

Minutes of the RICS AGM Hybrid Meeting 8 December 2022 at 14:00

Date of this Meeting: 8 December 2022

Place of Meeting: RICS Headquarters, Great George Street, London & Remote

Present: 238 attendees in total

Including:

Clement Lau, RICS President - Chair

Richard Collins, interim Chief Executive Officer

1.	Welcome to the Annual General Meeting		
	<p>The President welcomed all attendees to the meeting. A quorum was present. He introduced those who would be speaking, in addition to himself:</p> <ul style="list-style-type: none"> • Richard Collins, interim Chief Executive Officer <p>He explained that:</p> <ul style="list-style-type: none"> • The RICS governance body Chairs and Executive Directors were available during the meeting to answer questions. • As the meeting was being held both in person and remotely, voting and asking questions would be facilitated online, as well as in the room. He explained the process for both activities. • Questions asked online during the meeting would be sent to the Chair. They would be checked before they were sent to him. This was to ensure questions made sense, duplication was avoided and any inappropriate comments were removed. • There was insufficient time to debate any questions. It was possible that there would be questions where the information required was not available at the meeting and possible that there would be insufficient time to all answer questions during the meeting. If a question was not answered, a response would be provided after the meeting. 		

	<ul style="list-style-type: none"> • For constitutional reasons, only Fellows, Professional Members and Associates were entitled to vote on ordinary and special resolutions. • The meeting was being live streamed and that it was being recorded. 		
2.	To approve the Minutes of the 2021 Annual General Meeting		
	<p>The President introduced the next item of business on the agenda which was to approve the Minutes of the AGM held on 1 December 2021.</p> <p>The President invited any questions or objections to the minutes. None were made. The Chair therefore took the minutes as being approved.</p>		
3.	To receive the Annual Report and Financial Statements for the period ending 31 July 2021		
	It was confirmed that the Financial Statements and the Professional Auditor's report had been received by the Annual General Meeting.		
4.	Report on the Annual Review for the period ending 31 July 2022		
	<p>Richard Collins, interim Chief Executive Officer, presented a review of performance over the 2021/22 period.</p> <p>The review highlighted the following:</p> <ul style="list-style-type: none"> • Growth in member-led and member focused events • 71 standards adoptions • Increase in proportion of women amongst new trainees • Richard Report implementation progress <p>The President confirmed that the report had been received by the meeting.</p>		
5.	Report on Corporate Performance from August – December 2022		
	Richard Collins, interim Chief Executive Officer, presented an update on Corporate Performance for the period August –		

	<p>December 2022, including subscriptions, revenue and overall financial position of the RICS.</p> <p>The President confirmed that the item of business was concluded.</p>		
6.	<p>To appoint the Professional Auditor until the conclusion of the next Annual General Meeting</p>		
	<p>The next item of business was to approve appointment of the Professional Auditor until the conclusion of the next Annual General Meeting.</p> <p>The President invited those eligible, to vote. The meeting approved that Grant Thornton UK LLP be appointed as the Professional Auditor until the conclusion of the next Annual General Meeting to complete the audit of the Financial period ending 31 December 2022.</p> <p>The voting was 95% in favour, 5% against.</p>		
7.	<p>To note the composition of the Governing Council for Session 2022/23</p>		
	<p>The last formal item of business was to note the composition of Governing Council for the Session 2022/23.</p> <p>The President confirmed that the composition of Governing Council for Session 2022/23 had been received by the meeting.</p>		
9.	<p>Members Q&A</p>		
	<p>The President invited any questions from members that had not been covered in the meeting so far.</p> <p><i>Questions asked and the responses are provided at Appendix 1</i></p>		
	<p>Address from the President</p>		
	<p>The President delivered his address to members, thanking them for the dedication to professionalism that they had shown, stating that it had been a privilege to represent them and expressing his hopes for the future of the profession.</p>		
	<p>Closing the Annual General Meeting</p>		
	<p>The President announced that the ordinary business of the AGM was now concluded. He thanked members of Governing Council</p>		

	for their hard work and insightful contributions during the 2021/22 session.		
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RICS AGM 2022: QUESTIONS AND ANSWERS

At this year's Annual General Meeting, RICS undertook to answer all questions submitted and publish answers on our website. We have grouped questions where there is a theme for ease of reading. We have included all questions submitted to us in advance, all questions asked on the day and all questions submitted to the AGM inbox subsequently.

For reasons of confidentiality, we have not published the names of those who asked questions and removed any identifying details from questions. We fully recognise the importance of transparency which is why we have disclosed all questions in full where possible.

Q: What was the number of professionals in the previous year and what are the first results of the current renewals?

A: In the reporting year 2021/22 RICS had 114,226 qualified professionals and 25,855 trainees. The first round of renewal notices for 2023 have been sent to all regions and we are currently sitting at 11% renewal rate. This is tracking slightly behind the 2022 data by 1.4% but is twice as high as the same time in 2021. The current slight decrease could be explained by small delays in corporate invoice processing which means that more payments were received earlier last year. At this stage we have no reason to be concerned by the numbers being presented. The next round of renewal communications is scheduled for January.

Q: With regards to member fees, when will the review take place, especially in relation to current economic challenges? I understand the value added in being a member.

A: We have held member fees at the same level since 2020 in recognising that many members will have been going through a difficult period economically, first due to the pandemic and now the cost-of-living crisis. The process and structure of setting and agreeing subscription fees is to be reviewed ahead of 2024 to ensure that this is simpler, clearer and fairer for members at all stages of their career. Value for money will be a key consideration in this process, along with the overall experience that we are delivering to our members globally. We have also created a member/staff collaborative working group, as part of the Member Engagement Experience and Value (MEEV) steering group wholly dedicated to delivering value for money through implementation of the Bichard RICS Review recommendations. Outputs from this will be communicated in the new year.

Q: Architects have a protected title. Why are professional surveyors not protected by law and should RICS be promoting legal protection for our title? The general public are totally confused by the fact that everyone who wants to can call themselves a surveyor.

A: Although the chartered surveyor title is protected by law, the surveyor title is not. To raise the profile of the profession in society, RICS seeks to educate the public on the importance of the work of our professionals and the associated regulation, standards and protections that go with engaging a RICS surveyor.

Q: I'm not hearing the voice of a good spokesman for our profession and RICS on the radio or television. It's diminished a lot and I'm sad to hear this. I think we need to be better represented.

A: RICS surveys (residential property survey, commercial property survey) do receive regular coverage in high-profile publications. We have recently undertaken a lot of press work on the issue of spray foam insulation and achieved numerous pieces of coverage on it. In November 2022, RICS was featured on [BBC Radio 4's flagship Money Box](#) programme advising homeowners to engage an independent expert to check that it is suitable for their home. We have also briefed other broadcasters, such as ITV, on the issue. In the past two months, our commentary on spray foam matters has been featured in [The Times](#), as well as throughout industry outlets, including [the Negotiator](#) and [Estate Agent Today](#).

We will continue to press for greater visibility for the profession and push members forward to speak on the key issues of the day.

Assessments

Q: Why are all assessments still made online in Switzerland? It is unfortunately not the best way to facilitate networking between members.

A: Assessment interviews were moved online in March 2020 as part of our response to COVID-19 and have remained online since then. Reporting to the SRB (Standards and Regulation Board), the Qualifications and Assessments Committee (QAC) which is responsible for RICS assessments, decided earlier this year that interviews would remain online while the Entry and Assessment Steering Group (EASG) reviewed routes to entry and assessment methods.

A question about online assessments was included in the EASG member research survey earlier this year and opinions were split on a preference for in-person or online assessment interviews. The QAC and EASG will also consider best practice from other similar international professional bodies and research into online and in-person assessment outcomes and will make recommendations to the SRB about the approach to assessments for all regions in due course.

Q: What is RICS planning to about the disastrous process dealing with APC in AEMEA? Enquiries are going nowhere and candidates are lost in the system resulting that FAs this year were only 10% compared to pre Covid.

A: We do not recognise the figure of 10%. AEMEA final assessment interviews are at 80% of 2018/19 levels, which is consistent with the global number of assessments.

Response times to candidate queries from our candidate support team indicate 80% adherence to service levels for phone queries and 1-2 days for email queries. These are within our published expected service levels, and we are not aware of any major or systemic issues with AEMEA candidate support queries or assessments.

We recognise that there can sometimes be challenges in delivering assessment interviews which rely on RICS members to volunteer as assessors, and we are aware of a small number of interviews that have had to be cancelled at late notice due to assessor withdrawal at short notice (e.g. due to illness). Any assessment concerns can be raised directly with Ian Jeal, Director – Education & Qualifications ijeal@rics.org.

Q: What is RICS doing when new students / candidates are trying to deceive / mislead? For example, if a new candidate Mr. A had Mr. B as counsellor and during review Mr. B (the counsellor) brought forward some of the issues which needed clarifications from the candidate. Mr. A (the candidate) without providing the clarification submitted for final assessment without Mr. B's (the counsellor) approval. When clarifications were requested Mr. A (the candidate) changed the counsellor. How are we tackling similar issues? I think ARC was very helpful when all submissions for new candidates were uploaded, reviewed and approved through ARC. Previously final assessments were scheduled only after the submissions were approved in ARC by the counsellor. The process was documented online and had a track record of changes.

A: Candidates require counsellor approval and sign-off before submitting for assessment. These checks have been manual while a new assessment system, to replace the Assessment Resource Centre (ARC) has been developed. The new [RICS Assessment Platform](#) was launched on 12 December 2022 and will require counsellors to sign a candidate's submission on the system.

A candidate is permitted to change their counsellor at any time. However, if a counsellor has any concerns about the accuracy or representation or honesty of a candidate's submission, they should contact the Assessment team. If the Assessment team receive a concern about a candidate from a counsellor relating to dishonesty or deception, the matter will be referred to the RICS Regulation team for consideration for further investigation. A concern can also be sent directly to the RICS Regulation team by a counsellor. Links and information about how we investigate can be found on RICS website: [Raising Concerns about Regulated Members \(rics.org\)](#).

Q: Why did IT systems like ARC fail? I would guess that RICS has/had professionals taking care of it?

A: In August 2021 ARC ceased to function effectively during the D365 data transfer and had to be removed from the assessment process. On 12 December 2022 after a period of extensive redevelopment and thorough testing we launched the new RICS Assessment Platform which offers a host of features and benefits to improve the assessment process.

Standards and Regulation

Q: Energy Performance Certificates (EPCs) can in some cases be highly inaccurate. Can RICS do something to correct this?

A: We are supporting professionals in being able to deliver on client and public demand for sustainability and ESG reporting. RICS has called on the UK Government to facilitate modernisation of the EPC scheme, to establish a UK-wide retrofit programme and to adopt a ‘whole life’ approach to measuring carbon emissions with insights from our recent [Decarbonising UK Real Estate Report](#).

In relation to EPCs, we are currently working in collaboration with several key bodies to develop a unified Net Zero buildings standard. While this is not a replacement for EPCs we anticipate that it will inform future work to improve them.

In order to support consistent measurement, we are developing an updated flagship standard, the Whole Life Carbon Assessment. In 2023 we will also be developing additional practice information to support valuers in their understanding of minimum energy efficiency standards, as well as scope work on new standards to support strategic decarbonisation retrofitting advice.

Q: It cannot be appropriate for any Member to be cited for professional discourtesy when pointing out that members of a working party had their facts wrong or were unaware of the policies, they are charged with implementing. It must be right for a well-informed member to interrupt statements which are clearly and obviously wrong so as to avoid misunderstanding or a discussion based on an incorrect premise. If it is an opinion that is one thing, and it would be professional discourtesy to interrupt but to be wrong on the facts and policy cannot be categorised as opinion and must be “nipped in the bud”. Adjectives to describe incorrect statements such as rubbish and nonsense are perfectly acceptable and if Hansard is reviewed it will be seen that such descriptions are in daily use by MPs in the HofC and where the Speaker of the House neither admonished their use nor brings any charge against those who use such descriptions. RICS needs to encourage its members to come forward with their position and be strong in promoting such action without fear or fetter of being cited or sanctioned. The Levitt report confirmed institutional bullying within RICS was a serious issue and I do hope that Regulation and other parts of RICS recognise this criticism. I would like comfort from RICS GC at the AGM that the problems of this nature, as exposed by the Levitt review, will be expunged so that Members feel empowered as an integral part of their own professional institution.

A: As with all of RICS and the commitment made by Governing Council to uphold the appropriate culture and values of the Institution, SRB expects that all those who undertake work on RICS’ behalf in any form or remit follow appropriate standards of conduct. This includes ensuring appropriate respect and professional courtesy is maintained in groups, committees and working groups, while also recognising and balancing the importance of participants’ ability to speak openly, and appropriately challenging one another through constructive debate.

We welcome feedback in respect of consultations and on professional standards, and practice information for the profession. In all engagement we ask all participants to act respectfully and with professional courtesy. Where any behaviour falls short of the standards of conduct expected of members and a concern is raised with RICS Regulation, the relevant information would be considered, and a decision made as to whether an investigation should take place

In June 2020, RICS Regulation published guidance for the use of social media by our members, which may be supportive for members who engage on various social media platforms to debate or discuss professional matters. [You can find the guidance here.](#)

Q: Having regard to the changes within the industry, to recognise the importance of competence and in particular the need for those members who work within the building control profession to demonstrate their competence and who will need to be registered with the Building Safety Regulator by April 2024, what progress is RICS making with developing competence assessment and validation across the various surveying sectors and, more specifically, for members working within Building Control?

A: The Standards and Professional Development Directorate is in regular dialogue with the Building Safety Regulator (BSR) to understand what the specific requirements will be for RICS members working in this area. While we have a good idea of what the validation and competence assessments may look like, the BSR has not yet confirmed what the specific competence requirements will be, nor the registration processes. We are taking a cautious approach to committing the investment of members' funds to any new RICS process, to ensure it is fit for purpose.

At the same time, the Education & Qualifications Directorate has undertaken a wider review of entry and membership assessment requirements. Earlier this year over 900 responses were received following a research survey that covered routes to entry as well as post-qualification CPD. In addition to publishing the analysis of the Review responses in Q1 of 2023, work continues with relevant organisations (e.g. the BSR) as we look at the kinds of qualifications and competencies that are going to be required for entry into the profession and continuous CPD, together with training and revalidation. This work is ongoing.

Q: There is an ongoing problem with EWS1 (External Wall System Fire Review certificate) forms. A housing minister said "EWS forms should not be a requirement on buildings below 18 meters." Well, I laugh at that because that was reduced to 11 meters, but on a certain estate in Uxbridge I did evaluation on a three-story modern brick block. Yes, it had a couple of bays with some sort of metal cladding. I know, not what I was just doing evaluation and some stack balconies that had an EWS1 and it managed to sell on the same estate by a different developer who did not think it necessary to do any more. There was another property, there was a sale someone wanted to buy four stories, admittedly top floor, some cladding, yes, some balconies. Not high risk. Couldn't get a mortgage from the mainstream lenders and got a subprime lender. The valuer then down-valued it by about 10% and I rubber stamped that. I was doing help to buy valuation — what else can I do? And I've read the more recent advice from the ISSE (Institute of Specialist Surveyors and Engineers) but doesn't solve the problem when you are having to do a de facto valuation.

Developers, landlords and their managing agents are just hiding behind the RICS, and government guidance and we're just stuck in a rut. I sympathize with my clients, but what can I do? I can't put a proper value on it. I think if the RICS could be more instrumental, and I think there is a problem with the CML. I think they're actually blighting a lot of low rise and low risk properties. There are some nuances there which I don't think RICS has addressed. I know you can't wave a magic wand, but I think we need to move this on, because there are a lot of properties just not selling or impossible to put proper valuation on, because of EWS1. And valuers are just hiding behind advice and saying, "It's a nil valuation," which is not realistic.

A: RICS has worked intensively over the past two years with valuers, lenders and the Government to support proportionality in the application of EWS1. This is reflected in updates to the EWS1 form and related RICS guidance which was produced in 2021 to set out a consistent approach to use of EWS1. With new leaseholder protections enshrined in the Building Safety Act and developer pledges, lenders have committed to restart lending on affected properties where a route to remediation has been identified. To support this and in the wider public interest, we have published [technical guidance](#) which will help valuers to provide an opinion of value consistently for lenders.

Data suggests that EWS1 is now only being used in a small proportion of lending decisions and their use continues to reduce. We will continue to work with Government to support proportionality. We are not aware of any published RICS guidance that is capable of being used to justify a disproportionate or obstructive approach.

Q: Re foam insulation in residential roof spaces: there is difference between open and closed cell foam (the later is likely to cause condensation and possible rot). Open cell foam (eg Icene) does not necessarily cause such problems yet valuers are turning down mortgages on dwellings with this product. Has RICS any guidance on this serious problem?

A: Members of the Standards and Professional Development team are part of a UK cross-industry working group, operating to develop an inspection protocol for spray foam roof insulation. Given the importance of this issue to valuers and the public, the working group has committed to the UK Government to conclude this by mid-2023. The work is expected to conclude in Q1 of 2023 and will be trialled to ensure its practical application. We are also engaging on this matter with the lending community and will consult on whether to produce further guidance following completion of the inspection protocol.

For current guidance, we are producing a consumer guide on spray foam which is presently undergoing careful review prior to publication.

RICS transformation programme

Q: I noted in the Bichard review a couple of recommendations. One, that RICS should do more in terms of thought leadership, and secondly, RICS should liaise to a greater extent with academia. I'm curious to know what plans are afoot to meet those recommendations.

A: Thought leadership, research and relationships with researchers will sit under the Knowledge and Practice Committee which will have a majority of RICS members. It will also consist of the Chairs of the Professional Group Panels who will take this work forward in a collaborative and member-led way. This is a great opportunity for RICS to show leadership and support the profession, demonstrating a collaborative approach.

Q: I'd like to raise the recent reviews undertaken into the organisation highlighted the need to change and improve the culture and values. I'd like to ask how that is going, how is it going to be achieved and what are the key objectives behind the whole process?

A: The Levitt Review told us there was a lack of transparency at RICS and, unfortunately, that there was indication of a culture of bullying and a lack of good behaviour within the Institution. Governing Council's decision to publish Alison Levitt's report in full and to act on it immediately was an important start to the recovery journey which we have continued by demonstrating a greater level of transparency. This year Michael Bichard made recommendations to address the culture and values of the organisation and to include members and everyone we work with to foster a transparent and collaborative way of working. Ann Gray FRICS as the incoming President has taken on the responsibility of leading the working group on this subject.

Member services and engagement

Q: Since the sale of BCIS how influential will RICS be in advising on publications etc? I recently tried to order an updated generic maintenance pricing book which is no longer published. This is making my job of providing approximate costings very difficult.

A: While we have sold a portion of our interest in BCIS, we still hold an equity interest in the company. Working with an expert partner in capital and technology investment/development will help us fully realise the potential of BCIS. Nonetheless, we are establishing a working relationship with BCIS that will enable us to develop data-driven standards and thought leadership for the profession as we have always done. BCIS as an independent entity chooses its own offering but members can get in touch with experts at BCIS on contactbcis@bcis.co.uk to get a fuller understanding of current and future offers. We also welcome ideas on how we can best deliver BCIS data-based content to the profession.

Q: It's interesting to hear that you're setting up a new Knowledge and Practice Committee. Would they consider widening access to isurv channels to members as part of the subscription?

A: isurv access is being explored by the Member Experience, Engagement and Value (MEEV) working group. Decisions were already made last year to open more information and support channels to members as part of the core subscription package. Access to isurv is included in MEEV's forward agenda for the upcoming year.

Q: I am aware that clerical errors are emerging in RICS customer services communications with its members which appear to be the result of incorrect information held on RICS databases or information being transposed incorrectly. I should be grateful from RICS at the AGM that such errors are being addressed and appropriate safeguards are in place to protect members information and to ensure correct communication with members.

A: We are aware of an error with one of the data sets used for the first round of membership renewal communications which meant that incorrect contact was made with some members. This mistake was quickly rectified, and a retraction notice was sent. RICS takes instances such as this very seriously by investigating the root cause and enhancing the controls as appropriate. In this specific instance, the internal reporting mechanisms have been redeveloped with additional checks and balances that will prevent future errors occurring. RICS remains fully committed to maintaining the safety of its members data and would urge all members to visit the My Account section of [rics.org](https://www.rics.org) to ensure that all personal data is fully up to date.

Q: Can networking trips and meetings be arranged for RICS members?

A: Meeting fellow members and developing a network of peers is a critical part of a professional membership, so we are working to create more events and opportunities for face-to-face engagement. We offer a busy events calendar worldwide (including in-person events) which is visible to members online. Please get in touch with us with any suggestions for specific member events, as we are looking to enrich the event schedule for next year.

Q: Communication lines with our members is our weakest point in the current strategy. Advisory Boards and World Regional Boards are working as hard as possible to help to implement the new strategy and structure. However due to the ineffective and insufficient manners to be able to reach out towards our local members, we fear the current renewals. We see a lot of members resigning their membership and it feels that all efforts of staff and board will be useless if we don't change strategy right now. We have written a letter towards GC, the MEEV group and the senior management but nothing has changed. This is a cry for help in order to save our beautiful organisation. How will RICS help us in the short term to solve this problem in the communication otherwise we are too late. And don't keep hiding behind GDPR because there are solutions for that issue.

A: Historically there has been a heavy reliance on email as the primary way to reach members, so we are looking to improve this mode of communication as well as employ other channels more effectively. One example is our social media channels, including the new [myRICS community](#) which enables much more tailored and agile communication and features specialist practice as well location-based peer groups. This allows country boards to communicate with members more effectively and directly. Member communication is very high on Governing Council and MEEV Working Group's agendas and we are working to improve the way we communicate with members.

Q: RICS website is still not very user friendly, for instance I could not find anything about this AGM on it! When will this improve?

A: The new and improved [rics.org](#) is expected to launch in Q1 2023 delivering a much better experience for members.

Q: Is the Library functional and will it continue to subscribe to professional journals such as Estates Gazette, Building, Property News etc?

A: RICS library was never formally closed although we did limit accessibility during the pandemic for safety reasons. The library is fully open and operational, and the new Knowledge and Information Services Manager Fiona Fogden is now delivering a new, future-fit knowledge and information service to members worldwide. Dedicated staff will be on-site on Tuesdays and Wednesdays 10am to 4pm and this will be reviewed based on demand as the service matures. We continue to subscribe to Estates Gazette and Building Property Week. Please email knowledge@rics.org with requests for other professional journals.

Q: Consultation took place in the Spring regarding the Journals with 84% of those who responded stating they were in favour of digital with an option to receive printed copy. Will the outcome of this consultation be respected, and we see a return of the hard copy journals to permit greater inclusivity on the way members consume information key to their role as Surveyors?

A: The consultation that we ran in Spring 2022 had 419 respondents, 322 of whom voted for an option to request print publications — this represents 0.25% of our membership.

The decision on how best to structure information for members on their professional disciplines will sit in the new governance arrangement with the Knowledge and Practice Committee which will work with and oversee the seven new professional group panels. A key part of this Committee's work will be to decide in

collaboration with members how RICS can best support its members with up-to-date information, insight and data about their individual areas of practice. They will take into account the results of the MODUS and Journals consultation and progress their work rapidly to make sure members have access to the information they need to support them in their roles.

Q: I noticed on the website you've withdrawn some of the guidance notes relating to some competencies. Are you updating those notes, and when should we expect to see the new ones published?

A: As promised during the AGM, RICS CEO Richard Collins met with this member afterwards to discuss the availability of guidance notes and pathways related to the Construction sector previously available on rics.org. These documents have now been supplied to the member as requested.

World Regional Boards and international membership

Q: Why is there no country manager in DACH? Germany, Austria and Switzerland represent one third of European membership!

A: We have been actively recruiting for a 'country manager' or 'head of market' based in Germany who will support members, work with stakeholders and represent RICS brand not only in Germany, but also in Austria and Switzerland. It is our intent to have that person based in Germany along with a Member Engagement Lead supporting the DACH market. Given recent departures and current job market conditions it has been a challenge to get the right skill set at the right compensation package in the right markets. We continue to endeavour to fill this vacancy and are committed to having someone leading our efforts in Germany and across DACH.

Q: Why is there currently no country manager for Switzerland to support the advisory board?

A: RICS professional members operate in around 100 countries worldwide and we are not able to provide a manager for each of those countries. However, Switzerland, like all other European countries, is supported as part of RICS infrastructure in the European market. If membership in a particular country grows to a size where employing a country manager is feasible, we will not hesitate to review the existing arrangements.

Q: Members are often more closely linked to their country than the centre. Local member board are an important part of this; they have been stripped of all power in the past and this needs to be re-established. How will the transformation be cascaded down to each country? What is planned?

A: Members told us in the Bichard RICS Review that they needed more support on the ground, more opportunities to stay engaged and informed and more free CPD opportunities. We have listened and are delivering this. As part of the Bichard Review implementation, we are devolving accountability to the World Regional Boards to help determine local priorities, local resource allocation and how we promote the profession for the public advantage in those markets. The Member Engagement Experience and Value (MEEV) steering group is working to facilitate this now.

Q: National organisations seem to be starved of funds, why is that?

A: While implementing Bichard RICS Review recommendations at pace, we are looking to balance this with investment in a better customer experience and the knowledge and practice that supports the profession. We are currently, liaising with WRB chairs on the budget for local member engagement which has been approved by RICS Management Board. Members told us in the Bichard RICS Review that they needed more support staff on the ground, more opportunities to stay engaged and informed and more free CPD next year. These considerable investments are covered in the central budget and any discretionary spend available is being provided to WRBs to allocate as they see fit. These local budgets do not include the ongoing package of value and support provided to WRB boards and members, through association with a professional body.

Q: The question is on the regional boards, and I wonder where we are with that. My understanding was that some of them were running behind schedule because potentially either people were not coming forward, or something else going on in the background. I wonder whether there's an update on those regional boards?

A: All the regional boards are now active. We will undertake a significant program of recruitment in 2023, both at the WRB level and at a country board level. Previously, these boards were categorized as advisory within RICS. Under the new governance structure that we're adopting as part of Lord Michael Bichard's recommendations, they are absolutely ingrained into the governance of the institution. These boards will become part of the formal governance structure, so it is important that they are all fully populated so we want to encourage members to join a local or regional board — it is a great opportunity to contribute to the institution and to develop their own professional skills and networks.

Public interest

Q: Can you explain the position in respect of current Legislative proposals in the UK which could or indeed would create an organisation effectively controlled by any Government or rather its Civil Service, who retain no semblance of or respect for a Professional ethic? Such, if enacted, would nullify & probably dismantle much of the respect, hard won, over past decades to create World-wide recognition for the standing of our Professional & Technical Standards.

Other Jurisdictions including many Commonwealth ones and those allied to it would likely be quick to reject that (which) they might rightly consider an out-dated attitude by a London centric body then under the thumb of - to them - an un-elected "mandate" of a UK Parliament. We need to widen our efforts to oblige Mr Secretary Gove to re-consider this (in conjunction with his equals at the FCO, Overseas Development & Trade bodies) and the threat to the "soft-power" benefits they risk. I am aware many similar Chartered bodies have been concerned from an early date that any Legislative action such as is proposed might well be taken as Precedent & in turn also damage their standing in the wider world.

A: This question refers to clause 186 of the Levelling-up and Regeneration Bill, which is currently before the UK Parliament. This clause would give the power for the Secretary of State for Levelling Up to introduce an independently led review into the institution's activities, and it would do so with very little framework or safeguard around it. We have made it clear that we disagree with that provision and consider it unnecessary, and we believe it to be a dangerous precedent. We think it runs the risk of creating a chilling effect on the operation of what is an independent professional body.

We have made our position clear to ministers and civil servants, as has the former chair of RICS Governing Council. Individual RICS members have also spoken to MPs and to the Secretary of State about this issue. We have provided briefings in the Commons and the Lords, as well as approached others who we believe may be willing to speak on our behalf. We will continue our efforts to get clause 186 withdrawn and welcome any suggestions or ideas from members as to how we might do that more effectively. Should it come into place after all, we would continue to act as we do now, for what we and members see as the public advantage without fear or favour.

Q: In considering the recommendation by Lord Bichard to change the Royal Charter and to include the specific subject matter of sustainability (coupled with the provisions at paragraph 189 in chapter 10 on page 195 of the Levelling-up and Regeneration Bill to review RICS Governance) is Governing Council able to give comfort that RICS will remain independent and the Royal Charter will not be changed simply to satisfy a political preference which may well place chartered surveyors and its professional body into conflict with the public advantage and public interest. Further such an approach if not correctly considered and appropriate safeguards adopted could result in RICS being hijacked for political purposes which I regard as institutional corruption. I therefore would like to have comfort from RICS at the AGM that any changes to the RICS charter will be focussed on the public interest, have regard to the support of its members and not create circumstances where a conflict of interest arises within the wording of the Royal Charter.

A: In respect to the Royal Charter, any amendment can only happen following detailed work and consultation, as well the approval of members and ultimately the Privy Council. The proposed clause 186 of the Levelling-up and Regeneration Bill would give the power for the Secretary of State for Levelling Up to institute an independently led review into the institution's activities, and it would do so with very little framework or safeguard around it. We have made it clear that we disagree with that provision and not only consider it unnecessary (given that we have committed to an independent review every five years) but believe it to be a dangerous precedent.

Q: What is the position regarding the Kingsley Napley report into the matters in the redacted Chapter 5 of the Levitt Report? Are any members to be subject to disciplinary proceedings if found appropriate in that report?

A: Alison Levitt QC (now Judge Levitt) produced a report for publication and Governing Council published that report in full at that time. She also produced what has been referred to as 'Chapter Five', which was additional information she had received, falling outside of the terms of reference of her review and therefore not appropriate for further action in the same way.

As promised at the time, Governing Council was provided with an unredacted copy of Chapter 5 of the Levitt Review and commissioned Kingsley Napley to produce a further report specifically covering the findings and observations contained within this. In line with advice from Alison Levitt QC at the relevant time, the Council decided not to publish this chapter to protect the identities of those complainants who had shared information in confidence. Nothing in the Kingsley Napley report required specific action, but common themes and issues were identified. Lord Bichard was also provided with the unredacted version of Chapter 5, as well as Kingsley Napley's report for context and consideration in his review, the recommendations from which have been approved by Governing Council and are now in progress.

Q: The makeup of the Valuation Review Committee was flawed, comprising primarily accountants and City institutions with only one recognised main line valuer (but who has not headed up the valuation department of one of the valuation houses for some time) with no representation from the regions of the UK or other world regions, and has resulted in some inappropriate recommendations to change RICS policy and the approach to the issues of the valuation of investment property and valuer rotation globally. RICS SRB clearly did not have the expertise or understanding of the flawed position of Recommendations 8(i) on DCF and Recommendation 3 on Valuer Rotation and adopted all 13 Recommendations “unequivocally”. This suggests that our internal regulatory regime is failing as it does not appear to understand what it is RICS members do or how they do it. I appreciate Lord Bichard had some criticisms of SRB and it may take time to make the recommended and necessary changes but in the interim, there is a problem on the issue of RICS Valuation Reform which appears to have taken the wrong path. I therefore require comfort from RICS at the AGM that RICS will properly assess Valuation policy based on full representation of its membership and not seek to dictate to RICS members such as Valuers how to do their job outside of appropriate Practice Statements and Guidance Notes in support of members expertise and knowledge.

A: The Review of Real Estate Investment Valuations (Valuation Review) was commissioned in light of criticisms about the reliability of certain valuations and the environment in which they are conducted. The Review findings reflect the independent professional opinion of the reviewer, Peter Pereira Gray. Those findings were based on extensive evidence gathering, including an expert advisory group selected by the reviewer himself to inform his work, comprising valuation experience and key related skillsets including regulation and investment market expertise.

Following the report, SRB set up a Valuation Review Implementation Committee (the Committee) consisting of 10 members, 7 of whom are RICS Registered Valuers, to prepare proposals for consultation. As part of its work, based upon wide and extensive consultation, as well the breadth of their collective experience and expertise, the interim Committee is providing recommendations to SRB on ongoing governance arrangements for the oversight of valuation assurance, including the creation of a permanent committee. The recruitment for the Chair of the new permanent Committee, will commence in the next 6 weeks.

The Valuation Review addressed several contentious issues, rotation of valuers being one of the most significant. This is why we are currently consulting RICS membership and the public on this, with the [consultation period extended to 30 December](#) to allow more members to contribute. In the first quarter of 2023, a further public consultation is planned in relation to valuation methodology for investment valuations (particularly the application of Discounted Cash Flow (DCF) in valuation), and on the review recommendation to introduce a Valuation Compliance Officer role in RICS regulated firms.

SRB’s response to the Valuation Review included a commitment to ensuring proportionality and to ensuring progress is informed by stakeholder consultation on changes to RICS’ standards and regulation framework over an appropriate timeframe, with regular communications to stakeholders on progress. In line with this, the committee has clarified its proposed direction of travel with regards recommendation 8(i) within its published FAQs: [Review of Real Estate Investment Valuations \(rics.org\)](#)

Rather than criticising the SRB, the directorates which fall within the SRB’s remit retained the confidence of senior independent external reviewers through the Levitt Review, the Valuation Review and the most recent Review conducted by Lord Bichard. Recommendation 8 within Lord Bichard’s Review focusses on strengthening the SRB’s independence which has now been delivered through the Council’s approval of the new [Regulatory Framework](#).