

CORPORATE REPORTING

Global performance report Q3 2023



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Our key numbers

CANDIDATES AND DESIGNATIONS

544

new professionals awarded RICS designations

384

professional assessments

1,749

new candidate enrolments

TRAINING AND CONFERENCES

22,640

registrations across our portfolio

7,017

viewers for digital seminars and CPD

WORLD BUILT ENVIRONMENT FORUM

17,000+

unique visitors to our content





Financial update

For the results to September 2023, we remain in line with our budgeted expectations, achieving a £1.5m operating result.

The continued performance from our EQS, DRS and Standards and Regulation income streams has contributed significantly to the result, albeit this is offset by challenges around our commercial margins and increased people costs.

As we approach the 31 December year-end, we fully expect to meet our budgeted targets providing a stable platform as we move into 2024.



Introduction

This report covers RICS' performance from July to September 2023.

As you will read later in the document, we have made continued progress against our strategy, with key developments in sustainability, policy influence, corporate leadership and the future of the profession. As always, our successes have been possible due to the ongoing engagement of RICS members and our partnerships with stakeholders.



Professional leadership

This quarter, we appointed Alexandra Marks CBE as the new Presiding Chair of our Regulatory Tribunal, replacing Sir Michael Burton GBE KC. Alexandra brings a wealth of regulatory and legal experience spanning 40 years, including as a judge, a Commissioner at the Criminal Cases Review Commission for five years and a Judicial Appointments Commissioner for six years.

We also completed recruitment for our new Knowledge and Practice Committee (KPC), including six Professional Group Panel (PGP) chairs, who will be announced shortly. We have begun recruiting members for each PGP, with the new panels holding their first meetings by the end of Q4. PGPs will be responsible for overseeing the advancement of knowledge and professional practice in their area of focus.

The KPC will focus on knowledge and thought leadership by developing a programme that balances the challenges of current and future practice as it affects both large and small practices.

Having appointed Nigel Clarke as interim Standards and Regulation Board Chair in July, we have started recruitment for a permanent Chair, using an external recruitment specialist agency. The interim board has worked effectively and our Standards and Regulation activities have continued without disruption, underpinning confidence in our regulatory model.

Sustainability

We made significant progress on the sustainability agenda in this period. In September, RICS was granted observer status by the United Nations for this year's COP28 in Dubai. Our participation in this influential policy-making forum will further embed the profession's unique perspective and expertise at the centre of global efforts to decarbonise the built and natural environment. RICS' involvement is vital, given the contribution of our sector to carbon output and demand for materials.

In the same month, we launched the professional standard [Whole life carbon assessment \(WLCA\) for the built environment](#), 2nd edition. Now covering all built assets and infrastructure across their entire life cycle, this publication is set to become the world-leading standard for consistent and accurate carbon measurement in the built environment. Giving visibility to the carbon cost of different design choices, the standard aims to help manage carbon budgets, reduce lifetime emissions and deliver a net-zero future for the built environment. It is also a great example of RICS drawing on its members' expertise, with more than 1,300 consultation responses informing the final document.

Influence and thought leadership

For the UK's political party conference season, which was likely the last before the next General Election, we developed and launched a [manifesto](#) for the built environment. This manifesto sets out a ten-point roadmap, which focuses on three main areas:

- Housing for the future: delivering homes that are safe, sustainable and affordable for all; developing low-carbon, energy efficient homes; achieving safer buildings, including a through a national fire strategy.
- Placemaking and regeneration to deliver growth: unlocking capital investment; delivering social value from land and community infrastructure; optimising sustainable property performance; reforming construction and infrastructure procurement; modernising construction project delivery; embracing sustainable construction.
- Future skills for a sustainable built environment: closing the skills gap and fostering an inclusive workforce.

Delivering a diverse profession

In July, we launched our first ever [Women in surveying insight report](#). The report was developed utilising aggregate membership data and responses received from our first 2022 women in the profession survey. We have since launched a second survey in conjunction with this report, which closed in September with more than double the responses from the previous year. Results from the survey and qualitative inputs from regional focus groups will be shared in a follow-up report in 2024.

The insight report found that although improving, there is still a long way to go to ensure this profession is a place where everyone can thrive, and highlights some of the barriers that we have yet to overcome.

In August, we hosted The Land Collective's flagship [Black Girls in Property event](#), which focused on educating young girls on career opportunities in the built environment through panel discussions with members of the profession and site visits around London.

We also joined forces with the Chartered Institute of Building, Landscape Institute, Royal Institute of British Architects and the Royal Town Planning Institute to deliver an event focused on advancing racial equity in the built environment. Speakers shared their experiences and discussed the challenges with racial equity in the industry and what we must do to drive meaningful progress. To further support members, we have produced more [CPD training on diversity](#).



Securing the next generation

Our global and regional surveys during Q3 continue to highlight a persistent shortage of surveyors. RICS therefore continues to focus on attracting and enabling the next generation of chartered surveyors. Efforts by members and RICS' own recent engagement activity has seen a 28% increase in candidates for the autumn/winter APC. This demand created a challenge for our committed assessor community, who have worked hard to cover the increased workload. Alongside this, we continue to [recruit new assessors](#).

We also launched an ongoing campaign to showcase the benefits of a career in surveying to 16–18-year-olds. Working with influencer partners on TikTok, where research tells us this audience invests significant time and attention, to inspire them to consider entering the profession. The campaign will sit alongside existing engagement activities from RICS members and staff.





Member engagement and support

Putting our members at the heart of everything we do is critical in ensuring we continue to transform the way we engage, how members experience RICS and how they derive value from the organisation.

In Q3, we've continued to see increases in activity across all key markets. By building on the feedback from our members we can monitor the insight to see where we can make any improvements.

Member engagement round-up

1,760

members attended free CPD member-engagement webinars

60

free face-to-face networking events held globally

1,986

members attended networking events in over 28 countries

1,140

members engaged in global and regional conferences

UK and Ireland (UK&I) Matrics activity

In September, 29 local committee chairs, 12 regional chairs and Matrics UK Board were invited to RICS' London HQ for our annual RICS Matrics Chairs Welcome event. We celebrated the year so far and looked to the year ahead, as well as hearing from our CEO Justin Young, Head of DEI Sybil Taunton and Lionheart.

1,300 Matrics members engaged via events activities

£1,635 raised (to date) for Lionheart through events

60 Matrics events have taken place

'Q3 was my first full quarter as Chair of the Matrics UK Board, and I am so excited to see all of the initiatives in the pipeline start to come to fruition. Loads of fantastic events at local level, our national strategy is now set, and we are seeing a far more collaborative and agile approach across all committees. Thank you to all who play such an integral role in driving Matrics forward; and thank you to RICS members, staff, and leadership for your unwavering support!'

Richard Golding AssocRICS
Chair, Matrics UK Board



Global Matrics activity

The framework to drive Matrics globally is now underway, Matrics committees are starting to form in Europe, India, Africas and AsiaPac to build and grow new and existing Matrics groups.

We are working with a group of key individual volunteers across the globe to build the Matrics brand. With the purpose to build networks to support new members or early career surveying professionals, ensuring the profession is more accessible, inclusive and modern around the globe for a sustainable and successful future is a key priority.

World Regional Boards (WRBs)

RICS has divided its global membership into five world regions: Americas, Middle East and Africa, Asia Pacific, Europe and UK & Ireland, which each have a World Regional Board reporting to the Member Services Committee. Each Board is responsible for developing a strategy and business plan for their region.

In Q3, we populated new board members on our APAC and Europe WRBs, and we saw Chris Seymour step down from his role as Chair of the MEA WRB, to move onto his Governing Council Role. [View all World Regional Boards.](#)



'It was a privilege for me to be Chair of the region over the last four years and I have benefited from one of the strongest local teams and WRBs that I have seen assembled. As I move onto my role on Governing Council, I am looking forward to maintaining strong links with the WRB and I am very confident that I will be leaving it in good hands'.

Chris Seymour FRICS
Regional Director, Middle East, Africa & South Asia, Mott MacDonald

RICS Awards

In Q3, we hosted four Award ceremonies all in the APAC region.

The RICS Awards bestow both local and global recognition. They recognise industry-leading achievements and demonstrate the highest standards of professionalism and ethics by individuals and teams across the built and natural environments.

Meet our winners and those who were shortlisted:

- [Australia](#) – Celebrated in Sydney on 7 September 2023.
- [New Zealand](#) – Celebrated in Auckland on 17 August 2023.
- [South Asia](#) – Celebrated in The Lalit New Delhi on 3 August 2023, attended by Chief Guest, Hon'ble Minister of Road Transport & Highways, Shri Nitin Gadkari.
- [China](#) – held in Shanghai on 7 July 2023.





Professional practice

The Knowledge and Practice Committee will be responsible for overseeing the advancement of knowledge and professional practice. Reporting to the RICS Board, the Committee will support the implementation and development of technical standards (providing input to the Standards and Regulation Board) and assist in amplifying the voice of the profession.

Whole life carbon assessment

RICS published the new edition of the professional standard [Whole life carbon assessment \(WLCA\) for the built environment](#), which has been updated to include all building types and infrastructure. A launch event was held in our London office where we heard from a panel of experts including Simon Sturgis, the lead author, Giorgia Albieri (Department for Transport), Kay Tor (Infrastructure Projects Authority), Mark Rogers (Turner & Townsend). The event was chaired by Amit Patel (RICS Head of Professional Practice – Construction).

RICS President Elect, Tina Paillet, gave opening remarks and summarised the significance of the standard in the context of the climate change crisis:

'... we need common standards that provide consistent assurance and confidence that decisions about land use, building and infrastructure construction and property management are well-founded, defensible and effective, adopting long-term thinking about reuse, recycling and redevelopment.'

The standard becomes effective on 1 July 2024 and RICS is now developing training and accreditation to support our members in implementing the standard, while ensuring RICS members can become the go-to professionals for carbon measurement and carbon certification for the built environment.



Building conservation

In September, we held the first ever Global Building Conservation Conference to celebrate the 30th anniversary of the RICS Historic Building Professional Accreditation. The agenda covered the effect that climate change has on our built heritage with a look at the devastating floods in Pakistan and innovative ways experts are working globally to protect sites, such as Hong Kong's pioneering sustainable development that is reviving a once-abandoned rural cultural landscape. The conference was well attended with an ambitious global time agenda, starting in New Zealand and ending in the Americas. Feedback from delegates was that the conference helped to open their eyes to conservation issues in other parts of the world.

RICS President Ann Grey signed a declaration of support – the 'V20 for G20' pledge, which was presented at the G20 summit in Dehli in September. The pledge outlines RICS' support for the development of a Valuation Working Group under the auspices of the G20, which would raise the standing and profile of the valuation profession in decisions made by the G20. Ben Elder, RICS Global Head of Valuation, by personal invitation, has been the Chair of the Technical Committee that has organised the V20 Summit.

Fire Safety competency module

RICS recently launched a [new eLearning module](#) in response to the increasing legislation focus on fire safety in buildings. The course is composed of two modules aimed at equipping learners with the skills to assess the level of fire safety in buildings and to recommend reasonable upgrades for potential hazards:

- Module 1: Fire safety and protection
- Module 2: Fire risk assessment and management

Reinforced Autoclaved Aerated Concrete (RAAC)

After the news broke about school closures in early September, the Professional Practice team swung into action to provide clarity, insight and leadership on this emerging issue. As well as fielding many media interviews, a public statement was published quickly as well as an [advice and FAQs page on the RICS website](#).

We engaged with the Department for Education and persuaded them to revise their guidance and criteria for appointing surveyors to RICS-qualified members. We also engaged with the Cabinet Office and the Government Property Unit (GPU) who led on this across the Government estate.

This was followed by an RICS-hosted webinar (free for members to attend as part of the CPD package) on 20 September, which covered the topic with three experts. This was very well received and the [recording is available](#) for any members who could not attend on the day.

Finally, as part of the cross-industry collaborative Construction Leadership Council (CLC) RAAC Expert panel, we are working with partners on updating the Department for Education's guidance.



Residential retrofit standard – consultation completed

RICS ran a consultation on this draft professional standard from 18 July to 12 September 2023. We received 188 responses from 57 participants.

We are currently reviewing all the feedback received and plan to publish the standard in Q1 2024.

For more information, [read the summary on the RICS website](#).



Securing RICS recognition for residential retrofit

[PAS 2035](#) sets out the best practice in a whole-house approach towards retrofitting, originally designed to support the energy-efficiency improvements of social housing and those receiving government grants. The standard, updated in 2023, creates clearly defined roles throughout the retrofit journey. Following feedback from RICS on the importance of having impartial, professionally competent advice, the newly-defined roles greatly expand RICS' influence on residential retrofit.

For the first time, surveyors are recognised as the leading professional body to deliver retrofit services as part of PAS 2035 – and will be further supported by the development of RICS' residential retrofit professional standard. This helps to ensure the futureproofing of the surveying profession, with the UK government positioning RICS as an influential enabler for the creation of low-carbon, energy-efficient homes.

Valuation

In July, we published the professional standard [Existing use value \(EUV\) for UK public sector financial statements](#). This UK standard provides practical advice and guidance to RICS members on the interpretation and application of existing use value (EUV) valuations of owner-occupied operational properties in public sector valuations, when used for financial reporting purposes. The content is intended to assist members by explaining and reaffirming the principles of EUV and to enable a more consistent approach.

After submitting a consultation response earlier in the year for HM Treasury's thematic review of non-investment asset valuation for financial reporting purposes in the UK public sector, RICS was invited to become part of their working group to reach a workable approach that supports economic and financial stability through the property valuation process and is in the public interest.



Advising the Department for Levelling up, Housing and Communities on the Infrastructure Levy

We held a series of Infrastructure Levy (IL) workshops for members of the RICS Planning and Development group to present case studies to illustrate and test the feasibility of an IL mechanism in practice. The findings of the workshop were also incorporated into RICS' response to the [Technical consultation on the Infrastructure Levy](#).

Our [full submission can be found on the RICS website](#).

Northern Ireland's Strategic Investment Board adopts RICS' carbon assessment standard

RICS has secured adoption of the [Whole life carbon assessment \(WLCA\) for the built environment](#) as the Strategic Investment Board seeks to embed carbon measurement and benchmarking to meet decarbonisation targets.

Influencing the launch of Welsh Degree Apprenticeships

Following extensive engagement with the Welsh government on the critical shortage of new built environment professionals entering the profession, the Minister for Economy announced funding for the introduction of Built Environment Degree Apprenticeships in Wales from September 2024. Quantity Surveying and General Surveying will make up two of the courses. The Welsh government want to ensure RICS accreditation is achieved for these courses, which will develop the pipeline of future RICS members.

RICS hosts Minister at Scotland's Green Homes Festival

RICS hosted a week-long series of events aimed at engaging the public and businesses on the global challenge of meeting our net zero targets. The festival offered hands-on guidance to help people reduce their carbon footprint and become more energy efficient. The event was opened by the Scottish Minister for Housing, Paul McLennan, who was introduced by Chair of the RICS Scotland Board, Sandra Cummings. Sarah Boyack, Labour Party Spokesperson on Energy, Just Transition and Net Zero, was also in attendance. With over 300 attendees throughout the week, sell-out shows and excellent feedback, this was a successful industry initiative that promoted the profession's sustainability expertise to consumers and end users.



Thought leadership

Our market surveys over the last quarter have continued to underline the importance of our members' insight across the various sectors, the built environment and across the globe.

13,000 downloads of our sector reports

Our market surveys featured frequently over the three-month period in many channels, from broadcast, national, regional and trade titles.

July's UK Residential Market Survey was featured on Channel 4 News, with the segment available to [watch on YouTube](#).

Other highlights included:

- [House prices in Scotland fall for first time since Covid](#) | BBC News
- [Rents 'likely to continue rising sharply despite cost-of-living squeeze'](#) | ITV News
- [UK property survey shows falling sales and frenetic rental market](#) | Financial Times

Sustainability

In August, RICS were granted official observer status for COP28, taking place in Dubai from 30 November to 12 December 2023. COP hosts the formal negotiations across the two-week conference, the World Climate Action Summit, the country pavilions, presidency events and hundreds of side events, including panel discussions, roundtables and cultural events. Observer status places RICS and its representatives at the heart of the event with crucial access to the key influencers of global climate change policy.



Justin Young commented:

'RICS is excited to be present at the beating heart of the upcoming COP28 conference in Dubai. By granting RICS observer status, the United Nations recognises the importance of including the built environment and RICS as a sector representative in the conversation on climate change'.

The World Built Environment Forum continues to provide forward thinking content on a variety of critical themes across the industry. Over the last quarter, there have been over 17,000 visitors to the website.

In September, it hosted the UK Summit in London at RICS HQ. It focused on the journey to sustainable investment in the built and natural environment, which was debated and discussed with over 100 delegates from across the industry. As well as featuring keynote addresses and presentations from the following people:

- Chris Taylor, FRICS, CEO Real Estate and Head of Private Markets, Federated Hermes
- Fiona Haggett FRICS, Head of Valuation, Mortgages, Barclays UK
- Sylvie Sasaki, Net Zero and Climate Risk Director, Aviva Investors
- Melanie Leech CBE, Chief Executive, British Property Federation (BPF)

6
webinars hosted in the last quarter

490
total webinar audience globally



Regulation

The Regulation directorate supports the profession to underpin client and wider public confidence and uphold professional standards through regulatory activities and assurance programmes.

See [Regulation](#) for more detail.

Worldwide, we monitor:

9,940 RICS-regulated firms

111,098 individual professionals

25,112 trainees (candidates)

16,155 Registered Valuers

In this quarter, we have received 486 concerns about RICS members or firms from members of the public, other members or clients.

161

new investigations opened

123

investigations closed

The Profession Support and Assurance teams supporting the Valuer Registration, Client Money Protection and Designated Professional Body Schemes have undertaken:

109 member support visits

15 workshops and webinars with 706 attendees

Education and qualification

Over 2,000 candidates committed to an assessment in the UK for the autumn/winter assessment session, for which 125 new assessors were trained. This session would normally see around 1,350 candidates assessed. Assessor availability continues to present challenges, with 25% of assessors who provided availability later withdrew.

The combination of higher-than-expected candidate numbers and a shortage of assessor availability affected the notification of 259 candidates' assessment interview dates for the stated three-week notice period.



DRS Appointment Services

DRS has seen an uplift of 9% in the commercial sector against Q2. The construction sector is slightly behind by 2%, however, it is ahead by 1% on the same period in 2022. Q3 also sees applications in the rural market where there has been a positive upturn against previous years.

Commercial sector: A 9% increase in commercial rent review applications against Q2. The growth area continues to focus on industrial and distribution warehouses.

Construction sector: Adjudication remains active and the volume of adjudications submitted to DRS has increased by 1% for the period July to September 2023.

Rural sector: The end of September and beginning of October sees the period for applications in the rural market. To review the rent on most tenancies, a formal Rent Review Notice must be served at least 12 months in advance to start rent negotiations for a new rent from autumn 2023. We have seen a 53% rise in applications against last year.

DRS Training

The [Women in Construction Scholarship](#) for the RICS Diploma in Adjudication has been introduced. This scholarship offers a unique opportunity to passionate women in the UK construction sector, enabling them to complete the RICS Diploma in Adjudication starting in June 2024.

The [Dispute Resolution Programme for Advisers and Party Representatives](#) was also launched. This new course, which starts in November 2023, covers the spectrum of roles involved in advising and representing a client in dispute.

DRS Consultancy

DRS has been invited to help appoint conflict avoidance process (CAP) panels in Scotland to resolve several disputes valued in millions of pounds. The application by a rail industry employer for the appointment of a CAP panel provides an opportunity for CAP to be imbedded into a range of rail infrastructure contracts going forward.

DRS is liaising with the Farm Tenancy Forum (FTF) and the Department for Environment Food & Rural Affairs (DEFRA) on the development of a CAP service tailored for the rural sector. The aim is to enable landowners and tenant farmers to resolve a wide range of disputes in the sector, including matters that arise as result of increasing diversification.

A government entity in the Middle East has confirmed they intend to trial CAP on a major project. The UK government continues to demonstrate support for the [conflict avoidance pledge](#) and CAP, particularly in the area of contract procurement.

After a rigorous tendering process, a leading UK consumer group has confirmed that RICS DRS is to be its new consumer ADR provider for building maintenance disputes as of 1 November 2023. This represents a major success for DRS development into the consumer ADR space, and provides a platform for RICS to develop ADR services for a wide range of consumer-facing organisations.

Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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