

CORPORATE REPORTING

# Global performance report Q4 2023



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## Our key numbers

### CANDIDATES AND DESIGNATIONS

1,610

new professionals awarded RICS designations

2,296

professional assessments

2,201

new candidate enrolments

### TRAINING AND CONFERENCES

41,574

registrations across our portfolio

12,723

viewers for digital seminars and CPD

### WORLD BUILT ENVIRONMENT FORUM

17,000+

unique visitors to our content





# Financial update

Financial outcomes at the end of 2023 remained consistent with our budgeted projections, with an unaudited operating result of £3.3m.

The ongoing success of our EQS, DRS, and standards and regulation revenue streams has played a pivotal role in this achievement. However, challenges related to our commercial margins combined with higher salary costs due to pressures from wage inflation have tempered these gains.

Additionally, our cash position has demonstrated positive performance throughout the year, surpassing both the budget and the 2022 figures. Our total cash and investment reserves have increased by approximately £1.2m over the course of the year, placing RICS in a strong position for 2024.



## Introduction

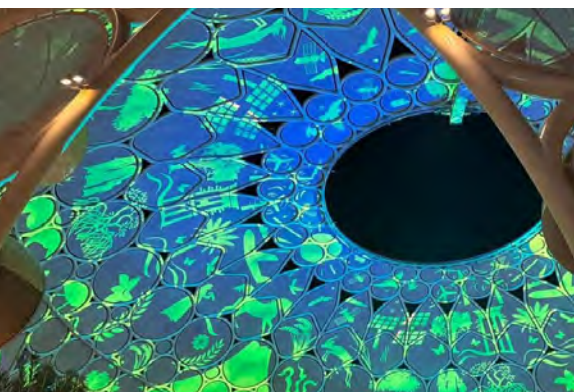
October to December 2023 saw substantial work with politicians and governments, as well as further progress to re-establish the institution with new governance appointments. Core activities continued, with new and updated standards and guidance released, and our regular member-supported surveys tracking mixed pictures for construction and property.



## Survey of the profession

Our members' survey ran between October and November. Our scores for satisfaction, trust and influence were broadly unchanged from the previous survey in May/June. You can read more highlights from the survey [on our website](#).

In our [new strategy](#) Future foundations, enhancing member value and engagement for all members, and strengthening trust in the profession are both areas of focus. In order to implement the strategy and deliver its outcomes, we will reshape RICS to drive improvements in member experience



## COP28

RICS was an official observer at COP28, meeting key figures from government and industry. Alongside COP, we ran a joint conference with the UK-UAE business council to discuss what the industry can do to decarbonise in the two countries and more broadly. The conference was also an opportunity to promote RICS' Whole life carbon standard, which increasingly is being seen as the primary assessment methodology by international partners such as ICMS.

To coincide with the conference, we released case studies highlighting how members are already addressing climate change, as well as a number of policy reports suggesting actions for governments in key markets.

A major development was the UN-led, 27-nation [Buildings Breakthrough Initiative](#). The signatories, including China, France, the UK and US, cover a third of the world's population and provide two-thirds of global GDP. They committed to making near-zero emissions and climate-resilient buildings the new normal by 2030. We signed up to this commitment and will attend a follow-up ministerial meeting in March 2024.

## Governance

We appointed Nigel Clarke as the permanent Chair of RICS' Standards and Regulation Board.

Nigel had served as the interim Chair for the last four months. With a wealth of experience spanning 40 years, including a long involvement with professional regulation, business and government, Nigel has also built a clear understanding of the scope of the surveying profession through leading the interim board and working collaboratively with key leaders across the institution.

The appointment followed a competitive recruitment process that shortlisted some highly experienced candidates.

Following the announcement of Simon Rawlinson as Knowledge and Practice Committee Chair, we successfully appointed seven more members of the committee, including a Vice Chair and six Professional Group Panel (PGP) chairs. These chairs have now recruited most of the panel members, and the PGPs have started planning their activities.

The groups will focus on specific sectors, ensuring targeted attention and strategic oversight by providing market feedback, input and ideas. Their work will include developing technical standards, defining future skills and competencies for the APC and CPD, supporting research and thought leadership, and contributing to wider RICS work such as sustainability.



**Nigel Clarke**  
Chair of Standards and Regulation Board



**Simon Rawlinson**  
Knowledge and Practice Committee Chair



## UK government affairs

This quarter covered the UK party conference season, as well as a series of announcements from governments across Britain. We are continuing to call for clarity to allow members and their firms to plan and work with confidence, at a time when policymakers face difficult economic conditions while focused on a general election.

Even so, our work with government delivered welcome news in October. The UK government announced a transitional period for second staircase provision in all residential blocks over 18m. We have long called for this provision, and we continue to champion for regulation that ensures the safety of residents. The lack of affordable professional indemnity insurance (PII) for those working on cladding issues has also been a serious problem affecting many professions, creating real-world difficulties for consumers, and we continue to work with industry to find solutions.

There was widespread media coverage for RICS responses to various announcements, notably the Scottish and Welsh budgets, the UK autumn statement and the Secretary of State for Levelling Up, Housing and Communities announcing plans to 'supercharge' development.





## Standards and guidance

October saw the launch of the updated [Make good Australia](#), a comprehensive resource designed to demystify the world of property leasing and end-of lease in Australia. The updated guide rectifies knowledge gaps, empowering individuals in the Australian property sector to better understand best practice, avoid costly mistakes and prevent legal disputes. It also sets out the role of surveyors in the Make Good process.

Internationally, we launched a new guide to [designing, delivering and managing healthier buildings](#) (see [p.17](#)). The guide builds on our [International Building Operation Standard](#), covering every stage of a project, with ways in which professionals can promote health and well-being, from improving air quality to tackling loneliness.

In the UK, following our review of Real Estate Investment Valuations, we released updated standards and new practice information. An updated UK supplement to RICS Valuation – Global Standards included implementing time-limited, mandatory rotation cycles for regulated purpose valuations. The new rules will prevent valuation firms from valuing an asset for regulated purposes for more than ten consecutive years. These critical changes will improve transparency, ultimately serving the public interest, and will come into effect on 1 May 2024.

In November 2023, we also published the second edition of our standard [Whole life carbon assessment \(WCLA\) for the built environment](#). Being quickly adopted around the world as the primary method for carbon assessment, through the WCLA standard, assessors can estimate the amount of carbon emitted throughout the life cycle of a constructed asset, from the early stages of development through to the end of life. It gives visibility to embodied carbon, operational carbon and user carbon – something that is vital to carbon calculations and a unique feature of the RICS standard.



## Reporting

In December we published our 2023 [sustainability report](#), which draws on questions in our global construction and commercial surveys. Occupier and investor demand for green buildings has risen globally, although initial costs are still an issue for investors. However, the report highlighted a lack of measurement, which our new Whole life carbon assessment standard aims to address.

We also released our [Diversity, equity and inclusion progress report](#). It highlighted work with other built environment organisations to improve data collection, education to industry pipelines and professional understanding of the topic.

Later in Q1 2024 we'll be launching a free one-hour DEI course for continuing professional development, and updated guidance and resources to support Rule 4 of the RICS Rules of Conduct. This guidance focuses on diversity, inclusion and respect and is based on significant member and firm input.







## Member engagement and support

Putting our members at the heart of everything we do is critical in transforming the way we engage, how members experience RICS and how they derive value from the institution.

In Q4 we launched the new RICS [Future foundations strategy](#), which will shape everything the institution works towards in 2024 and beyond. Our work on the strategic goals has already begun and we have dedicated ourselves to enhancing member engagement.

Through targeted outreach campaigns, personalised communication from our local Regional Advisory Board Chairs and the introduction of exclusive member-led networking events (online and in-person) and regional conferences, we hope to foster a sense of community and connectivity among our members.

Our dynamic approach to engagement resulted in increased participation in events, forums and feedback sessions, allowing us to gain valuable insights into member preferences and expectations.

Additionally, the rollout of more networking events for our members received a positive response, contributing to a measurable uptick in member satisfaction. Overall, Q4 was marked by a concerted effort to deepen our connection with members, resulting in a more vibrant and engaged community that values the offerings and experiences we deliver.

We understand that our members invest their time, trust and resources with us, and we are committed to delivering tangible and consistent value in return. We actively seek feedback from all our members both directly and from post-event surveys to understand their evolving needs, ensuring our services meet and exceed expectation.





## Member engagement round-up

**2,803**

members attended CPD member-engagement webinars

**74**

free face-to-face networking events, with 3,147 members attending in over 28 countries

**2,293**

members engaged in global and regional conferences

**22**

webinars held globally

**8.70%**

customer satisfaction score achieved on our global market-led events (with the benchmark being 8%) – 104 responses received

**9.33%**

company/brand average, a shift from Q3, with candidates averaging 8.00%

### Matrics round-up

Through the combined efforts of Matrics members, the 29 committees and the Matrics UK board, the community has matured into a robust and supportive network.

As Matrics has expanded, so has its influence, becoming a cornerstone for mentorship, knowledge-sharing and a source of inspiration. It has transformed into a beacon of connectivity, and in Q4 the Matrics committees delivered the following:

**1,680** Matrics members engaged

**£2,011** raised for Lionheart

**55** Matrics events (51 face-to-face and 4 webinars)

## RICS UK Matrics Surveyor Awards

In October we celebrated the tenth annual RICS Matrics Surveyor Awards, previously known as the Young Surveyor of the Year.

Each of our winners represents a commitment to the highest standards of professionalism.

Congratulations to Carolyn Brady MRICS, who has been crowned the RICS Matrics Surveyor of the Year 2023!

Meet the winners of each category: [Matrics Surveyor Awards 2023](#).





## Global Matrics activity

The framework to drive Matrics globally and build new groups continues with committees forming in Europe, India, Africa and AsiaPac. We are working with a group of volunteers across the globe to build networks to support our members entering the surveying profession. We aim to make it more accessible, inclusive and modern globally for a sustainable and successful future.

## Hong Kong Awards

We hosted the Hong Kong Awards 2023. The successful teams and individuals of this year's awards were announced and celebrated at the official dinner ceremony, which was held at the Grand Hyatt, Hong Kong.

The RICS Awards bestow both local and global recognition. They recognise industry-leading achievements and demonstrate the highest standards of professionalism and ethics by individuals and teams across the built and natural environments. Meet our winners: [Hong Kong 2023](#).

Find out what RICS Awards are coming in 2024: [RICS Awards](#).



## New MEA WRB Chair appointed

We look forward to working with our new Chair of the Middle East and Africa World Regional Board [Haroon Niazi](#) FRICS. Haroon and the MEA WRB will deliver the RICS strategy by overseeing plans and allocating resources to the countries in the Middle East and Africa.

We thank our former Chair [Christopher Seymour](#) for the valuable contribution that he made during his appointment. Chris has now taken his seat on RICS Governing Council, representing the Middle East and Africa

Read more: [\(8\) Post | LinkedIn](#)



## World Regional Boards

RICS has divided its global membership into five world regions – **Americas, Middle East and Africa, Asia Pacific, Europe** and **UK & Ireland** – which each have a World Regional Board reporting to the Member Services Committee. Each Board is responsible for developing a strategy and business plan for their region. [Read more about RICS Boards.](#)



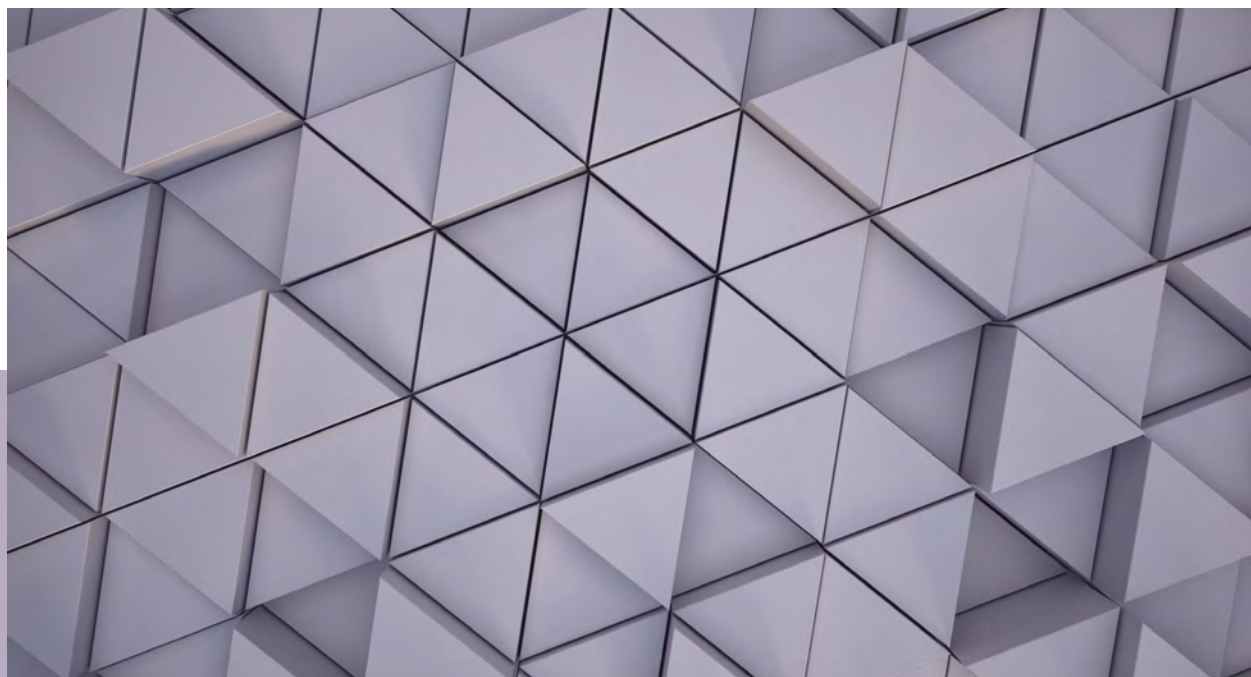
## RICS office opened in Cardiff

The RICS Office in Cardiff was officially opened by [Justin Young](#) CEO in November.

Around 70 members and invited guests, some coming from as far afield as North Wales, braved the bitterly cold weather to join the celebrations in the festive-looking Morgan Arcade.

Read more about [RICS' Cardiff office.](#)





## Professional practice

The Knowledge and Practice Committee is responsible for overseeing the advancement of knowledge and professional practice. Reporting to the RICS Board, the Committee supports the implementation and development of technical standards (providing input to the Standards and Regulation Board) and assists in amplifying the voice of the profession.

## Significant updates to valuation standards

RICS has published an updated [RICS Valuation – Global Standards: UK national supplement](#) to improve transparency and ensure valuations remain relevant and trusted. Changes to the UK national supplement are intended to reduce the risks of conflicts of interest in the commissioning of valuation reports, in the public interest.

To give valuers confidence when using the [discounted cash flow \(DCF\) method](#), RICS has introduced practice information and a website hub. DCF is important for today's professional services and our tools will help members use it appropriately.

RICS has also released updated guidance on the [Valuation approach for residential buildings with cladding in Wales](#).



'The Welsh government and RICS have worked closely to develop this guidance and publication today is a major step in providing consistency and transparency in the valuation process for flats in Wales affected by potential fire safety issues, and not just those related to cladding.'

**Julie James MS, Welsh Government Minister for Climate Change**



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## Healthy buildings

Health and well-being are becoming a key consideration in built environment design and management for every property professional and discipline. At the same time, it is becoming increasingly challenging to navigate healthy choices around building design decisions, certifications, products and operations, with new regulations and voluntary standards emerging that require detailed guidance and expertise.

With well-being also forming an important part of the 'social' of ESG, surveyors, funders and developers are keen to understand, enhance and measure the ways in which their property portfolios can support human health.

RICS has developed [practice information](#) to support members in understanding this area. It is intended as an overview document and 'one-stop shop' of guidance and key considerations.

It was launched at the International Well-Being Institute (IWBI) conference, with RICS represented by Paul Bagust, Head of Property Standards. RICS will be collaborating with the IWBI going forward.



## Scottish Net Zero Public Sector Building Standard incorporates RICS' Whole life carbon assessment

The Scottish government's [Net Zero Public Sector Buildings Standard](#) is a voluntary standard and is applicable across all new or major refurbishment construction projects.

Jointly developed by the Scottish government, Scottish Futures Trust, Zero Waste Scotland and NHS Services, the Standard utilises RICS' Whole life carbon assessment and the Built Environment Carbon Database. This adoption has been achieved through establishing positive relationships with stakeholders in Scotland, particularly the Scottish Futures Trust and Zero Waste Scotland.



## Defra Baroness Rock Review – DEFRA Agricultural Tenancies

RICS has collaborated with other agricultural sector bodies to help the development of a new code of practice for the agricultural tenanted sector in England. The DEFRA-appointed Farm Tenancy Forum will focus on behaviours, one of the [key recommendations arising from the Rock Review](#).

Key RICS senior expert members are on the Forum and on the code's working group. The first priority of the Forum is to ensure all new Environmental Land Management Schemes are open to tenants. The scope of the code to be drafted has been agreed upon by the code working group.



## DEFRA embeds carbon measurement in the UK's timber roadmap

The Department for Environment Food and Rural Affairs launched its Timber in Construction Roadmap, a plan to balance the need for further housebuilding while using homegrown timber. RICS, as a member of the working group, advised DEFRA on the importance of carbon measurement, with [RICS' Whole life carbon assessment professional standard](#) embedded in the roadmap to support developers and policymakers in assessing the carbon footprint of future construction needs.

The Built Environment Carbon Database has also been endorsed as a tool for benchmarking and supporting future development best practices when it comes to timber construction.



## 2023 party conferences

RICS had a presence at both the Conservative and Labour conferences, attending policy debates and networking with industry leaders and elected officials to promote our profession's recommendations in our RICS manifesto.

At the Conservative conference in Manchester, Martin Samworth FRICS, Chair of the RICS Board, joined fellow built environment bodies and Rachel Maclean MP, Minister for Housing and Planning, in a panel debate discussing whether the housing crisis will determine the next election.

In Liverpool at the Labour Party conference, Justin Young, RICS CEO, joined the Mayor of South Yorkshire Oliver Coppard and colleagues from RTPI, RIBA and CIOB for a panel discussion on the future of skills and sustainability in the built environment. He highlighted our manifesto calls for initiatives such as the creation of a Built Environment GCSE and a commitment to the reintroduction of energy efficiency targets.



# Modus and Journals update

57

new articles published in the Journals

26

new articles published in Modus

106,115

unique visitors to Modus & Journals combined (+48% on same period last year), which is broken down as:

76,000

unique Journals visitors (+59% on same period last year)

39,800

unique Modus visitors (+23% on same period last year)



## Most popular journal article in Q4

[Why is PAS 9980 being misinterpreted?](#) Since its publication last year, PAS 9980 has been frequently misunderstood – in this article, the code's co-authors explain how it should be properly applied.

## Most read Modus article in Q4

### [What are the most important features of office design?](#)

What staff want from their workplace has changed with the rise of hybrid working – this article analyses the results of the global Leesman report, The Workplace Reset.





## Leading on sustainability

For the first time, RICS was an Official Observer at the Conference of Parties 28 (COP28) in Dubai. This status allowed RICS staff members, including CEO Justin Young, as well as the then President-Elect, Tina Paillet, to take part in high-level discussions to talk through the importance of the WLCA and the role that the profession plays in decarbonising the built environment.

Our presence in Dubai allowed us to forge new relationships with key stakeholders such as the UNEP, WGBC, the British Ambassador to the UAE and the French government to ensure RICS is positioned as a leader on sustainability.

Aligned with our activity at COP we published our [decarbonising the built environment policy papers](#) and the 2023 [Sustainability report](#). We secured coverage in three print and one radio media outlets in the Middle East, resulting in an increase in our social media following by 1,520, with COP28-related posts receiving 218,352 impressions.



## Create confident markets

Building on the strength of the previous quarters of 2023, our market surveys and economic analysis continued to be in demand. From October to December, we saw over 12,000 downloads of our sector reports, which was slightly down on Q3. In terms of media coverage, they were covered in broadcast, national, regional and trade titles. Some of these include:

### *Financial Times*

- [Outlook improves for UK housing market, property survey finds](#)
- [UK housebuilding at its weakest since start of pandemic, say surveyors](#)

### *The Times*

- [Estate agents believe housing market may soon emerge from slump](#)
- [Lack of supply drives rising house prices in 'extremely weak market'](#)

## The World Built Environment Forum (WBEF)

WBEF continues to provide forward-thinking content on a variety of crucial themes across the industry.

In the last quarter, we delivered four [podcasts](#) that achieved a total of 2,574 downloads. These covered:

- Hidden workers: sick pay, procurement and addressing health inequalities at work
- The role of flexible buildings in energy efficiency
- Reimagining the built environment through data & artificial intelligence
- City-level support for climate-positive cities



4

webinars hosted in the last quarter

474

total webinar audience



Our webinars covered:

- 2023 RICS sustainability report: global challenges and opportunities for real estate & construction
- Carbon accounting: steps for successful implementation
- The fourth industrial revolution: the future of the construction workforce
- Whole life carbon reporting for Europe's buildings: establishing a consistent methodology





## Standards and regulation

The Standards and Regulation directorates support the profession through maintaining public trust and confidence for the benefit of society. Strengthening trust underpins client and wider public confidence, through upholding professional standards by regulatory activities and assurance programmes.

Worldwide, we uphold standards in relation to:

**9,892 RICS-regulated firms**

**112,881 individual professionals**

**27,189 trainees (candidates)**

**15,966 Registered Valuers**

In Q4, we have received 558 concerns about RICS members or firms from members of the public, other members or clients.

**175**

new investigations opened

**117**

investigations closed

The Profession Support and Assurance teams, supporting the Valuer Registration, Client Money Protection and Designated Professional Body Schemes, have undertaken:

**74 member support and regulatory review visits**

**13 workshops with 701 attendees**

The value of client money subject to member support and regulatory review visits was over £70m for the period.

We issue practice alerts in the UK in relation to the [Home survey standard](#) and property management, where we are seeing an increasing number of complaints and wider professional concerns.



## Entry and qualification

**2,201**

new trainee and candidates enrolled to AssocRICS or MRICS assessments (the highest Q4 enrolments since 2019)

**1,610**

new AssocRICS and MRICS members elected (up from 1,508 in Q4 2022 and 1,111 in Q4 2021; this is the highest number of new elections since 2019)

**2,296**

assessments (the highest number for the past seven years)

In the UK, 99% of candidates who submitted for assessment were assessed between October and December 2023. However, a small number (25) will be assessed in January 2024. We have seen an increasing trend in the reduction of assessors offering their availability to support the assessment process, as well as an increase in assessors withdrawing, which has impacted our ability to deliver a high quality experience for all candidates.

The Entry and Assessment Review Steering Group is on track to submit its final report to the Standards and Regulation Board by the end of March 2024.

In response to feedback from those who participated in the EAS Group surveys and roundtables, we are introducing 9 Principal Assessor and 19 Lead Assessor roles. These new roles have been created to support the delivery of our assessments, as well as strengthening engagement with assessors, assessor training and auditing processes.

## Professional standards and regulatory policy

During Q4 2023 we consulted members and firms globally on proposed changes to regulatory policy for regulated firms that undertake Red Book-compliant valuations. These changes are intended to implement the recommended introduction of a valuation compliance officer role following the Independent Valuation Review.

The consultation closed on 12 December, and responses are being analysed to help inform final proposals for consideration by the Standards and Regulation Board.

During this quarter we also ran an information-gathering exercise through a survey and roundtable discussions. The CPD Framework Steering Group is reviewing the current CPD requirements for members and will make recommendations about the future model for CPD. Members will be consulted on any recommended changes during 2024.

We recruited a new Professional Standards Steering Group, reporting to the Standards and Regulation Board, which will provide legal, regulatory, accounting and consumer advocacy expertise to the assurance process for professional standards. This group will begin operation in 2024. We are also taking forward plans to implement a Consumer Reference Group to come together early in 2024.

We ran free webinars for members providing training on money laundering risks for estate agency, lettings agency and property management. We also drafted amendments to the minimum policy wording for professional indemnity insurance in the UK to provide better fire safety coverage, which are currently being consulted on. We are making changes to the Designated Professional Body rules for firms in the UK undertaking insurance distribution, to provide better transparency to leaseholders about insurance commissions and cost.





# Dispute Resolution Services

**14% uplift**

in appointment applications against Q4 2022

**5% increase**

in applications across the commercial and construction sectors throughout 2023

**28% ahead**

on commercial applications compared to Q4 2022

**10% increase**

in construction adjudication applications – a 28% increase on Q4 2022

In 2023, we welcomed **467 new delegates**, which is slightly up compared to 2022.

In December, the number of new delegates was related to the Foundation Certificate in Alternative Dispute Resolution and Conflict Avoidance (FADR) qualification, which ties in with year-end CPD requirements.

Overall revenue figures show a slight decline compared to Q3 and Q4 in 2022. The FADR qualification and party representative programme witnessed lower revenues compared to the diplomas and accreditation programmes.



DRS launched the [Dispute Resolution Programme for Advisers and Party Representatives](#). This new course covers the spectrum of roles involved in advising and representing a client in dispute. The first cohort of the Module 1 programme was fully booked with a second running planned in January 2024 and subsequent modules through the year.



DRS introduced the [Women in Construction Scholarship](#) for the RICS Diploma in Adjudication. This scholarship aims to offer a unique opportunity to women in the UK construction sector. DRS received 33 applications in total for the scholarship, which is now being considered by the judging panel consisting of senior industry professionals Amanda Clack, Louise Brook-Smith and Matthew Molloy.



DRS is engaged in discussions and consultations with the UK Law Commission and government departments, including the Department for Levelling Up, Housing & Communities and the Ministry of Justice, on recently enacted and impending legislation, all of which are concerned with the use of ADR in land, property and construction.

- Implementing mandatory ADR in the Telecoms sector following the enactment in November 2023 of s.69 of the *Product Security and Telecommunications Infrastructure Act*.
- Developing an effective alternative dispute resolution process to determine disputes about compensation payable to landowners under the *Electricity Transmission (Compensation) Act 2023*.
- Integrating mandatory ADR into the heart of the civil justice system in the light of the Ministry of Justice's ongoing campaign and the recent Court of Appeal decision in *Churchill v Merthyr Tydfil*.
- Reviewing the *Landlord and Tenant Act 1954*, and specifically the introduction of a statutory ADR regime to determine a wide range of commercial landlord and tenant disputes.
- Advising on aspects of the Arbitration Bill, which was introduced in the King's Speech in November 2023.



## 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.

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