



Residential

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1 Introduction	1
About the competencies	1
Choosing your competencies	1
Where to find help	1
2 About the pathway.....	2
RICS qualification	2
3 Pathway requirements	3
4 Technical competencies guidance.....	4
Auctioneering	4
Building pathology.....	5
Capital taxation	6
Compulsory purchase and compensation.....	7
Conflict avoidance, management and dispute resolution procedures.....	8
Data management.....	10
Development appraisals	11
Environmental assessments.....	12
Housing maintenance, repairs and improvements	13
Housing management and policy.....	14
Housing strategy and provision	15
Indirect investment vehicles	16

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Inspection.....	17
Investment management (including fund and portfolio management)	18
Land use and diversification.....	19
Landlord and tenant.....	20
Leasing and letting	21
Legal/regulatory compliance	22
Loan security valuation	23
Local taxation/assessment.....	24
Maintenance management.....	25
Market appraisal.....	26
Measurement.....	27
Planning development and management.....	28
Procurement and tendering.....	29
Property finance and funding.....	30
Property management.....	31
Purchase and sale	32
Risk management.....	33
Spatial planning policy and infrastructure	34
Strategic real estate consultancy.....	35
Supplier management.....	36
Sustainability.....	37
Valuation.....	38

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1 Introduction

This guide supports the Residential pathway. It is designed to help you understand more about qualifying in this area.

You must use this guide in conjunction with the core assessment documentation which is available on the RICS website and comprises of:

- Requirements and competencies guide
- Candidate guide for your RICS assessment, e.g. APC, Academic, Senior Professional, Specialist
- Counsellor guide.

You can download all the supporting guidance from the [Sector pathways](#) web page.

All RICS pathways are global, though it is appreciated that markets may vary from country to country. If you have any queries please contact your local office.

About the competencies

The RICS competency framework ensures those applying for the RICS qualification are competent to practise and meet the highest standards of professionalism required by RICS. There is a wide range of pathways available to qualify as an RICS professional covering many different areas of practice.

The RICS assessment aims to assess that you are competent to carry out the work of a qualified chartered surveyor. To be competent is to have the skill or ability to perform a task or function. The RICS competencies are also based upon attitudes and behaviours. The competencies are presented in a generic way so they can be applied to different areas of practice and geographical locations.

It is important that you interpret them within the context of your own area of practice or specialism and location.

Each competency is defined at three levels of attainment. You must reach the required level in a logical progression and in successive stages.

Level 1 – knowledge and understanding

Level 2 – application of knowledge

Level 3 – reasoned advice, depth and synthesis of technical knowledge and its implementation.

The competencies are in three distinct categories:

Mandatory – the personal, interpersonal, professional practice and business skills common to all pathways and mandatory for all candidates.

Technical core – the primary skills of your chosen pathway.

Technical optional – Selected as additional skill requirements for your pathway from a list of competencies relevant to the area of practice.

The mandatory competency requirements are set out in detail in the Requirements and competencies guide.

Choosing your competencies

It is important that you give careful thought to your choice and combination of competencies. Your choice will inevitably reflect the work you do in your day-to-day environment (driven by the needs of your clients/employer). Your choice and combination of competencies will be a reflection of your judgement.

At the final assessment interview, the assessors will take these choices into account. They will expect you to present a sensible and realistic choice that reflects the skills needed to fulfil the role of a surveyor in your field of practice.

This guide should help candidates and employers with a degree of assistance in choosing the competencies that are most appropriate to their area of practice.

Where to find help

RICS has fully trained teams across the globe who will be able to help you with any queries. For details of your local office, visit the [Contact us](#) web page.

2 About the pathway

Residential property plays a vitally important role in society. In addition to its primary purpose of meeting the housing requirements of the population it is also a growing investment asset class. Occupation of residential property ranges from rental through intermediate forms of tenure, including shared ownership, through to full owner occupation. Given the importance of housing in society, all tenures are subject to a large number of social, economic, political, and legal dynamics.

Residential property's use as an investment asset is growing rapidly. Direct investment is undertaken at all levels, ranging from large institutional investors through to private individuals. All residential markets depend upon property finance in some form or another. A wide variety of professionals support the residential property sector including agents, developers, investors, lenders, planners, property managers, surveyors, and valuers. These are just some of the key professional figures that allow the housing market to operate smoothly. Most residential chartered surveyors specialise in one or more of these key areas.

RICS qualification

The Residential pathway is a broad-based pathway to RICS membership. It is ideal for anyone pursuing a professional career in residential property within either the private or public sector and seeking chartered membership of RICS. The majority of candidates are likely to gain experience in a

number of the key areas summarised below:

Investment* – Advice on investment appraisal, performance measurement and analysis, as well as portfolio management.

Landlord and tenant – This includes rent reviews, enfranchisement and preparing submissions for dispute resolution.

Lettings – The handling, processing, maintaining and negotiating of the contractual relationship between a landlord and tenant, for either party.

Planning and development* – Advising developers, funders, occupiers in all residential sectors on potential demand, valuation and planning related matters.

Residential management – The handling, processing, maintaining and negotiating of the activities arising between the client, principal and agent for the management of properties or blocks of properties held on a range of tenures, both in the private and the maintained sector.

Purchase and sale of residential property – Acting as an agent, broker or auctioneer in residential property transactions including acquiring or disposing property for investment or occupational purposes.

Valuation* – Valuations are undertaken for many reasons, though in the case of residential property, it is usually for secured lending. Residential property surveyors must have knowledge and experience of property valuation and the financial landscape in which the residential market sits.

Survey** – Surveys of residential property are services which include research and physical inspections to produce reports for home buyers, sellers and owners on the condition of the building and its environment. The RICS suite of Home Surveys offers three level of service depending on the property and circumstances ranging from simple description to in-depth reporting.

Chartered alternative designations

All candidates qualifying through this pathway will be entitled to use the designation 'Chartered Surveyor'.

Notes

If you wish to become an RICS Registered Valuer you must choose Valuation to Level 3.

* Although these areas are core skills to many candidates undertaking the residential pathway, they also have their own specialist pathways. Candidates and their employers must consider if these are more appropriate in the context of their personal career path. Candidates on this pathway working within a mixed property environment may gain up to 30% of their experience in a commercial or rural property context – or a mixture of these.

** Note that the Homebuyer Report range offers a variant with optional valuation.

RICS also offers a Facilities Management pathway as part of the Associate assessment. For further details, please go to the [Associate member](#) web page.

3 Pathway requirements

Mandatory	Core	Optional
<p>Level 3</p> <ul style="list-style-type: none"> Ethics, Rules of Conduct and professionalism <p>Level 2</p> <ul style="list-style-type: none"> Client care Communication and negotiation Health and safety <p>Level 1</p> <ul style="list-style-type: none"> Accounting principles and procedures Business planning Conflict avoidance, management and dispute resolution procedures Data management Diversity, inclusion and teamworking Inclusive environments Sustainability 	<p>Two to Level 3 and two to Level 2 of which candidates must select Inspection, Measurement, and Valuation to at least Level 2</p> <ul style="list-style-type: none"> Building pathology Housing maintenance, repairs and improvements Housing management and policy Housing strategy and provision Inspection Leasing and letting Legal/regulatory compliance Market appraisal Measurement Property management Purchase and sale Valuation 	<p>Two to Level 3 and one to Level 2 from the list below, including any not already chosen from the core list</p> <ul style="list-style-type: none"> Auctioneering Capital taxation Compulsory purchase and compensation Conflict avoidance, management and dispute resolution procedures or Sustainability Data management Development appraisals Environmental assessments Indirect investment vehicles Investment management (including fund and portfolio management) Land use and diversification Landlord and tenant Loan security valuation Local taxation/assessments Maintenance management Planning and development management Procurement and tendering Property finance and funding Risk management Spatial planning policy and infrastructure Strategic real estate consultancy Supplier management <p>Plus, one to Level 2 from the full list of technical competencies, including any not already chosen from the core and optional lists.</p>

4 Technical competencies guidance

Auctioneering

This competency reflects the complex factors governing auctioneering. It includes aspects of law of sale and contract, misdescription, etc. as well as requiring the candidate to have knowledge of the auction process and the reasons for recommending sale by auction (or otherwise) over and above other methods of disposal.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the basic principles and legal obligations of auction. This should include preparation for, and procedures prior to or during, an auction.

Examples of knowledge comprised within this level are:

- the principles of the law governing auction and its implications
- the process of how an auction works, including an understanding of the information required prior to auction and the process on the day.

Level 2

Provide evidence of the practical application of your knowledge to the preparation for the sale of property at auction and procedures prior to or during an auction.

Examples of activities and knowledge comprised within this level are:

- compiling information relating to property to be sold at auction
- assisting in the process of drawing up auction catalogues
- dealing with queries and issues raised prior to the auction in consultation with others
- dealing with issues arising post auction in consultation with others.

Level 3

Provide evidence of reasoned advice based on a thorough working knowledge and experience of the auction process, including experience of attending an auction and assisting with the auction process. It is possible to demonstrate this level of competency without rostrum experience.

Examples of activities and knowledge comprised within this level are:

- advising clients on the suitability of sale by auction
- advising clients on pricing
- attending an auction and assisting with the selling of lots
- assisting with taking of deposit and completion of memorandum of sale
- advising on pre and post auction sales.

Building pathology

Building pathology is core to competently undertaking surveys of residential property. This competency requires an understanding of defects analysis, and the likely defects arising from failures in building fabric. This will range from the effects of a defective waterproof covering at simple building pathology, to much more complex defects such as interstitial condensation, and the possible effects on building fabric. Candidates will be expected to have an in-depth knowledge/experience of the range of defects found in typical residential buildings in their locality, as well as an understanding of defects that they may come across more infrequently. In order to be competent in building pathology and defects analysis, candidates will need to have knowledge of construction technology.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate your knowledge and understanding of building defects including collection of information, measurements and tests.

Examples of knowledge comprised within this level are:

- the various types of survey that may be required
- defects typically found in residential buildings in your locality, explain cause and effect of these
- building defects likely to be encountered in typical building surveying activities
- the various methods to collect, store and retrieve information for various differing purposes when carrying out property inspections
- the importance of the accurate recording of information during inspection
- differing types of testing and the limitations of the tests, for example the use of damp meters and other relevant equipment.

Level 2

Apply your knowledge to undertake surveys, use survey and other information to diagnose cause and mechanisms of failure.

Examples of activities and knowledge comprised within this level are:

- using examples, from your own experience, to demonstrate your application of knowledge gained at Level 1
- explaining the cause and mechanics of varying types of failure
- carrying out inspections of properties
- explaining, with use of detailed examples, the relationship between observations taken on site and the diagnosis of failure in building fabric
- using knowledge and information gathered from several sources including, if necessary, specialist inspections to diagnose and explain building fabric failure.

Level 3

Provide evidence of reasoned advice and appropriate recommendations, including the preparation and presentation of reports.

Examples of activities and knowledge comprised within this level are:

- preparing reports for clients, explaining in non-technical language the causes of failure, and the likely results of failure, together with the appropriate remedial measures
- using information gathered from inspections to formulate the necessary remedial/preventative works including specific detail, in the form of a schedule of works, if required. in the case of candidates on a residential property pathway this will usually involve referring specialist work on to the relevant specialists
- an understanding of the appropriate level of detail required in typical reports, including examples of layout, and the use of sketches/ drawings and photographs
- discussing in detail examples of unusual defects you have been involved in and remedial works employed
- explaining the role of different types of report and how they meet the needs of clients, (for example, the differences between mortgage valuations, homebuyer surveys, building surveys, defect reports, etc.).

Capital taxation

This competency includes valuations and negotiations for capital taxation within the legal framework you operate in, which may also include advising on litigation. It involves measurement of and analysis of comparables and application of evidence to resolve negotiations. It also includes application of statute and case law.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the relevant provisions for capital taxation of real estate, equipment and/or other property.

Examples of knowledge comprised within this level are:

- principles of measurement (including *Code of measuring practice*)
- application of statute and case law
- analysis of evidence and relevance of the law of landlord and tenant
- valuation methods appropriate to residential property taxation.

Level 2

Undertake valuations and negotiations for a variety of different property types using different valuation methods for the purposes of capital taxation.

Examples of activities and knowledge comprised within this level are:

- undertaking measurement and inspection
- undertaking valuation of a variety of residential properties
- using appropriate methods of valuation including use of comparables
- negotiating valuations and settlement of cases.

Level 3

Provide evidence of reasoned advice to stakeholders (to include senior management within your organisation, clients and courts/ tribunal members) in respect of specific cases and/or other capital taxation issues.

Examples of activities and knowledge comprised within this level are:

- advising on settlement or litigation of cases
- advising on the costs of options and actions
- advising on the impact of such actions across the wider arena.

Compulsory purchase and compensation

The understanding and practical application, within the appropriate legal framework, of compulsory purchase powers, including the assessment of and claim for compensation. The candidate is expected to have an understanding from both the acquiring authority and claimant's position.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the powers and procedures of government and other bodies in relation to the compulsory purchase and compensation. This should cover interests in real estate and the rights of owners and occupiers of the various interests in property.

Examples of knowledge comprised within this level are:

- the historical background, requirement for and justification of the use of compulsory purchase powers
- an overview of the various statutes covering acquisition of land and rights, planning and compensation
- the basic principles of compensation (the before and after principle), accommodation works, betterment, equivalence and the legal right to claim.

Level 2

Assist in the preparation of the various stages involved in the process of compulsory purchase, including the estimation of a claim for compensation.

Examples of activities and knowledge comprised within this level are:

- outlining the stages and timing involved in making, confirming and implementing a compulsory purchase order
- an understanding of statutory abilities to acquire rights other than outright purchase, such as those exercised by utilities companies
- setting out heads of claim under a compensation claim
- using appropriately the relevant statutory and case law in the assessment of a claim for compensation.

Level 3

Provide evidence of reasoned advice in relation to the validity and level of a claim for compensation, using a variety of valuation methodologies, appropriate for the circumstances of the claim. Take an active role in the negotiation of claims using a variety of bases of statutory and other valuation methodologies. Provide reasoned advice on the role of compulsory purchase in facilitating planning and regeneration initiatives.

Examples of activities and knowledge comprised within this level are:

- supplying and justifying evidence for a statement of claim using both valuation and logical techniques to back up the quantum of the claim
- dealing with best practice in the implementation of a compulsory purchase order on, for example, a road scheme
- developing a rationale for the use of compulsory purchase powers in order to enable development, taking into account human rights legislation
- advising on the ways in which disputes can be resolved including the role of tribunals, etc.
- assisting in the preparation for an appeal, including understanding of procedure and process.

Conflict avoidance, management and dispute resolution procedures

This covers the recognition, avoidance, management and resolution of disputes, involving an awareness of different dispute resolution processes and an understanding of the application of dispute resolution procedures appropriate to the area and jurisdiction of professional practice.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the techniques for conflict avoidance, conflict management and dispute resolution procedures including for example adjudication and arbitration, appropriate to your pathway.

Examples of knowledge comprised within this level are:

- a basic knowledge and understanding of common causes of disputes appropriate to your market sector/areas of specialism
- theories of negotiation and the role of effective communication and negotiation
- the primary features, advantages and disadvantages of a range of dispute resolution procedures and their surrounding statutory and/or non-statutory legal/judicial context (e.g. how forms of contract deal with dispute resolution, and the scope of such clauses):
 - mediation
 - independent expert determination
 - arbitration
 - PACT
 - Valuation Tribunal/Lower Tier Tribunals
 - court proceedings/litigation
- understanding of the main statute, rules and regulations relating to dispute resolution appropriate to your market sector/areas of specialism

Level 2

Provide evidence of practical application in your area of practice having regard to the relevant law.

Examples of activities and knowledge comprised within this level are:

- undertaking negotiations with the aim of avoiding dispute resolution proceedings (for example, rent review negotiations or discussions with the Valuation Office Agency over a rating appeal).
- assisting in the identification, gathering and collation of facts and expert evidence for use in expert reports to a dispute resolver or tribunal
- assisting in the compilation of written representations to a dispute resolver or tribunal.
- the programming and negotiation of rating appeals and the application of the evidence rules under Regulation 17 of the *Alteration of Lists and Appeals Regulations*.

Level 3

Provide evidence of the application of the above in the context of advising stakeholders in the various circumstances referred to above.

Examples of activities and knowledge comprised within this level are:

- advising stakeholders of the most suitable means of dispute avoidance for their projects and/or organisation
- providing advice as to alternative dispute resolution options in the event of breakdown of negotiations
- providing advice to clients over protection on the issue of costs of dispute resolution proceedings (e.g. Calderbank offers or liaising with solicitors over the content of Part 36 Offers)
- presenting evidence at Valuation Tribunal, avoiding the possible conflict between the roles of expert witness and advocate in presenting complex reasoned advice to the Valuation Tribunal and being cross-examined
- demonstrating detailed involvement with third party determination and associated representations to a dispute resolver or a tribunal, and associated management of that process on behalf of the client

Please note that the roles of acting as a third party dispute resolver, expert witness, or advocate, are – for the vast majority of candidates – not likely to be an activity that is undertaken. It is only a small minority of candidates with substantial work experience in the field of dispute resolution for whom this is likely to be relevant.

Level 1

- the possible roles and duties of a surveyor as an expert witness and/or an advocate, to include an awareness of the existence and scope of applicability of RICS professional standards for expert witnesses and advocates
- the range of nominating bodies and services available to resolve disputes, and particularly the role of the RICS Dispute Resolution Service and any specialised dispute resolution schemes it offers relevant to your market sector
- RICS' *Conflicts of interest* and any appropriate national RICS guidance.

Level 2

Level 3

Data management

This competency covers how data relating to individual projects and a surveyor's work generally is collected, stored and retrieved. In addition to being aware of the different storage systems and data sources available and knowing how they work, a candidate should also understand the principles behind the systems and what makes them effective. Candidates should also be aware of how general information and data is managed on a project. In particular, they should be aware of the increasing use of computerised central project databases.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the sources of information and data, and the systems applicable to your area of practice, including the methodologies and techniques most appropriate to collect, collate and store data.

Examples of knowledge comprised within this level are:

- the use of published sources of data
- how data is collected, analysed and stored within your employer's organisation
- how project information is stored within your employer's organisation
- how electronic database systems work
- the use of computerised central project databases or building information modelling, the benefits, challenges and dangers
- how technical libraries are set up and used
- legislation applicable to data management and data access.

Level 2

Provide evidence of practical application in your area of practice and understand the relevance of information gathered and the uses to which it can be applied. Analyse the information and data collected.

Examples of activities and knowledge comprised within this level are:

- obtaining data from published sources for use on a project
- obtaining data from in-house sources
- extracting data for inclusion in a database
- setting up and using paper based or electronic project filing systems
- using a computerised central project database
- inputting and extracting data from BIM
- retrieving information from a technical library
- setting up a technical library.

Level 3

Provide evidence of reasoned advice given to clients and others on the use and practical application of the information collected and systems used, and/or specify the most appropriate way for your own and/or client organisation to collect, analyse and apply relevant information and data.

Examples of activities and knowledge comprised within this level are:

- advising on data storage system
- advising on business filing systems
- benchmarking from analysed historic data
- advising on the use of a computerised central project database
- complying with client's data security requirements.

Development appraisals

This competency is about the role of development appraisals in residential and commercial development. Development appraisals also have a role in residual valuations of development sites, but it should be remembered that the two are different activities.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the principles and practices underlying a valid development appraisal.

Examples of knowledge comprised within this level are:

- the role of development appraisals in the marketplace and the situations where their use is appropriate
- the content of appraisals and how different issues such as planning requirements can be reflected
- the sensitivities of appraisals, what factors affect the appraisal
- the impact of design on future maintenance costs
- the external factors which have an influence upon the appraisal process.

Level 2

Identify, select, assemble and analyse data relevant to carrying out development appraisals. Undertake appraisals using relevant techniques and methodology and identify possible sources of development funding.

Examples of activities and knowledge comprised within this level are:

- analysing appropriate sources of information and data
- preparing appraisals for possible acquisition, disposal or valuation of development sites including residential, commercial and/or mixed use
- using different techniques and software available for appraisals (while having an understanding of the basic principles of development appraisal)
- undertaking a sensitivity analysis
- assisting in the selection of appropriate sources of development finance.

Level 3

Interpret and provide evidence of reasoned advice on development appraisals and further opportunities.

Examples of activities and knowledge comprised within this level are:

- using development appraisals to advise on the acquisition, disposal or valuation of development sites
- producing reasoned analysis of risk using appropriate sensitivity analysis
- advising on the appropriate sources of development finance.

Environmental assessments

For most candidates, this competency is about an understanding and application of the principles of environmental assessment, particularly in the context of residential property development transactions and management. It may also include undertaking environmental assessments for projects within the planning and regulatory framework in your location.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of appropriate environmental assessment concepts, processes and systems. This should include responsibilities imposed by law, codes of practice and other regulations relating to environmental assessment.

Examples of knowledge comprised within this level are:

- the aims, objectives and principles of an Environmental Impact Assessment (EIA) (or equivalent)
- the data gathering processes for environmental assessment such as BREEAM, EIA or similar
- the types of development which may require an environmental assessment
- when an environmental assessment may be required in the context of residential property
- the types of environmental assessment required for residential property development or transactions
- the energy performance regulations relating to residential property
- the principles of assessing the energy performance of residential property.

Level 2

Apply in practice your understanding of environmental assessment and the requirements for compliance, including undertaking an environmental assessment.

Examples of activities and knowledge comprised within this level are:

- managing the preparation of an environmental assessment
- conducting an environmental assessment, including EIA, BREEAM or similar for development and/or infrastructure projects
- experience of when a formal or informal environmental assessment is applicable
- the processes, procedures and requirements of a formal EIA and Social Impact Assessment (SIA), including screening and scoping
- undertaking energy performance inspections of standard residential property and completing energy performance reports.

Level 3

Provide evidence of reasoned advice including the preparation and production of reports based on appropriate environmental assessments.

Examples of activities and knowledge comprised within this level are:

- advising on the need and application of an environmental assessment
- providing specialist advice on environmental assessments, including negotiations with clients and regulators
- advising on requirements and scope of an environmental assessment and the regulators' roles
- preparing and compiling environmental statements and non-technical summaries for submission to clients, regulators, and other stakeholders
- undertaking energy performance inspections of larger and more complex residential properties and preparing reports
- giving reasoned advice on the results of an energy performance report
- advising on how to improve the energy efficiency of a building.

Housing maintenance, repairs and improvements

This competency is about having the skills to assess maintenance and repair issues to the managed estate and being able to advise and implement strategies to meet housing needs.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the roles of owners, occupiers, providers and local authorities in the maintenance, repair and improvement of housing. Demonstrate knowledge of funding methods available, legislative requirements, and property-related health and safety issues.

Examples of knowledge comprised within this level are:

- housing policy and law relating to maintenance and repair
- the principles of landlord and tenant relationship
- property maintenance issues in relation to the housing market.

Level 2

Apply your knowledge to assess the condition of housing, prepare reports and cost estimates.

Examples of activities and knowledge comprised within this level are:

- producing project plans and reports
- assessing the impact of costs on both the landlord and tenant
- interpreting and preparing contracts and agreement
- managing relationships between contractors and clients
- assessing client needs in relation to the housing market.

Level 3

Advise on obtaining funding and prepare contracts in relation to the work programmes. Assess and advise on residents' needs.

Manage work in progress and payments. Demonstrate and apply your understanding of defect liability and dispute resolution procedures.

Examples of activities and knowledge comprised within this level are:

- providing strategic advice upon landlord and tenant matters
- responding to client needs
- managing the work programme.

Housing management and policy

This competency is about understanding and applying your experience to the activities surrounding residential property management. This covers all matters arising between the client and agent in the management of housing.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the legislation and statutory regulations that are relevant to the management of housing.

Examples of knowledge comprised within this level are:

- the principles of the law relating to housing
- political and economic framework surrounding the management of all types of housing and tenures
- the social factors affecting the client and agent relationship.

Level 2

Apply your knowledge to day-to-day housing management functions, including the implementation of tenancy conditions, leases or licences, relevant legislation and statutory guidance.

Examples of activities and knowledge comprised within this level are:

- producing project plans and reports
- interpreting and preparing contracts and agreements
- managing relationships between contractors and clients
- assessing client requirements in relation to the housing market.

Level 3

Provide evidence of reasoned advice including the preparation and presentation of reports relating to the formulation and implementation of housing management policy and good practice.

Examples of activities and knowledge comprised within this level are:

- providing strategic advice upon landlord and tenant matters
- dealing with more unusual/challenging cases
- demonstrating an understanding as to how the housing management standards are applied in relation to guidance notes and codes from the housing sector
- understanding the factors affecting and influencing developers and housing providers from within the property industry but also from external influences such as government, economic and technological change.

Housing strategy and provision

This competency is about having the skills to assess the housing needs of a range of clients and being able to advise and implement strategy for the provision of housing. It describes knowledge of the whole residential property market.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the various methods used to assess and identify overall housing needs. Be aware of the options available for housing providers to meet these housing needs.

Examples of knowledge comprised within this level are:

- the principles of housing law
- political and economic framework surrounding the management of housing as an investment and for social provision
- the dynamics of housing policy and their application on a wide range of issues.

Level 2

Apply your knowledge to identify and respond to housing needs. This should include house types, tenures, funding, planning, and other statutory or non-statutory considerations.

Examples of activities and knowledge comprised within this level are:

- demonstrating an understanding of the processes and procedures of housing policy and identify best practice
- producing reports, contracts and agreements
- entering into negotiations and consultation with clients
- undertaking research and demonstrating your awareness of housing issues.

Level 3

Provide evidence of reasoned advice and contribute to the formulation and implementation of a housing strategy to meet identified housing needs.

Examples of activities and knowledge comprised within this level are:

- advising clients on the options for the management and provision of housing
- advising on requirements and recommending alternative options available to a range of clients
- understanding the factors affecting and influencing housing strategy from the property industry including external influences such as government, economic and technological change
- demonstrating an ability to provide strategic advice, possibly working alongside other professionals within the industry.

Indirect investment vehicles

This competency is about developing an understanding of indirect investment vehicles and debt structures. It requires an awareness of existing vehicles and trends in the market and an ability to advise clients on optimal indirect investment solutions.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the principles of indirect investment including the different structures and instruments relating to the ownership and funding of real estate.

Examples of knowledge comprised within this level are:

- understanding the different forms of indirect investments; investment trusts, etc.
- understanding how property derivatives work
- understanding debt structures
- being aware of trends in the indirect investment markets and the reasons clients invest indirectly
- understanding the attractions of varying forms of indirect holding.

Level 2

Apply your knowledge to identify which structures might suit an investor or lender in any given scenario. Understand the management and risk issues that may differ from a more direct form of investment. Gain an appreciation of how investing indirectly can assist portfolio risk and return management.

Examples of activities and knowledge comprised within this level are:

- understanding the investment implications of indirect forms of investment for clients
- reviewing structures for indirect investment vehicles.

Level 3

Assist in the analysis and preparation of reasoned advice covering the benefits or otherwise of indirect investment. Participate in the establishment and management of such vehicles and demonstrate an understanding of how these vehicles impact the larger direct market.

Examples of activities and knowledge comprised within this level are:

- advising on indirect vehicles in which to invest
- advising clients seeking to divest on possible solutions such as indirect vehicles, derivatives, etc.

Inspection

Inspections of residential property are undertaken for many purposes, but most commonly in relation to valuation, buying, selling, letting or management. Competent inspection is fundamental to providing accurate property advice. It is therefore important that candidates are able to demonstrate knowledge and understanding of the core principles of property inspection. Assessors will be seeking confirmation that all candidates have a good knowledge of building construction, location analysis and defects.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the different requirements for inspection, together with the required information and factors affecting the approach to an inspection.

Examples of knowledge comprised within this level are:

- the requirements and reasons for inspecting a property
- safety issues when undertaking an inspection
- implications of location and situation
- identify access arrangements
- environmental issues
- residential building construction and specification
- the legal requirements that impact upon the occupation/ownership of residential property
- any statutory requirements which govern the particular inspections being undertaken.

Level 2

Undertake inspections and apply the information gained to prepare reports, schedules and/or registers of equipment, presenting appropriate information gained from the inspection.

Examples of activities and knowledge comprised within this level are:

- accurate recording of building and site characteristics
- preparing (or assisting in the preparation of) reports for clients
- understanding potential defects in buildings (both structural and environmental) and related implications
- assessing quality of location, design and specification.

Level 3

Provide evidence of reasoned advice and recommendations arising from inspections.

Examples of activities and knowledge comprised within this level are:

- preparing reports for clients, containing detailed information particularly with regard to valuation reports and the marketing of residential property
- providing detailed reasoned advice to clients
- making clients aware (where appropriate) of their statutory responsibilities.

Investment management (including fund and portfolio management)

To be conversant with the key principles of investment management theory and practice. Acquire and develop detailed asset management expertise and knowledge across a broad range of sectors and be able to apply these in a strategic context.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the principles of financial investment in property.

Examples of knowledge comprised within this level are:

- the fundamental elements of property returns including capital and retail returns, plus how these are generated in practice
- understanding the mainstream types of property valuation and being conversant with the theory behind these
- gaining a good working knowledge of the principles of portfolio management and asset management.

Level 2

Apply the principles of managing property as a financial investment.

Examples of activities and knowledge comprised within this level are:

- assisting on selected asset management activity and demonstrating how this fits into the portfolio strategic performance plan
- working with fellow professionals from a diverse range of backgrounds, drawing various skill bases together to achieve an asset or portfolio objective
- appropriate legislation and regulations relating to the management of property as a financial investment.

Level 3

Provide evidence of reasoned and strategic advice on property as a financial investment, including the preparation and presentation of reports.

Examples of activities and knowledge comprised within this level are:

- generating and implementing strategic advice independently both at portfolio and asset specific level
- reporting in a manner that appropriately communicates this to clients and/or advisers in a focused, relevant manner
- advising on key legislation and regulation.

In relation to residential property valuation the following skills will also be necessary for Level 3.

- advising on key legislation and regulation affecting residential property as an investment asset
- advising on the impact of issues such as leasehold enfranchisement on asset value.

Land use and diversification

This competency is about understanding land use and the diversification options available to owners/occupiers. This competency is normally applied in a rural context.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of how a variety of land uses, policies and options for diversification have an impact on real estate and business.

Examples of knowledge comprised within this level are:

- the principles and rationale for diversification projects
- the relevant planning issues
- agencies likely to be involved when diversifying into new enterprises
- basic taxation issues.

Level 2

Apply your knowledge to recognise and evaluate the economic, social and environmental needs of different land uses and options for diversification in relation to location and markets

Examples of activities and knowledge comprised within this level are:

- preparing and analysing a full feasibility study and financial appraisal
- preparing a planning appraisal for a potential scheme
- preparing and analysing both development and management options
- interpreting findings.

Level 3

Provide evidence of reasoned advice, write reports and undertake the management of land use and, where appropriate, diversification and related projects.

Examples of activities and knowledge comprised within this level are:

- providing advice on the more complex aspects of diversification
- providing advice on the valuation, progress and management of a diversification project.

Landlord and tenant

This competency is about the management of landlord and tenant relationship in the context of residential property, covering all matters arising between the landlord and tenant, representing either party. Experience may be gained in relation to short or long leasehold tenancies.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the law and practice relating to landlord and tenant.

Examples of knowledge comprised within this level are:

- the principles of property law and policy
- the statutory framework applying to the landlord and tenant relationship
- the content, form and structure of leases in the context of residential lettings and/or leasehold transactions.

Level 2

Apply the principles of the law and practice relating to landlord and tenant. Carry out relevant negotiations to provide solutions to issues affecting both owners and occupiers of real estate.

Examples of activities and knowledge comprised within this level are:

- reading and interpreting leases
- understanding the impact of service charge clauses on both landlord and tenant
- preparing, serving and responding to notices
- entering into negotiations
- instructing legal advisers.

Level 3

Provide evidence of reasoned advice, prepare and present reports on the law and practice relating to landlord and tenant. Apply your knowledge to assist in undertaking relevant dispute resolution procedures.

Examples of activities and knowledge comprised within this level are:

- providing strategic advice upon landlord and tenant matters, relating to individual properties or blocks of properties (such as service charges)
- the landlord and tenant issues arising within leasehold enfranchisement negotiations and similar statutory processes
- dealing with disputes
- providing advice as to alternative dispute resolution options in the event of breakdown of negotiations and take any necessary action to protect the clients' position
- preparing reports containing recommendations prior to the commencement of negotiations
- reaching an agreed solution and reporting recommendations to client.

Leasing and letting

This competency is about the letting of residential property. (Buying and selling long residential leasehold properties is covered by the competency 'Purchase and Sale'). In order to achieve this competency, the professional adviser must apply their knowledge and experience to assist landlords and tenants in the marketing/selection of property and in the negotiation of a deal through to completion. Candidates should be able to apply their knowledge of the whole transactional property market in order to provide reasoned advice to clients on the appropriate solutions for them.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of how various types of property are let (or a similar interest is acquired for a client) and the different types of interests that may be placed on the market. Demonstrate an understanding of the economics of the market for such interests and the appropriate legal frameworks. Demonstrate an understanding of the impact of the terms of a lease on marketability and value.

Examples of knowledge comprised within this level are:

- residential landlord and tenant law
- the operation of residential letting and management market
- social factors affecting the landlord and tenant relationship
- residential building pathology
- the quality of location, design and specification of residential property.

Level 2

Apply your knowledge and skills to the leasing/letting of all types of property and demonstrate practical experience of the associated decision-making process, marketing, reporting and completion of the transaction. Demonstrate knowledge and understanding of other forms of property transaction, and of the reasons supporting the decision to proceed along the chosen leasing or letting route.

Examples of activities and knowledge comprised within this level are:

- practical involvement in the letting of residential property
- preparing documentation required for the letting of residential property
- managing the process of negotiation and consultation between the landlord and tenant
- managing the landlord/tenant relationship during or at the end of the lease.

Level 3

Provide evidence of reasoned advice and report to clients on all types of leasing or letting transactions. Demonstrate the ability to see complex cases through from start to finish with appropriate assistance. Be able to provide clients with a holistic view of the entire transactional market, and advise them clearly and appropriately, not only on the letting or leasing market, but also on other areas.

Examples of activities and knowledge comprised within this level are:

- experience of complex residential letting cases and explaining the factors which made the case deviate from the market norm
- commenting clearly on why decisions were made
- reporting to clients with recommendations including valuation advice
- reporting to clients with recommendations on strategy in relation to all options for the property
- explaining the variety of factors which impact upon the residential lettings market
- utilising negotiation and business skills in relation to challenging letting situations.

Legal/regulatory compliance

Legal and regulatory compliance is an essential element in Residential. The Residential team is often responsible for ensuring full compliance with all the provisions of relevant legislation and regulations associated with the operation of the asset.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of any legal/regulatory compliance requirements in relation to your area of practice.

Examples of knowledge comprised within this level are:

- the law relating to building compliance and the risks associated with poorly maintained or operated assets or equipment.
- the extent and impact of regulation compliance on development projects with particular reference to health and safety, disability, and construction, design and management regulations.

Level 2

Apply your knowledge to comply with legal/regulatory requirements in specific situations within your area of practice.

Examples of activities and knowledge comprised within this level are:

- using current case law, appeals and representations
- understanding the impact of wider regulatory compliance around ethics, safety, procurement, modern slavery, information and data security
- applying health and safety at work practices, disability, and construction, design and management regulations.

Level 3

Provide evidence of reasoned advice, prepare and present reports on legal/regulatory compliance requirements in relation to your area of practice.

Examples of activities and knowledge comprised within this level are:

- giving written, reasoned advice on legal and regulatory compliance
- giving clients reasoned advice on representations on consultation matters, in written reports, in liaison with solicitors.

Loan security valuation

This competency covers Valuation for the specific purpose of loan security in accordance with valuation standards (*RICS Valuation – Global Standards*) for residential or commercial property.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the financial market and how this is supported by valuation advice, including the role and importance debt finance in property (such as principal forms of debt and their sources), trading assets and loan security, the relevant valuation standards (*RICS Valuation – Global Standards*) and relevant negligence case law, due diligence relevant to loan security valuation, particularly conflict of interest, and risk management in property lending decisions.

Examples of knowledge comprised within this level are:

- financial products relevant to your market
- negligence case law relating to duty of care
- enhanced conflict of interest procedures for loan security valuation in your workplace
- risk analysis techniques used by lenders in decision making
- sources of risk to lenders and valuers related to loan security and how the valuation process contributes to managing lenders risk
- sources of potential fraud or criminal activity and actions required to secured lending.

Level 2

Demonstrate practical competence in undertaking valuation for the purpose of loan security using appropriate techniques, including the application of the relevant valuation standards (*RICS Valuation – Global Standards*) to valuation, incorporating lenders' specific requirements into a valuation, and appropriate research into factors affecting risk in loan security valuation. Identify factors that affect the ability to obtain finance.

Examples of activities and knowledge comprised within this level are:

- examples of valuations using appropriate techniques for a lender including where lenders' requirements differ from *RICS Valuation – Global Standards* requirements
- issuing terms of engagement to comply with valuation standards in specific instances
- carrying out research into matters which may affect valuation certainty. For example – research into the local markets and wider markets that can influence the security of an investment
- valuing a property subject to a special assumption
- identify and appropriately report to lenders or National Crime Agency (or equivalent body) potential fraud or suspicious activity.

Level 3

Provide evidence of complex reasoned quantitative valuation advice to clients in the form of compliant valuation reports. For example: SWOT analysis, commenting on loan terms, commenting on future performance of the investment and commenting on the influences of the wider market. Describe the complex reasoning behind your recommendations to client in order to mitigate clients' risk.

Examples of activities and knowledge comprised within this level are:

- providing evidence of a specific valuation report in accordance with valuation standards and incorporating a valuation comparable matrix, sensitivity analysis or other evidence of valuation methodology and approach
- providing evidence of a specific valuation report in accordance with valuation standards and incorporating appropriate narrative on the strengths and weaknesses of the investment, marketability if the lender was to re-possess and the risks involved in lending in the property in relation to the loan terms
- identify and explain the risk profile of property and how it affects client's needs in terms of advice, i.e. why do they need advice
- providing valuation advice on a property's suitability for secured lending
- providing reasoned advice where properties are not considered suitable for secured lending due to *RICS Valuation – Global Standards* or lenders requirements.

Local taxation/assessment

This competency covers: valuation and negotiation of local taxation appeals and assessment; inspection, measurement and analysis of comparables; application and evidence when dealing with appeals to include an understanding of the use of comparable evidence, as well as application of statute and casework.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the provisions for taxation of real estate, plant and machinery and/or other property types at a local/municipal level.

Examples of knowledge comprised within this level are:

- *Code of measuring practice*
- application of statute and case law
- analysis of evidence and relevance of the law of landlord and tenant
- methods of valuation applicable to residential property
- taxation affecting both commercial and residential property.

Level 2

Undertake valuations and negotiations for a variety of different property types using different valuation methods for the purposes of local/municipal taxation.

Examples of activities and knowledge comprised within this level are:

- measuring and inspecting properties
- valuing a variety of residential properties
- using different methods of valuation applicable to residential property: including the use of comparables
- participating in negotiation, valuations and settlement of appeals
- being involved in the assessment of residential property for taxation purposes

Level 3

Provide evidence of reasoned advice to stakeholders (including senior management within your organisation, clients and courts/tribunal members) in respect of specific cases and/or other local taxation issues.

Examples of activities and knowledge comprised within this level are:

- advising on settlement or litigation of cases
- advising on the costs of options and actions
- advising on the impact of various actions with an appreciation of the wider context
- dealing with mixed (residential/commercial) hereditaments.

Maintenance management

Deliver maintenance services to residential property or blocks of properties based on occupational need, either using an in-house work force, or maintenance contractors.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the maintenance requirements of buildings, structures and other real estate.

Examples of knowledge comprised within this level are:

- planned maintenance
- reactive maintenance
- maintenance inspections
- statutory inspections
- compliance requirements
- prioritising forward maintenance
- integrating maintenance activity with the occupational requirements of the property.

Level 2

Manage and keep up-to-date maintenance information to determine and implement operational maintenance policies. Understand the impact of legislation and the terms of the lease on recoverability of costs through service charges.

Examples of activities and knowledge comprised within this level are:

- maintaining record systems
- identifying maintenance requirements
- implementing maintenance policy
- placing contracts (orders) for maintenance
- confirming satisfactory completion of work
- determining landlord and tenant responsibilities.

Level 3

Provide evidence of reasoned advice, write and present reports on maintenance management.

Examples of activities and knowledge comprised within this level are:

- providing advice and recommendations on issues relating to the management of maintenance policy
- dealing with the costs associated with maintenance of residential property.

Market appraisal

This competency is about the preparation and provision of properly researched market appraisal, enabling clients to make informed decisions regarding marketing their property(ies).

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the purposes for which market appraisals are undertaken; the relevant appraisal methods and techniques; the appropriate standards and guidance and, in particular, the limitations of such market appraisal advice.

Examples of knowledge comprised within this level are:

- the principles and application of open market appraisal for sale purposes, including the relevant appraisal standards, methods and techniques
- client requirements in the market appraisal process
- limitations of market appraisal advice.

Level 2

Demonstrate practical competence in undertaking both sale and rental market appraisals and detailed involvement with the preparation and presentation of client reports.

Demonstrate your ability to use appraisal methods and techniques. Show how the relevant appraisal standards and guidance have been applied.

Examples of activities and knowledge comprised within this level are:

- analysis and interpretation of comparable evidence
- ability to explain the terms of a lease and their impact
- inspection and information gathering relevant to market appraisal
- preparation of a market appraisal report from beginning to end, with appropriate supervision
- preparation of terms and conditions of engagement.

Level 3

Preparation of client reports based on interpretation of locational market trends, knowledge of investment proposals in the site location, and advice on the likely availability and conditionality of finance for the local market for both the construction period and for prospective future customers.

Examples of activities and knowledge comprised within this level are:

- advising on the application of suitable statistical and mathematical techniques to identify long term market and financial trends in the locality of the site
- presenting conclusions to client using effective IT techniques showing predictive modelling
- reporting to include recommendations based on the market viability of the site (but distinct from site-specific construction costs and abnormalities).

Measurement

This competency is relevant to all data capture and measurement of land or property. In the context of the property pathways, it refers in particular to measurement of residential property for lettings, sales or valuation purposes, as well as in connection with property management.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the principles and limitations of measurement relevant to your area of practice.

Examples of knowledge comprised within this level are:

- relevant data capture techniques including the use of lasers and tapes
- the limitations of different methods of measurement
- checking procedures for the instruments used and the calculations undertaken
- potential sources of error from use of the instruments
- the basis on which measurements should be undertaken, i.e. the core definitions of measurement and their application
- the appropriate standards and guidance relating to measurement with particular reference to *RICS Property measurement*
- the degree of accuracy that is required for different types of property and the use to which the measurements will be put
- the use and limitations of plans and drawings.

Level 2

Apply your knowledge to undertake measurement. Use basic and/or advanced instrumentation to collect data. Present appropriate information gained from measurement.

Examples of activities and knowledge comprised within this level are:

- using the appropriate instrumentation (including lasers and tapes) to capture sufficiently accurate data, based on an understanding of limitations of different instrumentation
- dealing with and advising on sources of error from use of instruments
- applying the appropriate guidance correctly in practice to undertake measurement of a variety of properties, understanding the basis on which measurements should be undertaken
- undertaking necessary calculations
- preparing and presenting measurements in a manner appropriate for the purpose they are to be used, understanding the level of accuracy that is required for different types of property.

Level 3

Evaluate, present, manage, analyse data and/or apply spatial data and information. Show an advanced understanding of accuracy, precision and error sources.

Examples of activities and knowledge comprised within this level are:

- Level 3 is only recommended for candidates with specialist knowledge and experience of sophisticated measurement and data capture practice. Most property candidates will only attain Level 2.
- for guidance on Level 3, please refer to the RICS Geomatics pathway guide.

Planning development and management

Planning appraisal is one of the crucial starting points in the development or refurbishment process. Such appraisals draw together all of the relevant policies, site history and local context pertaining to a site and the potential to secure planning consent.

Development management covers the process of managing or obtaining the grant of planning consents working for either the local authority or client-side perspective. The competency also covers the appeals process and the criteria by which cases will be considered by inspectors

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the key principles and processes used to determine both the need for planning consent and the procedures involved in obtaining appropriate planning permission.

Examples of knowledge comprised within this level are:

- the purpose of the development management system and process
- the stages of the development application and appeals process
- the consultation process and stakeholder management
- the decision making process and role of key stakeholders
- the need for supporting information and basis for determining what is required
- familiarity with appropriate planning policy and procedures relevant to the locality/region of working
- site/building surveys and details, e.g. site planning history, flood risk, biodiversity, archaeology, architectural character, conservation, accessibility, highways, services and utilities
- analysis of environmental features and issues
- urban design principles and characteristics and their implications for development appraisals
- the role of supplementary planning documents, design guides and codes in guiding planning applications and their consideration.

Level 2

Apply your knowledge to identify, select, assemble and analyse information relevant to the preparation or determination of appropriate planning applications.

Examples of activities and knowledge comprised within this level are:

- support the making of planning applications and/or appeal documentation
- selecting, researching and analysing information and data and writing reports in support of or in response to planning applications
- identify and implement appropriate consultation procedures and respond to issues identified
- identify and help ensure compliance with planning policies and guidance.

Level 3

Apply information and reasoned advice in the preparation, presentation and/or negotiation of planning application and/or appeals documentation.

Examples of activities and the application of knowledge comprised within this level are:

- liaising with and negotiating with planning officers, clients, fellow professionals and third-party stakeholders in relation to a development project
- preparing planning appraisals of land, buildings and concepts and area wide planning parameter studies
- making a planning application and/or submitting an appeal and appearing at an informal or public inquiry
- formulating and negotiating a planning or highways agreements
- creativity, problem solving and dispute mediation in scheme development.

Procurement and tendering

This competency relates to services and goods. It covers the selection of service providers – pre-qualification, tender lists, selection criteria; contract selection – alternative forms of contract; and pricing documentation. In this context, contracts might cover single service providers or multi service management and implementation.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the main types of procurement. Demonstrate knowledge and understanding of the tendering and negotiation processes involved in procurement.

Examples of knowledge comprised within this level are:

- a practical knowledge of the following areas:
 - pre-qualification procedures
 - selection criteria
 - tender lists
 - specifications
 - service level agreements
 - pricing documentation
 - tender negotiation
 - performance indicators
 - service delivery models
 - contract law, including terms and conditions and liability
 - compliance
- the various methods of procurement, e.g. pre-negotiated, single source, blind auction.

Level 2

Apply your knowledge to the implementation of the procurement routes selected for your projects and to carrying out tendering and negotiation processes relevant to them.

Examples of activities and knowledge comprised within this level are:

- implementing pre-qualification procedures using selection criteria to draw up tender lists
- devising tender documentation including statements of scope of service and pricing schedule
- participating in pricing and/or vetting of tenders
- balancing risk and reward.

Level 3

Give reasoned advice on the appropriateness of various procurement routes. Manage the tendering and negotiation process and present reports on the outcome.

Examples of activities and knowledge comprised within this level are:

- providing reasoned advice and recommendations to clients on alternative procurement routes and tendering procedures
- taking a lead role in the award of contracts and providing reasoned advice on the decisions reached.

Property finance and funding

This competency focuses on the candidate's understanding of the range of finance available, their understanding of how this is sourced and how this may be used to assist with property investment and development scenarios. Candidates will be expected to apply this knowledge in order to provide advice to clients on their financing options and the impact of this on their returns.

Examples of likely knowledge, skills and experience at each level

Level 1

This competency focuses on the candidate's understanding of the range of finance available, their understanding of how this is sourced and how this may be used to assist with property investment and development scenarios. Candidates will be expected to apply this knowledge in order to provide advice to clients on their financing options and the impact of this on their returns.

Examples of knowledge comprised within this level are:

- the various senior debt providers, and their expectations in terms of pricing and security
- the impact of gearing on equity returns
- the ability to demonstrate this gearing effect numerically
- how mezzanine and equity finance might be priced
- the financing process
- use of financial information such as audited report and accounts.

Level 2

Demonstrate knowledge and understanding of the role and importance of finance in property, including the principal forms of investment finance and their sources. Identify the factors that affect the ability to obtain finance to fund any investment project. Identify appropriate sources of finance and understand the principles that apply to securing finance for different purposes.

Examples of activities and knowledge comprised within this level are:

- analysing investment and development projects to ascertain the level of senior debt that could be raised within the mathematical limits
- applying likely finance pricing required by senior debt providers
- using market knowledge to assess whether the level of senior debt mathematically capable of being sustained is acceptable to the debt providers
- sourcing and collating information which is necessary to support a presentation to secure a financing
- sourcing and understanding the role of valuation advice
- analysing and illustrating the impact of financial covenants
- reviewing and comprehending financing documents, particularly loan agreements and facility letters
- confirming that financing documents reflect the commercial terms agreed and how the controls of the provider may impact on the borrower's management flexibility.

Level 3

Provide evidence of reasoned advice on maximising the viability of any funding situation. Demonstrate your appreciation of the impact of property matters on valuation and funding. Demonstrate your understanding of the impact of funding matters on the property market.

Examples of activities and knowledge comprised within this level are:

- analysing and understanding a stand-alone financing from the outset to completion and draw down of funds
- illustrating multi-tiered financing arrangements numerically and using this to assess the true cost of finance at each level
- advising accordingly on the above.

Property management

This competency is about understanding and applying your experience to the activities surrounding residential property management covering all matters arising between the client and agent in the management of property. Property managers have a growing number of statutory requirements that they must comply with. Candidates must demonstrate appreciation and experience of dealing with these issues.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of property management and the relationship between owner and occupier.

Examples of knowledge comprised within this level are:

- the role of property managers and their relationship with landlords and tenants
- how the role/responsibilities of a managing agent differ depending on the property interest being managed (e.g. block management, shorthold, long leasehold, etc.)
- the statutory and other requirements of residential property managers
- residential landlord and tenant law
- the operation of the letting and management market
- social factors affecting the client and agent relationship
- the principles and application of RICS' *Real estate management*.

Level 2

Apply the principles of property management to provide solutions to issues affecting both owners and occupiers of real estate.

Examples of activities and knowledge comprised within this level are:

- experience of managing individual residential properties or blocks of property
- experience of preparing service charge budgets and year end accounts
- managing the impact of service charges on the landlord/tenant relationship
- preparing documentation required for the management of residential property
- managing the process of negotiation and consultation between the client and agent
- managing the client/agent relationship
- complying with all relevant statutory requirements
- processing costs.

Level 3

Provide evidence of reasoned advice including the preparation and presentation of reports in relation to property management.

Examples of activities and knowledge comprised within this level are:

- carrying out all relevant statutory requirements or other responsibilities, in the case of larger portfolios of residential property
- providing strategic advice on property management matters and provide recommendations on the options available for the property
- dealing with disputes
- providing advice as to alternative dispute resolution options in the event of breakdown of negotiations and take any necessary action to protect the client's position.

Purchase and sale

This competency is about the sale of residential property (including all types of tenure). In order to achieve this competency the candidate must apply their knowledge and experience to assist sellers and purchasers in the marketing/selection of property and in the negotiation of a transaction through to completion. Candidates should be able to apply their knowledge of the residential property market in order to provide reasoned advice to clients on the appropriate solutions for them.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of how various types of property are sold (or a similar interest is acquired for a client) and the different types of interests that may be placed on the market. Demonstrate an understanding of the economics of the market for such interests and the appropriate legal frameworks.

Examples of knowledge comprised within this level are:

- the quality of location, design and specification of residential property
- residential building pathology
- the legal requirements surrounding the purchase and sale of residential property (e.g. money laundering)
- economic framework surrounding the purchase and sale of residential property
- the methods of sale available to vendors
- the principles and application of the *Real Estate Agency and Brokerage Standards* (REABS) and other related guidance
- the impact of lease terms on value.

Level 2

Apply your knowledge and skills to the purchase or sale of all types of property and demonstrate practical experience of the associated decision-making process, marketing, reporting and completion of the transaction. Demonstrate knowledge and understanding of other forms of property transaction and be aware of the reasons supporting the decision to proceed along the chosen purchase or sale route.

Examples of activities and knowledge comprised within this level are:

- applying the appropriate methods and techniques to successfully undertake purchase and/or sales of residential property
- preparing documentation required for buying and selling residential property
- managing the process of negotiation and consultation between clients
- understanding client requirements and preparation of terms of engagement
- undertaking inspections and gathering information relevant to the property purchase or sale.

Level 3

Provide evidence of reasoned advice and report to clients on all types of purchase or sale transactions. Demonstrate the ability to see complex cases through from start to finish with appropriate assistance. Be able to provide the client with a holistic view of the entire transactional market and advise them clearly and appropriately, not only on the sale or disposal market but also on other areas.

Examples of activities and knowledge comprised within this level are:

- providing strategic advice on purchase and sale of residential property and provide recommendations on the options available for the property
- dealing with disputes and demonstrate experience of complex or difficult cases
- providing advice as to alternative dispute resolution options in the event of breakdown of negotiations and take any necessary action to protect the client's position
- handling other external factors affecting the buying and selling process such as technological, economic and political issues
- dealing with leasehold enfranchisement cases.

Risk management

This competency covers the management of risk, including the benefits to be gained and the techniques and processes used to manage risk. Candidates should have a detailed understanding of how risk is dealt with on their projects.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate your knowledge and understanding of the nature of risk and, in particular, of the risks associated with your area of business/practice.

Examples of knowledge comprised within this level are:

- the concepts of risk
- the tools and techniques commonly used to evaluate and manage risk
- the use of risk registers and the models used to quantify risk.

Level 2

Apply your knowledge to carry out risk assessments taking into account all relevant factors. Understand the application of the various methods and techniques used to measure risk.

Examples of activities and knowledge comprised within this level are:

- applying the various methods and techniques to measure risk
- participating in risk workshops
- preparing reports resulting from risk workshops.

Level 3

Provide evidence of reasoned advice and implement systems to manage risk by competent management in relation to specific projects.

Examples of activities and knowledge comprised within this level are:

- facilitating risk workshops including preparation prior to the workshop
- evaluating the qualitative and quantitative output from risk workshops
- ongoing monitoring of risk issues through the project life cycle.

Spatial planning policy and infrastructure

National, regional and local spatial planning policies seek to influence the strategic direction, scale and location of development and associated infrastructure delivery. Planning and Development surveyors need to understand the key drivers that shape decisions and, where appropriate, influence spatial policy and infrastructure planning taking account of commercial market trends.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge of national (as appropriate to a candidate's location) spatial planning and infrastructure systems, their legislative basis and key national policies and programmes.

Examples of knowledge comprised within this level are:

- the aims and objectives of national planning laws and policies and its underlying political basis
- the preparation and adoption process for local plans, core strategies and supporting planning documents; neighbourhood plans and community infrastructure needs
- conservation and listed buildings policies, ecology, habitat management and planning policies to support and enhance biodiversity
- environmental assessment policies and processes
- understanding the geographic and demographic characteristics of areas (at, e.g. regional and local scale) and the impacts of spatial planning proposals and infrastructure development
- consultation processes and stakeholder perspectives
- infrastructure provision and delivery at the local and national level
- Community Infrastructure Levy (CIL) and other local taxation initiatives and their rationale and efficacy.

Level 2

Apply your knowledge to identify, select, assemble and analyse information relevant to the preparation and review of land use planning policies and plans as well as infrastructure planning and provision including transportation, energy, waste, IT and local community infrastructure related provision.

Examples of activities and knowledge comprised within this level are:

- contributing to a consultation process on a local plan, supplementary planning documents and their review
- identify appropriate planning strategy to help promote and/or manage proposed development allocations and/or strategic and community infrastructure requirements
- critiquing, reporting and explaining to clients, stakeholders and the public: land use allocations, housing need assessments, regeneration strategies, infrastructure or economic development plans
- contributing to the settlement or review of local CIL policies and implementation or review in the context of wider spatial planning policy.

Level 3

Use information and skills in the preparation and presentation of reports that interpret land use and/or infrastructure planning, in order to give reasoned advice, as regards investment, valuation and/or development decision making and implementation.

Examples of activities and knowledge comprised within this level are:

- taking a key role in contributing to a spatial planning policy and/or and its related implementation or monitoring. This could include, e.g. local plans, strategic development plans, neighbourhood plans, regeneration masterplans, conservation areas
- producing an opportunities/risk evaluation and associated options report based on plans and policy based documentation
- take a key role in the preparation, implementation or monitoring of related infrastructure planning policy instruments
- acting on behalf of stakeholder interests in relation to spatial planning or infrastructure matters
- evaluating spatial planning and infrastructure policies, programmes and delivery in relation to individual sites, buildings and wider development or restraint areas.

Strategic real estate consultancy

This competency is about the provision of strategic consultancy advice to clients on real estate issues influencing the business.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the business context of real estate, and an appreciation of the role of the real estate professional as a strategic adviser.

Examples of knowledge comprised within this level are:

- organisational structures, values and objectives
- business performance
- the role and importance of real estate in organisational/ business performance
- the role of real estate in business strategies
- strategic uses of real estate
- methods for appraising options for real estate strategies
- the role of the real estate professional as a strategic business adviser
- styles of consultancy intervention.

Level 2

Apply your knowledge and understanding of the business context of real estate in a corporate or other context.

Examples of activities and knowledge comprised within this level are:

- researching organisational background
- preparing relevant data
- analysing data
- undertaking option appraisals for real estate strategies
- using different styles of consultancy intervention for different clients' needs
- using your knowledge of real estate to find strategic solutions to meet clients' requirements.

Level 3

Provide evidence of reasoned oral and written advice on the principles and application of real estate knowledge.

Examples of activities and knowledge comprised within this level are:

- strategic advice and recommendations to clients
- presentations to clients
- meetings with clients
- presenting data to support recommendations.

Supplier management

This competency relates to managing the supply chain and the providers of those services.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of how to manage suppliers using a logical process to ensure that scope and value of the service received meets organisational requirements.

Examples of knowledge comprised within this level are:

- a practical knowledge of the following areas:
 - contracts
 - service level agreements
 - KPIs
 - performance monitoring
 - benchmarking
 - construction supply chains in the candidate's area of practice.

Level 2

Apply your knowledge and understanding by using an existing process to manage suppliers to ensure that the scope and value of the service received meets the projects and contractual requirements.

Examples of activities and knowledge comprised within this level are:

- involvement in a range of the activities listed above at Level 1 through:
 - performance review meetings
 - auditing of suppliers/subcontractor's performance
 - budgeting
 - ordering variations to the service
 - payment of suppliers
 - developing collaborative relationships.

Level 3

Provide evidence of appropriate approach to the management of an individual supplier or group of suppliers based on the scale of the service.

Examples of activities and knowledge comprised within this level are:

- using user/customer feedback to provide effective supplier management, ensuring that performance matches the needs of the contract and project
- developing partnership relationships to deliver joint objectives with the supply chain
- developing learning and innovation within the supply chain.

Sustainability

The performance of residential property is increasingly affected by sustainability and, in particular, energy performance considerations. This competency requires a broad appreciation of the relevant core issues. It covers knowledge of the challenges in a broad context, and an understanding of the arguments surrounding the effect of sustainability on property performance, worth and value. It also includes the tools (where available) necessary to assess the energy efficiency of buildings and the practical management decisions required for future-proofing within your area of practice.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of why and how sustainability seeks to balance economic, environmental and social objectives at global, national and local levels, in the context of land, property and the built environment.

Examples of knowledge comprised within this level are:

- historical background/context – Brundtland, Earth summits, climate change
- the legal and policy framework underpinning sustainability and energy efficiency in your country and area of practice
- how sustainability relates to property – (energy efficiency, accessibility, flexibility, etc.), including an appreciation of the key threats to sustainable property use and performance
- understanding how property occupiers and investors are affected by economic, social and environmental sustainability concerns
- current research being undertaken on sustainability.

Level 2

Provide evidence of practical application of sustainability appropriate to your area of practice, and of awareness of the circumstances in which specialist advice is necessary.

Examples of activities and knowledge comprised within this level are:

- using and interpreting reports produced with the main sustainability related tools, guides and codes for your country and area of practice
- understanding the aims of triple bottom line (TBL) analysis and be able to explain how the technique may be adapted to various scenarios within residential.

Level 3

Provide evidence of reasoned advice given to clients and others on the policy, law and best practice of sustainability in your area of practice.

Examples of activities and knowledge comprised within this level are:

- providing reasoned advice/qualitative comment to clients or other stakeholders on the potential financial impact of sustainability on a property/project
- providing reasoned comment to clients or other stakeholders on the impact of sustainability legislation/policy.

Please note: Sustainability advice may be given in the course of providing conventional property advice to clients or other stakeholders (such as valuation, investment or property/asset management advice).

Valuation

This competency is about the preparation and provision of properly researched valuation advice, made in accordance with the appropriate valuation standards, to enable clients to make informed decisions. In the case of the Residential pathway this tends to be in the context of security for mortgage purposes.

Examples of likely knowledge, skills and experience at each level

Level 1

Demonstrate knowledge and understanding of the purposes for which valuations are undertaken; the relevant valuation methods and techniques; the appropriate standards and guidance; and any relevant statutory or mandatory requirements for valuation work in your area of practice.

Examples of knowledge comprised within this level are:

- the main drivers that have an impact on value
- the principles and application of the latest relevant valuation standards
- the relevant RICS professional standards and guidance
- the principles of professional practice, liability and indemnity insurance
- the underlying principles of property law, planning and other relevant regulations or controls and their impact on property/asset values
- the impact of lease terms on value
- the different purposes for which valuations may be required (including, bank lending, taxation, performance management, etc.)
- the principles of the various methodologies needed to provide both capital and rental valuation advice
- the importance of independence and objectivity.

Level 2

Demonstrate practical competence in undertaking both capital and rental valuations and detailed involvement with the preparation and presentation of client reports.
Demonstrate your ability to use valuation methods and techniques appropriate to your area of practice. Show how the relevant valuation standards and guidance have been applied to your valuation experience.

Examples of activities and knowledge comprised within this level are:

- understanding client requirements and the preparation of terms of engagement
- inspection and information gathering relevant to the valuation work being undertaken
- analysis and interpretation of comparable evidence
- application of a range of valuation methods or techniques
- valuing either a range of property types or for a range of purposes
- preparing valuation reports and advice to meet stakeholder needs and comply with the latest relevant valuation standards
- demonstrate competence to conduct a valuation task from beginning to end with appropriate supervision.

Level 3

Be responsible for the preparation of formal valuation reports under proper supervision and provide reasoned advice.
Produce reasoned valuation advice in a range of forms on a range of property types, valuation purposes and valuation methods.
Demonstrate a thorough knowledge of the appropriate valuation standards and guidance and how they are applied providing advice to clients.

Examples of activities and knowledge comprised within this level are:

- the properties/assets considered may relate to a particular area of practice but the candidate's experience should cover a range of purposes (in a properly supervised manner), such as loan security, financial statements, internal management, purchase or sale reports, tax, stock exchange and litigation, but not necessarily all of these
- the types of property/assets should ideally be varied both in terms of physical attributes, usage and also interest (i.e. freehold and leasehold). In respect of machinery and business assets they should also be varied according to industry sector
- valuation advice should demonstrate knowledge of standards in other areas of business, e.g. accounting standards
- the candidate's advice to client should include knowledge of the main drivers which impact on property/asset values and include an understanding of the wider influences such as government policy, the economic climate, technological change and other investment medium.

Level 1

- the underlying principles of machinery and business assets law, planning and other relevant regulations or controls and their impact on property/asset values. In relation to residential valuation the following skill will also be necessary for Level 1
- the role and function of automated valuation models (AVMs).

Level 2

To achieve Level 2, candidates will not necessarily be carrying out valuations as part of their full-time day to day activities.

In relation to residential valuation the following skills will also be necessary for Level 2

- undertaking residential valuations (primarily for loan security purposes)
- experience of using or commenting upon the results of an AVM.

Level 3

- the candidate should demonstrate knowledge as to how their valuation advice inter-relates with their client's other professional advisers
- candidates are not required to have carried out a valuation following *RICS Valuation – Global Standards* but must be able to demonstrate equivalent level of professionalism in their area of practice with reference to the *RICS Valuation – Global Standards* requirements
- advising on the different levels of service that may be required, e.g. desk top advice versus a full inspection-led valuation and the benefits/limitations of each level.



Delivering confidence

We are RICS. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

We inspire professionalism, advance knowledge and support our members across global markets to make an effective contribution for the benefit of society. We independently regulate our members in the management of land, real estate, construction and infrastructure. Our work with others supports their professional practice and pioneers a natural and built environment that is sustainable, resilient and inclusive for all.

rics.org

General enquiries
contactrics@rics.org

Candidate support
candidatesupport@rics.org