: Ratings of postal applications**



Base: Those who have used postal – 52 respondents

## Price sensitivity

11.3 Respondents were asked whether they would switch from using postal applications if the price increased by 10 per cent. Nearly two thirds (64 per cent) said they would switch to another method, 20 per cent would not and the remaining 16 per cent were unsure.

**Table 11.47: Likelihood to switch if price increased**

<i>Per cent</i>	<i>Yes</i>	<i>No</i>	<i>Unsure</i>	<i>Base (Count)</i>
Solicitors	64	20	16	50
Licensed Conveyancers	100	0	0	2

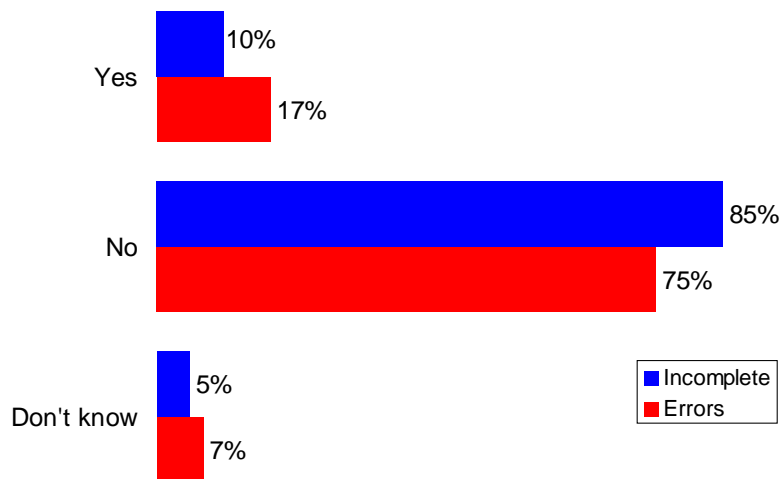
11.4 Those who said they would switch were asked what method of search they would use instead. The majority (91 per cent) would choose a PSC.

## Accuracy of postal searches

11.5 Respondents were asked how many postal searches were incomplete or contained errors in the last twelve months. The proportion of those experiencing errors is significantly higher than those experiencing incomplete searches.

**Figure 11.48: Experience of at least one incomplete search/search with errors**

### Experience of At Least One Incomplete Search/ Search With Errors

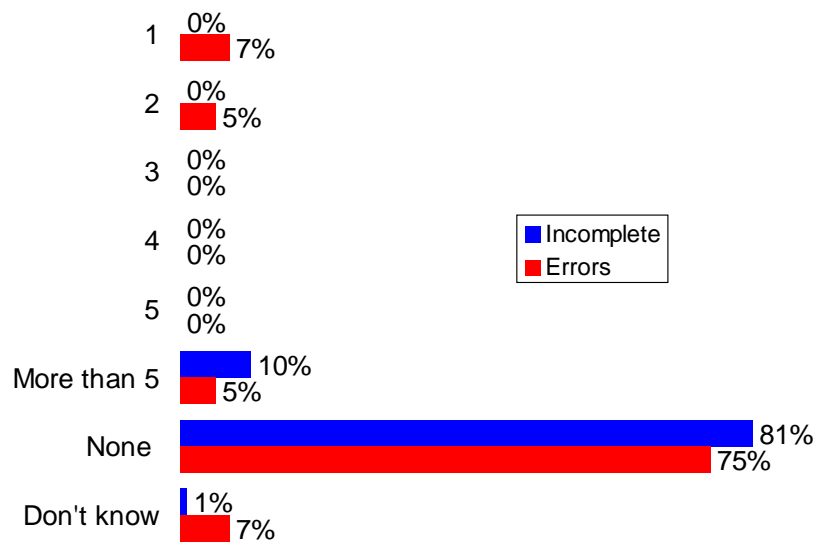


Base: Those who gave a number of postal searches – 42

11.6 Overall two in every 48 postal searches were incomplete and one in every 48 contained an error.

**Figure 11.49: Number of searches incomplete/with errors**

### Number of Searches Incomplete / With Errors



Base: Those who gave a number of postal searches – 42

11.7 There were consequences from one quarter (three respondents) of these incomplete or incorrect postal searches. For two respondents this caused a delay to a sale and for one respondent it resulted in additional expenditures on property.

11.8 For the clients affected by these consequences, no financial redress in the form of compensation had been received.

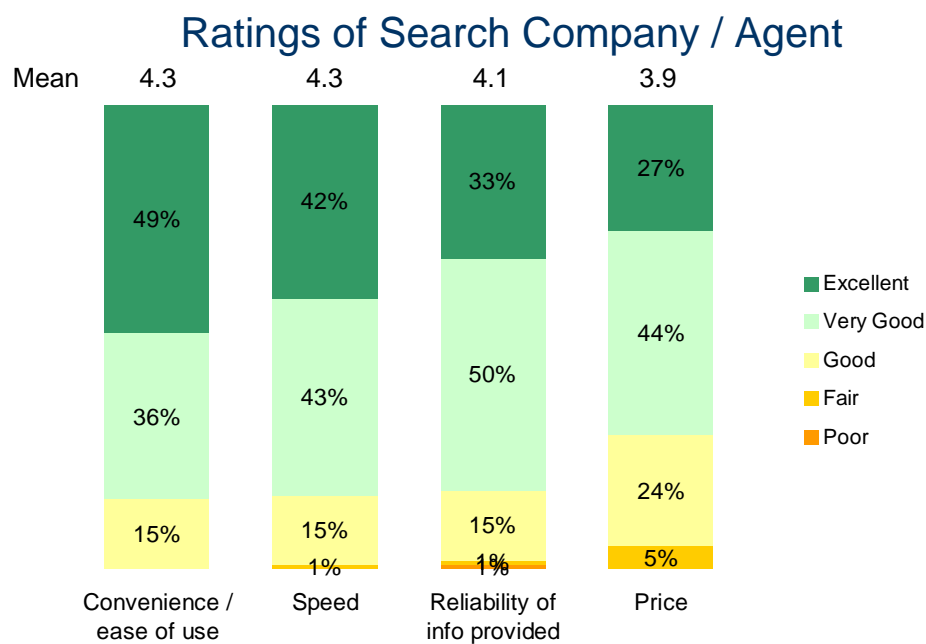
## 12 PROPERTY SEARCH COMPANY

12.1 Ninety per cent of respondents had used a PSC or agent within the last two years. They were then asked further questions regarding their experience of the use of these companies.

### Ratings of service

12.2 As previously, respondents were asked to rate elements of the service received from PSCs on a five point scale from excellent to poor. Ease of use receives the strongest rating for PSCs, with no respondents rating this as poor.

**Figure 12.50: Ratings of search company/agent**



Base: Those who have used search company / agent – 101 respondents

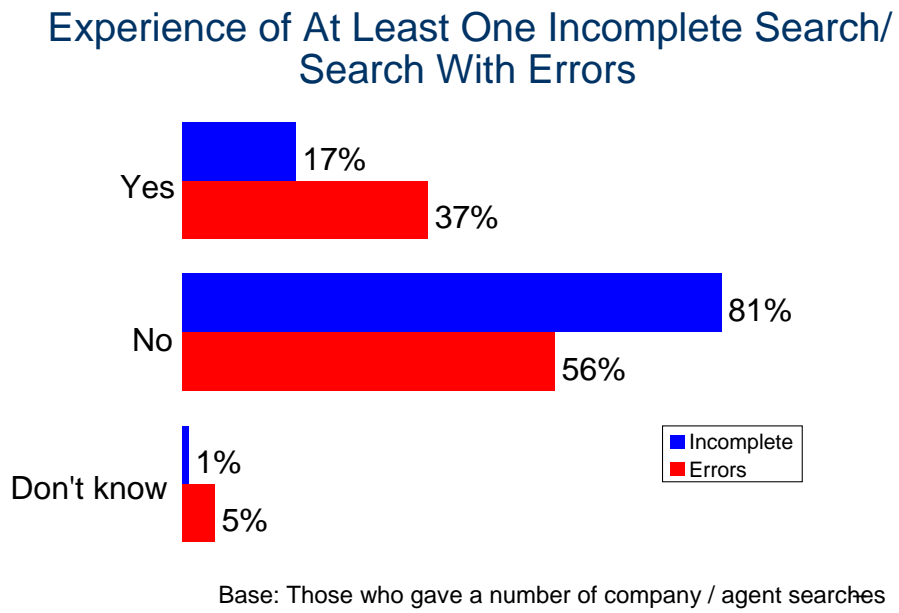
## **Price sensitivity**

- 12.3 Respondents were asked whether they would switch from using PSCs if the price increased by 10 per cent. One quarter (25 per cent) said they would switch to another method, 56 per cent would not and the remaining 19 per cent were unsure.
- 12.4 Those who said they would switch were asked what method of search they would use instead. Over one third (37 per cent) would choose postal applications, whilst a further one third (33 per cent) would choose a different PSC. This is likely due to the prevalence of use of PSCs in Scotland. Other answers given included personal search (eight per cent), council searches (four per cent) and whatever is available (four per cent).

## **Accuracy of PSCs**

- 12.5 Respondents were asked if the PSCs that they use inform them if they are not able to access all the required information for a search. The majority (85 per cent) of those using PSCs state that they are informed in advance if the information is likely to be incomplete.
- 12.6 Respondents were asked how many searches by PSCs in the last twelve months were incomplete or contained errors. The proportion of those experiencing errors is over twice as high as those experiencing incomplete searches.

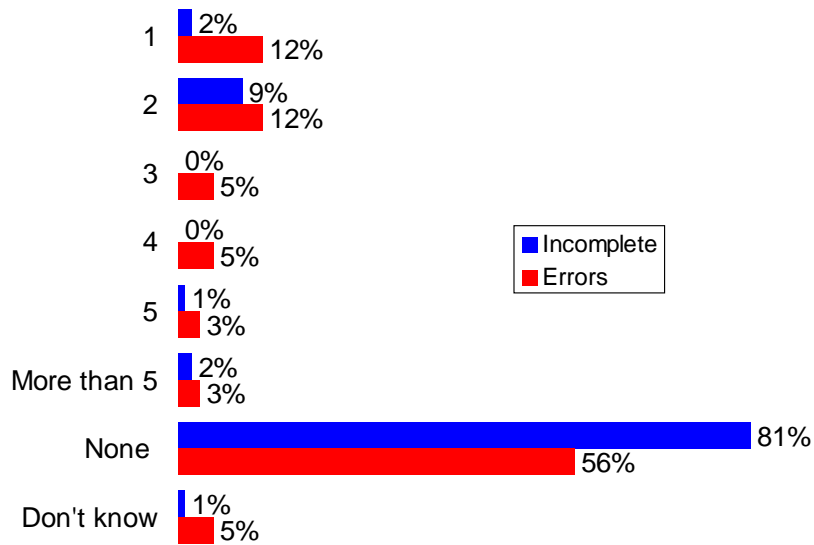
**Figure 12.51: Experience of at least one incomplete search/search with errors**



Overall one in every 110 searches by search agents/companies contained an error or were incomplete.

**Figure 12.52: Number of searches incomplete/with errors**

## Number of Searches Incomplete / With Errors



Base: Those who gave a number of company / agent searches – 91

12.8 Only 14 per cent (six respondents) of incomplete or incorrect searches had consequences. The main consequences mentioned were a delay to a sale (three respondents) and unexpected additional expenditure on property (three respondents).

12.9 There was financial for redress for two of the six clients affected by these incomplete or incorrect searches.

# APPENDICES

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## A TOTAL SAMPLE PROFILE

<i>Government Office Region</i>	<i>Per cent of weighted sample England and Wales</i>	<i>Per cent of weighted sample Scotland</i>
North East	3	0
North West	12	0
Yorkshire and the Humber	9	0
East Midlands	6	0
West Midlands	8	0
East of England	12	0
London	19	0
South East	14	0
South West	9	0
Wales	7	0
Scotland	0	100
<b>Number of Employees</b>		
1-4	30	39
5-9	24	25
10-19	21	21
20-49	16	8
50-99	5	4
100-199	3	3
200+	2	1

**Number of Solicitors**

1 (sole practice)	17	20
2-9	54	69
10-24	17	5
25+	12	6

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<i>Number of conveyancers</i>	<i>England and Wales (Per cent)</i>	<i>Scotland (Per cent)</i>
1	16	18
2-3	30	35
4-5	15	16
6-9	16	18
10-24	17	7
25+	6	5

**Practice Annual Turnover  
(where given)**

Up to £150,000	11	11
£150,000 - £500,000	11	20
£501,000 - £2 million	9	13
Over £2 million	9	4

**Job Title (3 per cent or more)**

Partner	26	41
Sole Practitioner	8	11
Senior Solicitor	7	3
Legal Secretary	6	4

Assistant Solicitor	6	4
Associate Solicitor	4	7
Licensed Conveyancer	7	1
Paralegal	1	9
Legal Executive	5	1
Solicitor (no further detail)	2	6

**Conveyancing / Other Work**

Solely conveyancing	45	27
Other work as well	55	73

<i>Respondents</i>	<i>England and Wales</i>	<i>Scotland</i>
<b>Age</b>		
18-24	3	2
25-34	22	13
35-44	25	29
45-54	30	42
55-64	15	12
Over 65	1	0
<b>Gender</b>		
Male	50	54
Female	50	46

## B SAMPLE PROFILE OF SUBGROUPS

<i>Per cent</i>	<i>England and Wales solicitors</i>	<i>Scottish solicitors</i>	<i>England and Wales conveyancers</i>	<i>Scottish conveyancers</i>
<b>Total sample</b>	<b>401</b>	<b>107</b>	<b>96</b>	<b>5</b>
<b>Job Title (3 per cent or more)</b>				
Partner	27	41	7	60
Sole Practitioner	8	11	9	20
Senior Solicitor	7	3	1	0
Legal Secretary	6	4	3	0
Associate Solicitor	4	7	1	0
Assistant Solicitor	6	4	1	0
Licensed Conveyancer	4	1	68	0
Paralegal	1	9	0	0
Legal Executive	5	1	1	0
Solicitor (no further detail)	2	6	0	0
Senior Partner	0	0	0	20
<b>Conveyancing / Other Work</b>				
Solely conveyancing	43	27	86	0
Other work as well	57	73	14	100
<i>Per cent</i>	<i>England and Wales solicitors</i>	<i>Scottish solicitors</i>	<i>England and Wales conveyancers</i>	<i>Scottish conveyancers</i>

**Age**

18-24	3	2	1	0
25-34	23	12	4	0
35-44	25	30	28	0
45-54	29	42	35	40
55-64	15	11	24	60
Over 65	1	0	2	0

**Gender**

Male	50	53	47	100
Female	50	47	53	0

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