Level 2 and 3 Reports – what's the difference?

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RICS HSS requirements

- This is a mandatory document;
- '**Must**' means **MUST**;
- Significant number of requirements and obligations imposed on us by this Professional Standard; and
- This presentation is **NOT** a golden bullet that gives us all the answers.

RICS professional standards and guidance

RICS professional statements

It's not a suggestion!

Definition and scope

RICS professional statements set out the requirements of practice for RICS members and for firms that are regulated by RICS. A professional statement is a professional or personal standard for the purposes of *RICS Rules of Conduct*.

Surveys are theoretically 'regulated', but in practice professionals (should) regulate themselves……

……professional standards, regulation and Rules of Conduct are all related……

…..will our surveys become regulated in practice?

Mandatory – '*something that must be done, usually because the law states that it is necessary*' Cambridge Dictionary, online

Since 'must' is mandatory – we '<u>must</u>' do it (I would have this 'must' in **bold**)

Mandatory vs good practice provisions

Sections within professional statements that use the word 'must' set mandatory professional, behavioural, competence and/or technical requirements, from which members must not depart.

Sections within professional statements that use the word 'should' constitute areas of good practice. RICS recognises that there may be exceptional circumstances in which it is appropriate for a member to depart from these provisions – in such situations RICS may require the member to justify their decisions and actions.

'Should' is good practice, but best follow the guidance or we may have to explain why we didn't ('should' appears 110 times)

It's best to follow the guidance set out in RICS Practice Standards

Application of these provisions in legal or disciplinary proceedings

In regulatory or disciplinary proceedings, RICS will take into account relevant professional statements in deciding whether a member acted professionally, appropriately and with reasonable competence. It is also likely that during any legal proceedings a judge, adjudicator or equivalent will take RICS professional requirements into account.

RICS recognises that there may be legislative requirements or regional, national or international standards that have precedence over an RICS professional statement.

The Good News....we only have to be 'reasonably competent'

Mandatory requirement

2.2 Qualifications and experience

To ensure professionals provide a high level of service, RICS members **must** be qualified, experienced and able to deliver services by:

- having knowledge of the tasks to be undertaken and the risks involved
- possessing the experience and ability to carry out their duties in relation to the appropriate level of service and
- identifying their own limitations and taking appropriate action where their knowledge and experience is found to be inadequate.

This is fundamental to being 'professional'; our 'knowledge and experience' **must** be 'adequate'

2.3 Knowledge of locality and nature of property

RICS members **must** be familiar with the nature and complexity of the subject property type, the region in which it is situated and relevance to the subject instruction, including:

Although an RICS member with this knowledge may be able to provide all levels of service, those who provide level two services on older and/or complex properties, historic buildings and those in a neglected condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member **must** decline the instruction if the subject property type is beyond their knowledge and skill level.

Special properties: older, complex, historic, neglected

We **must** have a '*broader and deeper technical knowledge*' for level 2 reports on 'special properties' and for all level 3 services

Broader and deeper technical (professional?) knowledge – 1

- An adequate working knowledge is likely to include some, all or more than the following:
  - RICS literature, especially Rules of Conduct and mandatory professional standards such as the HSS and Residential Retrofit Standard;
  - Basic construction, building services and building pathology knowledge (paying special attention to issues most clients deem important such as structural movement, roofs and moisture) , e.g. Lead Sheet Training Academy, recognising defects and or deficiencies in service installations (especially services that can kill), TRADA documents, methods and costs of repair works;
  - BRE Digests – e.g. 245, 251 and 475 and Good Building and Repair Guides etc.;
  - Benchmarks of good practice available in BRADs (Building Regulations Approved Documents) and or equivalent UK regional documents;
  - Sustainability issues including matters such as thermal performance of materials, cold-bridges, 'robust details', effects of the climate emergency and EPCs;
  - Legal issues and case law, e.g. land law, tenures, Building Regulations, Rylands v Fletcher, Party Wall etc. Act 1996, protected properties and locations, easements, buildings' insurance including reinstatement cost assessment;
  - Relevant BSI, EN, ISO & similar Codes of practice, e.g. BS 7913;

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Broader and deeper technical (professional?) knowledge – 2

- HSE and other safety information, e.g. in relation to hazards, risk assessment, PACMs and legionella;
- Information from, and practices of, other professional organisations, e.g. RIBA, ISE, CIBSE;
- NHBC, LABC and other warranty providers' Technical Manuals and Handbooks;
- JPS on moisture, PCA information, SPAB literature, 'vapour permeability' of materials, Historic England 'Repointing Brick and Stone Walls' & other relevant UK regional technical information;
- Documents about any special property types we specialise in, e.g. BRE 'Non-traditional houses', modern methods of construction, timber frames;
- Information about local and or regional issues, e.g. environmental matters such as soil types, flooding, radon, knowledge of local stone types for older and historic properties; and
- Any other relevant knowledge required for the particular instruction and or client requirement.

- It is very likely we will require several years of practical experience to acquire such knowledge, to ensure satisfactory understanding and competence.
- A need for good initial mentoring, continuing relevant life-long learning and the appropriate experience of other professionals is confirmed.
- In all cases, our 'broader and deeper technical knowledge' must be sufficient to properly discharge our professional duty to clients and the wider public interest.

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'Special property'

- Complex buildings – extended, altered, built using many different materials;
- Older properties – built using traditional materials and techniques;
- Historic properties – listed and or valued for other architectural or similar reasons;
- Traditional timber frame buildings;
- Properties built much before 1850;
- Properties in neglected condition.

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A2 Survey level two

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This level of service is for clients who are seeking a professional opinion at an economic price. It is, therefore, less comprehensive than a level three service. The focus is on assessing the general condition of the main elements of a property.

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, basements and cellars). 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 should be made.

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 RICS member. This level of service is unlikely to suit:

Not usually intended for a 'special property'

Level 2 Service 'is unlikely to suit'....

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- 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 RICS member's proven competence and knowledge 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 or
- properties in neglected condition.

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

Where the client is planning to carry out extensive repair and refurbishment work in the future, the RICS member should give advice on suitable additional services.

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Level 3 Service

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A3 Survey level three

This level of service is for clients who are seeking a professional opinion based on a detailed assessment of the property.

The service consists of a detailed visual inspection of the building, its services and the grounds and is more extensive than a 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, basements and cellars). Although the services are not tested, they are observed in normal operation – in other words, they are switched on or off and/or operated where the occupier has given permission and it is safe to do so.

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:

Whereas, level 2 does not include a requirement to describe the 'form of construction'

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Level 3 Service should additionally....

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- 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 and
- give an indication of likely costs (this aspect would not normally form part of the level three service, but some RICS members may choose to include it). Where costings are included, this **must** be reflected in the terms and conditions.

Where an RICS member 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 decision.

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

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4.3.2 Survey level two

A survey level two service should follow a similar structure and format to level one. Although it will provide more information, it should still be short and to the point, avoiding irrelevant or unhelpful details and jargon. Material defects should be described and the identifiable risk of those that may be hidden should be stated. A level two report will have the following additional characteristics:

- it 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
- the likely remedial work should be broadly outlined and what needs to be done by whom and by when should be identified
- concise explanations of the implications of not addressing the identified problems should be given and
- cross-references to the RICS member's overall assessment should be included.

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

Summary of HSS level 2 reporting requirements

- Describe material defects (no need to include construction form?);
- Identify risk of other hidden defects;
- Design or materials used in the element '*that may result in more frequent and or costly maintenance and repairs than would normally be expected*';
- Likely remedial work broadly outlined;
- What needs to be done by whom and by when outlined;
- Explain implications of not addressing the identified problems; and
- Cross reference to overall assessment.

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4.3.3 Survey level three

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A level three service 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 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
- 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
- the nature of risks of the parts that have not been inspected should be identified and
- prioritisation of issues should be outlined.

Summary of HSS level 3 reporting requirements

- Form of construction and materials described in detail, with performance characteristics (important for older buildings, due to movement of moisture);
- Describe obvious defects;
- Describe identifiable risk of hidden defects;
- Outline remedial options;
- Likely consequences if repairs not done (if considered serious);
- Propose a timescale for the necessary work, including further investigation;
- Discuss future maintenance, identifying any such work likely to be more frequent and or costly;
- Identify risks from parts uninspected;
- Outline prioritisation of issues.

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4.5 Risks to occupants

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Although residential property surveys do not include a formal assessment of statutory health and safety risks (for example, a Housing Health and Safety Rating System), matters that an RICS member or regulated firm is aware of that present a safety risk to occupants **must** be described in the report. RICS members should consider concisely listing the risks in a separate section with appropriate cross-referencing to where they appear in the report.

As these matters will reflect current research and regulation, they may change over time. An indicative list of safety hazards has been included in appendix E.

Other issues to consider!

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.
- A level two report will identify and list the risks and explain the nature of these problems.
- A level three report will do all this and explain how the client may resolve or reduce the risk.

Where the service is for a buy to let, the RICS member should adjust the scope of the service so the client can be properly advised on statutory risks and hazards to health and safety of occupants.

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4.6 Legal matters

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The legal adviser is responsible for checking the relevant documents but will not be familiar with the property. The RICS member will be the 'eyes and ears' of the legal adviser and so should identify apparent and specific items and features that have possible legal implications. It is unlikely the legal adviser will read the whole report so the RICS member **must** clearly highlight the relevant legal matters and remind the client they should bring these matters to the attention of their legal adviser. A separate legal section in the report is an effective way of achieving this.

Where appropriate, if the situation can be physically resolved, the RICS member will describe what needs to be done (for example, removing/improving unauthorised work, rebuilding a boundary wall or cutting back an overgrown hedge).

LOTS to consider!

This will enable the client's legal adviser to explain in greater detail how these matters may affect ownership of the property.

4.6.3 Other matters

The RICS member should include other features and issues that may have an impact on the property and require further investigation by the legal adviser. This will include a broad range of issues noted during the visual inspection or through the RICS member's knowledge of the locality. A list of these features and issues has been included in appendix F.

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4.7 Energy matters

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At all levels of service RICS members and regulated firms **must** be able to identify and advise on defects and deficiencies caused by inappropriate energy efficiency measures implemented at the subject property.

In addition, the different levels should include the following particular features:

- Level 1 – where the EPC has not been made available by others, the RICS member should obtain the most recent certificate from the appropriate central registry where practicable. The relevant energy and environmental rating should be reviewed and stated.
- Level 2 – in addition to that described for level 1, checks should be made for any obvious discrepancies between the EPC and the subject property and the implications explained to the client.
- Level 3 – in addition to that described for levels 1 and 2, at this level the RICS member should give advice on the appropriateness of any energy improvements recommended by the EPC.

Even MORE to consider!

…and all the other stuff…we must take out time)

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Level 2 and 3 case study

1911 left-hand semi-detached house on three floors, original 'room in roof', not a conversion

Time for you to begin making some (site) notes….

Brief details

- We are going to concentrate on the 'walls' section of the report and specifically the main front left-hand (north-west) elevation;
- During your inspection, you note that wall seems to form part of the left-hand boundary of the property;
- As a result of your careful inspection, you conclude that the wall we are concentrating on is probably built in a mixture of solid and cavity construction, although most of the wall is cavity;
- Viewed from the road and because of a closer inspection, you see some horizontal cracking in bed joints at high level every 6 courses of bricks, on either side of the top bedroom window, confirmed when you open the sash from the inside;
- The prevailing wind in this location is from the south-west;
- There are no significant moisture readings and or visual or other indications of moisture, or other cracking, inside; and
- For this exercise, there are no other defects to this, or other, walls.

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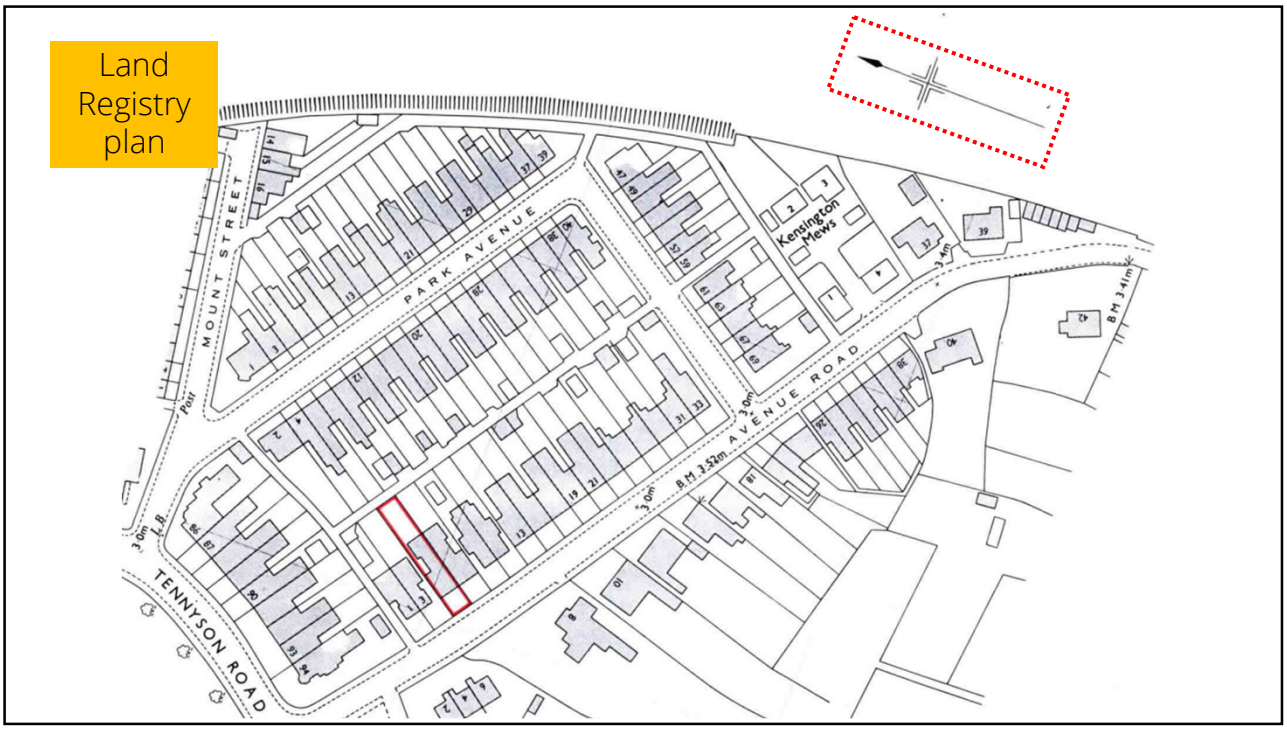
Land Registry plan



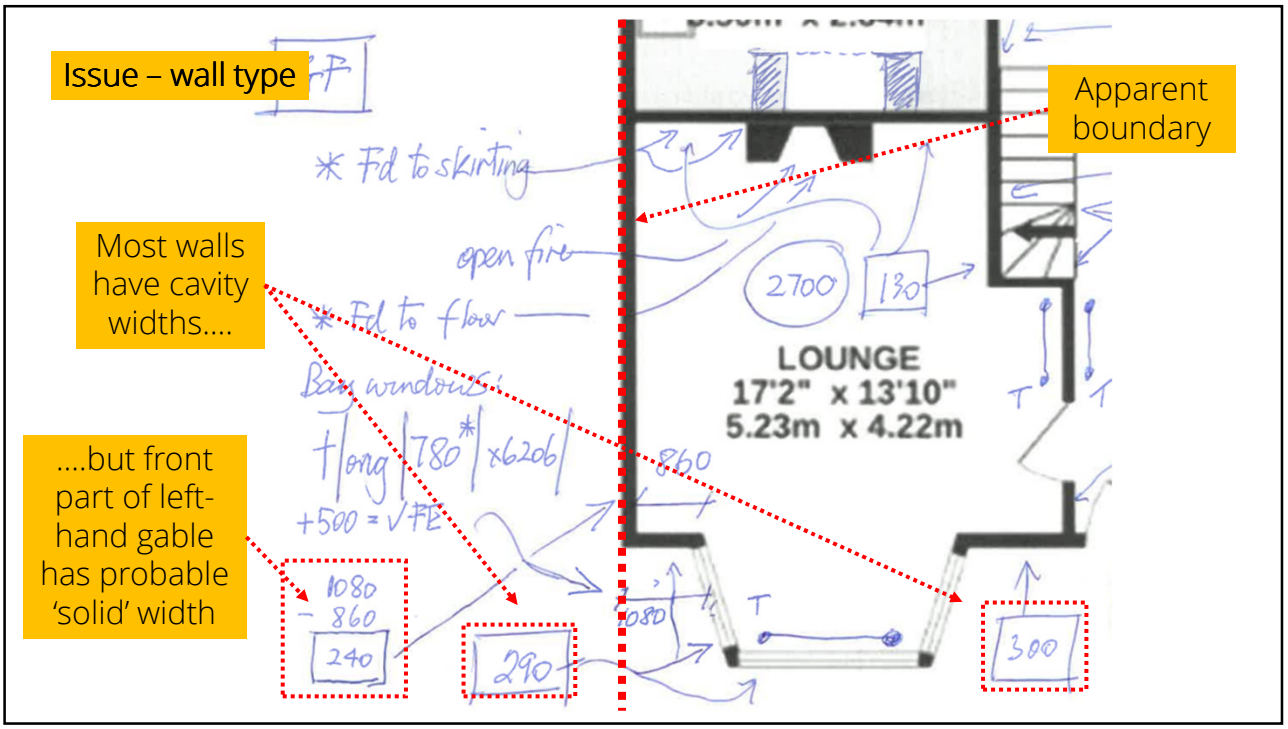
EPC correctly identifies solid and cavity construction

Feature	Description	Rating
Wall	Solid brick, as built, no insulation (assumed)	Very poor
Wall	Cavity wall, as built, no insulation (assumed)	Poor
Roof	Pitched, 100 mm loft insulation	Average
Roof	Roof room(s), no insulation (assumed)	Very poor
Window	Partial double glazing	Very poor
Main heating	Boiler and radiators, mains gas	Good
Main heating control	Programmer, room thermostat and TRVs	Good
Hot water	From main system	Good
Lighting	Low energy lighting in 62% of fixed outlets	Good
Floor	Suspended, no insulation (assumed)	N/A
Floor	Solid, no insulation (assumed)	N/A
Secondary heating	Room heaters, dual fuel (mineral and wood)	N/A

Changes you could make

Step 1: Room-in-roof insulation	
Typical installation cost	£1,500 - £2,700
Typical yearly saving	£257
Potential rating after completing step 1	**55 D**
Step 2: Cavity wall insulation	
Typical installation cost	£500 - £1,500
Typical yearly saving	£61
Potential rating after completing steps 1 and 2	**56 D**
Step 3: Internal or external wall insulation	
Typical installation cost	£4,000 - £14,000
Typical yearly saving	£236
Potential rating after completing steps 1 to 3	**62 D**

The DEA (he's good to your knowledge) includes the usual recommendation for wall insulation



The wall in question

Wall thickness measured through this window is 300mm

The part of the wall measured as possible solid is here

You can't get onto the adjoining land to closely inspect the wall, nobody in when you knock on the door (but as you walk to the door, you can still look!)

The wall, closer view

Photo of wall viewed from road, with indications of horizontal cracking in 3 bed joints here

Possible solid part here

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Level 2 report

• Material defects (no need to describe construction form?);	Cavity wall tie corrosion likely in the wall; given presence of cracks, age and exposure to prevailing south-west wind
• Identify risk of other hidden defects;	Risk of further corrosion in wall ties in other cavity walls
• Design or materials used in the element '*that may result in more frequent and or costly maintenance and repairs than would normally be expected*';	None
• Likely remedial work broadly outlined;	Corroded wall ties are likely to require replacement
• What needs to be done by whom and by when outlined;	Get a price from suitably qualified person or contractor before exchange of contracts, following further investigation (**CR3**)
• Explain implications of not addressing the identified problems; and	If corrosion isn't dealt with now, will almost certainly get worse, with possible risk of partial collapse (scaremongering?)
• Cross reference to overall assessment.	"*See overall assessment*" (and discuss in overall assessment)

Level 2 report....plus...

4.5 Risks to occupants ⟷ There aren't any?

4.6 Legal matters ⟷ Explain that access will be required onto the land of the adjoining owner to carry out the further investigation and do the works and in the future?

4.7 Energy matters ⟷ There are no discrepancies between the EPC and the property

- Level 2 – in addition to that described for level 1, checks should be made for any obvious discrepancies between the EPC and the subject property and the implications explained to the client.

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Level 3 report

- Form of construction and materials described in detail, with performance characteristics (important for older buildings, due to movement of moisture);
- Describe obvious defects;
- Describe identifiable risk of hidden defects;
- Outline remedial options;
- Likely consequences if repairs not done (if considered serious);
- Propose a timescale for the necessary work, including further investigation;
- Discuss future maintenance, identifying any such work likely to be more frequent and or costly;
- Identify risks from parts uninspected;
- Outline prioritisation of issues.

Solid & cavity construction, including thicknesses? DPC & probable lintel types. Solid walls, possible water ingress + condensation. Cavity walls, possible cwtc

Cavity wall tie corrosion likely in the wall; given presence of cracks, age and exposure to prevailing south-west wind

Risk of further corrosion in ties in other walls, possible rot in built-in timbers

Corroded wall ties are likely to require replacement

If corrosion isn't dealt with now, will almost certainly get worse, with possible risk of partial collapse (scaremongering?)

CR3, i.e. immediate, following getting a price from a suitably qualified person or contractor, following further investigation, before exchange of contracts

Renewal of older pointing with a true lime-based mortar as required

Further corrosion likely in other walls, old-bridges could cause condensation with risk of damage to plaster, decorations and timbers inside

Do urgent works, allow for further similar works in the future, say next 20 years

Level 3 report....plus...

4.5 Risks to occupants ⟷ There aren't any?

4.6 Legal matters ⟷ Explain that access will be required onto the land of the adjoining owner to carry out the further investigation and do the works and in the future? Suggest the repair works are implemented by a 'competent person', with a warranty or guarantee

4.7 Energy matters ⟷ Insulating an early cavity wall could be problematic, with possible mortar droppings and snots, especially if there are solid parts; all of which could lead to cold-bridging and condensation

- Level 3 – in addition to that described for levels 1 and 2, at this level the RICS member should give advice on the appropriateness of any energy improvements recommended by the EPC.

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Group discussion

- There are three factors to consider:
  - Property attributes including type, age, construction etc.,
  - Client requirements, and
  - Surveyor competence (knowledge, understanding and experience [those years of practice referred to above]).

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Half a protocol! ☺

BlueBox *partners* RICS HSS Level 2 – 3 decision protocol

Property attributes and or other requirements	**Yes**	**No**	**HSS ref. & Notes**
Property-specific issues			
Not 'conventionally built' (p. 22).			p. 9, 22; e.g. 'uncommon housing styles, materials and construction techniques' (p. 9).
'Unique' (p. 23).			e.g. special design and or materials, MMC, or non-traditional (Airey or such like).
'Older'			p. 4 ['(a) residential building constructed using traditional building materials and techniques'], 9, 10, 12, 14, 16, 19, 22 & 23.
'Built…before 1850' (p. 23).			p. 23.
'Complex' – extended, altered, various construction types.			'Homes…of many different and connected parts…examples include properties…extensively altered and extended, and/or are built using several different distinct construction methods' (p. 3), 9, 14, 15 & 23.
'Historic'			'building or structure that is listed and/or valued because of its historic, archaeological, architectural or artistic interest' (p. 3), 9, 10 & 23.
'Traditional timber frames'			p. 23.
'Neglected'.			Property in a dilapidated or very dilapidated condition. p. 22.
Likely to require a 'more detailed and technical assessment'			p. 14.
Likely to result in 'numerous referrals for further investigation'.			p. 23.

Property attributes

Surveyor competence

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...and the other half!

Client needs

Likely to require a 'broader and deeper technical knowledge' (p. 9).			'level two services on older and/or complex properties, historic buildings and those in a neglected condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member must decline the instruction if...beyond their knowledge and skill level' (p. 23).
Client requirements			
Requires a 'detailed assessment' (p. 23).			[Level Three]...'level of service is for clients...seeking...opinion based on a detailed assessment of the property' (p. 23).
Extensive works intended.			Client 'planning to carry out extensive repair and refurbishment work' (p. 23).
Requires opinion of likely costs (p. 23).			'some RICS members may choose to include it' (p. 23).
TOTAL			

Surveyor competence

Notes for use

No.	Requirement	Confirmed
1.	The surveyor must advise the client 'on which [survey] level best suits their needs' (p. 9).	
2.	The surveyor '**must** be qualified, experienced and able...to carry out...the appropriate level of service' (p. 8).	
3.	The more 'yes's' recorded, the more likely a level 3 inspection and report is required.	
4.	Other notes:	

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Example 1

- Built mid 60s
- Brick and tile
- Client wants a 'thorough job'
- 'Looks OK'

So, what is it; level 2 or 3?

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Example 1

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Example 1

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Half a protocol! ☺

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Property attributes and or other requirements	Yes	No	HSS ref. & Notes
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'Unique' (p. 23).	✓		e.g. special design and or materials, MMC, or non-traditional (Airey or such like).
'Older'		✓	p. 4 ['(a) residential building constructed using traditional building materials and techniques'], 9, 10, 12, 14, 16, 19, 22 & 23.
'Built...before 1850' (p. 23).		✓	p. 23.
'Complex' – extended, altered, various construction types.		✓	'Homes...of many different and connected parts...examples include properties...extensively altered and extended, and/or are built using several different distinct construction methods' (p. 3), 9, 14, 15 & 23.
'Historic'		✓	'building or structure that is listed and/or valued because of its historic, archaeological, architectural or artistic interest' (p. 3), 9, 10 & 23.
'Traditional timber frames'		✓	p. 23.
'Neglected'.		✓	Property in a dilapidated or very dilapidated condition. p. 22.
Likely to require a 'more detailed and technical assessment'.	✓		p. 14.
Likely to result in 'numerous referrals for further investigation'.	✓		p. 23.

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...and the other half!

Likely to require a 'broader and deeper technical knowledge' (p. 9).	✓		'level two services on older and/or complex properties, historic buildings and those in a neglected condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member must decline the instruction if...beyond their knowledge and skill level' (p. 23).
Client requirements			
Requires a 'detailed assessment' (p. 23).	✓		[Level Three]...'level of service is for clients...seeking...opinion based on a detailed assessment of the property' (p. 23).
Extensive works intended.		✓	Client 'planning to carry out extensive repair and refurbishment work' (p. 23).
Requires opinion of likely costs (p. 23).		✓	'some RICS members may choose to include it' (p. 23).
TOTAL			

Crucial

Depends on competence

Notes for use		
No.	**Requirement**	**Confirmed**
1.	The surveyor must advise the client 'on which [survey] level best suits their needs' (p. 9).	✓
2.	The surveyor '**must** be qualified, experienced and able...to carry out...the appropriate level of service' (p. 8).	✓ ✓
3.	The more 'yes's' recorded, the more likely a level 3 inspection and report is required.	✓
4.	Other notes:	

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Decision time

- It's clearly non-traditional;
- A level 2 report is not appropriate;
- The client's desire for a 'thorough job' is fundamental; so
- Level 2; or

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Decision time

- It's clearly non-traditional;
- A level 2 report is not appropriate;
- The client's desire for a 'thorough job' is fundamental; so
- Level 2; or
- Level 3?

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Decision time

- It's clearly non-traditional;
- A level 2 report is not appropriate;
- What is your competence for the job?
- The client's desire for a 'thorough job' is fundamental; so
- Level 2; or
- Level 3?
- Level 3, subject to:
  - additional opening up of the steel frame to examine possible corrosion, and
  - Surveyor competence.

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Incidentally.....

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Example 2

- Built 1886
- Brick and slate
- Client wants to 'know if it's OK'
- 'Looks OK'

So, what is it; level 2 or 3?

Half a protocol! ☺

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Likely to require a 'more detailed and technical assessment'.	✓		p. 14.
Likely to result in 'numerous referrals for further investigation'.	✓	✓	p. 23.

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...and the other half!

Likely to require a 'broader and deeper technical knowledge' (p. 9).	✓		'level two services on older and/or complex properties, historic buildings and those in a neglected condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member must decline the instruction if...beyond their knowledge and skill level' (p. 23).
Client requirements			
Requires a 'detailed assessment' (p. 23).		✓	[Level Three]...'level of service is for clients...seeking...opinion based on a detailed assessment of the property' (p. 23).
Extensive works intended.		✓	Client 'planning to carry out extensive repair and refurbishment work' (p. 23).
Requires opinion of likely costs (p. 23).		✓	'some RICS members may choose to include it' (p. 23).
TOTAL			

Depends on competence

Notes for use		
No.	**Requirement**	**Confirmed**
1.	The surveyor must advise the client 'on which [survey] level best suits their needs' (p. 9).	✓
2.	The surveyor '**must** be qualified, experienced and able...to carry out...the appropriate level of service' (p. 8).	✓ ✓
3.	The more 'yes's' recorded, the more likely a level 3 inspection and report is required.	✓
4.	Other notes:	

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Decision time

- It's clearly 'traditional';
- A level 2 report may be appropriate; or
- A level 3 report ditto;
- The client's indication it 'looks OK' and wants to 'know if it is OK' is helpful(?); so
- Level 2; or

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Decision time

- It's clearly 'traditional';
- A level 2 report may be appropriate; or
- A level 3 report ditto;
- The client's indication it 'looks OK' and wants to 'know if it is OK' is helpful(?); so
- Level 2; or
- Level 3?

51

Decision time

- It's clearly 'traditional';
- A level 2 report may be appropriate; or
- A level 3 report ditto;
- The client's indication it 'looks OK' and wants to 'know if it is OK' is helpful(?); so
- Level 2; or
- Level 3?
- Level 2 or 3, depending on:
  - What else the client says, and
  - Surveyor competence.

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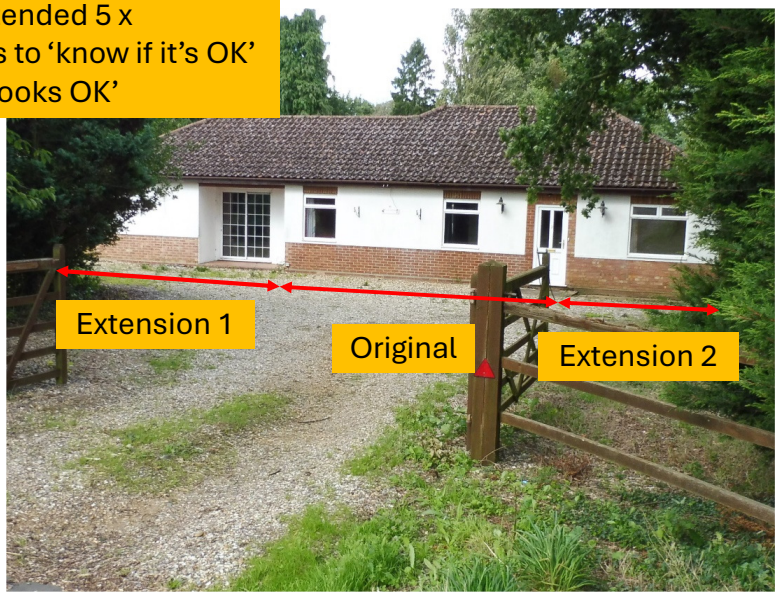
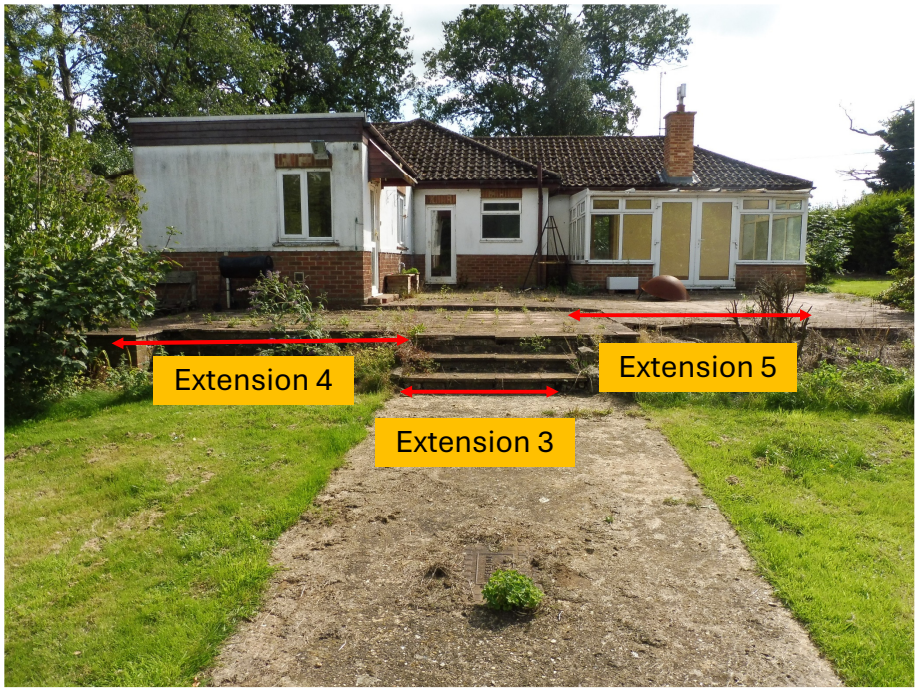
Example 3

- Built 1920
- Brick and tile
- Extended 5 x
- Client wants to ‘know if it’s OK’
- ‘Looks OK’



So, what is it; level 2 or 3?



Half a protocol! ☺

BlueBox *partners* RICS HSS Level 2 – 3 decision protocol

Property attributes and or other requirements	Yes	No	HSS ref. & Notes
Property-specific issues			
Not 'conventionally built' (p. 22).		✓	p. 9, 22; e.g. 'uncommon housing styles, materials and construction techniques' (p. 9).
'Unique' (p. 23).		✓	e.g. special design and or materials, MMC, or non-traditional (Airey or such like).
'Older'		✓	p. 4 ['(a) residential building constructed using traditional building materials and techniques'], 9, 10, 12, 14, 16, 19, 22 & 23.
'Built…before 1850' (p. 23).		✓	p. 23.
'Complex' – extended, altered, various construction types.	✓		'Homes…of many different and connected parts…examples include properties…extensively altered and extended, and/or are built using several different distinct construction methods' (p. 3), 9, 14, 15 & 23.
'Historic'		✓	'building or structure that is listed and/or valued because of its historic, archaeological, architectural or artistic interest' (p. 3), 9, 10 & 23.
'Traditional timber frames'		✓	p. 23.
'Neglected'.		✓	Property in a dilapidated or very dilapidated condition. p. 22.
Likely to require a 'more detailed and technical assessment'.	✓		p. 14.
Likely to result in 'numerous referrals for further investigation'.		✓	p. 23.

55

…and the other half!

Likely to require a 'broader and deeper technical knowledge' (p. 9).		✓	'level two services on older and/or complex properties, historic buildings and those in a neglected condition and all level three services will require a broader and deeper technical knowledge. Where appropriate, the RICS member must decline the instruction if…beyond their knowledge and skill level' (p. 23).
Client requirements			
Requires a 'detailed assessment' (p. 23).		✓	[Level Three]…'level of service is for clients…seeking…opinion based on a detailed assessment of the property' (p. 23).
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4.	Other notes:	

56

Decision time

- It's clearly 'complex';
- A level 2 report may be appropriate; or
- A level 3 report ditto;
- The client's indication it 'looks OK' and wants to 'know if it is OK' is helpful(?); so
- Level 2; or
- Level 3?

57

Decision time

- It's clearly 'complex';
- A level 2 report may be appropriate; or
- A level 3 report ditto;
- The client's indication it 'looks OK' and wants to 'know if it is OK' is helpful(?); so
- Level 2; or
- Level 3?
- Level 3, due to 'complexity', depending on:
  - What else the client says, and
  - Surveyor competence.

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Conclusions on report level

- To get the right survey service:
  - The property is important, but so is…
  - Talking to the client fundamental; and
  - Surveyor competence is vital;
- So is documenting the initial discussion and decision-making process on the level of survey.

Appendix A: Definition of levels

As described in section 2.5, RICS members **must** ensure their service is clearly 'benchmarked' against one of the defined levels in this appendix.

Conclusions

- The RICS Home Survey Standard (HSS) is a mandatory Professional Standard;
- The RICS HSS sets out, indeed 'benchmarks', clear differences between a level 2 and a level 3 report;
- Some level 2 reports and all level 3 reports require us to have a '*broader and deeper technical knowledge*';
- This presentation attempts to define what that knowledge might be;
- Level 2 and level 3 inspections and reports are prepared for people, families and others who rely on them – we affect people's lives;
- It's our duty to advise the client properly and professionally so that they get the right report for them; so
- Having a methodology to help us do that and documenting that advice might be a good idea.

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