

Topic: Professional standards and assurance

Introduction and background

The work of the chartered surveying profession plays a pivotal role in the economy, and underpins the welfare of society and the environment. Our Royal Charter reflects this by requiring us to ensure the profession works for the public advantage, which we do by setting transparent, proportionate and relevant standards, supporting members and registered firms in meeting those standards, and assuring that those standards are applied and upheld.

In undertaking this work, we aim to secure the trust and confidence of the public, markets and our own members. We also aim to ensure professionals and firms feel pride in their RICS membership, are supported in their professional development, and are assured that the standards they uphold are transparent and proportionate.

In May 2020, RICS' Standards and Regulation Board (SRB) undertook a review of our entry requirements, professional standards and assurance activities to ensure they continued to meet our purpose as outlined in the charter. As a result, the board proposed a new approach to our assessment, professional standards and regulation activities, making recommendations to embed this approach into our current activities. This new approach was recently consulted on as part of the revised Rules of Conduct.

At the heart of this approach is RICS' intention to work in a collaborative and supportive way with members and other stakeholders to ensure that the profession feels a sense of pride in its work and is encouraged and supported to offer professional excellence. We believe that this will build trust and confidence, and ensure that the need for robust disciplinary enforcement is minimised.

Current activities

In order to maintain the profession for the public advantage, we undertake the following core activities:

- setting standards of conduct and competence
- registering firms and individuals
- monitoring their work against those standards, and,
- taking disciplinary action where necessary.

Setting standards

Our technical documents lay out the competence-related requirements for the profession, and publicly demonstrate the expectations on them. Alongside these technical standards, we maintain core ethical and business conduct requirements for members and registered firms.

Further details of our standards can be found [on the website](#).

Standards are developed for both international and market-specific application by RICS itself and in collaboration with partners and international coalitions. Wherever possible, these standards reflect the global needs of stakeholders, while recognising that we need to target activities where they are likely to have most impact.

Registration

In coordination with RICS entry and assessment, registration ensures that those entering the profession have met the threshold requirements in respect of their conduct and competence. In addition to registering members, RICS also registers firms that meet our minimum requirements.

Monitoring standards

We undertake a variety of activities to assure that our standards are being applied by the profession. These include auditing specific areas of practice, or the systems and controls within firms, against our standards; supporting the profession in applying those standards; and undertaking reviews in specific areas to further understand where more guidance and support may be required.

Our primary method for monitoring and ensuring members remain competent is continuing professional development processes.

Taking disciplinary action

RICS receives around 1,200 complaints about members and firms annually. Our disciplinary function ensures that those complaints, and other concerns, are investigated properly and, where necessary, that members are sanctioned. This allows us to maintain trust and confidence in the profession, and ensures that members, clients and other stakeholders value RICS and the membership.

What we are planning

As a result of the recent SRB review, we are developing a number of projects to ensure we continue to further our purpose.

Improving transparency

To secure trust and confidence, we need to be transparent in our approach to standards and assurance, and explicit as to how this is being funded. We need to demonstrate value for money and justify to our stakeholders what we spend.

As part of our new approach, we will inform members on the proportion of their annual fees spent on standards and professional assurance, and how that money is being spent. The SRB has committed to publishing an independent review of our professional standards and assurance activities once every three years.

Introducing new Rules of Conduct

The current Rules of Conduct have not been updated since 2007. Since then, there have been changes to the profession, society and client expectations. We therefore recently consulted on revised rules that better reflect the contemporary professional environment and provide guidance to members and firms on how to meet the required RICS standards. If approved, the revised rules are due to be published in May and come into effect in September 2021.

Standards development

As part of our approach to standards and assurance, we have committed to using rules only where absolutely necessary. We recognise that whenever we create new rules they have an impact on members and registered firms and, over time, these can build up and become



unwieldy. We are therefore in the process of implementing a new approach to developing standards, which will ensure that we only do so according to need and focus on supporting professional development.

Regulatory review and compliance

In the past, we have focused much of our assurance work on auditing members and firms on specific schemes. This work is, and has been, important for ensuring that systems and processes used by firms for higher-risk activities, such as handling client money, are correct. However, for assuring technical practice in a specific area such as valuation, where the primary concern is about the competence of the practitioner, routine audit is a less effective tool.

We are therefore realigning the focus of our surveying review team towards a model that engages, educates and partners with members – a model that works with members to help further develop their practice. We will still undertake audits, and continue to take disciplinary action where necessary; but our framework will offer more rounded assurance and proactive support to build professionalism and maintain public confidence.

We also recognise that having additional registration requirements on members and firms increases the cost associated with being part of RICS. We are therefore going to review our existing schemes to ensure they are absolutely necessary, and prepare processes to ensure new schemes are only developed where required.

Continuing professional development

Continuing professional development (CPD) is our primary method for ensuring members remain competent after joining RICS. While RICS took a significant step forward in 2014 by introducing mandatory CPD logging, we know the current system is seen by some as a tick-box exercise and could be much improved.

We want to ensure CPD becomes a positive aspect of members' professionalism rather than imposing a burden, and intend to move to a model that focuses on members' personal needs, based on professional self-reflection, active planning and self-declaration.

As well as adopting use of digital technology to support members' CPD recording, we also want to avoid duplication, and are looking to work with registered firms as well as other professional bodies and regulators to ensure that members do not have to log the same CPD on different systems.

Professional indemnity insurance

The past two years have been extremely challenging for firms that are trying to secure adequate professional indemnity insurance. We have already undertaken a significant amount of work to improve availability and affordability, while also putting in place safety nets for those firms unable to get terms on the open market.

However, we believe that there needs to be a more fundamental look at our professional indemnity insurance model, both in the UK and globally, so it is more resilient to market cycles. We will therefore be conducting a review throughout 2021, with recommendations being made in 2022.

Questions

1. "RICS standards maintain trust among clients and the public." Do you agree with this statement?

Please explain why:

2. Do you agree that rules should only be created when necessary
3. Do you support our intention to work in a collaborative and supportive way with members and other stakeholders to ensure that the profession feels a sense of pride in its work and is encouraged and supported to offer professional excellence?

4. How can we better support you in meeting RICS standards? Select all relevant answers.

Training and education

Guidance and best practice documents

Journals

Peer support

Digital forums

Regulatory reviews

Other (please explain)

5. Do you support CPD being made a positive aspect of members' professionalism, targeted at their roles and learning needs?

If yes, please provide comments on how RICS can support this:

6. Are there any other issues on our professional standards and assurance work that you would like to bring to our attention?

7. Do you give RICS permission to publish your responses?

Where possible, please respond in English through our [iconsult](#) platform. If you would prefer to respond in another language please email any completed forms to review2021@rics.org