

Basis for conclusions: secured lending valuation of properties in multi-storey, multi-occupancy residential buildings with cladding, 2nd edition, UK, professional standard

Executive summary

As part of our ongoing commitment to build trust in the profession, RICS has updated its *Valuation of properties in multi-storey, multi-occupancy residential buildings with cladding*, 1st edition, published in March 2021 and effective from April 2021.

This UK professional standard provides a practical framework to help RICS members understand when to request an EWS1 form when undertaking valuations for secured lending purposes on residential blocks of flats (including mixed-use) in the UK.

The standard was authored by Rob Mead, who retired in March 2026 as Technical Director at Connells Survey and Valuation. Rob has 40 years of residential valuation and survey experience, having worked in private practice, in social housing, for lenders and in the corporate sector. The expert group comprised valuation surveyors (ranging from SMEs through to volume mortgage valuation firms), individual lenders, lender representative bodies, fire engineers, The Law Society and officials from the Ministry of Housing, Communities and Local Government (MHCLG).

This document provides a summary of the project's approach, as well as insights into the consultation responses received and the decision-making process.

Background

1. The 1st edition of this standard provided criteria that can be used by valuers during a typical valuation inspection to identify buildings where remediation work to cladding for fire safety purposes – which may materially affect the value of the property – is likely to be required.
2. On 27 February 2024, RICS chaired a cross-industry forum, attended by RICS staff, MHCLG, fire engineers, valuers, lenders, lender representative bodies and The Law Society representatives, on buildings under 11m in height that have potentially combustible cladding.
3. Attendees shared their challenges with providing advice in this space. The challenges have been and remain complex and multifaceted – some of which, such as lender policy and fire safety considerations, are out of RICS' direct control.
4. During the forum, the 1st edition of this document was mentioned. While there was broad support for the existing content, a number of attendees asked whether there could be more flexibility in the criteria around requesting an EWS1 form for buildings of four storeys or fewer (which do not currently have a government-funded route to remediation).

5. The 1st edition of this professional standard has therefore been updated, with the primary aims to ensure:
 - i. the criteria for requesting an EWS1 form are proportionate, and
 - ii. the guidance reflects the latest legislation.

Engagement and insights

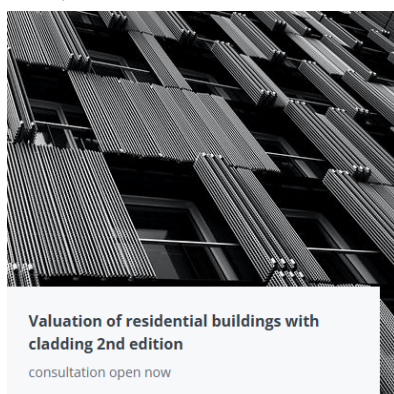
Development process

6. The standard had a sole technical author, who was supported by an expert group made up of representatives from MHCLG, lender representative bodies (UK Finance and Building Societies Association, co-owners of the EWS1 form), the Law Society and leading subject specialists across valuation and fire engineering. These were selected for their detailed knowledge and diverse range of experience. The draft was shared with the expert group throughout its development for comment/feedback.
7. Development of the standard was informed by various internal and external stakeholders, including the [Valuation Professional Group Panel \(PGP\)](#), [Residential Property Professional Group Panel \(PGP\)](#), UK Valuation Leaders Forum, Global Valuation Standards Expert Working Group, [Knowledge and Practice Committee](#) and Professional Standards Steering Group, who approve standards on behalf of the [Standards and Regulation Board](#).

Consultation

Process

8. A period of public consultation took place between 14 July and 31 August 2025 to gauge feedback on the initial draft and inform further development of the standard.
9. The consultation process was facilitated through the use of iConsult, our interactive platform, where participants were encouraged to provide feedback on the draft document itself and respond to a questionnaire.
10. The consultation was supported by:
 - i. a [press release](#)
 - ii. posts on MyRICS Insight Community [Valuation sector group](#) and [Residential Property sector group](#)
 - iii. an update on the RICS website with a link to the consultation:



- iv. a [social media post by RICS lead Nigel Sellars](#) and a [social media repost by RICS](#), and
 - v. features in RICS newsletters such as the global All Profession newsletter and the Valuation PGP and Residential Property PGP newsletters.
11. RICS engaged directly with the Association of British Insurers (ABI; a prominent professional indemnity insurance firm), the UK Cladding Action Group and the HomeOwners Alliance. These all have a critical role in the home buying/selling ecosystem and are impacted by potentially combustible cladding.

Consultation statistics

12. We received 38 responses from 20 participants, in the form of 11 questionnaire responses and 27 comments on the draft standard. There were 474 downloads of the draft standard.
13. Among the participants were representatives from MHCLG; lenders such as Nationwide, Natwest, Santander and Bank of Ireland; and valuers from firms such as CBRE, Aitchison Rafferty, SDL Surveying, Gateway Surveyors, Countrywide and e.surv.
14. Of the questionnaire responses to *'Is the structure of the draft standard clear?'*, there was only one 'Somewhat' (9%), with the remaining responses (91%) replying 'Yes'.

Key themes from the consultation and RICS response

Suggested expansion of items to be included in combustible material references

15. RICS received a request from a single responder to expand the reference to aluminium composite material (ACM)/metal composite material (MCM) and high-pressure laminate (HPL) to include timber, spandrel panels and other flammable materials.
16. This was discussed at length by the expert group prior to public consultation. The expert group decided on balance that the combustible material references remained fit for purpose. Reflecting on this consultation response after consultation, the expert group's position remains the same. The expert group also noted that specific lender policy can allow for the inclusion of additional materials, subject to risk appetite.

Suggested clarification on application of the standard to non-domestic properties.

17. RICS received a comment from a single responder, noting the reference to 'non-domestic' was potentially misleading, and questioned how mixed-use blocks should be treated.
18. The expert group discussed the comment and agreed on a clarification in section 1.1 to include a reference to mixed-use.

Section 3.1: criteria where an EWS1 form is required

19. RICS received a number of comments on this section, including:
- i. Request to update the supporting flow chart following publication of the guidance – RICS confirms it has updated the flowchart to reflect the updated guidance.
 - ii. For blocks of four storeys in height or less, there was a wide variance in lender requirements'. Despite this, the expert group were satisfied with the existing reference to lender requirements at the start of section 3.1.
 - iii. In the guidance relating to 5–6 storey buildings, a single responder noted there was no longer specific reference to ACM/MCM/HPL at this height in the consultation draft, instead referring to a

'significant amount of cladding'. The responder wanted to understand the rationale for this change. The expert group confirmed there was no rationale to make any further revisions post-consultation. The change was made to minimise any disproportionate impact where a small panel of potentially combustible cladding, and the location of it, was triggering unnecessary EWS1 form requests.

PAS 9980 assessments and fire risk assessments of external walls (FRAEW)

20. A comment was received, from an anonymous lender, regarding the need for educational support for customers in relation to PAS 9980 assessments. While the expert group agreed with the comment, PAS 9980 assessments are outside the scope of this standard, and are also not the responsibility of RICS. Therefore, no change to the public consultation draft was required. RICS will pass on this feedback to the PAS 9980 Technical Working Group.

Concluding remarks

21. The proposed standard is much improved as a result of input provided by consultation respondents and other feedback, and its implementation by the lead author and expert group. Thank you for your time and consideration in giving this feedback.
22. Work related to this standard does not end with publication. Please refer to the [RICS website](#), where we will include links to implementation measures, other relevant content and training offerings.
23. Industry best practice and related legislative activity is continually evolving in this area. RICS will continue to reflect on emerging industry and regulatory changes. This publication will be updated in light of material changes.
24. Please contact nsellars@rics.org with any feedback or comments.