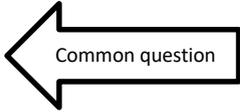
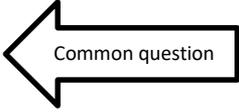
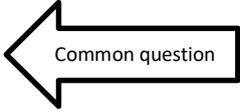
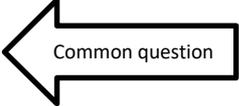
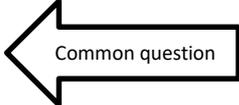


	<ol style="list-style-type: none"> 1. Members must comply with the CPD requirements set by RICS. 2. Members must cooperate with RICS. 3. Members must promptly provide all information reasonably requested by the Standards and Regulation Board, or those exercising delegated authority on its behalf. <p>The following obligations are mandatory for RICS-regulated firms.</p> <ol style="list-style-type: none"> 1. Firms must publish a complaints handling procedure, which includes an alternative dispute resolution provider approved by RICS, and maintain a complaints log. 2. Firms must ensure that all previous and current professional work is covered by adequate and appropriate professional indemnity cover that meets the standards approved by RICS. 3. Firms with a sole principal must make appropriate arrangements for their professional work to continue in the event of their incapacity, death, absence from or inability to work. 4. Firms must cooperate with RICS. 5. Firms must promptly provide all information reasonably requested by the Standards and Regulation Board, or those exercising delegated authority on its behalf. 6. Firms must display on their business literature, in accordance with RICS' published policy on designations, a designation to denote that they are regulated by RICS. 7. Firms must report to RICS any matter that they are required to report under the Rules for Registration of Firms.
<p>Rules for members Must know</p>	<ol style="list-style-type: none"> 1. Interpretation of member 2. Communication 3. Ethical 4. Competence 5. Service 6. CPD 7. Solvency 8. Information to RICS 9. Co-operation 
<p>Rules for firms Must know</p>	<ol style="list-style-type: none"> 1. Definition of firm 2. Communication 3. Professional behaviour 4. Competence 5. Service 

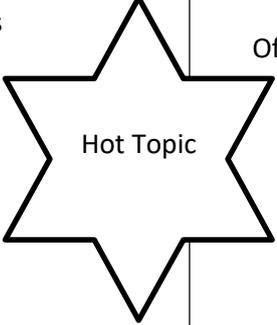
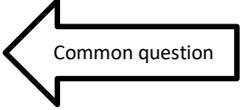
	<ol style="list-style-type: none"> 6. Training (staff) and CPD 7. Complaints handling 8. Client’s money 9. PII 10. Advertising (truthful) 11. Maintain solvency 12. Arrangements to cover death or incapacity 13. Use of designations 14. Information to RICS 15. Co-operation
<p>Rule 4 Competence</p> <p>Hierarchy of the documents – professional statements are MANDATORY</p>	<p>‘Members must act with due skill, care and diligence and with proper regard for the technical standards expected of them.’</p> <p>When you follow the professional statements and guidance notes, you are de facto demonstrating competence.</p> <p>Makes NOT following mandatory standards a disciplinary offence.</p> <div style="text-align: center;">  </div>
<p>Byelaws</p>	<p>Enabling principles</p>

<p>Regulations</p>	<p>Detail on things like fees and designations.</p>							
<p>Structure of RICS</p>	<p>Royal Charter requires members to promote the profession for the public benefit.</p> <p>- Self-regulatory</p> <p>- ‘Gold standard of excellence’</p> <p>RICS members need to think about ‘public benefit’ that is the Royal Charter difference.</p>							
<p>Rule 9 PII Cover per negligence claim</p>	<p>Turnover limits</p> <table border="0"> <tr> <td><100,000</td> <td>250,000 cover</td> </tr> <tr> <td><100,001 – 200,000</td> <td>500,000 cover</td> </tr> <tr> <td><200,001</td> <td>1 million cover</td> </tr> </table> <ul style="list-style-type: none"> • Buy from specialist insurer recommended by RICS (e.g. Miller Insurance Services) • Assigned Risks Pool – short-term cover provided by RICS for regulated members who are unable to gain cover elsewhere • On an each and every claim basis • Retroactive claims made basis • Run-off cover (6 years) • Full civil liability 	<100,000	250,000 cover	<100,001 – 200,000	500,000 cover	<200,001	1 million cover	
<100,000	250,000 cover							
<100,001 – 200,000	500,000 cover							
<200,001	1 million cover							
<p>Rule 7 Complaints handling RICS Guidance note – Complaints Handling 1st edition 2016</p>	<ul style="list-style-type: none"> • A firm must operate a Complaints Handling Procedure (CHP) • It must include a redress system • A firm must have a complaints handling officer and a complaints handling log • CHP are free of charge to the complainant initially but some B2B complainants may be part-paid if the ADR process is used • Sole traders can’t deal with complaints themselves • Understand your own CHP and know the process for dealing with complaints <p>Time limits for RICS compliant policy</p>							

	<p>Acknowledge within 7 days Substantive reply within a further 21 days (total 28 days) 2nd stage redress if client dissatisfied</p> <p>Example redress scheme – The Property Redress Scheme (used by agents) or The Property Ombudsman</p>
<p>Rule 6 CPD</p>	<p>20 hours' min 10 must be formal (verifiable learning outcomes) Record online (or via app) Every 3 years – rules & ethics</p> 
<p>Rule 8 Client's money</p>	<p>In a nutshell: Separate named account Must be able to identify client</p>  <p>Some detail: Firms must preserve the security of clients' money entrusted to its care, in the course of its practice or business.</p> <p>Money must be clearly linked to a client in the event of insolvency, misappropriation death of a sole practitioner or transfer of money to another organisation.</p> <p>Money held in separate client accounts, adequate control by competent staff (a principal cannot override these controls). A review fee (including the clients' money insurance levy) is payable if a firm holds clients' money.</p> <p>Please note the new RICS Client Money Protection document that takes effect from 1st April 2019 dealing with the RICS scheme for Regulated Firms in the UK that deal with a) Surveying Services, or b) Agency Services (including management). The latter (b) has been authorised by the Client Money Protection Schemes for Property Agents (Approval and Designation of Schemes) Regulations 2018 (Client Money Protection for Residential Agents).</p>

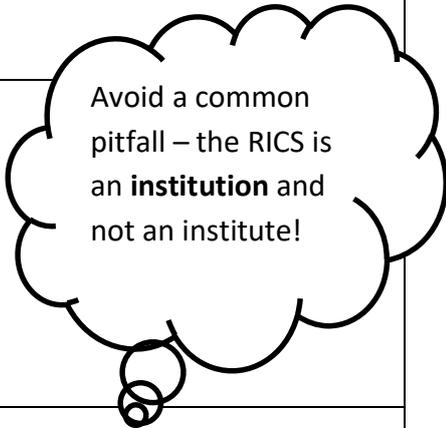
<p>Rule 12 Locum agreement</p>	<p>A Locum Agreement</p> <p>Ensure cover for:</p> <ul style="list-style-type: none"> • Long-term absence from illness • Death • Long-term holidays (over a month) • Unseen or unavoidable events <p>Can be another RICS member or another suitably qualified professional, e.g. a solicitor</p>
<p>Money Laundering Regulations 2017</p> 	<p><i>'Illegally obtained money purchasing large items - such as property'</i></p> <p>More due diligence needed for, e.g. stringent ID checks, cannot accept large cash payments (over 10,000 euros), firms must have a money laundering officer, keep up to date records and perform AML checks on clients.</p> <ul style="list-style-type: none"> • Found to have assisted in money laundering? 14 years in prison/unlimited fine. • Found to have tipped the person off about an investigation? 5 years in prison. <p>The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 were enacted on 26 June 2017 and introduce additional requirements for firms who are within the regulated sector for money laundering purposes, including the obligation to conduct additional customer due diligence.</p> <p>The purchase of property in the UK and overseas has the potential to be used by organised criminals to launder the proceeds of criminal activity. This is due to the large volume of criminal funds that can be "cleaned" in a single transaction. It is therefore critical that all professionals working in the sector are acutely aware of the issues and appropriately trained to identify and report any suspicions of money laundering.</p> <p>It is important that RICS-accredited professionals and firms understand their obligations under Rule 3 of the RICS Code of Conduct and, where applicable, statutory obligations under 'The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017)'.</p> <p><i>See also purchase and sale competency.</i></p>

<p>Why register for regulation if it is optional?</p> <p>Understanding why regulation matters may be questioned by chairs.</p>	<p>The strength of 'Regulated by RICS' (according to RICS website)</p> <ol style="list-style-type: none"> 1. Practise to globally recognised standards 2. Behave ethically and act with integrity and honesty 3. Have the required skills and competencies to do the job 4. Manage conflicts of interest transparently 5. Safeguard the security of client money 6. Manage its finances appropriately 7. Provide adequate and appropriate indemnity for its work 8. Handle complaints and disputes fairly <p>The RICS monitor via annual returns and occasional visits to ensure compliance. High-risk areas (more likely to get a visit) will be:</p> <ul style="list-style-type: none"> • Valuer registration scheme • Handling client's money • PII concerns • Complaints • CPD monitoring
<p>Requirements to register</p>	<ul style="list-style-type: none"> ✓ Head office address (other offices) ✓ Date firm established ✓ Contact officer (member) ✓ Names & titles of principals ✓ CHP in place ✓ PII Insurance ✓ Surveying service provided / where? E.g. 'Property & Estate Management – Commercial', UK ✓ Don't forget the 'usual stuff', non-specific business needs like client account, VAT registration etc.
<p>International Ethics Standards (IES) Coalition</p> <p>The NEW 2021 rules will incorporate these IES to replace global ethical standards (STIRR)</p>	<p>The global IES coalition consists of high-level principles, which will be implemented by coalition organisations, providing greater consistency to users of professional services. RICS is a leading member of the coalition.</p> <p>10 simple ethical principles:</p> <ul style="list-style-type: none"> • Accountability • Confidentiality • Conflict of interest • Financial responsibility • Integrity • Lawfulness • Reflection • Standard of service • Transparency • Trust

<p>Bribery Act 2010 – five criminal offences</p> 	<p>Bribe = something given in expectation of a change in behaviour</p> <p>Offences:</p> <ul style="list-style-type: none"> ➤ Giving a bribe ➤ Taking a bribe ➤ Bribing an official ➤ Bribing a foreign official ➤ New offence – section 7 - Not having systems in place to prevent bribery <p style="text-align: right;"></p> <p>Memory aid</p> <p>Principles</p> <ul style="list-style-type: none"> - Due diligence - Risk assessment - Proportionality (most important) - Top level commitment - Monitoring and review - Communication <p>Penalties:</p> <ul style="list-style-type: none"> ✓ Individual found to have committed an offence? Could be up to 10 years in prison/unlimited fine. ✓ Company found to have committed an offence? An unlimited fine.
<p>RICS Regulation</p> <p>The regulatory model is central to the RICS professional leadership to inspire confidence.</p> <p>Rules for the Registration of Firms V6</p> <p>Effective 1 April 2020</p>	<p>Firms required to register</p> <p>A Firm is required to register for regulation by RICS if:</p> <ol style="list-style-type: none"> a) the Firm provides surveying services to the public b) the Firm is operating in Regulated Area A c) at least 50% of the Firm’s Principals are RICS Members. <p>RICS Members who are also Principals of a Firm that is required to register under Rule 3 must take all reasonable steps within their power to ensure that an appropriate application to register for regulation by RICS is made on behalf of the Firm.</p> <p>Firms eligible to register</p> <p>A Firm is eligible to register for regulation by RICS if:</p> <ul style="list-style-type: none"> • the Firm provides surveying services to the public

	<ul style="list-style-type: none"> • at least 25% of the Firm’s Principals are RICS Members. <p>This means your firm will also need to have the following:</p> <ul style="list-style-type: none"> ▪ Adequate Professional Indemnity ▪ A complaints handling procedure ▪ Security of client’s money ▪ Comply with employment legislation ▪ A training programme for your employees ▪ Individual RICS professionals are required to carry out CPD
<p>Guidelines for the personal use of the RICS logo and designations by RICS-qualified professionals – with effect from 1 April 2019.</p>	<p>Logo must be the size and colour specified in this document</p> <p>It looks like this:</p> 
<p>RICS Conflict of Interest Professional Statement Global 2016</p> <p>KEY POINT – Informed consent.</p>	<p>RICS Rules of Conduct set an overarching obligation, on both members and RICS regulated firms, at all times to:</p> <p>‘... act with integrity and avoid conflicts of interest and avoid any actions or situations that are inconsistent with its professional obligations.’</p> <p>Effective identification and management of conflicts of interest is a challenging but essential component of professionalism.</p> <p>This professional statement, which supports the RICS Rules of Conduct, also places an overarching mandatory requirement on all RICS members and regulated firms, and specifies RICS’ expectations of how compliance with the Rules of Conduct should be achieved.</p> <p>This document is in three parts:</p> <ol style="list-style-type: none"> 1. The RICS professional statement on Conflicts of Interest and Confidentiality sets out RICS’ mandatory rules in this area. This section also contains the definitions used in the professional statement. 2. Commentary: ‘General commentary notes’ set out principles as to how RICS expects regulated firms and members to apply the professional statement.

	<p>3. Commentary: ‘Supplementary commentary notes’ give guidance on how members and regulated firms can meet the obligations set out in Part 1.</p> <p>Parts 2 and 3 contain guidance and should be read in conjunction with the mandatory requirements in Part 1.</p> <p><i>See also UK Conflicts of Interest in Commercial Agency in Purchase and Sale competency.</i></p>
Taking instructions	<p>RICS Valuation Global Standards 2020 – valuation practice statement 1</p> <p>You must quote on a level of service.</p>
Follow mandatory standards – Rule 4 competence	<p>RICS Valuation – Global Standards 2020 (Red Book) And all other Professional Statements...</p>
<p>Meet the top team</p> <p>President Jan 2021 President elect (next president) Jan 2022 Chief Executive</p>	<p>Know your institution...</p> <p>Kathleen (Kath) Fontana FRICS Clement Lau FRICS (Hong Kong)</p> <p>Sean Tompkins</p>
Motto	<p>Modus est rebus – there is measure in all things.</p>
Royal Charter	<p>Promote usefulness of the profession for the public advantage. This means RICS has a seat on the privy council to advise the Crown (Her Majesty’s Government).</p>



Ethics, rules of conduct and professionalism

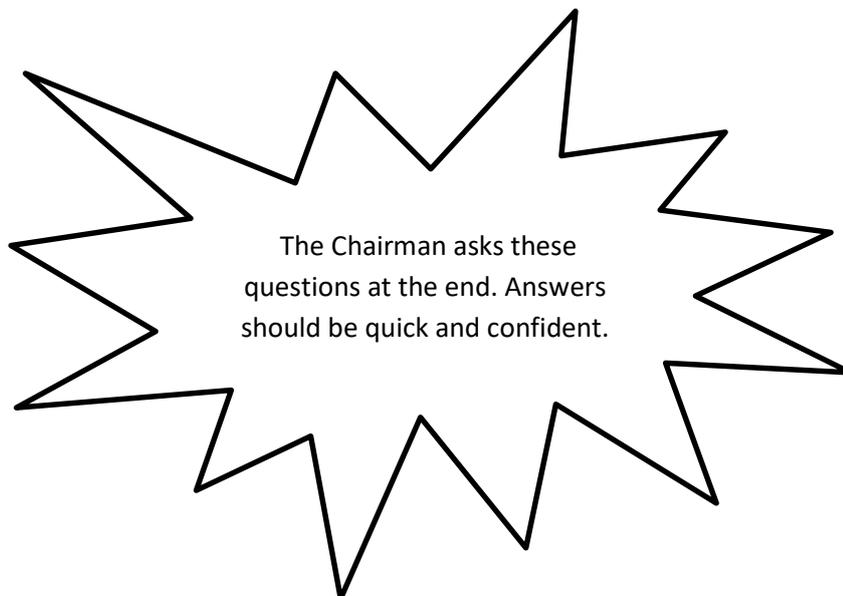
Example Summary of experience

Level 1	<p>I recognise the importance of guidance and legislation within the profession.</p> <p>I am aware of Global PS RICS Conflict of Interest.</p> <p>I have read the RICS Rules of Conduct for members and firms.</p> <p>I adhere to the RICS Global Professional and Ethical Standards and I am aware of what is expected from myself, my firm and the profession.</p> <p>I appreciate the benefits of being a member of the RICS.</p> <p>I understand the need for professional indemnity insurance and have attended lectures on the risks and pitfalls professionals face relating to PII.</p> <p>I am familiar with the Money Laundering, Terrorist Financing and Transfer of Funds Regulations (2017) and the Bribery Act (2010)</p>
Level 2	<p>Rule 4 – Competence</p> <p>Prior to accepting an instruction to value a property in south-west London, I carried out a conflict of interest check and ensured I was professionally competent to complete the valuation.</p> <p>Once I had established there was no conflict, I accepted the instruction and prepared Terms of Engagement.</p> <p>Once instructed, and having completed all necessary due diligence, I drafted a valuation report in line with RICS Valuation – Professional Standards (2020) and the other expected technical standards.</p> <p>Building Trust in profession</p> <p>I acted in line with the expectations for a Chartered Surveyor. I was a mentor to a number of apprentices who have joined XXX at a young age. Honesty, respect and integrity were key in forging these long-lasting working relationships with our highly-valued apprentices.</p>
Level 3	<p>Integrity</p> <p>Whilst in the valuation team, I was asked by a borrower to adapt our valuation report to reflect a significant portion of the property that was held outside the demise. I explained that I could not adapt my valuation based on inaccurate information as I have a duty of care to my client. I made my client aware of the borrower’s request and that we could not report the valuation figure they required on that basis. I subsequently stood down from the instruction.</p> <p>Bribery</p> <p>When selling a retail property in South Yorkshire by informal tender, I was offered a significant cash inducement to disclose the bid of another potential purchaser. I advised the potential bidder that this was illegal and unethical and reported the situation to the compliance officer at my employer.</p>

Ethics, rules of conduct and professionalism

Example questions:

1. List the rules for firms.
2. Which rule makes Red Book compliance mandatory?
3. Tell me about your firm's gift policy.
4. What are the new CPD rules?
5. What is the difference between formal/informal?
6. What is PII? Turnover limits?
7. What should you do first on receipt of a negligence claim?
8. How did you apply the 5 ethical standards to your critical analysis?
9. What does integrity mean?
10. Tell me about the Valuer Registration Scheme.
11. What do you know about the latest changes to RICS rules & ethics?
12. Describe a conflict of interest you have been involved in.



3 Sustainability

Overview

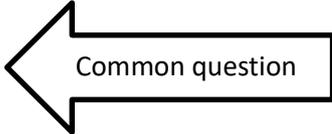
The sustainability mandatory competency can be taken to Level 2 or Level 3 as an optional plus competency.

Every candidate must declare sustainability to Level 1.

Sustainability is becoming more and more interwoven into a surveyor’s job. Understanding Energy Performance Certificates and the Minimum Energy Efficiency Standards is vital for:

- Valuation
- Landlord and Tenant
- Purchase and Sale

Assessors are looking for the candidate who understands the bigger picture – sustainability and efforts to become greener are all around us, especially in the building world.

<p>Energy performance certificate Energy Performance of Buildings Directive – EU Energy Act 2011 (F or G 2018)</p>	<p>E.P.C.</p> <div style="text-align: right; margin-bottom: 10px;">  </div> <ul style="list-style-type: none"> • Must be instructed prior to marketing • Letting details must show rating since Jan ‘13 • Trading standards enforce – fines = 2.5% RV subject to min £500, max £5,000 • Not required if unheated building • Stored on national register, epcregister.com • Includes energy use and recommendations for improvement <p>Front page of an EPC will have:</p> <ul style="list-style-type: none"> • the address of the property and floor area • EPC reference number • Performance rating A+ to G • Benchmarking information <p>Where doesn’t require an EPC?</p> <ul style="list-style-type: none"> - Places of worship - Super low energy efficient buildings (e.g. industrial warehouse) - Temporary buildings - SOME listed buildings – but not all! <p>Valid 10 years unless changes made to property.</p>
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