1 General Principles and Responsibilities

1.1 What is a building survey?

1.1.1 Definitions

In 1997 the Construction Industry Council (CIC) published a leaflet entitled *Definitions of Inspections and Surveys of Buildings* (see Appendix I). Although the definitions specifically apply to England and Wales, they are also relevant to the rest of the UK. The CIC is the organisation representing the main professional bodies in construction and property, such as the Royal Institution of Chartered Surveyors (RICS), the Royal Institute of British Architects, the Chartered Institute of Building, the Association of Building Engineers, the Architecture and Surveying Institute, the Chartered Institution of Building Services Engineers, the Institution of Civil Engineers and the Institution of Structural Engineers.

One of the most significant consequences of the CIC list of definitions was the scrapping of the term 'structural survey'. Up until 1997 'structural survey' was the commonly accepted term for a Scheme 3 survey – the full building survey (Staveley, 1998). Although surveyors and lawyers in the UK had been using the term 'structural survey' for decades, many professionals, particularly consulting engineers, felt that it was misleading. It implied that the survey focused on structural issues relating to the property being surveyed – in other words, that it would only deal with the loadbearing characteristics of the building. This of course was not the case, as 'structural surveys' assessed the property's fabric and services as well as addressed its stability. Any major 'structural' findings were then referred to an engineer for more detailed analysis.

Nowadays, therefore, either 'structural inspection' or 'structural assessment' is the more accurate term to describe a building-related investigation undertaken by consulting engineers (IstructE, 1991). It is essentially a specialist investigation that often follows a condition/building survey, to assess in more detail a problem or requirement relating to the property's loadbearing elements – such as foundations, walls, floors, beams and columns and roofs – and other structural problems such as subsidence.

See Appendix VIII for the definition of 'building survey' and other related terms.

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Table 1.1 Types of property surveys

Type of surveys	Examples(a)	Scheme
Acquisition surveys(b)	Mortgage valuation (1)	1
	HomeBuyer report (2)	2
	Home condition report (2)(c)	2
	Building survey (3)	3
Lease-related surveys(d)	Schedule of dilapidations survey (9)	2(e)
	Schedule of condition survey (8)	2(e, f)
Record surveys(g)	Schedule of condition survey (8)	2(e)
	Measurement/dimensional survey (10)	2(e)
	Inspection of building prior to alteration (5)	2(e)
	Conservation plan inspection (5)	3(e)
	Inspection of buildings under construction (11)	2(e)
	Stock condition survey (7)	2(e)
	Maintenance survey (7)	2(e)
Reinstatement surveys(h)	Fire damage survey (6)	2(e)
	Flood damage survey (6)	2(e)
	Other damage/insurance-related survey (e.g. following a burglary)(6)	2(e)
Specialist surveys(i)	Access audit (4)	2 or 3(e)
	Defect assessment or diagnostic survey (4)	2 or 3(e)
	Elemental investigation (4)	2 or 3(e)
	Sanitary survey (4)(j)	2 or 3(e)
	Housing health and safety risk assessment (4)	2 or 3(e)
	Structural inspection/assessment (4)	2 or 3(e)
	Post-occupancy evaluation (4)(k)	2 or 3(e)

Notes:

(a) The equivalent CIC type of survey number is shown in brackets.
(b) These are surveys required as a result of the intended purchase of a property and account for the majority of such commissions.
(c) This forms part of the home information pack. The Single Survey is the Scottish equivalent to the HCR.
(d) These surveys are usually required under the terms of a property lease.
(e) The level of detail of these surveys is approximate to the Scheme indicated, even though they are not officially classed as such.
(f) A Schedule of Condition can be undertaken outwith the context or requirements of a lease (e.g. before adaptation works or demolition of an adjacent/nearby building).
(g) This type of survey is usually related to adaptation, conservation or maintenance work.
(h) Insurance claims usually prompt this kind of survey.
(i) This type of survey sometimes follows as a result of a Scheme 1 or 2 survey.
(j) The test and examination of the drainage system is the most important single item in this type of survey (Moseley & Curtis, 1973).
(k) This type of survey aims to assess a building's performance and is usually undertaken at least six months after it has been built or adapted (Preiser, 1989).

1.1.2 Categories of property survey

As indicated in the CIC list, there is a wide range of property surveys. Table 1.1 categorises property surveys into five main groups and shows their relationship to one another.

1.1.3 Synchronic and diachronic surveys

Another way of categorising property surveys is to consider them either synchronically or diachronically (Brand, 1994). A synchronic survey is a snapshot assessment of a building and the way it all fits together at a particular moment in time. This usually means the present, but buildings can be studied as regards how they worked at one time in the past. In other words, it is about studying buildings in terms of immediacy and is the preference of building surveyors as well as 'city planners and architects looking for design ideas' (Brand, 1994). Building surveys, condition surveys and dilapidation surveys are typical examples of this kind of appraisal.

A diachronic survey, on the other hand, is a way of studying buildings in terms of how they change or evolve over time. This is the way architectural historians (and building maintenance surveyors) appraise buildings (Brand, 1994). Maintenance surveys as well as conservation plan inspections and other record surveys of older properties are typical methods of studying buildings diachronically (Douglas, 2006).

1.1.4 Stock condition surveys

These are surveys that are undertaken on a large number of properties one after the other, or simultaneously if more than one surveyor is being used. They are most common for determining the state of repair of housing. However, the same approach can be used when assessing the condition of other large property stock such as warehouses and other industrial or commercial buildings.

The reader is referred to the relevant RICS guidance note on these types of surveys (RICS, 1995). They are usually carried on a regular (e.g. quinquennial) basis on ecclesiastical buildings as well as housing stocks. Data on the most recent English and Scottish house condition surveys undertaken between 2008/2009 can be obtained from Communities and Local Government (2010) and the Scottish House Condition Survey Team (2009) respectively.

1.2 Housing quality initiatives

1.2.1 Home information packs

The Housing Act 2004, which applies to England and Wales, required sellers of dwellings to supply a standard set of information referred to as a 'Home Information Pack' (HIP). This was required before marketing a property for sale and made available to prospective purchasers (Melville & Gordon, 2004).

HIPs were introduced in August 2007 to provide more information about a property at the start of the buying and selling process. However, the UK's new coalition government suspended the need for HIPs soon after it took power in May 2010. Home sellers, though, still need to provide an Energy Performance Certificate (EPC).

1.2.2 Home condition reports

A HIP, to be complete, required a condition report based on a professional survey of domestic properties, including an assessment of their energy efficiency (ODPM, 2003a). This comes in the form of a Home Condition Report (HCR). Its statutory basis is Section 134 of the Housing Act 2004. Initially the HCR was meant to be mandatory but the UK government in 2006 reversed its decision to facilitate the scheme's launch in June 2007. HCRs were optional.

A similar scheme to the HIP was implemented in Scotland in December 2008. It is called the Home Report (HR), and comprises three elements: a single survey (SS), an energy report, and a property questionnaire. With the demise of the ill-fated HIPs in England and Wales, however, the future of HCRs/SSs remains uncertain.

The HCR is analogous to a 'home sellers' report. Some of the HCR's features have been incorporated into the RICS's HomeBuyer Report (HBR) (see Parnham, 2009). The differences between these types of surveys are summarised in Table 1.2.

The principal functions of the HCR are:

- Assessing the property's overall condition and functionality.
- Pointing out defects and deficiencies that are hazardous to health and safety.
- Identifying defects which it would be prudent/desirable to rectify.
- Identifying matters that require further investigation.
- Satisfying the requirements of the EU Directive 2002/91/EC of 16 December 2002 on the Energy Performance of Buildings through the Reduced Data Standard Assessment Procedure (RDSAP).

The main sections of the HCR are as follows:

- Section A: Terms of engagement.
- Section B: Summary of general information.
- Section C: Conveyancer matters and risks.
- Section D: External condition.
- Section E: Internal condition.
- Section F: Services.
- Section G: Grounds and outbuildings.
- Section H: Energy performance certificate.

Table 1.2 Comparison between HBR and HCR (adapted from Callaghan, 2006)

RICS HomeBuyer Report (HBR)	Home Condition Report (HCR)
Surveys are optional	Optional – sellers are only advised to have an HCR prepared. (Originally the intention was to make the HCR mandatory, but this was reversed by the UK Government in May 2006)
A valuation is included	No valuation is included. The SS in Scotland, however, includes one
Survey report contains condition ratings similar to the HCR	Condition ratings (N, 1, 2, 3) given for each building element (see Table 1.3)
Condition is reported in the context of effect on value	Factual, objective statements of condition are reported, regardless of the effect on value
Repairs form part of the advice	No advice is given on repairs
No requirement to provide an energy certificate	An energy performance certificate must be provided
They are carried out by corporate members of the RICS	They are carried out by 'licensed home inspectors', not all of whom are necessarily chartered surveyors
Standardised electronic delivery of reports is available	Reports are delivered electronically, by commercial HCR registration organisations via secure web connections
Freestyle text is used, with some use of standard caveats and phrases	Reports use 'controlled' mandatory and preferred text
Pros: • based on a tried and tested system • includes a valuation of the property • undertaken by a professionally qualified person – a chartered surveyor	Pros: • simplifies the system • avoids multiple surveys • includes energy rating
Cons: • limited to the buyer who commissioned it • does not include an energy assessment • cost of report	Cons: • limited longevity of report • does not include a valuation • cost of report

HCR ratings are:

- **NI** Not inspected.
- **1** No repair is presently required. Normal maintenance must be undertaken.
- **2** Repairs are required but the home inspector does not consider these to be either serious or urgent.
- **3** Defects of a serious nature or defects requiring urgent repair.

A basic checklist covering these ratings is shown in Appendix IIe.

1.3 Other housing quality initiatives

1.3.1 Fitness standard

The current fitness standard for England and Wales was introduced through the Local Government and Housing Act 1989 which inserted a new Section 604 in the Housing Act 1985. According to the Department of the Environment, Transport and the Regions (DETR) (1998) 'a dwelling is unfit if, in the opinion of the authority, it fails to meet one of the requirements set out in paragraphs (a) to (i) of s.604 (1) and, by reason of that failure, is not reasonably suitable for occupation. The requirements constitute the minimum deemed necessary for a dwelling house (including a house in multiple occupation) to be fit for human habitation' (Douglas, 2006).

These fitness standards require that a dwelling house should:

- Be free from serious disrepair.
- Be structurally stable.
- Be free from dampness prejudicial to the health of the occupants.
- Have adequate provision for lighting, heating and ventilation.
- Have an adequate piped supply of wholesome water.
- Have an effective system for the drainage of foul, waste and surface water.
- Have a suitably located WC for exclusive use of the occupants.
- Have a bath or shower and wash-hand basin, with hot and cold water.
- Have satisfactory facilities for the preparation and cooking of food including a sink with hot and cold water.

1.3.2 Tolerable standard

According to the Scottish Executive (2003) 'The Tolerable Standard (which is equivalent to the Fitness Standard in England) as amended by the Housing (Scotland) Act 2001 was introduced in the 1969 Housing (Scotland) Act following recommendations made in the 1967 Cullingworth Report'. Other than the incorporation of the 'basic/standard amenities' (e.g. hot and cold running water) by the Housing (Scotland) Act 2001, it has remained largely unchanged.

The Scottish Executive (2003) emphasises that the standard is *not* intended to be a measure of acceptable housing conditions. It is distinct from the Building Regulations for example, which provide minimum standards for new construction and reflect modern expectations of the facilities and amenities to be provided in modern homes. The standard sets the base line below which houses should not be allowed to continue in occupation.

A house meets the Tolerable Standard for the purposes of the 2001 Act according to the Scottish Executive (2003) if it:

- Is structurally stable.
- Is substantially free from rising or penetrating damp.

- Has satisfactory provision for natural and artificial lighting, for ventilation and for heating.
- Has an adequate piped supply of wholesome water available within the house.
- Has a sink provided with a satisfactory supply of both hot and cold water within the house.
- Has a WC available for the exclusive use of the occupants of the house and suitably located within the house.
- Has a fixed bath or shower and a wash-hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the house.
- Has an effective system for the drainage and disposal of foul and surface water.
- Has satisfactory facilities for the cooking of food within the house.
- Has satisfactory access to all external doors and outbuildings.
- Any reference to a house not meeting the Tolerable Standard or being brought up to the Tolerable Standard shall be construed accordingly.

1.3.3 Decent homes and quality housing initiatives

It is the Government's aim to 'By 2010, bring all social housing (in England) into decent condition with most of the improvement taking place in deprived areas, and increase the proportion of private housing in decent condition occupied by vulnerable groups'.

A home is classified as decent if it:

- Meets the current statutory minimum standard.
- Is in reasonable repair.
- Has reasonably modern facilities and services.
- Provides a reasonable degree of thermal comfort.

Similar schemes are in place for Wales, Northern Ireland and Scotland. For example, the Scottish Executive (2003) set out proposals for a national standard based on a minimum set of quality measures for all houses in the social rented sector in Scotland. In February 2004 the Minister for Communities launched The Scottish Housing Quality Standard (here referred to as 'the Standard'). The announcement set out a range of measures that local authority and Registered Social Landlord (RSL) stock have to reach by March 2015 and required all social landlords to draw up Standard Delivery Plans (SDPs) to show how they were going to reach that target. This is similar to the Decent Home Strategy for social housing in England.

In Scotland the Government's intention has been 'to define a standard that is relevant to the twenty-first century and is consistent with views on what constitutes acceptable, good quality housing. It differs from the statutory Tolerable

Standard (which is considered a very basic standard of acceptability) and the Building Standards as they apply to new housing' (Scottish Executive, 2003).

As initially proposed by the Scottish Executive (2003) the Standard is based on a number of broad quality criteria. To meet the Standard the house must be:

- Compliant with the Tolerable Standard (as described above).
- Free from serious disrepair (such as dilapidation or structural instability).
- Energy efficient (i.e. has a National Home Energy Rating (NHER) of at least 5).
- Provided with modern facilities and services (e.g. indoor WC, disabled access, etc.).
- Healthy, safe and secure (e.g. free from mould and contains no faulty electrical or gas installations).

1.4 Housing health and safety rating system (HHSRS)

The HHSRS is the UK Government's recently introduced method of assessing the potential risks to health and safety of the occupants or visitors from any identified housing deficiencies (Department for Communities and Local Government (DCLG), 2006). Although the HHSRS is not in itself a standard, it has been introduced as a replacement for the Housing Fitness Standard in England and Wales. A similar scheme in relation to the Tolerable Standard is operated in Scotland.

The HHSRS uses a sophisticated rating system to quantify the risks. A simple checklist summarising these ratings is shown in Appendix IIf. Environmental health officers would normally undertake this type of survey.

1.5 Domestic survey implications

Given these statutory influences any surveyor inspecting a residential property should be cognisant of them. The pro forma survey checklist in Appendix III includes a brief reference to Fitness and Amenities. The degree of compliance with these basic housing requirements should be noted when inspecting domestic properties.

1.6 Non-domestic condition rating system

The rating system devised by the Department of Health ESTATECODE (1989) and the then Department for Education and Employment (DfEE, 2000) to assess the condition of its (mainly non-domestic) stock of buildings uses the following rating system:

- **A** = New/refurbished (good condition). }
  } 'validated condition'*
- **B** = Minor deterioration (fair condition). }

- **C** = Operational but requiring major repair or replacement (poor condition).
- **D** = Serious risk of imminent breakdown (bad condition).
- **X** = A rating added to C or D to indicate that it is impossible to improve without replacement (very bad condition).

* Validated condition = acceptable/target condition.

This rating system forms part of the DoH's property appraisal criteria outlined in the next section.

1.7 Condition appraisal

The key requirements for condition appraisal of domestic and non-domestic buildings are summarised in Table 1.3. Examples of schedules for stock condition surveys are given in Appendix II. Phase 1 surveys are general and designed to help prioritise the worse buildings/elements in the stock. Phase 2 surveys are more specific condition appraisals, which offer costings of the work required to remedy the maintenance backlog of individual buildings.

As part of the preliminary assessment of a building or stock of properties it may be useful, if not necessary, to categorise them into broad condition ratings. Table 1.3 shows a convenient way of doing this.

1.8 The purpose of the survey

There are several conditions under which a surveyor may be required to survey or examine a building and the first point to ascertain is the reason for which the advice is being sought. The following is a list of the most usual reasons:

- To prepare a measured drawing of the building to enable a scheme for alterations, improvements or extensions to be prepared.
- To prepare a report on the condition of a property to be purchased.
- To prepare a schedule of condition for a property to be taken on long lease.
- To advise on the repair and preservation of a building (including 'listed' buildings).
- Work to be carried out to satisfy the requirements of the local or other authority, i.e. dangerous structure notices, public health notices or a factory inspector's notice.
- To prepare plans in connection with party wall agreements. This is usually required where alterations to a party wall are contemplated (see Anstey, 1998).
- To advise on the repair of a building damaged by fire or flood.
- To make a structural appraisal of existing buildings for 'change of use'.

Table 1.3 The spectrum of building condition ratings (based on Douglas, 2006 and Department of Health ESTATECODE, 1989)

General condition rating	Excellent	Good	Poor	Bad	Very bad
Condition category	Optimal	Near optimal (wind and watertight)	Partially/potentially dilapidated	Dilapidated	Ruinous
Overall effect	Excellent state of repair and performance	Reasonable state of repair. No major defects. Satisfies most user requirements	Showing signs of wear and tear. Neglected and approaching being run down	Extensive defects to the structure and fabric. Crumbling fabric nearing dereliction and redundancy	Only some walls left. Little or no roof structure remaining. Windows and doors missing
Non-domestic buildings: NHS Estates/DfEE Coding NB: A and B ratings = 'validated condition' (i.e. the desirable condition levels)	A The element is as new and can be expected to perform adequately to its full normal life	B The element is sound, operationally safe and exhibits only minor deterioration	C The element is operational but major repair or replacement will be needed soon, i.e. within 3 years for building and 1 year for engineering elements	D The element runs a serious risk of imminent breakdown	X A rating added to C or D to indicate that it is impossible to improve without replacement
Domestic buildings: Home Condition Report/Single Survey	1* No repairs needed. Normal maintenance should still be undertaken	1 No repair is presently required. Normal maintenance must be undertaken	2 Non-urgent repairs. Repairs are required but the Home Inspector does not consider these to be either serious or urgent	3 Urgent repairs. Defects of a serious nature or defects requiring urgent repair	3X This rating indicates that the element is impossible to improve without replacement
Typical risks	Superficial defects Redundancy Vandalism Fire Flooding	Minor dampness, timber decay and movement Redundancy Vandalism Fire Flooding	Accessibility problems Dilapidation Redundancy Obsolescence Deleterious materials Vandalism Fire Flooding Dampness, timber decay and movement	Near ruination Squatters Redundancy Obsolescence Vandalism Unsafe parts Deleterious materials Flooding/fire Significant defects	Instability Partial/full collapse Infestation by vermin and vegetation Squatters Redundancy Obsolescence Unsafe areas Flooding
Adaptation response	Maintenance and minor improvements Minor alterations? Extension	Maintenance Modernisation? Refurbishment? Rehabilitation? Alteration? Extension	Demolition? Renovation? Conversion to same or modified use?	Demolition? Restoration? Conservation? Conversion to other use?	Demolish and redevelop site

No doubt it would be readily understood that several of the surveys mentioned above would be carried out simultaneously. For instance, a surveyor is often asked to report on the condition of a property and at the same time prepare a scheme for an extension or alterations. The surveyor's report on the items to be examined will also vary with each building; a lot will depend on whether or not the surveyor is being asked to report on the general condition of a building or examine specific defects. In certain cases the surveyor may consider it advisable to ask if there is any particular point which the client has noticed and which might be giving them reason for concern. Initially, the client will almost certainly be worried by the question of structural stability and will wish to have the surveyor's advice on this matter as soon as possible. On accepting instructions, the surveyor must therefore arrange an early date to examine the premises with this object in mind. Owners seldom realise that a building ten or more years of age is unlikely to be in perfect condition; even in quite small properties expenditure may have to be incurred in order to put the property in sound condition.

Reference to the early history of the building is often important. Very few owners can provide clear details about old buildings. Local authorities or local builders can often produce the original plans, but it is well to remember that alterations were often carried out in the past without submitting plans to the authorities concerned, so any drawings produced should be checked carefully. It was also quite common for details to be altered at the time of building but not amended on the plans.

As soon as a commission has been received to survey a building for alterations or extensions, it is important to consider the nature of the proposed scheme and to ensure that adequate information is obtained on site (Douglas, 2006). It is therefore advisable to discuss the proposals with the client before commencing the survey and reach an agreement as to what precisely they require by way of advice and the specific parts of the building which are to be examined. This procedure enables the surveyor to make notes and sketches during the examination of the area concerned which will assist when preparing the scheme. For example, an extension may necessitate repositioning some essential services or breaking into a party wall where the interests of the adjoining owner would be affected. If the work envisaged involves an extension at the front or rear of a property, close to an adjoining building, then information should be obtained as to the interests of the adjoining owner, i.e. rights of light, air, drainage or other easements. The omission of these particulars may seriously affect the work and cause unnecessary delays. If this is the case it is advisable to contact the adjoining owner at the earliest opportunity and let them know what your client proposes to do.

Surveyors are often asked to advise a client as to the desirability of taking a property on lease. One of the clauses in a lease agreement usually states that the property is to be given up at the end of the term in a condition similar to that when the new agreement was signed. In such cases the surveyor should carefully examine the property and prepare a detailed schedule of condition in order that at the termination of the lease there can be no dispute as to its condition (see Appendix II). Special care should be taken to identify all the rooms referred to in

the report, and when dealing with a large property it is advisable to attach a plan and number all the rooms.

When asked to investigate a specific defect, such as a dangerously bulged wall or settlement, surveyors would be unwise to commit themselves to a definite opinion derived from one examination, especially if they are not entirely familiar with the district and that type of property. Long-term observation is usually required in order to establish with any degree of certainty the exact cause of the failure. The investigation would probably necessitate the use of tell-tales or plumbing of the walls. The client should be advised that it may take several months to reach a decision together with some brief details of the measures that have been taken. Appendix VI is an example of a report on a defective roof to a village hall.

In the case of a 'material change of use', such as a change of use from a large private house to a hotel, the building must comply with the current Building Regulations and it is advisable to involve the local authority throughout the process. Apart from the details required for the alterations or extensions, the local authority may require details of the existing structure, services and fittings so that they can deal with the whole building and not merely with the new work. There are several points that the surveyor may have to consider when dealing with a change of use such as Part E of the Building Regulations: resistance to the passage of sound.

This part of the Building Regulations was extended in June 1992 to include any material change of use of a building into a dwelling including conversion into flats. The requirement incorporates such works as sound insulation to floors or ceilings to prevent sound passing via the existing structure to adjacent rooms. When undertaking work of this nature it is advisable to remember that the local authorities have the power to relax the requirements where implementation would be unreasonable. In such cases the surveyor should ensure that the instructions received from the client are clearly defined. It is also important to explain to the client at the outset what is to be done and the information the report will contain.

The structural appraisal may require the surveyor to check the ability of the building to sustain increased floor loads, and the upgrading or structural fire protection (Douglas, 2006). Other important evidence which may have to be considered is that the building may have undergone several alterations over the years. The owner may have documentary material which should be considered in the appraisal.

1.9 Surveyor's responsibilities

1.9.1 Introduction

Surveyors are expected to have a working knowledge of the law relating to their profession to enable them to perform their duties adequately. It is not for the surveyor to assume the role of a solicitor. If surveyors are confronted with a problem that exceeds the knowledge that they can reasonably be expected to have, then it would be wise to discuss the matter with their solicitor who will have a much wider knowledge of legal matters. The surveyor's legal liabilities, particularly the

subject of negligence, are dealt with in Chapter 18. In the following paragraphs emphasis will be placed on matters of common occurrence concerning contracts and fees, together with examples of letters of contract.

1.9.2 Establishing the client's requirements

The following points as highlighted by Watts Group plc (2010) should be used as a checklist for establishing the client's brief and the extent and method of survey, particularly for commercial/industrial buildings:

- Identify the reasons for and scope of survey (as per Table 1.1).
- Ascertain the scope and degree of detail required (Residential Property & Building Surveying Faculties (now called Residential Professional Group), 2004).
- Identify energy conservation requirements.
- Ascertain access for inspection.
- Ascertain tenure and request relevant documents.
- Check if the property is on contaminated land.
- Ascertain information available (at the desktop stage).
- Consider impact of statutory requirements (e.g. Disability Discrimination Acts 1995 and 2005).
- Establish if costings are required.
- Establish and confirm instructions (RICS, 2002; Residential Property & Building Surveying Faculties*, 2004).

* Now called Residential Professional Group.

1.9.3 Due diligence

Before, during and after undertaking any survey the surveyor should make a rigorous check on the liabilities or issues a prospective owner/tenant might have in relation to a property. In the context of property surveys this process is called 'due diligence'.

The following issues (based on Watts Group plc, 2010) are relevant to the due diligence process:

- Occupational considerations (e.g. fit out, subdivision, any accessibility problems, building has reasonable life expectancy).
- Repairs and defects (e.g. patent or latent defects, deleterious materials, building wind- and watertight).
- Environmental considerations (e.g. risk of contamination or flooding, health and safety issues).
- Engineering considerations (e.g. adequate building services, building structurally sound).
- Legal issues (e.g. restrictive covenants, restrictions on the use of the property, party wall matters, road to property adopted, any special clauses or restrictions in the lease).
- Due diligence team members (e.g. consult solicitor, town planner, etc.).

1.9.4 Keeping records

All surveyors should retain their entire records concerning property surveys and reports (Glover, 2008). Such documentation should be neatly filed and stored in chronological order for easy retrieval in the event of a query, dispute or, worse still, court case. A poorly kept records file on a survey commission will undermine the surveyor's credibility if the case goes to court (Vegoda, 1993).

1.9.5 Health and safety

Inspecting and surveying buildings is a risky business physically as well as financially. Buildings can pose a wide range of physical dangers for the unsuspecting and inadequately prepared surveyor (RICS, 2004). To minimise if not avoid such problems surveyors should always undertake a risk assessment before embarking on a property survey.

The risk assessment procedure follows three basic steps: risk identification, risk measurement and risk control.

Risk identification

This involves pinpointing the likely risks associated with the proposed survey. The RICS (2004) guidance in Appendix V lists the main physical risks associated with surveying buildings. (Other risks are dealt with in the next chapter.) Typical health risks include falls from heights, falling through defective floors and roofs, stepping on or hitting sharp objects, exposure to deleterious substances such as asbestos and silica dusts, contaminated air, etc. For example, inspecting roof voids and other enclosed spaces poses a number of dangers for any surveyor. Falling through the space between the ceiling ties or receiving a head injury from the protruding slate nails are common risks when inspecting roof spaces – particularly if the surveyor has an insufficient level of temporary lighting.

Risk measurement

This includes the attempt to evaluate the degree of risk. The two main methods are quantitative (e.g. low/medium/high) and quantitative (e.g. 1, 2, 3, 4 and 5, with 5 being the highest level of risk). For most straightforward building inspections a qualitative approach to measuring risk should suffice.

Risk control

Once the risks have been assessed qualitatively the extent of precautions required can be determined. Normally only risks identified as medium and high would involve or necessitate some controls. For example, inspecting a roofspace could be classed as a medium risk. This would necessitate controls such as providing PPE (personal protective equipment) such as hard hat (with front-mounted torch), overalls (with high visibility stripes) and facemask. Crawlboards may be required

to provide safe access across the ceiling ties if there is no decking in the roof space. Other health and safety precautions that the surveyor should consider taking, especially in case of an emergency, are:

- First aid kit.
- Mobile phone (with charger in car).
- Personal attack alarm.
- Safety whistle.
- Safety spectacles/goggles.
- High visibility jacket.
- Safety shoes/boots with steel toe-caps and steel soles – to protect the surveyor in dilapidated property or on a building site where there may be sharp objects on the floor, such as nails or spikes, which can puncture the foot.

1.9.6 Expert witness

A surveyor may be called upon to act as an expert witness in relation to a court case involving the survey of a property. Before volunteering for such a role, however, surveyors should follow Part 35 of the Civil Procedures Rules (CPR) which deals with expert witnesses and came into force on 26 April 1999 (Watts Group plc, 2010).

Most importantly surveyors acting as expert witnesses must bear in mind where their ultimate loyalty lies – with the court. According to the CPR (Watts Group plc, 2010) 'it is the duty of an expert to help the court on matters within his/her expertise. This duty overrides any obligation to the person from whom he/she has received instructions or by whom he/she is paid.'

As highlighted by Watts Group plc (2010) the expert witness's report should follow CPR requirements and contain a number of key points:

- The report should contain a statement setting out the brief and instructions given.
- The report should be written in the first person (unlike most building survey reports, which are usually written in the third person).
- Any assertions or findings must be substantiated.
- The report should be addressed to the court.
- The report should contain the expert's curriculum vitae.
- The report should follow a coherent structure (such as the model form of report produced by the Academy of Experts).
- The report should follow the criteria for report writing discussed in Chapter 17.

1.9.7 Professional practice

In the realm of professional practice, particularly for undertaking building surveys, it is important to differentiate between personal conduct, personal competence, professional conduct and professional competence.

Personal conduct

Personal conduct covers deficient or unacceptable performance or behaviour due to factors other than those associated with the exercise of professional skills and may include:

- Bullying.
- Sexual or racial harassment.
- Lack of probity (i.e. unscrupulous behaviour).
- Lack of reliability and poor timekeeping.
- Acting on duty under the influence of drugs or alcohol.
- Inappropriate or criminal behaviour.
- Inappropriate use of employer's facilities.
- Failure to follow organisational policies and procedures.

Personal competence

Personal competence covers the ability and capacity to apply the knowledge and skills required to perform the required tasks in a competent manner. These normally include:

- Cognitive skills to define and solve problems.
- Psychomotor skills to undertake relevant physical tasks – such as inspecting at heights and climbing ladders, etc.
- Team-working skills.
- Business-awareness skills.
- Self-criticism/reflection (sometimes referred to as metacognition).
- Applying transferable skills.
- Impartiality.

Professional conduct

Professional conduct covers deficient/poor/unacceptable performance or behaviour arising from the exercise of professional skills and may include:

- Neglect or disregard of professional responsibilities to clients.
- Failure to comply with the relevant professional guidance (e.g. on property surveys – RICS, 2002; Residential Property & Building Surveying Faculties, 2004).
- Any abuse by the surveyor of his or her position of trust, including a breach of professional confidence, or any form of indecency towards a client.
- Inappropriate or unacceptable attitudes and behaviour towards clients and their employees/colleagues, and the public.
- Unprofessional and inappropriate attitudes and approach to work – such as failure to comply with the RICS's nine core values: (1) Act with integrity. (2) Always be honest. (3) Be open and transparent in your dealings. (4) Be accountable for all your actions. (5) Know and act within your

limitations. (6) Be objective at all times. (7) Never discriminate against others. (8) Set a good example. (9) Have the courage to make a stand.

Professional competence

Performance that is deficient over a period of time is usually considered 'poor performance'. On the other hand poor performance might be the committing of an isolated specific serious incident. Poor performance may encompass:

- Failure to keep professional skills and knowledge up to date (e.g. not fulfilling the profession's continuing professional development (CPD) requirements; or, in the case of trainee surveyors, failure to develop professional skills and knowledge appropriately).
- Failure to work effectively with colleagues.
- Failure to recognise the limits of professional competence (e.g. undertaking work that is outwith one's area of skill – such as undertaking detailed inspection and testing of electrical or lift installations).
- Failure to consult senior colleagues as appropriate.
- Attempting to undertake techniques in which the practitioner has not been appropriately trained.
- Failure to communicate effectively with clients.

1.10 Contracts and fees

1.10.1 Agreement and letters of confirmation

The surveyor's duty is a contractual one and, therefore, depends on the terms of the agreement made between the surveyor and client. The client employs the surveyor to look after his or her interests and thus the surveyor becomes his or her agent for all purposes relating to the examination of the building. To avoid misunderstanding a contract for professional services should always be put in writing (RICS, 2004).

A simple contract requires:

- An offer.
- An acceptance.
- An intention to create legal relations.
- Consideration – which is the bargain element.

Thus, if a surveyor agrees either verbally or in writing to provide a report, a simple contract will be formed. In a professional situation the courts will assume that there is an intention to create legal relations. The consideration, that is the bargain element, will be the agreed fee. The letter should express clearly what the two parties have agreed and the duties should be clearly enumerated, together with any exclusions such as the examination of inaccessible areas. This is important for the

Table 1.4 Typical costs (at 2010 prices) and timings for property surveys of low-rise dwellings

Level of survey	Indicative cost range (a)	Average time to complete survey (a)
Scheme 1	£100–£300 (b)	<1 hour
Scheme 2	£400–£700 (c)	Between 2 and 4 hours
Scheme 3	£700+ (c)	Between 4 and 8 hours

Notes:
(a) For a typical size dwelling up to two-storeys in height. Larger dwellings (i.e. with more rooms or more than two storeys) would of course require additional time.
(b) Alternatively, the required fee for a typical mortgage valuation survey may be based on around 0.1–0.15% of the property's capital value.
(c) An agreed hourly rate is usually the basis for determining the level of fee required for these surveys.

protection of the interests of both parties. In the event of a dispute it is important that a formal agreement showing the intention of both parties is produced. If no written agreement exists the surveyor will have difficulty in suing the client for fees. If the surveyor is engaged by a limited liability company or public body it is advisable to obtain a formal letter of appointment.

Experience shows that many surveyors have difficulties over fees with their clients. This is usually due to the lack of a clear arrangement at the outset. In order to avoid possible problems it is strongly recommended that the surveyor's fees are confirmed in writing including those of any consultants the surveyor considers necessary to examine the various services. This matter can then be included in the letter confirming the client's instructions.

There is no fixed scale of professional charges for building surveys. The various professional institutions simply state 'a fee by arrangement according to circumstances'. Various methods have been tried for assessing fees, but it is now generally agreed that the fairest means of calculating should be on an hourly basis at an agreed rate per hour, plus travelling expenses, and if necessary hotel expenses unless other arrangements have been made. The hourly rate should naturally include all office overheads and expenses (see Table 1.4).

It often happens that a client desires to know the amount he or she will have to pay the surveyor before giving instructions to proceed. It is not easy to assess charges from a client's letter or a description given over the telephone. A preliminary visit to the property, preferably with the client, will soon provide the surveyor with a good guide as to the approximate number of hours the survey will take. This preliminary 'walkabout' is especially important if the property is extensive, i.e. a large commercial or industrial complex. The surveyor will then be in a position to ascertain whether or not a professional consultant is required to examine and report on a particular service or a builder is required to test drains and provide general attendance. Here again a clear understanding should be reached with the client that a consultant or builder is necessary and that the client will be responsible for the fees. However, it sometimes happens that the

survey is being undertaken for a client for whom the surveyor regularly acts. In such cases the client will usually instruct the surveyor to proceed with the survey on the hourly rate previously agreed. Surveyors are often instructed to carry out a building survey and at the same time prepare details of alterations required by the client. As far as fees are concerned it is recommended that the two matters are dealt with separately. This point should be clearly established with the client at the outset.

Six examples of letters of contract are given below. They are given as a guide and will naturally need to be adapted to suit each individual case.

Letter A

Surveyor confirming appointment with details of fees.

_____Date

Dear Sir,

Shop and storage property: No. 14 Blank Street, Sevenoaks, Kent.

Further to our telephone conversation today, I am pleased to hear that you intend to appoint me as your surveyor and that you wish me to carry out a building survey at the above-mentioned property.

I also confirm that my fees are calculated on an hourly basis. As agreed during our telephone conversation we will meet on the site at (insert time) on the (insert date) for a preliminary walk round and discussion. At this meeting I shall have the opportunity to assess the time required to carry out the survey and prepare the report. I shall then be in a position to submit an approximate fee for your consideration.

I understand that the property is vacant and that the keys are in your possession. In the meantime if you have any queries please do not hesitate to telephone me.

Yours faithfully

Letter B

Follow up to letter A confirming fees and stating the areas which are inaccessible.

_____Date

Dear Sir,

Shop and storage property: No. 14 Blank Street, Sevenoaks, Kent.

I refer to our meeting at the above and our subsequent telephone conversation, and confirm that you wish me to proceed with the survey and that you agree to my fee amounting to approximately (insert fee).

During my preliminary examination I found that there is no access to the roof space in the single storey building at the rear of the property. I am therefore unable to examine the internal roof structure and report on it. However, I will examine the slate covering and report any defects found. I will let you have my report by (insert date).

Yours faithfully

Letter C

Surveyor confirming appointment with client previously known.

_____Date

Dear Mr Jones,

Warehouse property: Blank Street, Tunbridge Wells, Kent.

I thank you for your letter dated (insert date) instructing me to carry out a building survey and valuation of the above property. I will contact the agents (insert name) immediately and arrange to collect the keys. I understand that the property is approximately 80 years old and has been vacant for some considerable time. If I consider that the electrical and heating services require an examination by qualified engineers I will inform you immediately with details of their fees. My fees will be on an hourly basis as previously agreed.

I will let you have my report and valuation in about six days' time.

Yours sincerely

Letter D

Follow up to letter C confirming appointment of consultants.

_____Date

Dear Mr Jones,

Warehouse property: Blank Street, Tunbridge Wells, Kent.

Further to my letter dated (insert date of first letter) and our subsequent telephone conversation on the (insert date), I confirm that the electrical and heating installations appear to be in poor condition. I note that you agree that I appoint consultants to examine and report on the two installations. I have worked with the following firms on other surveys and am confident that they will submit a reliable report.

(insert names and addresses of the two consultants)

I have approached the two firms and explained the extent of the service required and ascertained their fees. They will collect the keys from the estate agent's office. Their combined fees for this service amount to approximately (insert amount) and their reports will be submitted to me in about six days' time. By that time my report and valuation should be completed.

Yours sincerely

Letter E

Surveyor confirming appointment with a client who requires a Schedule of Condition on a leasehold property (see sample in Appendix II).

_____Date

Dear Mr Brown,

Detached house: 10, Blank Street, Eastbourne, Sussex.

I was interested to hear that you propose to take the above property on a (insert number of years) year lease and that you require a report as to the condition of the building. I thank you for letting me have a copy of the lease and I have made a note of the repair clause which sets out your obligations.

I note that you are anxious to sign the lease and occupy the house. I will therefore proceed with the survey as quickly as possible. I understand that the keys are with the freeholder (insert name) and that they have agreed to meet me at the property on (insert date) at (insert time).

My fees are calculated on an hourly basis and amount to approximately (insert amount) per hour plus travelling expenses.

Yours sincerely

Letter F

Follow up to letter E enclosing Schedule of Condition and fee account.

_____Date

Dear Mr Brown,

Detached house: 10, Blank Street, Eastbourne, Sussex.

Further to my letter dated (insert date) I have to inform you that I have completed my survey and enclose two copies of the Schedule of Condition. The Schedule should of course be signed by yourself and the landlord and a copy kept with the lease. If you have any queries I shall be pleased to give you any further information you may require.

I also enclose my account for fees which I trust you will find satisfactory.

Yours sincerely

1.10.2 Cost and timing of surveys

The cost of a property survey will depend on three key factors: (1) the type of survey required, (2) the size and location of property being surveyed, and (3) the risks involved. All of these factors will impact on the time taken to carry out the survey effectively. The surveyor spending an inadequate amount of time to undertake the inspection is one of the main causes of poor quality property survey reports.

Given the wide range of property types it would be difficult as well as unwise to prescribe a universal scale of fees and times for all building surveys. However, Table 1.4 gives an approximate indication of the likely costs and timescales for the three main levels of property surveys of a three-apartment detached/semi-detached dwelling not exceeding two storeys. A building survey of a larger dwelling (e.g. three-storey mansion) or multi-storey commercial property would clearly be more time consuming and thus more expensive.