

Home survey standard

RICS professional statement, 1st edition, UK

Consultation Draft

RICS professional statements

Definition and scope

RICS professional statements set out the requirements of practice for RICS members and for firms that are regulated by RICS. A professional statement is a professional or personal standard for the purposes of RICS *Rules of Conduct*.

Mandatory vs good practice provisions

Sections within professional statements that use the word 'must' set mandatory professional, behavioural, competence and/or technical requirements, from which members must not depart.

Sections within professional statements that use the word 'should' constitute areas of good practice. RICS recognises that there may be exceptional circumstances in which it is appropriate for a member to depart from these provisions – in such situations RICS may require the member to justify their decisions and actions.

Application of these provisions in legal or disciplinary proceedings

In regulatory or disciplinary proceedings, RICS will take into account relevant professional statements in deciding whether a member acted professionally, appropriately and with reasonable competence. It is also likely that during any legal proceedings a judge, adjudicator or equivalent will take RICS professional requirements into account.

RICS recognises that there may be legislative requirements or regional, national or international standards that have precedence over an RICS professional statement.

Document status defined

The following table shows the categories of RICS professional content and their definitions.

Publications status

Type of document	Definition
<i>RICS Rules of Conduct for Members</i> and <i>RICS Rules of Conduct for Firms</i>	These Rules set out the standards of professional conduct and practice expected of members and firms registered for regulation by RICS.
International standard	High-level standard developed in collaboration with other relevant bodies.
RICS professional statement (PS)	Mandatory requirements for RICS members and RICS regulated firms.
RICS guidance note (GN)	A document that provides users with recommendations or an approach for accepted good practice as followed by competent and conscientious practitioners.
RICS code of practice (CoP)	A document developed in collaboration with other professional bodies and stakeholders that will have the status of a professional statement or guidance note.

RICS jurisdiction guide (JG)	This provides relevant local market information associated with an RICS international standard or RICS professional statement. This will include local legislation, associations and professional bodies as well as any other useful information that will help a user understand the local requirements connected with the standard or statement. This is not guidance or best practice material, but rather information to support adoption and implementation of the standard or statement locally.
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Glossary

Accessible	Part of a property that can be easily reached, exposed or entered without undue effort.
Caveats	A statement that limits an opinion expressed in the inspection report.
Chancellery matters	This is an historic financial liability imposed on landowners to fund repairs to medieval churches. Although few homeowners have to pay this charge, it can affect the sale and purchase of property.
Client or consumer	The party who has commissioned the service.
Competent persons schemes	Introduced by the government in 2002, they allow members of a properly registered scheme to self-certify that their work complies with the building regulations as an alternative to submitting an application to the local authority in the usual way.
Complex properties	Homes that consist of many different and connected parts. Typical examples include properties that have been extensively altered and extended and/or are built using several different distinct construction methods.
Condition	The state of a building (or part of it) with regard to its appearance, quality or working order.
Conventional properties	Homes designed and built using construction methods that are considered normal and/or ordinary for that region.
Deleterious material	Part of a building that can have a harmful effect on human health. Examples include asbestos fibres and lead in paint or the water supply.
Historic building	A building or structure that is valued because of its historic, archaeological, architectural or artistic interest.
Home Report Scotland	Comprises a property questionnaire and a 'Single Survey'. These requirements are as a result of provisions contained in Part 3 of the <i>Housing (Scotland) Act 2006</i> and associated regulations.
Indemnity insurance policies for non-compliance	Insurance policies taken out by buyers where there is no evidence that part or all of the property has the appropriate planning and building regulation permissions.

Inspection	A careful examination of the inside and outside of the residential property and all permanent outbuildings to establish their condition.
Japanese knotweed	A weed that spreads rapidly. It produces bamboo-like stems from deep underground roots that can grow to over 2.1m, suppressing all other plant growth.
Leasehold properties	A property that is 'owned' for a fixed period of time. There will be a legal agreement with the landlord (sometimes known as the freeholder) called a lease. This states how many years the property will be owned by the buyer. Ownership of the property returns to the landlord when the lease comes to an end.
Levels of service	These identify the nature and extent of the different components of the contract, including the inspection and report.
Limitations	A phrase or clause used in a report and/or contract that seeks to limit the liability of the person who created the report.
Locality	The neighbourhood, district and/or region in which the subject property is located.
Modern methods of construction	A method of building a residential property that uses a variety of new and innovative building techniques and materials. In some cases, whole parts of the residential property can be made in a factory and transported to the building site.
Older properties	A residential building that was constructed using traditional building materials and techniques.
Overall opinion	Part of the service report that expresses the RICS member's view of the main positive and negative features of the property and highlights areas of concern.
Referral fee	An amount of money that is paid by one organisation to another for being recommended to a customer.
Regulations	A rule or directive made and maintained by a local, regional or national authority. Typical examples would include building regulations, planning permission and water supply regulations.

Repairing covenants	Usually an annual sum paid to the landlord/freeholder that goes towards the repair and maintenance of shared facilities (for example, shared gardens, hallways and lifts).
Residential property survey	This comprises an inspection, report and advice of the condition of residential property.
RICS member	A professional person who is a member of RICS and is monitored and regulated by them. There are three different levels of membership: a Fellow (FRICS), a Member (MRICS) and an Associate member (AssocRICS). All three can carry out home surveys on residential property as long as they have the appropriate knowledge, skills and experience.
RICS regulated firm	Those firms that have signed up to the <i>RICS Rules of Conduct</i> and are regulated and monitored by RICS to ensure that they meet professional standards.
Single Survey Scotland	An objective report containing an assessment of the physical condition of a house, a valuation and an energy report.
Software package	A term used to describe a set of computer-based software that fulfils a particular function. A typical example would be a computer-based inspection and reporting package used by some residential surveyors.

1 Introduction

1.1 Overview

RICS has been protecting standards and providing guidance for RICS members and RICS regulated firms in the residential sector for over 30 years. During this time, the scale of social, economic, political and technological change has been without precedent. This transformation is set to continue at an even greater pace.

To enable RICS members and regulated firms to adapt and innovate, RICS intends for this professional statement to provide a clear, flexible framework within which RICS members and RICS regulated firms can develop their own services the public can recognise and trust, that are consistent with the quality standards expected from RICS members and RICS regulated firms.

This professional statement sets out a series of concise mandatory requirements. These establish 'benchmarks' around which RICS members and RICS regulated firms can design and deliver services that meet their clients' needs in a changing environment. It also provides information that the public and their advisers will find useful.

The purpose of this professional statement is to:

- establish a clear framework that will protect and maintain consistent quality standards for residential property survey services that RICS members and regulated firms provide
- provide mandatory requirements for RICS members and regulated firms in the UK who deliver residential property surveys at all levels
- replace and harmonise previous RICS publications relating to residential surveys, including:
 - *Surveys of residential property* (3rd edition) RICS guidance note
 - *RICS Condition Report* (1st edition) RICS practice note
 - *RICS HomeBuyer Report – Survey* (1st edition) RICS professional statement
 - *RICS HomeBuyer Report – Survey & Valuation* (5th edition) RICS professional statement and
 - *RICS Building Survey* (1st edition) RICS practice note.

This professional statement will form the basis of any assessment by RICS regulation of those RICS members and RICS regulated firms who deliver or are involved with residential property survey services.

1.2 Scope

This professional statement covers condition-based residential surveys at all service levels – see appendix A. The primary purpose of such surveys is to consider a property as a physical asset, although some additional matters may be included, such as:

- environmental matters (for example, flooding, radon, former mining activity, neighbouring uses)
- legal issues (for example guarantees, statutory approvals, rights of way and other easements) and
- risks to the occupants.

Where RICS members or RICS regulated firms wish to incorporate a property valuation into their service, the valuation must be in accordance with *RICS Valuation – Global Standards 2017* and *RICS Valuation – Global Standards: UK national supplement 2018*.

This professional statement provides:

- the mandatory requirements to which all condition-based residential survey services offered by RICS members and RICS regulated firms must conform and
- best practice that outlines how the mandatory requirements are met. This includes:

- the process of confirming the scope and nature of the services to be provided
- the typical levels of service to which this document applies
- the nature of the pre-inspection preparation and research required
- the inspection process associated with each level of service
- report writing methodology
- post-report client liaison and
- service closure activities.

This professional statement considers each requirement in turn and provides information on the nature and extent of each level of service.

1.3 Residential surveys in Scotland

The home buying and selling process in Scotland is governed by a unique legal process. Consequently, certain elements of this professional statement do not apply to the Home Report.

Key variations are:

- The Single Survey is a prescribed document in Scottish legislation and as such it cannot be varied.
- Providing an explanation to clients on the choice of survey available is not applicable as the Single Survey is mandatory.
- Pre- and post-survey client liaison is tightly governed in the Single Survey and restricted to clarification and amendment of matters of factual accuracy. No other client liaison is appropriate.
- Risk to occupants does not form part of the mandatory Single Survey.

The current edition of *RICS Property Inspection Technical Guidance for the Completion of Single Surveys* assists members in producing Single Survey reports in accordance with the requirements of Scottish legislation. Reference to RICS guidance is clearly outlined in the document and departing from this professional statement pursuant to Scottish legislation takes precedence over all other requirements within this professional statement. However, this professional statement does apply to all other condition-based residential services offered by RICS members and RICS regulated firms in Scotland.

1.4 Effective date

This PS is effective three months after publication.

2 Setting up the service

RICS members and RICS regulated firms **must**:

- have a clear understanding of client needs
- have the appropriate knowledge (including that of the locality), skills and experience to provide the agreed service
- ensure potential clients understand the nature of and differences between the levels of service offered so they can make an informed choice and
- agree the full details of the terms of engagement with the client before the service is delivered.

2.1 Conflicts of interest and referral fees

The RICS member must declare any potential conflicts and how these are managed in accordance with the current edition of the *International Ethics Standards, RICS Valuation – Global Standards 2017, RICS Valuation – Global Standards 2017: UK national supplement 2018, RICS Rules of Conduct and Conflicts of interest* (1st edition) RICS professional statement.

RICS members and regulated firms **must** be transparent and open with their clients or potential clients by acknowledging that they have offered or received a referral fee or other inducement prior and relating to taking the instruction.

RICS members and regulated firms **must** provide clients or prospective clients a written statement (which should be included in the terms of engagement) stating one of the following, depending on which applies:

- that the RICS member or regulated firm does not pay a referral fee or equivalent to any party who may have recommended them or
- that a payment has been or may be made, either individually or part of a third- party commercial relationship.

2.2 Qualifications and competence

To ensure professionals provide a high level of service, RICS members **must** have the appropriate knowledge, skills and experience to carry out their duties.

RICS members **must** be qualified, competent and able to deliver services by:

- having knowledge of the tasks to be undertaken and the risks involved
- possessing the experience and ability to carry out their duties in relation to the appropriate level of service and
- identifying their limitations and taking appropriate action where this is found to be inadequate.

2.3 Knowledge of locality and nature of property

RICS members **must** be familiar with the nature and complexity of the property type, the region in which it is situated and relevance to the subject instruction, including:

- common and uncommon housing styles, materials and construction techniques. This is particularly important where services are offered for older and historic buildings where understanding the interaction of different building materials and techniques is essential
- current advice and guidance relating to asbestos and other common deleterious materials
- modern methods of construction
- environmental issues including publicly available information. See appendix C for further details
- the location of listed buildings and conservation areas/historic centres, and the implications of these designations

- relevant requirements specified by local and regional government organisations and structures and
- awareness of the social and industrial heritage relevant to the instruction.

Although an RICS member with this knowledge may be able to provide all levels of service, those who provide level two services on older and/or complex properties, historic buildings and those in a poorer condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member should decline the instruction if the subject property type is beyond their knowledge and skill level.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

2.4 Client liaison

RICS members and RICS regulated firms **must** take all reasonable steps to ensure that clients:

- understand the differences between the levels of service, including the extent and limitations of each option
- are advised of the range of options the RICS member can offer, together with the key features and benefits of each
- are aware of the fee that will be charged for the service and
- agree the terms of engagement.

Clients may not be familiar with their choice and will require advice on which level best suits their needs. The RICS member or regulated firm should confirm the client has access to appropriate information before any contract is formed.

Where instructions have been received from a third party (for example, from a lender or a panel manager), the RICS member or regulated firm should satisfy themselves the instruction is best suited to both the property and the needs of the client.

Where the instruction is ultimately found not suitable, the RICS member should further advise the client with the reasons why and the best way to resolve the matter.

2.5 Levels of service

RICS members **must** ensure their service is clearly 'benchmarked' against one of the defined levels included in appendix A. These levels are not prescriptive or detailed. Instead they provide enough detail to allow the nature of the service to be identified while maintaining sufficient flexibility for RICS members to respond to changes in the market and client requirements.

The benchmarked level against which the RICS member's service is most closely based **must** be clearly stated. For example:

'This service is delivered in accordance with the Home survey standard (1st edition) RICS professional statement and is equivalent to level [insert appropriate level]. In addition, this service has the following particular features: [insert any enhancements from the level defined by this professional statement].'

The 'equivalent level' definition should be included on the RICS member's website, in their standard literature and, most importantly, in their terms of engagement. The RICS member should also explain the equivalent level in any communications (verbal or otherwise) with clients or potential clients before those terms are agreed.

See appendix A for a detailed description of the different levels.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

2.6 Terms of engagement

The client **must** receive an up to date document that describes the terms of engagement matched to the specific instruction. At levels one and two on less complex properties, these are likely to be standard documents amended to take account of the property type and any specific client requirements.

Standard documents may also be appropriate for some level two services on older and/or complex properties, historic buildings and those in a poorer condition and all level three services but careful consideration should be given to whether any variation is required for the specific instruction. Where these are varied, these should be clearly described and explained by the RICS member or RICS regulated firm during the pre-inspection discussions with the client.

A minimum requirement for terms of engagement has been included in appendix D.

The terms of engagement should be issued and returned by the clients before the inspection is carried out. Where this is not possible, the terms of engagement **must** be agreed before the delivery of the service, ideally before any professional advice on the property is given.

RICS members and RICS regulated firms supplying professional services to consumer clients must be aware of applicable regulations including the current version of the *Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013*. These regulations contain important provisions and the RICS member should take legal advice to ensure that the contract letter, engagement procedures and related materials being used are compliant with all current legislation in these respects.

The terms of engagement **must** point out that the service does not include an asbestos inspection and it falls outside the current *The Control of Asbestos Regulations 2012*. However, the report should properly emphasise the suspected presence of asbestos-containing materials if the inspection identifies that possibility.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

2.7 Leaseholds

Any survey of a leasehold residential property raises separate and additional factors arising from shared responsibilities and the wide variety of repairing covenants in common use. Additionally, where the leasehold property is a flat, the inspection is usually restricted to the subject property and the accessible common parts and grounds. Onerous repairing liabilities may exist independently from the property, for example where the lease imposes a liability on the property owner/occupier to pay a proportion of the total estate repair costs.

The RICS member should set out the limitations of any advice given, such as stating that no due diligence has taken place in relation to the true legal effect of the lease – this is exclusively the responsibility of the client's legal advisers.

However, legal advisers will not have inspected the property and so the RICS member should:

- be aware of any issues that may arise with leasehold tenures
- identify any obvious and relevant matters that may affect the client's responsibility for carrying out repairs and liability to pay towards their cost and
- recommend that the client obtains independent legal advice on the interpretation of the lease.

3 Carrying out the service

The RICS member or RICS regulated firm **must**:

- undertake appropriate pre-inspection research to support the service (see appendix C)
- be familiar with the type of property to be inspected and the area in which it is situated
- inspect the property in accordance with the level of service agreed
- produce an accurate and comprehensive record of the property at the time of inspection to allow reflection before the service is delivered
- provide an accurate summary or overall opinion consistent with their professional obligations
- only recommend justifiable further investigation
- be clear in the report about the scope of inspection including limitations, caveats and actions available to the client
- deliver a property specific, clear report to the client properly reflecting the acquired information
- offer to discuss the findings of the report with the client following delivery
- ensure any software, technology and system used to deliver the report is compliant with this professional statement and
- document the service and ensure there is a complete record. This **must** be securely stored and accessible in compliance with current data protection legislation and regulations.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

3.1 Locality

RICS members **must** be familiar with the type of property to be inspected and the area in which it is situated.

The depth and breadth of the research will depend on a range of factors including the RICS member's knowledge and experience, the locality and the client's specific requirements. At levels one and two, the amount of research is likely to be similar. Research for level two services on older and/or complex properties, historic buildings and those in a poorer condition and all level three services are likely to be more extensive, especially if the client has requested additional services.

The research will depend on circumstances and may vary over time as additional property-based information becomes publicly available. Desktop research should include:

- information about the general environment as described in appendix C
- information from the seller/selling agents
- the energy performance certificate
- planning areas (e.g. conservation areas A and B and Article 4 direction)
- listed building status and
- other general information about the site including exposure to wind and rain, risk of frost attack, and unique local features and characteristics that may affect the subject property.

3.2 Information from property owner/agents

The owner and/or seller or their agent should be asked to provide appropriate information including details of:

- previous alteration, repair and improvement work
- planning permissions
- building regulations and/or information provided by a 'competent persons' scheme

- any relevant guarantees and warranties
- evidence of service agreements and
- lease details.

It will also be appropriate to ask whether any building insurance claims have been made, the property has been flooded or Japanese knotweed has affected the property or any of its neighbours. Other matters could also include ownership of boundaries, existence of any neighbour disputes, rights of way and so on.

Many organisations provide a range of information about the transaction and the property at an early stage in the conveyancing process. The RICS member or RICS regulated firm should carefully evaluate this information before incorporating it into the report.

Where information is offered by the vendor/occupier, the RICS member should keep a clear record.

3.3 Equipment

For all levels of service, RICS members and RICS regulated firms should have access to suitable equipment required to complete the service. This would typically include:

- **Equipment for recording information:** the method of recording information will vary. RICS members and regulated firms **must** produce an accurate and comprehensive record of the property at the time of inspection to allow reflection during the report writing stage and before the report is delivered.
- **Measuring equipment:** the RICS member or RICS regulated firm must measure in accordance with *RICS property measurement* (2nd edition) RICS professional statement. The RICS member should collect appropriate dimensions and other property characteristics to a suitable level of accuracy.
- **Equipment for assessing remote and concealed areas:** the RICS member should have appropriate tools and equipment available that will enable the assessment of remote and concealed areas (depending on the nature of service).
- **Health and safety equipment:** RICS members should carry out all parts of the service safely and this covers work done in the office, travelling to and from the property, and during the inspection itself. RICS members should have appropriate health and safety procedures and policies in place, including access to appropriate health and safety related equipment. For more information see *Surveying safely: health and safety principles for property professionals* (2nd edition) RICS guidance note.

With level two services on older and/or complex properties, historic buildings and those in a poorer condition and all level three services, RICS members may need additional tools and equipment that will allow them to inspect and deliver the agreed level of service.

3.4 Inspection methodology and scope of the inspection

The RICS member is responsible for carefully inspecting the property in accordance with the nature and level of service, the terms of engagement and client needs.

3.4.1 Specific inspection details

The extent of an inspection will depend on a range of circumstances (including health and safety considerations). A number of critical aspects are identified in appendix B and these may help distinguish the different levels of inspection from one another.

3.4.2 Safety during the inspection

The RICS member **must** be able to safely undertake the tasks involved or manage others undertaking those same tasks. This is particularly important in relation to gaining access to voids that may be present within the property.

The RICS member should also consider health and safety aspects such as:

- keeping a record of their appointment either at the office or at home
- letting someone know their expected return time
- carrying a personal alarm
- carrying a mobile phone and
- using ladders and other equipment safely.

For personal safety reasons, the RICS member or RICS regulated firm should be familiar with *Surveying safely: health and safety principles for property professionals* (2nd edition) RICS guidance note.

3.4.3 Recording information

The RICS member or RICS regulated firm **must** keep a record of the inspection, including:

- the construction, condition and circumstances of inspection (including any limitations)
- the checks made to the fabric and structure and what was found and
- appropriate dimensions and diagrams, sketch plans, photographs and videos.

As level two services on older and/or complex properties, historic buildings and those in a poorer condition and all level three services will include more detailed and technical assessments of the building, the amount of recorded information will be greater.

4 The report

4.1 General principles

The report **must** be property specific and:

- be clearly presented and follow a logical structure so clients can quickly find the required information
- be factual and unambiguous, and clearly separate fact and the RICS member's opinion
- use non-technical terms throughout. If technical words are occasionally used, the client will find a layperson's explanation helpful
- comply with accessibility requirements (*Equality Act 2010*) and
- provide a balanced perspective of the condition of the property.

4.2 Content

The presentation of the report will be a matter of an RICS member's individual approach but should conform to good practice in report production and to the following principles:

- clearly explain the level of service, what the client can expect to see in the report and encourage the client to ask questions of the RICS member
- include a summary or overall opinion and
- is structured in a way that enables the client to locate required information easily.

4.3 Level-specific reporting requirements

The nature and content of the report will vary between the different levels of service. The distinctive nature of each level is described in the following subsections.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

4.3.1 Survey level one

For each element of the building, the RICS member should:

- describe the part or element in enough detail so it can be properly identified by the client
- describe the condition of the part or element that justifies the RICS member's judgement and
- provide a clear and concise expression of the RICS member's professional assessment of each part or element.

This assessment should help the client gain an objective view of the condition of the property, help them make a decision and, once in ownership (if the client is a buyer), establish appropriate repair/improvement priorities. A condition rating system is one way of achieving this, although RICS members may also use their own prioritisation methodology. Whatever the choice, any system **must** be clearly defined in the information given to the client.

4.3.2 Survey level two

A survey level two service may follow a similar structure and format to level one. Although it will provide more information, it should still be short and to the point, avoiding irrelevant or unhelpful details and jargon. A level two report will have the following additional characteristics:

- it should include comments where the design or materials used in the construction of a building element may result in more frequent and/or more costly maintenance and repairs than would normally be expected

- the likely remedial work should be broadly outlined and what needs to be done by whom and by when (including a summary of legal implications of the work) should be identified
- concise explanations of the implications of not addressing the identified problems should be given and
- cross-references to the RICS member's overall assessment should be included.

Survey level two reports should also make it clear that the client should obtain any further advice and quotations recommended by the RICS member before they enter into a legal commitment to buy the property.

4.3.3 Survey level three

A level three service should reflect the thoroughness and detail of the investigation. It should address the following matters:

- the form of construction and materials used for each part of the building should be described in detail, outlining any performance characteristics. This is especially important for older and historic buildings where the movement of moisture through building materials can be critical to how the building performs
- obvious defects should be described and the identifiable risk of those that may be hidden should be stated
- remedial options should be outlined along with, if considered to be serious, the likely consequences if the repairs are not done
- a timescale for the necessary work should be proposed, including (where appropriate and necessary) recommendations for further investigation
- future maintenance of the property should be discussed, identifying those elements that may result in more frequent and/or more costly maintenance and repairs than would normally be expected
- the nature of risks of the parts that have not been inspected should be identified and
- prioritisation of issues should be outlined.

4.4 Summary or overall opinion

The summary should be contained at the front of the report, whatever the level, and should provide a brief, simple and clear signpost that will help orientate the client before they read the whole report.

Where condition ratings or other prioritisation methods are used, this section will help place such assessments in context and give a balanced view of the property.

The overall opinion should be the last part the RICS member produces and the first part the client reads. It should be as concise as possible, not repeat descriptive detail and be property specific. It should express the RICS member's view of the main positive and negative features of the property and highlight areas of concern.

4.5 Risks to occupants

Matters that present a safety risk to occupants can be described in the main body of the report. However, RICS members may want to consider concisely listing the risks in a separate section with appropriate cross-referencing to where they appear in the main body of the report.

As these matters will reflect current research and regulation, they may change over time. An indicative list of safety hazards has been included in appendix E.

The range of identified matters will be the same for each level of service; what will vary is the explanation:

- A level one report will identify and list the risks and give no further explanation.
- A level two report will identify and list the risks and explain the nature of these problems.
- A level three report will do all this and explain how the client may resolve or reduce the risk.

4.6 Legal matters

The legal adviser is responsible for checking the relevant documents but will not be familiar with the property.

The RICS member will be the 'eyes and ears' of the legal adviser and so should identify apparent and specific items and features that have possible legal implications. The report **must** clearly highlight these and remind the client they should bring these matters to the attention of their legal adviser. A separate legal section in the report is an effective way of achieving this.

Where appropriate, if the situation can be physically resolved, the surveyor will describe what needs to be done (for example, removing/improving unauthorised work, rebuilding a boundary wall or cutting back an overgrown hedge).

This will enable the client's legal adviser to explain in greater detail how these matters may affect ownership of the property.

4.6.1 Regulations

Typical regulatory matters will include:

- conservation areas (especially Article 4 designation), listed building status and the need for consents
- work done under the various 'competent persons' schemes
- planning permission and building regulation approval for alterations and repairs, and any indemnity insurance policies for non-compliance (if known)
- trees and any tree preservation orders
- environmental matters, such as remediation certificates for previously contaminated sites and whether a mining report is required and
- the use of adjacent, significant public or private developments.

4.6.2 Guarantees

Where possible, the RICS member should ask the owner/occupier if they have any guarantees/warranties for any repair and alteration work carried out. The RICS member should record relevant details. It is the legal adviser's role to confirm the validity or transferability of these documents; however known or suspected discrepancies identified by the RICS member should be highlighted. The client should be advised to ask their legal adviser on the following examples:

- structural work such as underpinning, removal of structural elements, lateral restraint and chimney stabilisation works
- timber and damp treatment works
- wall ties and cavity wall tie replacement work
- new windows and doors
- cavity wall insulation and
- installation and repair of service installations.

Where the certification of a new-build or converted property is available, the RICS member should try to establish the parts of the property to which this applies and verify the age of the property/conversion.

4.6.3 Other matters

The RICS member should include other features and issues that may have an impact on the property and require further investigation by the legal adviser. This will include a broad range of issues noted during the visual inspection or through the RICS member's knowledge of the locality. The following list (which is not exhaustive) illustrates this variety:

- flying freeholds or submerged freeholds
- evidence of multiple occupation, tenancies
- holiday lettings
- signs of possible trespass and rights of way
- arrangements for private services, septic tank registration and so on
- rights of way and maintenance/repairing liabilities for private access roads and/or footways, ownership of verges, village greens and so on
- chancellery matters
- other property rights including rights of light, restrictions to occupation, tenancies/vacant possession, easements, servitudes and/or wayleaves
- boundary problems including poorly defined site boundaries, repairs of party walls, party wall agreements and works in progress on adjacent land
- details of any building's insurance claims
- parking permits
- presence of protected species (for example bats, badgers and newts) and
- Green Deal measures, feed-in tariffs and roof leases.

4.7 Providing cost advice

It is of value to some clients to receive a prioritisation of repairs and a cost estimate of recommended remedial works. Where this optional service has been offered, the RICS member **must** have the level of competence and technical knowledge to deliver it. They should clearly state all appropriate reservations and limitations associated with this function during the initial client enquiry and in the original terms of engagement. For example, the RICS member should explain the methodology used to calculate the estimates, tell the client the figures are for guidance only and that they should get formal, written quotations from appropriate organisations prior to a legal commitment.

4.8 Further investigations

The RICS member's knowledge of building construction and pathology will, at times, lead to a suspicion that a visible defect may affect other concealed building elements. Other times, the extent of a visible defect is not possible to ascertain within the confines of an essentially visual inspection. In either case, the RICS member **must** recommend that a further investigation is undertaken.

However, the RICS member **must not** recommend a further investigation just because a given building element is inaccessible within the confines of a normal inspection. Examples include where the covering of one roof slope cannot be seen from any reasonable vantage point, but there is no evidence of defect in the roof void. In such cases, RICS members should inform the client of the restriction and advise on the implications. The RICS member should exercise professional judgement and **must not** call for further investigations only to cover him or herself against future liabilities.

Where a further investigation is recommended, the RICS member should include the following information in the client's report:

- a description of the affected element and why a further investigation is required
- when the further investigation should be carried out (for example, before a commitment to purchase, as soon as the property is occupied or at an appropriate time in the future) and
- a broad indication of who should carry out the further investigation (for example their qualifications, membership of a trade body, competent person scheme).

4.9 Findings of the report

4.9.1 General principles

RICS members should set aside adequate time to discuss the findings of the report.

The amount of time, and the breadth and depth of the discussions, will vary according to the level of service, the method of communication and client needs.

RICS members should accept that these exchanges are part of the service to the client and take care to make sure they meet the same professional standards. For example, RICS members can extend their liability and/or confuse the client by qualifying and expanding on the delivered report. In this respect, it is a matter of getting the right balance. The RICS member **must** conform to the following:

- clearly explain the status of the discussion/exchange with the client at the beginning
- not go beyond the scope already described in the agreed terms of engagement and
- keep a permanent record of the exchange. This should be securely stored and accessible in compliance with current data protection legislation and regulations.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

4.9.2 Service completion

Once the service is complete and post report delivery discussions with the client concluded, the RICS member should make sure the project file is properly closed. Although this will depend on the RICS member's own quality assurance procedures, it will usually involve assembling and updating all the relevant information and communications (whether hard copy and/or digital) and archiving in accordance with current practice. These should be securely stored and be available for future inspection if required. A legal liability may extend up to a maximum of 15 years, in line with *Risk, liability and insurance in valuation work* (2nd edition) RICS guidance note.

4.10 Software and products

RICS members and RICS regulated firms **must** satisfy themselves that any software used to deliver products and produce reports is developed in accordance with this professional statement to ensure quality assurance, consistency and transparency. RICS members completing and delivering the Single Survey in Scotland, variations will apply and RICS members and regulated firms must refer to the current edition of *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

4.11 Documentation storage and retention

RICS members and RICS regulated firms should manage all processes associated with the service rigorously and **must**:

- keep copies of relevant correspondence (electronic, digital and/or physical) in robust backup systems
- keep a record of all verbal discussions with the client and share a summary of these discussions when confirmation is required and
- ensure complete and clear records are retained.

All information collected and stored must conform to current data protection legislation and regulations. The file must be securely stored and retained for up to 15 years in line with current legislation and *Risk, liability and insurance in valuation work* (2nd edition) RICS guidance note.

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Appendix A: Definition of levels

As described in section 4.2, RICS members **must** ensure their service is clearly 'benchmarked' against one of the defined levels in this appendix.

Note: These levels are not prescriptive or detailed. Instead they provide enough detail to allow the nature of the service to be identified while maintaining sufficient flexibility for RICS members to innovate and respond to changes in the market.

Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

A1 Survey level one

This service is designed for clients (who may be buyers, sellers and owners) seeking an objective report on the condition of the property at an economic price. As a result, it is less comprehensive than survey level two and survey level three.

This level of service includes a visual inspection that is less extensive than for the other survey levels. No tests* of the building fabric or services are undertaken. The report objectively describes the condition of the building, its services and the grounds. It highlights relevant legal issues and any obvious risks to the building, people or grounds. The report is succinct and provides an assessment of the relative importance of the defects and problems. Where the surveyor is unable to reach a conclusion with reasonable confidence, a recommendation for further investigation may be necessary.

A survey level one report does not include advice on repairs or ongoing maintenance and this, combined with the less extensive inspection, usually means it is better suited to conventionally built, modern dwellings in satisfactory condition. It will not suit older or complex properties, or those in a poor condition.

A2 Survey level two

This level of service is for clients who are seeking a professional opinion at an economic price. It is, therefore, less comprehensive than a level three service. The focus is on assessing the general condition of the main elements of a property.

This intermediate level of service includes a more extensive visual inspection of the building, its services and grounds, but still without tests*. Concealed areas normally opened or used by the occupiers are inspected if it is safe to do so (typical examples include roof spaces and basements and cellars). The report objectively describes the condition of the different elements and provides an assessment of the relative importance of the defects/problems. At this level, although it is concise, the report does include advice about repairs and any ongoing maintenance issues. Where the surveyor is unable to reach a conclusion with reasonable confidence, a recommendation for further investigations may be necessary.

This level of service suits a broader range of conventionally built properties, although the age and type will depend on the knowledge and experience of the RICS member. This level of service is unlikely to suit:

- complex buildings, for example those that have been extensively extended and altered
- unique or older historic properties – although survey level two services may be appropriate for some older buildings, the decision will depend on the RICS member's proven competence and knowledge and the nature of the building itself. For example, a survey level two report on homes with traditional timber frames or those built much before 1850 is likely to be inconclusive and be of little use to the client
- properties in poor condition or
- those where the client is planning to carry out extensive repair and refurbishment work.

In such cases, a survey level two service will often result in numerous referrals for further investigations, an outcome that many clients find disappointing.

A3 Survey level three

This level of service is for clients who are seeking a professional opinion based on a detailed assessment of the property.

The service consists of a detailed visual inspection of the building, its services and the grounds and is more extensive than a survey level two. Concealed areas normally opened or used by the occupiers are inspected if it is safe to do so (typical examples include roof spaces and basements and cellars). Although the services are not tested*, they are observed in normal operation – in other words, they are switched on and/or operated where the occupier has given permission and it is safe to do so.

The report objectively describes the form of construction and materials used for different parts of the property. It describes the condition and provides an assessment of the relative importance of the defects/problems. Additionally, it should:

- describe the identifiable risk of potential or hidden defects in areas not inspected
- propose the most probable cause(s) of the defects based on the inspection
- outline the likely scope of any appropriate remedial work and explain the likely consequences of non-repair
- make general recommendations in respect of the priority and likely timescale for necessary work
- identify and describe the legal implications of ownership in detail and
- give an indication of likely costs (this aspect would not normally form part of the level three service, but some RICS members may choose to include it. The terms and conditions **must** make this choice clear).

Where a RICS member feels unable to reach the necessary conclusions with reasonable confidence, they should refer the matter for further investigations. However, at survey level three such referrals should be the exception rather than the rule. A survey level three report should aim to provide the client with all the information they need to make a decision.

This level of service will suit any domestic residential property in any condition depending on the competence and experience of the RICS member.

* For the purposes of this professional statement, 'tests' are taken to mean measures to check the quality, performance or reliability of parts of the building. For example, tests will typically include taking samples of the building fabric (plaster, brick and concrete) or checking the performance of a service system (checking the safety and performance of heating appliances, electrical systems or underground drainage). The use of a moisture meter, opening and closing windows and doors, and the normal operation of service systems are not tests.

Appendix B: Benchmarking the levels of inspection

This appendix highlights a number of different elements in a typical property where the differences between the inspection levels are illustrated. This is not a comprehensive listing of what is or is not inspected. Instead, it provides critical benchmarks around which an RICS member's service can be built.

In all other respects, the RICS member should inspect all parts of the property appropriate to the level of service agreed with the client and the nature of the property.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

Windows

Survey level	Description
Survey level one	Attempt to open only a limited sample of the windows – include one on each elevation.
Survey level two	Attempt to open a representative sample of the windows. For example, this might include one on each elevation and one of each different type of window where there is a variety.
Survey level three	Attempt to open most windows where possible.
General	<p>In all cases, the RICS member only opens windows where:</p> <ul style="list-style-type: none">• permission has been given and• any keys/locks are available and are easy to operate without force or damage. <p>The presence of occupier possessions and heavy curtains will often restrict level one and two inspections. For level three, a small number of possessions/curtains will be repositioned. Where inspections are restricted, the RICS member must inform the client.</p>

Roof space

Survey level	Description
Survey level one	The RICS member will not remove secured access panels and/or lift insulation material, stored goods or other contents. The RICS member will visually inspect the parts of the roof structure and other features that can be seen from the access hatch.

Survey level two	In addition to that described for level one, the RICS member will enter the roof space and visually inspect the roof structure with attention paid to those parts vulnerable to deterioration and damage. In these places, a moisture meter will be used where it is considered appropriate.
Survey level three	<p>The RICS member will enter the roof space and visually inspect the roof structure, with attention paid to those parts vulnerable to deterioration and damage. In these places, a moisture meter, pocket probe and magnifying glass will be used where it is considered appropriate.</p> <p>Although thermal insulation is not moved, small corners may be lifted so its thickness and type, and the nature of the underlying ceiling can be identified (if the RICS member considers it safe to do so).</p> <p>Where permission has been granted and it is safe, a small number of lightweight possessions may be repositioned so a more thorough inspection can take place.</p>
General	<p>The RICS member will carry out an inspection of roof space that is not more than three metres above floor level using a ladder if it is safe and reasonable to do so.</p> <p>Energy efficiency initiatives have resulted in thick layers of thermal insulation in many roof spaces. Usually it is not safe to move across this material as it conceals joist positions, water and drainage pipes, wiring and other fittings. This may restrict the extent of the inspection and the scope of the report. Consequently, this matter should be discussed with the client at the earliest stage.</p>

Floors

Survey level	Description
Survey level one	The RICS member will closely inspect the surfaces of exposed floors but will not lift carpets, floor coverings or floorboards, or move furniture. The RICS member will not lift hatches or carry out an 'inverted head and shoulders' inspection. The RICS member will assess floors for excessive deflection by a 'heel-drop' test and using an appropriately sized spirit level.
Survey level two	In addition to that described for level one, where floors have unfixed access hatches/panels or floorboards, the RICS member will inspect subfloor areas by an inverted 'head and shoulders' inspection (either physically or using mirrors, cameras and the like) where appropriate and it is safe to do so. RICS members will not enter the sub-floor area.
Survey level three	The RICS member will closely inspect the surfaces of exposed floors and will lift the corners of any loose and unfitted carpets or other floor coverings where practicable. The RICS member will assess all floors for excessive deflection by a 'heel-drop' test and using an appropriately sized spirit level. For a more

	<p>complete assessment, it may be helpful to measure the magnitude of any identified deflection/slope.</p> <p>Where the subfloor is inspected, an inverted 'head and shoulders' inspection will be carried out at the access point (either physically or using mirrors, cameras and the like). If it is safe to do so, the RICS member will enter the under-floor area to carry out a more thorough inspection. In this respect, 'safe to do so' can be defined as:</p> <ul style="list-style-type: none"> • an adequately sized access panel • a minimum of one metre between the floor void surface and the underside of the joists and • a lack of obvious hazards in the floor void (for example, sharp and uneven oversite, hazardous and obstructive electric cables or gas pipes, and so on).
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Furniture and possessions

Survey level	Description
Survey level one	The RICS member will not move furniture or possessions.
Survey level two	The RICS member will not move furniture or possessions.
Survey level three	The RICS member will move lightweight, easily moveable, non-fitted items where practicable and safe, and where the occupier gives permission.

Services

Survey level	Description
Survey level one	The RICS member will not lift inspection chamber covers.
Survey level two	The RICS member will lift accessible inspection chamber covers (where it is safe to do so) and visually inspect the chamber(s).
Survey level three	<p>The RICS member will lift accessible inspection chamber covers (where it is safe to do so) and observe the normal operation of the services in everyday use. This will be restricted where properties are empty, drained down and services disconnected. Assuming all services are connected and fully and safely functioning, 'normal operation' usually includes:</p> <ul style="list-style-type: none"> • operating lights and extractor fans where appropriate

	<ul style="list-style-type: none"> • where appropriate, asking the occupier to switch on the heating appliances/system • when the RICS member considers it appropriate to the assessment of the system, turning on water taps, running sinks, baths, bidets and basins, and flushing toilets to observe the performance of visible pipework and • lifting accessible inspection chamber covers to drains and septic tanks and so on (where it is safe to do so), identifying the nature of the connections and observing water flow where a water supply is available.
General	<p>The RICS member does not perform or comment on design calculations or test the service installations or appliances in any way. At all levels, inspection chamber covers in common areas of flats are not lifted.</p> <p>In all cases, the RICS member will advise the client that further tests and inspections will be required if the occupier does not provide evidence of appropriate installation and/or maintenance, or the client requires assurance as to their condition, capability and safety.</p>

The grounds

Survey level	Description
Survey level one	<p>RICS members will carry out a visual inspection of the grounds during a general walk around, and where necessary and appropriate, from adjoining public property. The assessment should include external features relevant to the instruction and requests from the client.</p> <p>The inspection should also include the inside and outside of all permanent outbuildings not attached to the main dwelling, where access is possible, relevant to the instruction and client requests.</p> <p>RICS members will use appropriate methods and equipment to inspect a roof that is not visible from a window or another part of the building, and that is not more than three metres above ground level if it is safe and reasonable to do so.</p>
Survey level two	<p>In addition to that described for level one, RICS members should perform a thorough visual inspection of the grounds, and, where necessary and appropriate, from adjoining public property.</p>
Survey level three	<p>As in level two, the RICS member should perform a thorough inspection of the grounds and, where necessary and appropriate, from adjoining property.</p> <p>Specific defective features and other matters associated with the grounds can be costly to resolve and may affect the client's purchase decision. Consequently, the RICS member should fully account for these during a level three service and be prepared to follow the trail of suspected problems to a greater extent than at levels one and two. Examples include assessing retaining walls in danger of</p>

	collapsing, deeply sunken paths or driveways, and dilapidated boundary walls or fences, as well as the legal and insurance implications.
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Appendix C: Knowledge of general environmental issues in a locality

RICS members need to be familiar with the nature and complexity of the locality in which the subject property is situated. This includes general environmental issues where the information is freely available to the public.

Although the range and nature of these issues will change over time, the list currently includes:

- flooding (surface, river and sea)
- radon
- noise from transportation networks
- typical geological and soil conditions
- well-known but unique local and regional ground conditions
- important landfill sites and former industrial activities
- former mining activities and
- future/proposed infrastructure schemes and proposals.

This list is not prescriptive or exhaustive because relevant issues will vary based on location.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

Appendix D: Minimum requirements for all terms of engagement

Regardless of the level of service, the terms of engagement **must** address the following matters:

- the client's name, address and appropriate contact details
- the RICS member's name (where known at the time of instruction) and appropriate contact details
- the subject property's address and postcode
- the nature and type of service required
- the details of any special instructions and/or additional services
- the likely inspection date (if known) and the anticipated date the report will be published
- the delivery format of the report
- the agreed fee and the fees for any additional work (including VAT)
- details of any referral fees, inducements and potential conflicts of interest
- the payment arrangements and payment period
- evidence that the client has confirmed acceptance of the terms and conditions
- confirm that as an RICS regulated firm their files may be subject to monitoring and will need to be provided to RICS upon request and
- the RICS registered firm operates a complaints-handling procedure, which is available upon request.

The content and nature of these matters will change over time and RICS members must ensure the terms of engagement match the current legal requirements in all respects.

Please note Single Survey Scotland variations apply. Refer to the *RICS Property Inspection Technical Guidance for the Completion of Single Surveys*.

Appendix E: Typical safety hazards in a residential dwelling

The following list identifies some of the common safety hazards that can be found during an inspection of a domestic residential property. RICS members and RICS regulated firms should have an awareness of:

- asbestos and other deleterious materials
- animals and vermin (bird droppings, rats, dog waste, etc.)
- lack of emergency escape and inadequate fire precautions
- absence of safety glass to openings and outbuildings
- falls from height, lack of safety rails, steep stairs, and serious and significant tripping hazards
- unstable parts of the building, especially at high level
- lead water pipes and lead paint
- gas leaks and carbon monoxide poisoning
- dangerous electrics
- absence of test certificates for services/appliances/private water supply
- inappropriate use of accommodation (for example, non-conforming roof space conversion and bedrooms in damp basements)
- overhead power lines, which may cause issues relating to electromagnetic fields (EMFs)
- high radon levels
- automatic gates
- unprotected garden ponds and
- Legionnaire's disease.