

For immediate use

UK TAKES LEAD IN EUROPEAN ESTATE AGENCY REDRESS

The Property Ombudsman Scheme in the UK is now being regarded as a model example of independent dispute resolution in estate agency by potential counterparts in continental Europe.

The Property Ombudsman, Christopher Hamer, explains in his latest report how he was invited to address the European Real Estate Congress in Berlin by the Immobilienverband Deutschland (IVD), the German equivalent of the National Association of Estate Agents, and is now actively assisting those wishing to set up similar schemes in other countries.

“There were many expressions of interest in the UK model and the concept. I explained that by following the standards laid down in the Codes of Practice, by giving feedback to agents on the issues that arise, and generally through promoting best practice the TPO had contributed towards an improvement in estate agency standards,” says Mr. Hamer in his second interim report for 2011.

“I hope I was able to show how the estate agency sector in the UK, through supporting the TPO, is well advanced in taking customer service seriously and in adhering to standards of business operation. Now we have met, the various Ombudsmen at the Congress have committed to liaising on important matters and assisting other countries to introduce such schemes.”

Figures in this report show that since the start of January, 2011, the number of lettings cases referred to Mr. Hamer continues are 25 per cent above the equivalent period last year. By contrast, sales referrals are slowing and account for only 43 per cent of TPO's workload, contrasting with 2010 where the split was 49 per cent sales, 51 per cent lettings.

During the period of the report, TPO received 1,572 enquiries regarding property sales, a decrease of 14 per cent compared with the same period in 2010 while lettings enquiries showed a decline of 15 per cent (2,724 in 2011 compared with 3214 in 2010).

These falls come despite a rise in the number of agency branches covered for both sales (11,225 in 2010, 11,505 in 2011) and lettings (7,669 in 2010, 8,431 in 2011).

End

Notes for editors:

TPO had 8,185 member firms at the end of August, 2011, operating 11,503 residential sales and 8,431 residential lettings offices. TPO also provides redress for 108 commercial agency offices, 50 dealing with international sales, and 155 auctions selling chattels.

Enquiries figures for this and the previous three report periods:

| | 01.05.10 to 31.08.10 | 01.09.10 to 31.12.10 | 01.01.11 to 30.04.11 | 01.05.11 to 31.08.11 |
|-----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Total | 5774 | 3867 | 4140 | 4914 |
| Sales | 1831 | 1156 | 1196 | 1572 |
| Lettings | 3214 | 2024 | 2418 | 2724 |
| General | 428 | 374 | 288 | 449 |
| Insufficient Information | 301 | 313 | 238 | 169 |

New cases for this and the previous three report periods:

| | 01.05.10 to 31.08.10 | 01.09.10 to 31.12.10 | 01.01.11 to 30.04.11 | 01.05.11 to 31.08.11 |
|--------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Total | 425 | 448 | 448 | 472 |
| Sales | 221 | 200 | 190 | 197 |
| Lettings | 204 | 248 | 258 | 275 |

The Property Ombudsman scheme (www.tpos.co.uk) offers a free, independent, and impartial service to members of the public who are dissatisfied with the service provided by an estate agent who is a member of the scheme during the buying, selling, or letting of a residential property. The Ombudsman, Christopher Hamer, can recommend member agents pay compensation of up to £25,000 in any one case.

Any decision made by the Ombudsman is binding on member agents but not on complainants, who are free to reject the Ombudsman's decision and pursue the matter in the courts if they wish.

The Ombudsman scheme was founded in 1990 as the Ombudsman for Corporate Estate Agents. In 1998, it broadened its scope to make it available to all residential estate agents, becoming the Ombudsman for Estate Agents and, from May, 2009, The Property Ombudsman. From June 2006, the OEA extended its services to Lettings and Property Management agents. Recent expansion has also seen its redress scheme extended to some UK commercial property transactions and foreign property purchases in the UK. It now also embraces residential management agents, referencing firms, and chattels auctions.

With effect from 1 October 2008, all UK estate agents engaged in residential property sales are required under the Consumers, Estate Agents and Redress Act (CEARA) to register with an Estate Agents Redress Scheme that has been approved by the Office of Fair Trading (OFT) and which investigates complaints against estate agents. TPO OEA was the first scheme approved by the OFT.

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