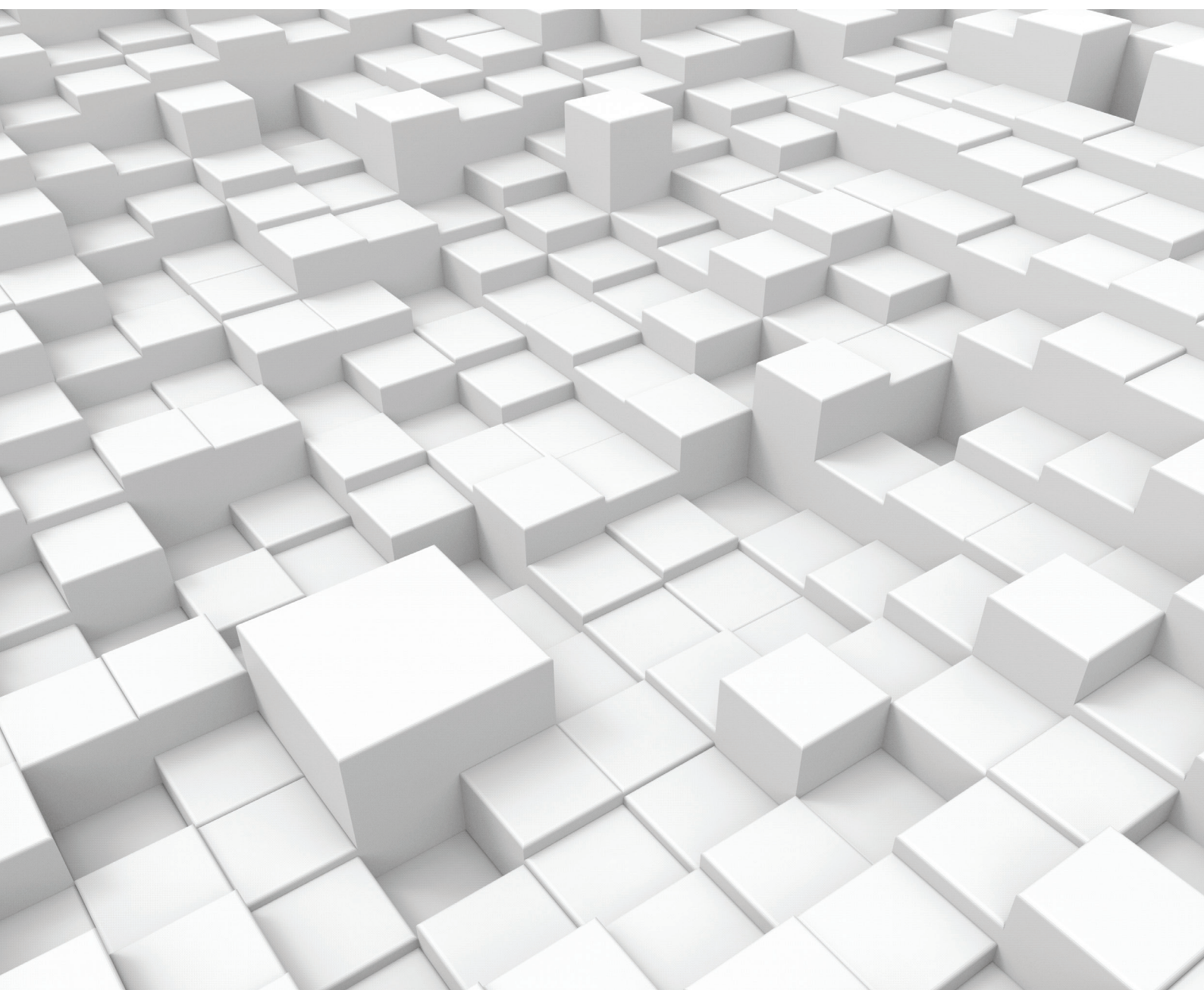




RICS professional guidance, UK

# Surveys of residential property

3rd edition, May 2016 reissue



# Surveys of residential property

RICS guidance note, UK

3rd edition, May 2016 reissue



**Published by the Royal Institution of Chartered Surveyors (RICS)**

Parliament Square  
London  
SW1P 3AD  
[www.rics.org](http://www.rics.org)

No responsibility for loss or damage caused to any person acting or refraining from action as a result of the material included in this publication can be accepted by the authors or RICS.

Produced by the Residential Professional Group of Royal Institution of Chartered Surveyors.

Second edition published 2004 (as *Building surveys of residential property*).

Third edition originally published December 2013; reissued May 2016.

ISBN 978 1 78321 041 1

© Royal Institution of Chartered Surveyors (RICS) May 2016. Copyright in all or part of this publication rests with RICS. No part of this work may be reproduced or used in any form or by any means including graphic, electronic, or mechanical, including photocopying, recording, taping or web distribution, without the written permission of RICS or in line with the rules of an existing licence.

# Acknowledgments

RICS would like to thank the following for their contribution to this guidance note:

## **Technical author**

Phil Parnham – BlueBox Partners

## **Working group**

Stephen Boniface – The Whitworth Co-Partnership LLP

Tom Littler – Isherwoods Chartered Surveyors

Michael Holden – JB&B Leach Ltd

Dave Rawlins – David Rawlins Ltd

Larry Russen – Sustainability + Design, Russen & Turner

Alan Cripps – RICS

Graham Ellis – RICS

# Contents

<b>Acknowledgments</b> .....	<b>ii</b>
<b>RICS professional guidance</b> .....	<b>1</b>
<b>1 Purpose</b> .....	<b>3</b>
<b>2 Scope</b> .....	<b>4</b>
<b>3 The different levels of residential survey</b> .....	<b>5</b>
3.1 Survey level one .....	5
3.2 Survey level two .....	5
3.3 Survey level three .....	6
3.4 Services for property owners and vendors .....	6
<b>4 Competence</b> .....	<b>7</b>
<b>5 Components of the service</b> .....	<b>8</b>
5.1 Pre-inspection .....	8
5.2 Inspection .....	10
<b>6 The report</b> .....	<b>17</b>
6.1 Level-specific reporting requirements .....	17
6.2 Surveyor's overall opinion .....	18
6.3 Risks to occupants .....	19
6.4 Legal matters .....	19
6.5 Providing cost advice .....	20
<b>7 Post report delivery and managing client expectations</b> .....	<b>21</b>
<b>8 Additional services</b> .....	<b>22</b>
<b>Bibliography</b> .....	<b>23</b>
<b>Appendix A: Example scope of engagement</b> .....	<b>24</b>

# RICS professional guidance

## RICS guidance notes

This is a guidance note. Where recommendations are made for specific professional tasks, these are intended to represent 'best practice', i.e. recommendations that in the opinion of RICS meet a high standard of professional competence.

Although members are not required to follow the recommendations contained in the guidance note, they should take into account the following points.

When an allegation of professional negligence is made against a surveyor, a court or tribunal may take account of the contents of any relevant guidance notes published by RICS in deciding whether or not the member acted with reasonable competence.

In the opinion of RICS, a member conforming to the practices recommended in this guidance note should have at least a partial defence to an allegation of negligence if they have followed those practices. However, members have the responsibility of deciding when it is inappropriate to follow the guidance.

It is for each member to decide on the appropriate procedure to follow in any professional task. However, where members do not comply with the practice

recommended in this guidance note, they should do so only for good reason. In the event of a legal dispute, a court or tribunal may require them to explain why they decided not to adopt the recommended practice.

Also, if members have not followed this guidance, and their actions are questioned in an RICS disciplinary case, they will be asked to explain the actions they did take and this may be taken into account by the Panel.

In some cases there may be existing national standards that may take precedence over this guidance note. National standards can be defined as professional standards that are either prescribed in law or federal/local legislation, or developed in collaboration with other relevant bodies.

In addition, guidance notes are relevant to professional competence in that each member should be up to date and should have knowledge of guidance notes within a reasonable time of their coming into effect.

This guidance note is believed to reflect case law and legislation applicable at its date of publication. It is the member's responsibility to establish if any changes in case law or legislation after the publication date have an impact on the guidance or information in this document.

## Document status defined

RICS produces a range of professional standards, guidance and information documents. These have been defined in the table below. This document is a guidance note.

Type of document	Definition	Status
<b>Standard</b>		
International standard	An international high-level principle-based standard developed in collaboration with other relevant bodies.	<b>Mandatory.</b>
<b>Professional statement</b>		
RICS professional statement [PS]	A document that provides members with mandatory requirements or a rule that a member or firm is expected to adhere to.  This term also encompasses practice statements, Red Book professional standards, Global valuation practice statements, regulatory rules, RICS Rules of Conduct and government codes of practice.	<b>Mandatory.</b>
<b>Guidance and information</b>		
RICS code of practice	Document approved by RICS, and endorsed by another professional body/stakeholder, that provides users with recommendations for accepted good practice as followed by conscientious practitioners.	Mandatory or recommended good practice (will be confirmed in the document itself).  Usual principles apply in cases of negligence if best practice is not followed.
RICS guidance note [GN]	Document that provides users with recommendations or approach for accepted good practice as followed by competent and conscientious practitioners.	Recommended best practice but not deemed by RICS to be in category of 'mandatory' for all practitioners.
RICS information paper [IP]	Practice-based information that provides users with the latest technical information, knowledge or common findings from regulatory reviews.	Information only.
RICS insights	Issues-based input that provides users with the latest information. This term encompasses Thought Leadership papers, market updates, topical items of interest, reports and news alerts.	Information only.
RICS economic/market reports	A document usually based on a survey of members, or a document highlighting economic trends.	Information only.
RICS consumer guides	A document designed solely for use by consumers, providing some limited technical advice.	Information only.
Research	An independent peer-reviewed arm's-length research document designed to inform members, market professionals, end users and other stakeholders.	Information only.

# 1 Purpose

This guidance note provides a clear, flexible framework within which practitioners can develop their own services the public can recognise and trust, consistent with the quality standards expected from RICS members.

This guidance has two principal aims:

- to support RICS members in the UK who deliver their own residential property survey product at all levels; and
- to establish a clear framework that will protect and maintain consistent quality standards for such residential property survey products that RICS members provide.

This publication replaces the previous *Residential building surveys*, 2nd edition, published in 2004, and sets out standards for different levels of residential condition survey.

In May 2016, this guidance was updated and reissued by RICS. Updates made with immediate effect relate to:

- recent changes in legislation relating to liability caps
- consumer cancellation rights; and
- the unexpired lease term assumption has been adjusted from 70 years to 85 years in line with the *RICS Valuation – Professional Standards* (the 'Red Book').

This guidance note will form the basis of any assessment by RICS Regulation of those RICS members who deliver their own residential property survey products.

## 2 Scope

This guidance note covers condition-based residential surveys at all levels. The primary purpose of such surveys is to consider a property as a physical asset, although some additional comment about other matters that may affect their client's purchase decisions may be included. Typical examples may include (although these are not exhaustive):

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

Where members wish to incorporate a property valuation into their service, it must meet the standards described in the latest edition of the 'Red Book'.

This guidance note aims to describe:

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

This publication concisely considers each objective in turn and provides sufficient information to establish the nature and extent of each level of service.



## 3 The different levels of residential survey

To avoid confusion in the market place, it is important the public and their advisers understand the level of service offered by chartered surveyors. By outlining three different levels of service commonly offered by chartered surveyors, this document provides a common vocabulary that can be used by chartered surveyors and clients when agreeing the terms of engagement of their contract. These levels of service are not prescriptive or fixed and may be varied in whatever way members and their clients see fit. Instead, the purpose is to provide an open and transparent starting point for those discussions.

The three levels of service are:

- survey level one
- survey level two; and
- survey level three.

This guidance note aims to establish a flexible framework allowing members to name their own offering. However, to provide clarity for the public and to help maintain standards, RICS members must clearly state the 'benchmarked level' on which their service is most closely based. For example, a typical phrase might be:

'This service is broadly equivalent to RICS level [insert level reference] which is described on the RICS website at [www.rics.org/homesurveys](http://www.rics.org/homesurveys) ... This particular service has the following additional features: [insert any difference from the level defined by RICS].'

The 'equivalent level' definition should be included on the member's website, their standard literature, and terms and conditions. The member should also explain it in any verbal discussions with clients or potential clients. A sample scope of engagement is included in Appendix A; this is not mandatory, but it may help practitioners develop documentation that supports clearer client understanding.

Please note that this sample document is intended to be supported by and read in conjunction with the appropriate terms and conditions. Members are advised to take independent legal advice in this regard.

The different levels are summarised as follows.

### 3.1 Survey level one

This level of service includes a visual inspection that is less extensive than for survey levels two and three. No tests\* of the building fabric or services are undertaken. The report objectively describes the condition of the building, its services and the grounds. It highlights relevant legal issues and any obvious risks to the building, people or grounds. The report is succinct and provides an assessment of the relative importance of the defects and problems. Where the

surveyor is unable to reach a conclusion with reasonable confidence, a recommendation for further investigation may be necessary.

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

**Note:** Information from marketing literature, agents and clients can help provide information about a property's condition before inspection. Although not always accurate, this insight can help the surveyor advise on which level of service is most appropriate.

### 3.2 Survey level two

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

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

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

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

### 3.3 Survey level three

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

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

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

Where a surveyor feels unable to reach the necessary conclusions with reasonable confidence, they should refer the matter for further investigations. However, at survey level three such referrals should be the exception rather

than the rule. A survey level three report should aim to provide the client with all the information they need to make a purchase decision.

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

#### Terminology

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

### 3.4 Services for property owners and vendors

Although buyers will usually request these services, property owners may also find them useful. This is because an assessment of the condition of a property can help long-term owners plan for future maintenance and development of their home. Additionally, a survey level one inspection and report can help vendors prepare their property for market by identifying those matters that could make it difficult to sell the dwelling.

However, where practitioners make use of these services in this way, the client must be clear about the nature and extent of the arrangement. This must also be reflected in the terms and conditions.

## 4 Competence

To provide a satisfactory service at all levels, the surveyor must be qualified (AssocRICS, MRICS or FRICS), competent and have:

- sufficient knowledge of the tasks to be undertaken and the risks involved
- the experience and ability to carry out their duties in relation to the appropriate level of service; and
- the ability to recognise their limitations and take appropriate action where this is found to be inadequate.

This will develop over time as individuals enhance their competence through a mix of initial training, on-the-job learning, instruction, assessment and formal qualification.

Assessing competence is beyond the scope of this guidance note. However, the surveyor needs to be familiar with the nature and complexity of the property type and the region in which it is situated. This is likely to include most of the following knowledge:

- common and uncommon vernacular housing styles, materials and construction techniques; particularly important for older and historic buildings where the surveyor must understand the interaction of different building materials and techniques
- general environmental issues where information about them is freely available to the public, including flooding, radon, aircraft noise, typical soil conditions, important landfill sites, etc.
- the location of listed buildings and conservation areas/historic centres, and the implications of these designations

- local and regional government organisations and structures; and
- an awareness of the socio-historical/industrial development in the area.

If any of this information is not known, the surveyor must fill in the gaps by researching the property and the postcode area. They should do this by carrying out a desktop study, making enquiries and using other means prior to, during and after the inspection. If this cannot be achieved within an appropriate timescale, the surveyor should not accept the instruction.

Although a surveyor with this knowledge may be able to provide all levels of service, practitioners who provide level three services on complex properties, historic buildings and those in a poorer condition will require a broader and deeper technical knowledge. A structured, relevant and recent lifelong learning strategy can achieve this. This knowledge can be enhanced by other professional activities such as:

- project managing further investigative work on behalf of clients
- defect analysis and advising on appropriate repair methods
- organising building/repair work; and
- dealing with consent applications such as building regulations, planning permission, listed building consent, party walls and other neighbourly matters.

Other relevant and practical vocational qualifications may also provide the appropriate depth and breadth.

## 5 Components of the service

This section consists of a number of distinct stages that define the levels of service. Where appropriate 'level-specific' requirements will be identified in each section.

### 5.1 Pre-inspection

#### 5.1.1 Client enquiry – managing expectations

From the outset, it is important to work closely with potential clients so they:

- understand the differences between the levels of service
- are aware of the range of options the surveyor can offer, together with the key features and benefits of each
- understand the fee that will be charged for the service
- know about any referral fees and other inducements that have been or are likely to be paid; and
- are aware that the surveyor may need to disclose the final survey report to RICS Regulation.

Clients may not be familiar with this choice and will require advice on which level best suits their particular needs. To do this effectively, the surveyor should speak directly to the client. However, because level one and two services are usually better defined and more easily explained, knowledgeable and satisfactorily trained support staff may be able to provide this information and help the client choose.

At survey level three, direct communication between the surveyor and the client will always be the most appropriate approach. Consequently, because terms of engagement and fees cannot be agreed until this discussion has taken place, price comparison websites will not usually be appropriate for level three services.

Where instructions for level three type services have been received from a third party, the surveyor must satisfy themselves the client enquiry process has been properly handled and conforms to the principles described above.

It is particularly important from the outset to make sure the client is aware of what each level of service can deliver. For example:

- a property that is fully carpeted and furnished and has its roof space deeply insulated will restrict the completeness of an inspection at any level; and
- where the seller or their agents are unable to show the service installations have been appropriately inspected, tested and/or serviced, a call for further inspection will be very likely.

Discussions at this early stage can ensure clients have realistic expectations of what the chosen report can deliver.

#### 5.1.2 Understanding the nature of the building

To advise the client, the surveyor must first establish the nature of the building for three reasons:

- to help the client choose which level of service best suits the property
- to assess whether the surveyor is competent to provide that level of service; and
- to decide on an appropriate fee.

Although some of this information may not be available, the surveyor should endeavour to obtain the following information from the client, selling agent and sales particulars (especially any photographs):

- the size, nature and basic construction of the building
- whether the building has been extensively altered or extended
- if the building is in generally satisfactory condition or in need of work (to the untrained eye of the client)
- if the building is listed (for example, is the list description on the web?), in a conservation area or has any other restrictions (for example, if it's in an area of outstanding natural beauty or a national park); and
- whether the client has any intentions to alter or extend the building.

This does not constitute a pre-inspection desktop study, but initial fact finding that will help the surveyor advise the client.

#### 5.1.3 Terms and conditions of engagement

The client should receive an up-to-date document that describes the terms and conditions matched to the specific instruction. At levels one and two, these are likely to be standard documents amended to take account of the property type and any specific requirements. At level three, although the terms and conditions may be similar to levels one and two, there are likely to be unique and bespoke parts depending on the range of services offered by the surveyor and the pre-inspection discussions with the client.

The precise content of the terms and conditions will vary between practitioners. For example, some may prefer to include contact details in a covering letter whereas others may prefer to append this information. In general, terms and conditions should include the:

- client name, address, phone number and email address
- surveyor name, business address, phone number and email address

- subject property address and postcode
- nature and type of service required
- details of any special instructions and/or additional services
- likely inspection date and the anticipated date the report will be published
- delivery format of the report, for example printed copies by post, secure PDF by email, etc.
- agreed fee and the fees for any additional work (including VAT)
- details of any referral fees, inducements and potential conflicts of interest
- details of a liability cap work (the surveyor is advised to take independent legal advice on this to manage the risk)
- a statement complying with the Consumers Contracts (Information, Cancellation and Additional Charges) Regulations 2013 regarding cancelling the contract (the surveyor is also advised to take independent legal advice on this)
- payment arrangements and payment period; and
- signatures of the client confirming acceptance of the terms and conditions.

It is better for all parties if the terms and conditions are sent to, and returned by, the clients before the inspection is carried out. Where this is not possible, the terms and conditions must be confirmed before the delivery of the report.

Many surveyors send their terms and conditions to their clients by email and receive confirmation of their clients' acceptance through an emailed reply. Forming a contract by this method is now considered legally valid and can better match the restricted timescales associated with typical property transactions.

An example of typical terms and scope of engagement for the different levels of service has been included in Appendix A.

#### 5.1.4 Fees

Any fees quoted should reflect the time and skill required for each level of service described in this guidance note. It should take account of travelling time, pre-inspection research and client liaison, liability cap, inspection time, preparation and packaging of the report, report dispatch, post-inspection client discussions and the supporting administrative processes.

#### 5.1.5 Transparency

RICS members should be familiar with ethics and professional standards (see [www.rics.org/ethics](http://www.rics.org/ethics)).

In summary, surveyors must be transparent and open with their clients or potential clients by acknowledging that they have offered or received a referral fee or other inducement prior to taking an instruction. Surveyors should detail the

following when disclosing the referral fee:

- when the disclosure takes place
- the nature of the referral fee or inducements
- who receives or is offered a referral fee or inducements
- fee amount or the method of calculation if the fee amount is not known.

Clients may have little or no awareness of referral fees and how they are used in practice. To make sure potential clients have the information they need to make informed decisions, both financial and non-financial, and feel sufficiently empowered to ask questions before they make those decisions, members should explain the practice of referral fees to potential clients wherever relevant.

Members should also explain to potential clients the existence of all referral fees which are given or received in connection with the transaction. Members should be clear with potential clients about the purpose of the referral fee and, if asked, give an indication of the amount of the fee if this is known.

Members should give clients or prospective clients a written statement (which could be included in the contractual terms) stating one of the following, depending on which applies:

- that the surveyor does not pay a referral fee or equivalent to any party who may have recommended them; or
- that a payment has been or will be made and that the details of the payment are set out in an addendum to the terms. This should be in addition to, and not a substitute for, clear details being provided to the potential client during discussions prior to instruction.

#### 5.1.6 Pre-inspection research

All RICS members should be familiar with the type of property to be inspected and the area in which it is situated. Additionally, pre-inspection research should be carried out for every instruction (preferably before the inspection) to ensure the surveyor has all the necessary information to make professional judgments about the dwelling.

The depth and breadth of the research will depend on a range of factors including the surveyor's knowledge and experience, the locality and the client's specific requirements. At levels one and two, the amount of research is likely to be similar. Research for level three services is likely to be more extensive, especially if the client has requested additional services.

The research will depend on circumstances and may vary over time as additional property-based information becomes publicly available. Currently, typical desktop research might include:

- information from the selling agents
- the energy performance certificate

- information about flooding risk, radon levels, and the nature of the subsoil (this does not constitute an environmental assessment but uses freely available information in the public domain)
- conservation areas (and whether there is an Article 4 direction)
- listed building status
- other general information about the site including exposure to wind and rain, frost attack, etc.

In addition, the owner and/or seller or their agent should be asked to provide appropriate information including details of previous alteration, repair and improvement work, planning permissions, building regulations and/or information provided by a 'competent persons' scheme, any relevant guarantees and warranties, evidence of service agreements and lease details. It will also be appropriate to ask if any building insurance claims have been made, whether the property has been flooded, and if Japanese Knotweed has affected the property or any of its neighbours. Other matters could also include ownership of boundaries, existence of any neighbour disputes, rights of way and so on.

### 5.1.7 Other pre-inspection matters – asbestos

None of the levels of service include an asbestos inspection that falls within the Control of Asbestos Regulations 2012 (SI 2012/632). However, the report should properly emphasise the suspected presence of asbestos-containing materials if the inspection identifies that possibility.

For personal safety reasons and for informing clients, RICS members should be familiar with the current edition of the RICS guidance note *Asbestos and its implications for surveyors and their clients*. They should also be aware of common asbestos-containing materials and where these might frequently be found in residential buildings.

### 5.1.8 Other pre-inspection matters – leaseholds

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

The surveyor should set out the limitations of any advice given, including making clear that they are not responsible for advising on the true legal effect of the lease – this is exclusively the responsibility of the client's legal advisers. It is also important to make clear that the report will not consider the possible rights and implications of lease renewal or enfranchisement.

A list of assumptions about leasehold property included in the terms of engagement might typically include:

- all the terms of the lease which might have an effect on the value are standard and that only a small ground rent is payable
- if there are more than six properties in the building, the property is managed either directly by the freeholder or by a professional managing agent
- if there is more than one block in the development, the lease terms apply (except for upkeep of common roads, paths, grounds and services) only to the block the property is in
- the property has the right of access over all shared roads, corridors, stairways, etc., and the right to use shared grounds, parking areas and other facilities
- all the leases are the same in all important respects if there is more than one leaseholder
- there is no current dispute, claim or lawsuit relating to the lease
- the lease has no particularly troublesome or unusual restrictions
- the unexpired term of the lease is 85 years (that is, the lease has at least 85 years still to run); and
- the property is fully insured.

The surveyor should also:

- give advice on obvious and relevant matters that may affect the client's responsibility for effecting repairs, and liability to pay towards their cost (whether potential or in respect of existing wants of repair); and
- recommend that the client obtains independent legal advice on the interpretation of the lease before commitment to purchase.

## 5.2 Inspection

The extent of the inspection will vary according to the level of service (although there are a number of requirements common to all), as well as the specific terms and conditions agreed with the client and to some extent, surveyor preference. Although this will allow some variation, any adjustments should not change the essential nature of the level of service.

### 5.2.1 Equipment

For all levels of service, surveyors should have a core set of equipment available for use during the inspection. This would typically include (although this list is not exhaustive):

**Equipment for recording information:** as technology and professional practice develops, the method of recording information will vary. Currently this includes paper, pens, pencils and personal recorders, through to the latest digital cameras and tablet-based software packages. The main requirement is to produce an accurate and comprehensive record of the property at the time of

inspection as this will allow reflection during the report writing stage.

**Measuring equipment:** the surveyor should collect appropriate dimensions and other property characteristics to a suitable level of accuracy and the usual variety of tapes, rods, laser-measuring devices, moisture meters and standard spirit levels will help achieve this.

**Equipment for assessing remote and concealed areas:** the surveyor should have a variety of tools and equipment available that can help with the assessment of remote and concealed areas (depending on the nature of the instruction). This will typically include standard lifting equipment for inspection chamber covers, meter cupboard keys, hand mirrors, a ladder that gives safe access to spaces that are three metres above floor level, and binoculars or telescopes for parts of the property at high level.

**Health and safety equipment:** surveyors should carry out all parts of the service safely and this covers work done in the office, travelling to and from the property, and during the inspection itself. Practitioners should have appropriate health and safety procedures and policies in place that match sector standards (for more information, see the RICS guidance note *Surveying safely* (2011)). Health and safety related equipment would typically include a mobile phone, personal alarm, protective headgear and shoes, appropriate facemask, first-aid kit, means of personal identification, and protective overalls and gloves.

#### **Additional equipment normally associated with survey level three services**

Depending on the nature of the instruction, surveyors may need additional tools and equipment that will allow them to provide specific services. This may typically include:

- large screwdrivers, hammers, small crowbars, bolsters and so on
- mirrors on extendable poles, boroscopes and metal detectors; and
- equipment for more accurate measurement of buildings such as crack width and building distortion. For this, more specialised items such as engineer's rules, plumb bobs, larger spirit levels, quick-set levels and measuring staffs, moisture meter accessories and so on, may also be required.

All equipment, whether 'core' or 'additional', must be kept in safe working order in accordance with manufacturer's requirements.

## 5.2.2 Inspection methodology

It is important to develop a methodical approach to the property inspection. This will vary depending on the circumstances but will usually consist of a number of generic stages.

### **The owner/seller/occupier**

The people living in the property can provide a lot of useful information and developing a positive relationship can be helpful. To encourage this, practitioners should arrive on

time with proof of identity, clearly explain the purpose of the inspection, how long it will take and which rooms and spaces are to be inspected. A 'guided tour' of the dwelling can help build this relationship, introduce the surveyor to the property and allow them to ask gentle but probing questions.

Although information provided by the owner and/or occupier may not always be accurate, it can help the surveyor establish priorities for the inspection. In addition to those matters identified in 'pre-inspection research', the following enquiries may be useful:

- the age of the property
- how long they have lived there
- the location of gas and electric meters, water stopcocks, gas and oil storage, septic tanks and waste water treatment facilities
- the location of any concealed traps and hatches
- tenure; and
- who else is in the property (including animals and pets), which spaces cannot be inspected and so on.

## 5.2.3 The inspection

The surveyor is responsible for carefully inspecting the property. The extent of this will depend on the level of service, the terms and conditions and, to some degree, surveyor preference.

This guidance note is not prescriptive because it is important for the surveyor to use their judgement to prioritise inspection time effectively and focus on those aspects and features that are critical. The following section firstly describes some of the general characteristics of each level of service and then goes on to identify specific details that help distinguish the different levels.

### **Survey level one**

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

The focus is on making an objective assessment of the general condition of the main elements of a property. The inspection is not exhaustive, and no tests are undertaken.

There is, therefore, a risk that certain defects may not be found that would otherwise have been uncovered if a more substantial inspection had been undertaken. The client must accept this risk. Consequently, this service best suits conventional houses, bungalows and flats in a better condition. A survey level one inspection of an unusual property or one in a poor condition is likely to result in an unhelpful level of recommendations for further inspections that many clients would find disappointing.

However, where there is 'a trail of suspicion', the surveyor must take reasonable steps to follow the 'trail'. These 'reasonable steps' may include extending the extent of the inspection and/or recommending further investigation.

### Survey level two

This level of service is for clients who are seeking a professional opinion at an economic price. It is, therefore, necessarily less comprehensive than a survey level three service. The focus is on assessing the general condition of the main elements of a property. The inspection is not exhaustive, and no tests are undertaken. Concealed areas normally opened or used by the occupiers are inspected

if it is safe to do so (typical examples include roof spaces and cellar areas). There is, therefore, a risk that certain defects may not be found that would have been uncovered if a more substantial inspection had been undertaken. The surveyor must highlight this risk to the client at the outset (see also section 5.1.1), and the client must accept this risk before the surveyor starts work.

However, where there is 'a trail of suspicion' the surveyor must take reasonable steps to follow the 'trail'. These 'reasonable steps' may include increasing the extent of the inspection and/or recommending further investigation.

### Survey level three

This level of service is for clients who are seeking a professional opinion based on a detailed assessment of the property. Therefore, the inspection is more extensive than for levels one and two and the surveyor will spend a considerably longer time at the property.

Where there is 'a trail of suspicion', the surveyor must take reasonable steps to follow this. As level three services include a more extensive inspection, 'reasonable steps' will go further than those for levels one and two.

### Specific inspection details

The extent of an inspection will depend on a range of circumstances (including health and safety considerations).

**Important note:** The following critical aspects may help distinguish the different levels of inspection from one another but this is not an exhaustive inspection checklist, as members should use their own templates and formats they consider appropriate.

### Windows

At the different levels of service the surveyor will do the following:

<b>Survey level one</b>	Attempt to open only a limited sample of the windows – this might typically include one on each elevation.
<b>Survey level two</b>	Attempt to open a representative sample of the windows. For example, this might include one on each elevation and one of each different type of window where there is a variety.
<b>Survey level three</b>	Attempt to open the majority of windows where possible.

In all cases, the surveyor only opens windows where:

- permission has been given; and
- any keys/locks are available and are easy to operate without force or damage.

The presence of owner/occupier possessions and heavy curtains will often restrict level one and two inspections. For level three, a small amount of possessions/curtains will be repositioned. Where inspections are restricted, the surveyor must inform the client.



## Roof space

The surveyor will carry out an inspection of roof space that is not more than three metres above floor level using a ladder if it is safe and reasonable to do so. Level-specific details include the following:

<b>Survey level one</b>	The surveyor will not remove secured access panels and/or lift insulation material, stored goods or other contents. The surveyor will visually inspect the parts of the roof structure and other features, which can be seen from the access hatch.
<b>Survey level two</b>	In addition to that described for level one, the surveyor will enter the roof space and visually inspect the roof structure with particular attention paid to those parts vulnerable to deterioration and damage. In these places, a moisture meter will be used where it is considered appropriate.
<b>Survey level three</b>	<p>The surveyor will enter the roof space and visually inspect the roof structure with particular attention paid to those parts vulnerable to deterioration and damage. In these places, a moisture meter, pocket probe and magnifying glass will be used where it is considered appropriate.</p> <p>Although thermal insulation is not moved, small corners may be lifted so its thickness, type and the nature of the underlying ceiling can be identified (if the surveyor considers it safe to do so).</p> <p>Where permission has been granted and it is safe, a small number of lightweight possessions may be repositioned so a more thorough inspection can take place.</p>

**Important note:** Energy efficiency initiatives have resulted in thick layers of thermal insulation in many roof spaces. Usually it is not safe to move across this material as it conceals joist positions, water and drainage pipes, wiring and other fittings. This may restrict the extent of the inspection and the scope of the report. Consequently, this matter should be discussed with the client at the earliest stage (see 5.1.1).

## Floors

<b>Survey level one</b>	The surveyor will closely inspect the surfaces of exposed floors but will <b>not</b> lift carpets, floor coverings or floorboards or move furniture. The surveyor will <b>not</b> lift hatches or carry out an 'inverted head and shoulders' inspection. The surveyor will assess floors for excessive deflection by a 'heel-drop' test, and using an appropriately sized spirit level.
<b>Survey level two</b>	In addition to that described for level one, where floors have unfixed access hatches/panels or floorboards, the surveyor will inspect sub-floor areas by an inverted 'head and shoulder' inspection where appropriate. Surveyors will not enter the sub-floor area.
<b>Survey level three</b>	<p>The surveyor will closely inspect the surfaces of exposed floors and will lift the corners of any loose and unfitted carpets or other floor coverings where practicable. The surveyor will assess all floors for excessive deflection by a 'heel-drop' test, and using an appropriately sized spirit level. For a more complete assessment, it may be helpful to measure the magnitude of any identified deflection/slope.</p> <p>Where the sub-floor is inspected, an inverted 'head and shoulder' inspection will be carried out at the access point. If it is safe to do so, the surveyor will enter the under-floor area to carry out a more thorough inspection. In this respect, 'safe to do so' can be defined as:</p> <ul style="list-style-type: none"> <li>· an adequately sized access panel</li> <li>· a minimum of one metre between the floor void surface and the underside of the joists; and</li> <li>· a lack of obvious hazards in the floor void (for example, sharp and uneven oversite, hazardous and obstructive electric cables or gas pipes, and so on).</li> </ul>

**Furniture and possessions**

<b>Survey level one</b>	The surveyor will <b>not</b> move furniture or possessions.
<b>Survey level two</b>	The surveyor will <b>not</b> move furniture or possessions.
<b>Survey level three</b>	The surveyor <b>will</b> move lightweight, easily moveable, non-fitted items where practicable and safe, and where the owner/occupier gives permission.

**Services**

The surveyor does not perform or comment on design calculations, or test the service installations or appliances in any way. At all levels, inspection chamber covers in common areas of flats are not lifted. Additionally:

<b>Survey level one</b>	The surveyor will <b>not</b> lift inspection chamber covers.
<b>Survey level two</b>	The surveyor <b>will</b> lift accessible inspection chamber covers (where it is safe to do so) and visually inspect the chamber(s).
<b>Survey level three</b>	<p>The surveyor will lift accessible inspection chamber covers (where it is safe to do so) and observe the normal operation of the services in everyday use. This will be restricted where properties are empty, drained down and services disconnected. Assuming all services are connected and fully and safely functioning, 'normal operation' usually includes:</p> <ul style="list-style-type: none"> <li>· operating lights and extract fans where appropriate</li> <li>· where appropriate, asking the owner/occupier to switch on the heating appliances/ system</li> <li>· when the surveyor considers it appropriate to the assessment of the system, turning on water taps, filling and emptying sinks, baths, bidets and basins, and flushing toilets to observe the performance of visible pipework; and</li> <li>· lifting accessible inspection chamber covers to drains and septic tanks and so on (where it is safe to do so), identifying the nature of the connections and observing water flow where a water supply is available.</li> </ul>

In all cases, the surveyor will advise the client that further tests and inspections will be required if the owner/occupier does not provide evidence of appropriate installation and/or maintenance, or the client requires assurance as to their condition, capability and safety.

## The grounds

<b>Survey level one</b>	<p>Surveyors will carry out a visual inspection of the grounds during a general walk around, and where necessary and appropriate, from adjoining public property. The assessment should include such external features as retaining walls, gardens, drives, paths, terraces, patios, steps, hard-standings, dropped kerbs, gates, trees, boundary walls, fences, non-permanent outbuildings, rights of way, and so on.</p> <p>The inspection should also include the inside and outside of all permanent outbuildings not attached to the main dwelling, where access is possible. This includes garages, summer houses, substantial greenhouses, follies and leisure buildings, but not the leisure facilities inside, for example, swimming pools, saunas, fitness gyms, and so on.</p> <p>Surveyors will use a ladder to inspect a roof that is not visible from a window or another part of the building that is not more than three metres above ground level if it is safe and reasonable to do so</p>
<b>Survey level two</b>	<p>The inspection will be similar to that described under level one.</p>
<b>Survey level three</b>	<p>In addition to that described for level one, surveyors should perform a thorough visual inspection of the grounds, and, where necessary and appropriate, from adjoining public property.</p> <p>Specific defective features and other matters associated with the grounds can be costly to resolve and may affect the client's purchase decision. Consequently, the surveyor should fully account for these during a level three service and be prepared to 'follow the trail' of suspected problems to a greater extent than at levels one and two. Examples include assessing retaining walls in danger of collapsing, deeply sunken paths or driveways, dilapidated boundary walls or fences, as well as the legal and insurance implications.</p>

### 5.2.4 Safety during the inspection

The surveyor must be able to undertake the tasks involved, or manage others undertaking those same tasks, particularly in relation to gaining access to voids that may be present within the property. The surveyor should also consider health and safety aspects such as:

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

For personal safety reasons, the surveyor should be familiar with the RICS guidance note *Surveying safely*, 1st edition (2011).

### 5.2.5 Recording information

It is essential for the surveyor to keep a permanent record of the inspection. This can be done in a number of different ways. These will change as technology develops but will typically include:

- pen and paper
- handwriting recognition and drawing programmes on handheld 'tablet' computers
- voice recording devices that create digital files
- a range of digital and digital video cameras capable of storing many thousands of images; and
- other testing equipment (used where appropriate) capable of storing data including some moisture meters, temperature and humidity data loggers, measuring devices, and so on.

Whatever methods are chosen, the information should help the surveyor:

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

This information should be securely stored so it can be accessed to allow an appropriate level of reflection during the report writing stage, and at a later date when the particular instruction is reviewed by others (for example, during an audit after a customer complaint).

As level three services will include more detailed and technical assessments of the building, the amount of recorded information will be greater.

## 6 The report

Before the surveyor writes the report, it is essential that sufficient time for reflective thought be allowed – it is not appropriate to dictate the report during the inspection. Instead, the surveyor must prepare the report using the recorded information during the reflective process after visiting the property.

Generally, the report should conform to the following principles:

- be clearly presented and follow a logical structure so clients can quickly find the required information
- be factual and unambiguous and clearly separate fact and the surveyor's opinion
- use non-technical terms throughout. If technical words are occasionally used, the client will find a layperson's explanation helpful (this should be in the body of the report rather than included in a standard glossary at the back); and
- provide a balanced view of the property.

The presentation of the report will be a matter of surveyor choice but should generally conform to good practice in report writing. The surveyor should also be mindful that most clients for this type of report will be consumers who are in the process of a property sales transaction – one of the most significant financial transactions they are ever likely to make. The following points may be helpful:

- The structure of the report will vary and will be presented in a variety of ways but will usually include the following sections:
  - a title/front page
  - a contents page
  - an explanatory page clearly stating the level of service, what the client can expect to see in the report and encouraging the client to ask questions of the surveyor
  - a summary or overall opinion
  - the main body of the report separated into distinct parts or elements

– appendices for useful but detailed information.

- The report should have sufficient headings and subheadings, and a paragraph reference system that allows readers to locate the required information easily.
- The use of contemporary software packages allow surveyors to include a range of features that will be helpful to clients including plans, diagrams,
- photographs, hyperlinks to useful websites, and so on.
- Although some clients continue to prefer paper copies of the report, many surveyors deliver electronic reports to clients by email. In such cases, secured documents such as PDFs should be used.

### 6.1 Level-specific reporting requirements

#### 6.1.1 Survey level one

Level one products are economic services for conventional properties in better than average condition. Consequently, the form and content of the report should reflect this. For each element of the building, the surveyor should:

- describe the part or element in sufficient detail so it can be properly identified by the client
- describe the condition of the part or element that justifies the surveyor's judgment; and
- provide a clear and concise expression of the surveyor's professional assessment of each part or element. This assessment should help the client gain an objective view of the condition of the property, help them make a purchase decision and, once in ownership, establish appropriate repair/improvement priorities. A condition rating system is one way of achieving this, although surveyors may also use their own prioritisation methodology. Whatever the choice, any system must be clearly defined in the information given to the client.

### 6.1.2 Survey level two

Survey level two reports may follow a similar structure and format to level one. Although they will provide more information, they should still be short and to the point,

- avoiding irrelevant or unhelpful details and jargon. They will have the following additional characteristics:
- they should include comments where the design or materials used in the construction of a building element may result in more frequent and/or more
- costly maintenance and repairs than would normally be expected
- they should broadly outline the scope of the likely remedial work and what needs to be done by whom and by when (including a summary of legal implications of the work).
- they should concisely explain the implications of not addressing the identified problems; and
- they should cross-refer to the surveyor's overall assessment.

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

### 6.1.3 Survey level three

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

- the form of construction and materials used for each part of the building should be described in detail, outlining any particular performance characteristics. This is especially important for older and historic buildings where the movement of moisture through building materials can be critical to how the building performs
- obvious defects should be described and the identifiable risk of those that may be hidden should be stated

- remedial options should be outlined along with, if considered to be serious, the likely consequences if the repairs are not done
- a timescale for the necessary work should be proposed, including (where appropriate and necessary) recommendations for further investigation prior to commitment to purchase
- future maintenance of the property should be discussed, identifying those elements that may result in more frequent and/or more costly maintenance and repairs than would normally be expected; and
- the nature of risks of the parts that have not been inspected should be identified.

## 6.2 Surveyor's overall opinion

This part is important and should be towards the front part of all reports, whatever the level. This section should:

- provide a brief, simple and clear signpost that will help orientate the client before they read the whole report
- help the client make the most important decision of all – whether or not to proceed; and
- provide the client with a summary of the information needed in order to take the next crucial steps.

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

The overall opinion should be the last part the surveyor writes and the first part the client reads. It should be as concise as possible and not repeat descriptive detail or rely on standard phrases. It should express the surveyor's view of the main positive and negative features of the property and highlight areas of concern.

In addition to these general requirements, the scope of the overall opinion section will vary between the different levels of service (see table overleaf).

<b>Survey level one</b>	At this level of service, the focus of the report is the succinct and objective description of the condition of the property. It will include little or no advice but have an assessment of the relative importance of the defects/problems. Consequently, this section is likely to be restricted to a concise listing of the different parts of the building, an indication of their relative condition [for example, condition ratings or other prioritisation method] and little else.
<b>Survey level two</b>	A level two report objectively describes the condition of the different elements, provides an assessment of the relative importance of the defects/problems and gives brief advice about the repairs and any ongoing maintenance issues. Therefore, the overall opinion should include that described for level one reports, as well as a concise summary of the likely level of repair required.
<b>Survey level three</b>	At this level there will be a greater focus on: <ul style="list-style-type: none"> <li>· the adequacy of services</li> <li>· a comparison of the condition of the property with others of a similar age and style</li> <li>· conformity with modern requirements where appropriate and applicable</li> <li>· the likely scale of maintenance required; and</li> <li>· where agreed, a clear reference to cost advice contained within the report, and any other special client requirements.</li> </ul>

## 6.3 Risks to occupants

Many clients are aware of the risks posed by the built environment and many seek to reduce these. A survey report can help this process by identifying those elements and features that fall so far below current standards they will pose a risk to those using the building. This is not a formal health and safety risk assessment but a helpful listing of those matters that present a particular safety risk to people.

These matters can be described in the main body of the report. However, surveyors may want to consider concisely listing the risks in a separate section with appropriate

cross-referencing to where they appear in the main body of the report.

As these matters will reflect current research and regulation, they may change over time. However, the following list may identify a typical range of matters:

- asbestos and other deleterious materials
- animals and vermin (bird droppings, rats, dog waste, and so on)
- lack of emergency escape and inadequate fire precautions
- absence of safety glass to openings and outbuildings
- falls from height, lack of safety rails, steep stairs, serious and significant tripping hazards
- unstable parts of the building, especially at high level
- lead water pipes and lead paint
- gas leaks and carbon monoxide poisoning
- dangerous electrics

- absence of test certificates for services/appliances/
- water supply
- inappropriate use of accommodation (for example, non-conforming roof space conversion and bedrooms in damp basements)
- overhead power lines (EMFs) and high radon levels
- automatic gates
- unprotected garden ponds.

The range of identified matters will be the same for each level of service; what will vary is the explanation. A level one report will identify and list the risks and give no further explanation. Level two reports will identify and list the risks and explain the nature of these problems. Survey level three reports will do all this and also explain how the client may resolve or reduce the risk.

## 6.4 Legal matters

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

Therefore, it is important for the surveyor to identify apparent and specific items and features that have possible legal implications. The report must clearly highlight these and remind the client they should bring these matters to the attention of their legal adviser before commitment to purchase.

The range of identified matters will be the same for each level of service; what will vary is the explanation. A survey level two and three report will list these matters. At survey level three, the report will identify the matters and provide an explanation of the feature/issue. Where appropriate, if the situation can be physically resolved, the surveyor will describe what needs to be done (for example, removing/

improving unauthorised work, rebuilding a boundary wall or cutting back an overgrown hedge). This will allow the client's legal adviser explain how these matters may affect ownership of the property in greater detail.

### 6.4.1 Regulation

Typical legal matters include:

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

### 6.4.2 Guarantees

Where possible, the surveyor should ask the owner/occupier if they have any guarantees/warranties for any repair and alteration work carried out. The surveyor should record the most relevant details (a digital photo is an effective method of doing this). It is not the role of the surveyor to confirm the validity or transferability of these documents. Instead, the surveyor should tell the client to ask their legal adviser to do this. Examples will typically include:

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

Where the certification of a new-build or converted property is available, the surveyor should try to establish the parts of the property to which this applies and verify the age of the property/conversion. The surveyor should advise that the legal adviser should closely review this information and advise on its implications..

### 6.4.3 Other matters

The surveyor should include other features and issues that may have an impact on the property and require further investigation in this section. This will include a broad range of issues. The following list (which is not exhaustive) illustrates this variety:

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

## 6.5 Providing cost advice

With survey level three reports, it is undoubtedly of value to a client to receive a prioritisation of repairs and cost estimate of recommended remedial works. However, the surveyor should clearly state all appropriate reservations and limitations associated with this function in the original terms and conditions and during the initial client enquiry. For example, the surveyor should explain the methodology used to calculate the estimates; tell the client the figures are for guidance only and that they should get formal, written quotations from appropriate organisations prior to a legal commitment to purchase the property.

The surveyor should be confident they have the appropriate knowledge and experience to offer this service as the information provided may heavily influence the client's purchase decision.



## 7 Post report delivery and managing client expectations

Although survey reports should be self-explanatory, many clients will want to discuss what could be the largest purchase of their lives. Consequently, surveyors should set aside adequate time to do this. Where appropriate, the fee should reflect this element of the service.

The nature of the discussion will depend on the type and condition of the property, the client and, to some extent, surveyor preference. The amount of time and the breadth and depth of the discussions will vary according to the level of service. For example, after delivering an economically priced level two report, it will be inappropriate to spend too much time expanding on matters. Surveyors will find it useful to make the client aware of this at the outset of the service, before the terms and conditions are agreed (see also section 5.1.1).

The surveyor should accept that these discussions are part of the service to the client and take care to make sure the exchange meets the same professional standards. For example, surveyors can extend their liability and/or confuse the client by qualifying and expanding on the written report. In this respect, it is a matter of getting the right balance.

The surveyor may consider the following:

- clearly explaining the status of the discussion to the client at the beginning of the conversation
- not going beyond the scope already described in the written terms and conditions; and
- keeping a written note of the discussion for record purposes.

## 8 Additional services

During an initial client enquiry, the surveyor with appropriate skills has an opportunity to offer a range of additional services that can be included with the pre-purchase report. These additional services will enhance the value of a 'standard' report. The following list is not exhaustive and will change and develop over time, but outlines the range of opportunities available:

- more extensive inspection of concealed areas (for example, lifting floorboards of what would otherwise be a concealed floor space)
- further investigation of known or discovered problems (for example, where the client is aware that the property is suffering from structural movement, dampness, and so on)
- valuation services (only if the surveyor is a registered valuer with RICS)
- rebuild costs for insurance purposes and more detailed insurance assessments in respect of non-standard properties, specialist properties, historic listed buildings, special or unusual forms of construction, finishes or installations and so on
- testing of services – arranging and co-ordinating the work of appropriate specialists
- advice on possible future alterations and extensions

- security matters that go beyond general security aspects of a standard report
- energy efficiency and sustainability issues.

The surveyor should clearly state where these services are subcontracted to others, together with arrangements for payment of any fees and other costs.

With many of these services, surveyors should check with their professional indemnity insurers to make sure suitable cover is in place. If commissioning a test or report, the surveyor should ensure the client directly employs any subcontractors.

Once the service is complete, post report delivery discussions with the client concluded and the fee settled, the surveyor should make sure the project file is properly closed. Although this will depend on the surveyor's own quality assurance procedures, it will usually involve assembling and updating all the relevant information and communications (whether hard copy and/or digital) and archiving in accordance with current practice. These should be securely stored and be available for future inspection if required.

The surveyor may also want to consider assessing client satisfaction by asking a proportion of clients their views on the service they received. This will help the surveyor reflect on performance and improve their service.

# Bibliography

## Relevant RICS professional guidance and information

*Asbestos and its implications for surveyors and their clients*, 3rd edition, RICS guidance note, 2011 (ISBN 978 1 84 219724 0)

*Flat roof coverings*, 2nd edition, RICS information paper, 2011 (ISBN 978 1 84 219720 2)

*Flooding: issues of concern to chartered surveyors (residential property)*, 1st edition, RICS information paper, 2015 (ISBN 978 1 84219 081 7)

*Historic building conservation*, 1st edition, RICS guidance note, 2009 (ISBN 978 1 84 219548 2)

*Japanese Knotweed and residential property*, 1st edition, RICS information paper, 2012 (ISBN 978 1 84 219767 7)

*Renewable energy*, 1st edition, RICS information paper, 2009 (ISBN 978 1 84219 496 6)

*RICS property measurement*, 1st edition (updates the *RICS code of measuring practice*, 6th edition and incorporates *International Property Measurement Standards (IPMS)*), 2015 (ISBN 978 1 84219 108 1)

*Subsidence in relation to insurance claims*, 1st edition, RICS guidance note, 2011 (ISBN 978 1 84 219691 5)

*Surveying safely*, 1st edition, RICS guidance note, 2011 (ISBN 978 1 84 219680 9)

## Appendix A: Example scope of engagement

### Example terms and scope of engagement for the core service [common to all levels of service]

#### General details of the contract

<b>The client:</b>	[Name] [Address]
<b>The surveyor:</b>	[Name] [Address]
<b>The property to be inspected:</b>	[Brief description of the property] [Address]
<b>Nature of the service:</b>	[Name and description of the service]
<b>Purpose of the report:</b>	[Describe]
<b>Details of any special instructions from the client:</b>	[Describe]
<b>Details of any additional services:</b>	[Describe]
<b>Likely inspection date:</b>	[Date]
<b>Likely report delivery date and delivery format:</b>	[Date] [Format]
<b>Liability cap</b>	[Describe]
<b>Cancellation right</b>	[Describe]
<b>Agreed fee [inclusive of VAT]:</b>	£
<b>Fees for additional services [inclusive of VAT]:</b>	£
<b>Payment arrangements and date:</b>	[Describe] [Date]
<b>Client's signature:</b>	I confirm that I have read, understood and accept the scope of engagement and the supporting terms and conditions of engagement.
<b>Print name:</b>	
<b>Date:</b>	

#### Specific details of the contract for all levels of service

The scope of the services I shall perform this service are set out below. This should be read together with the enclosed terms and conditions.

Based on the inspection as defined below, I am a chartered surveyor and I will provide you with a written report that describes my opinion of the visible condition and state of repair of the identified property. I will carry out my duties with the skill and care that can be reasonably expected from an experienced chartered surveyor.

#### Assumptions

Unless otherwise expressly agreed with me, while preparing the report I will assume that:

- the property (if for sale) is offered with vacant possession
- the property is connected to mains services with appropriate rights on a basis that is both known and acceptable to you; and
- access to the property is as of right based on terms both known and acceptable to you.

#### Dangerous materials, contamination and environmental issues

I make no enquiries about contamination or other environmental dangers. If I suspect a problem, I will recommend further investigations.

I will assume that no harmful or dangerous materials have been used in the construction, and I do not have a duty to justify making this assumption. However, if the inspection shows that these materials have been used, I must report this and ask you for further instructions.

I do not carry out an asbestos inspection or act as an asbestos inspector when inspecting properties that may fall within the *Control of Asbestos Regulations 2012*.

With flats, I assume there is a 'dutyholder' (as defined in the Regulations), an asbestos register and an effective management plan all in place and none of these presents a significant risk to health or need any immediate payment. I do not consult the dutyholder.

I will note the presence of lead water supply pipes and give general advice if these materials can be seen. However, you must appreciate that materials are often concealed within the construction of the building. If I am concerned about lead pipes I can see, I may recommend a specialist inspection and report.

I will advise if the property is in an area where, based on information published by the Health Protection Agency, there is a risk of radon. In such cases, I will advise further tests to establish the precise radon level.

I will advise if there are transformer stations or overhead power lines that I can see during the normal course of the inspection. If present, I cannot assess any possible effect on health. For obvious reasons, I cannot report on any underground cables.

### Consents, approvals and searches

I will assume that the property is not subject to any unusual or especially onerous restrictions or covenants, which apply to the structure or affect the reasonable enjoyment of the property.

I will assume that all building regulations, planning permissions and other consents required have been obtained. In the case of new buildings, alterations and extensions which require statutory consents or approvals,

I will not verify whether these have been obtained but I will identify where these consents may have been required. You should ask your legal adviser to follow up on these matters. I will not inspect drawings and specifications unless you specifically ask.

I will assume that the property is unaffected by any matters which would be revealed by a local search (or their equivalent in Scotland, Northern Ireland and Wales) and replies to the usual enquiries, or by a statutory notice, and that neither the property, nor its condition, its use or its intended use, is or will be unlawful.

### Referral fees

I do not pay a referral fee or equivalent inducement to any party who may have recommended my services to you.

Or (please delete as appropriate):

I will pay a referral fee or inducement to a third party for recommending my services to you. The details of the fee are shown below:

- (describe the nature of the referral fee);
- (who receives or was offered a referral fee);
- (the fee amount or the method of calculation if the fee amount is not known).

### Restriction on disclosure

The report is for your private and confidential use. You must not reproduce it completely or in part. Third parties (with the exception of your professional advisers) cannot use it without my express written authority. Any other persons rely on the report at their own risk.

As an RICS member, I may be required to disclose the report to RICS Regulation as part of its work to ensure that RICS professional standards are being maintained.

### Complaints

I shall do my very best to provide you with an excellent service. However, if you believe that you have cause for complaint, my company has a complaints procedure, a copy of which can be given to you on request.

## Survey level one specific terms and conditions

### General description of level one service

This service is designed for people (who may be buyers, sellers and owners) who want an objective report on the condition of the property at an economic price. As a result,

it is less comprehensive than a level two or three service.

The focus is on making an objective assessment of the general condition of the main elements of a property. The inspection is not exhaustive, and no tests are undertaken. There is, therefore, a risk that certain defects may not be found that would otherwise have been uncovered if testing and/or a more substantial inspection had been undertaken. You must accept this risk. Consequently, this service best suits conventional houses, bungalows and flats in a better condition. A level one inspection of an unusual property or one in a poor condition is likely to result in a high number of recommendations for further inspections that many people would find disappointing.

However, where I am concerned about a hidden problem or defect, I will identify these and what action you should take. This may often be further investigations.

### The level one inspection

The extent of an inspection will depend on a range of specific circumstances (including health and safety considerations). The following points may help you distinguish this from inspections at other levels of service.

#### *Windows*

I will attempt to open only a limited sample of the windows. This might typically include one on each elevation.

#### *Roof space*

I will carry out an inspection of roof space that is not more than three metres above floor level using a ladder if it is safe and reasonable to do so. I will not remove secured access panels and/or lift insulation material, stored goods or other contents. I will visually inspect the parts of the roof structure and other features I can see from the access hatch.

In recent years, the lofts of many homes have been insulated with thick layers of thermal insulation. This may restrict what I can look at in the roof space.

#### *Floors*

I will closely inspect the surfaces of exposed floors but I will not lift carpets, floor coverings or floorboards. I will not lift hatches or look below the floor.

#### *Furniture and occupiers' possessions*

I will not move furniture or possessions.

#### *Services (for example, heating and hot and cold water)*

I will not test the service installations or appliances in any way and I will not lift inspection chamber covers over the drains.

I will advise you when further tests and inspections are required if the owner does not provide me with evidence the services have been installed and/or maintained properly.

#### *The grounds*

I will visually inspect the garden/grounds during a general walk around and, where necessary and appropriate, from adjoining public property. I will include such external

features as retaining walls, gardens, drives, paths, terraces, patios, steps, hard-standings, dropped kerbs, gates, trees, boundary walls, fences, non-permanent outbuildings, rights of way, and so on.

I will inspect the inside and outside of all permanent outbuildings not attached to the main dwelling.

This includes garages, summer houses, substantial greenhouses, follies and leisure buildings, but not the leisure facilities inside, for example swimming pools, saunas, fitness gyms, and so on.

I will use a ladder to inspect a roof that is not visible from a window or another part of the building that is not more than three metres above ground level using a ladder if it is safe and reasonable to do so

### The level one report

For each part of the building, my report will:

- describe it in sufficient detail so it can be properly identified
- describe its condition and explain my judgment
- provide a clear and concise expression of my professional assessment of each part. This assessment should help you get an objective view of the condition of the property, make a purchase decision and, once in ownership, establish appropriate repair/improvement priorities. To achieve this, I will use a condition rating system (or explain the alternative methodology). This will be explained in the report.

I will also make it clear that you should obtain any further advice and quotations I recommend before you enter into a legal commitment to buy the property.

## Survey level two specific terms and conditions

### General description of level two service

This level of service is designed for people (who may be buyers, sellers and owners) who want a professional opinion of the property at an economic price. The focus is on assessing the general condition of the main parts of a property. The inspection is not exhaustive, and no tests are undertaken. There is, therefore, a risk that certain defects may not be found that would have been uncovered if testing and/or a more substantial inspection had been undertaken. You must accept this risk.

This level of service suits a broad range of conventionally built properties although it is unlikely to suit:

- complex buildings, for example, those that have been extensively extended and altered
- some unique and older historic properties
- those in a poor condition; or
- properties where you plan to carry out extensive repair and refurbishment work.

Where I am concerned about a hidden problem or defect, I will identify these and what action you should take. This

may often be further investigations.

### The survey level two inspection

The extent of an inspection will depend on a range of specific circumstances (including health and safety considerations). The following critical aspects may help distinguish this from inspections at other levels of service.

#### Windows

I will attempt to open a sample of the windows. For example, this might include one on each side of the dwelling and one of each different type of window where there is a variety.

#### Roof space

I will carry out an inspection of roof space that is not more than three metres above floor level using a ladder if it is safe and reasonable to do so. I will not remove secured access panels and/or lift insulation material, stored goods or other contents. I will enter the roof space and visually inspect the roof structure if it is safe and reasonable to do so, with particular attention paid to those parts vulnerable to deterioration and damage. In these places, I will use a moisture meter where I consider it to be appropriate.

In recent years, the lofts of many homes have been insulated with thick layers of thermal insulation. Usually, it is not safe to move across this material and this may restrict what I can look at in the roof space.

#### Floors

I will closely inspect the surfaces of exposed floors but I will not lift carpets, floor coverings or floorboards, or move furniture. Where floors have unfixed access hatches or floorboards, where appropriate, I will look in any spaces below the floor by an inverted 'head and shoulder' inspection only. I will not enter the sub-floor area.

#### Furniture and occupiers' possessions

I will not move furniture or possessions.

#### Services (for example, heating and hot and cold water)

I will not test the service installations or appliances in any way but I will lift the inspection chamber covers over the drains where it is safe and possible to do so.

I will advise you when further tests and inspections are required if the owner/occupier does not provide me with evidence the services have been installed and/or maintained properly.

#### The grounds

I will visually inspect the garden/grounds during a general walk around, and, where necessary and appropriate, from adjoining public property. I will include such external features as retaining walls, gardens, drives, paths, terraces, patios, steps, hard-standings, dropped kerbs, gates, trees, boundary walls, fences, non-permanent outbuildings, rights of way, and so on. Where I think the condition of these features may affect your purchase decision, I will describe these problems thoroughly. Examples include retaining walls in danger of collapsing, deeply sunken paths

or driveways, dilapidated boundary walls or fences, and so on.

I will inspect the inside and outside of all permanent outbuildings not attached to the main dwelling.

This includes garages, summer houses, substantial greenhouses, follies and leisure buildings, but not the leisure facilities inside, for example swimming pools, saunas, fitness gyms, and so on.

Other issues will typically include listed building/conservation areas matters and unauthorised development (including sustainable drainage, safety issues, invasive species, automatic gates, and so on).

I will use a ladder to inspect a roof that is not visible from a window or another part of the building that is not more than three metres above ground level if it is safe and reasonable to do so

### The level two report

For each part of the building, my report will:

- describe it in sufficient detail so it can be properly identified
- describe its condition and explain my judgment
- provide a clear and concise expression of my professional assessment of each part. To achieve this, I will use a condition rating system (or explain the alternative methodology). This will be explained in the report
- include comments where I think the building will need more frequent and/or more costly maintenance and repairs than would normally be expected
- broadly outline the scope of the likely remedial work and what needs to be done by whom and by when
- concisely explain the implications of not addressing the identified problems.

The report will also make it clear that you should obtain any further advice and quotations I recommend before you enter into a legal commitment to buy the property.

## Survey level three specific terms and conditions

### General description of level three service

This level of service is for people who are seeking a professional opinion about the condition of a property and is based on a detailed assessment. Therefore, my

inspection is more extensive than for other levels of service and I will spend a considerable time at the property.

I will closely inspect all parts of the dwelling and I will assess the interdependence of the different parts of the structure, especially the way in which the roof, walls and floors act together.

Where I am concerned about a hidden problem or defect, I will try to identify these and explain the risk they pose and what action you should take. Recommendations for further

investigations will usually be the exception.

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

### The level three inspection

The extent of an inspection will depend on a range of specific circumstances (including health and safety considerations). The following critical aspects may help you distinguish this from inspections at other levels of service.

#### Windows

I will attempt to open the majority of the windows.

#### Roof spaces

I will carry out an inspection of roof spaces that are not more than three metres above floor level using a ladder if it is safe and reasonable to do so. I will enter the roof space if it is accessible and visually inspect the roof structure with particular attention paid to those parts vulnerable to deterioration and damage.

Although I will not move thermal insulation, I will lift small corners if I consider it safe so its thickness, type and the nature of the underlying ceiling can be identified and assessed.

Where I have the permission of the owner, I will move a small number of lightweight possessions so a more thorough inspection can take place.

In recent years, the lofts of many homes have been insulated with thick layers of thermal insulation. Usually, it is not safe to move across this material and this may restrict what I can look at in the roof space.

#### Floors

I will closely inspect the surfaces of exposed floors and I will lift the corners of any loose and unfitted carpets and other floor coverings where practicable. I will assess all floors for excessive deflection. Where the boards are lifted, I will look in the space beneath by way of an inverted 'head and shoulder' inspection. If it is safe to do so, I will enter the under-floor area to carry out a more thorough inspection as long as the access panel is big enough, the space beneath the floor is deep enough, and it is safe to do so.

#### Furniture and occupiers' possessions

I will move lightweight, easily moveable, non-fitted items where practicable, safe and where the owner/occupier gives permission.

Services (for example, heating and hot and cold water)

I will not perform or comment on design calculations, or test the service installations or appliances but I will observe their normal operation in everyday use. This usually means:

- operating lights and extract fans where appropriate
- asking the owner/occupier to switch on the heating appliances/system
- where I consider it appropriate to the assessment of

the service system, turning on water taps, filling and emptying sinks, baths, bidets and basins, and flushing toilets to observe the performance of visible pipework

- lifting accessible inspection chamber covers (where it is safe to do so), identifying the nature of the connections and observing water flow where a water supply is available. On dry days, this may involve pouring water into open gullies so drainage layouts can be identified.

I will advise you that further tests and inspections will be required if the owner/occupier does not provide evidence of appropriate installation and/or maintenance, or the client requires assurance as to their condition, capability and safety.

#### *The grounds*

I will carry out a thorough visual inspection of the grounds, and, where necessary and appropriate, from adjoining public property. My assessment will include such external features as retaining walls, gardens, drives, paths, terraces, patios, steps, hard-standings, dropped kerbs, gates, trees, boundary walls, fences, non-permanent outbuildings, rights of way, and so on.

My inspection will also include the inside and outside of all permanent outbuildings not attached to the main dwelling. This includes garages, summer houses, substantial greenhouses, follies and leisure buildings, but not the leisure facilities inside, for example swimming pools, saunas, fitness gyms, and so on.

Specific defective features and other matters associated with the grounds can be costly to resolve and may affect your purchase decision. Consequently, I will fully account

for these. Examples include assessing retaining walls in danger of collapsing, deeply sunken paths or driveways, dilapidated boundary walls or fences and the legal and insurance implications.

#### **The level three report**

My report will reflect the thoroughness and detail of the investigation and I will:

- describe the form of construction and materials used for each part of the building in detail and outline
- their performance characteristics. This is especially important for older and historic buildings
- describe obvious defects and state the identifiable risk of those that may be hidden
- outline remedial options and, if I consider it to be significant, explain the likely consequences if the repairs are not done
- propose a timescale for the necessary work including recommendations for further investigation prior to commitment to purchase (only where appropriate and necessary)
- discuss future maintenance of the property and identify those elements that may result in more frequent and/ or more costly maintenance and repairs than would normally be expected
- identify the nature of risks of the parts that have not been inspected.

I will also make it clear that you should obtain any further advice and quotations I recommend before you enter into a legal commitment to buy the property.





## Confidence through professional standards

RICS promotes and enforces the highest professional qualifications and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve.

We accredit 118,000 professionals and any individual or firm registered with RICS is subject to our quality assurance. Their expertise covers property, asset valuation and real estate management; the costing and leadership of construction projects; the development of infrastructure; and the management of natural resources, such as mining, farms and woodland. From environmental assessments and building controls to negotiating land rights in an emerging economy; if our members are involved the same professional standards and ethics apply.

We believe that standards underpin effective markets. With up to seventy per cent of the world's wealth bound up in land and real estate, our sector is vital to economic development, helping to support stable, sustainable investment and growth around the globe.

With offices covering the major political and financial centres of the world, our market presence means we are ideally placed to influence policy and embed professional standards. We work at a cross-governmental level, delivering international standards that will support a safe and vibrant marketplace in land, real estate, construction and infrastructure, for the benefit of all.

We are proud of our reputation and we guard it fiercely, so clients who work with an RICS professional can have confidence in the quality and ethics of the services they receive.

### United Kingdom RICS HQ

Parliament Square, London  
SW1P 3AD United Kingdom

**t** +44 (0)24 7686 8555

**f** +44 (0)20 7334 3811

[contactrics@rics.org](mailto:contactrics@rics.org)

### Media enquiries

[pressoffice@rics.org](mailto:pressoffice@rics.org)

### Ireland

38 Merrion Square, Dublin 2,  
Ireland

**t** +353 1 644 5500

**f** +353 1 661 1797

[ricsireland@rics.org](mailto:ricsireland@rics.org)

### Europe

[excluding UK and Ireland]

Rue Ducale 67,  
1000 Brussels,  
Belgium

**t** +32 2 733 10 19

**f** +32 2 742 97 48

[ricseurope@rics.org](mailto:ricseurope@rics.org)

### Middle East

Office G14, Block 3,  
Knowledge Village,  
Dubai, United Arab Emirates

**t** +971 4 446 2808

**f** +971 4 427 2498

[ricsmenea@rics.org](mailto:ricsmenea@rics.org)

### Africa

PO Box 3400,  
Witkoppen 2068,  
South Africa

**t** +27 11 467 2857

**f** +27 86 514 0655

[ricsafrica@rics.org](mailto:ricsafrica@rics.org)

### Americas

One Grand Central Place,  
60 East 42nd Street, Suite 542,  
New York 10165 – 2811, USA

**t** +1 212 847 7400

**f** +1 212 847 7401

[ricsamericas@rics.org](mailto:ricsamericas@rics.org)

### South America

Rua Maranhão, 584 – cj 104,  
São Paulo – SP, Brasil

**t** +55 11 2925 0068

[ricsbrasil@rics.org](mailto:ricsbrasil@rics.org)

### Oceania

Suite 1, Level 9,  
1 Castlereagh Street,  
Sydney NSW 2000, Australia

**t** +61 2 9216 2333

**f** +61 2 9232 5591

[info@rics.org](mailto:info@rics.org)

### North Asia

3707 Hopewell Centre,  
183 Queen's Road East  
Wanchai, Hong Kong

**t** +852 2537 7117

**f** +852 2537 2756

[ricsasia@rics.org](mailto:ricsasia@rics.org)

### ASEAN

10 Anson Road,  
#06-22 International Plaza,  
Singapore 079903

**t** +65 6635 4242

**f** +65 6635 4244

[ricssingapore@rics.org](mailto:ricssingapore@rics.org)

### Japan

Level 14 Hibiya Central Building,  
1-2-9 Nishi Shimbashi Minato-Ku,  
Tokyo 105-0003, Japan

**t** +81 3 5532 8813

**f** +81 3 5532 8814

[ricsjapan@rics.org](mailto:ricsjapan@rics.org)

### South Asia

48 & 49 Centrum Plaza,  
Sector Road, Sector 53,  
Gurgaon – 122002, India

**t** +91 124 459 5400

**f** +91 124 459 5402

[ricsindia@rics.org](mailto:ricsindia@rics.org)