

## TERMS AND CONDITIONS OF ENGAGEMENT

**Level 1 Condition Report - Level 2 Homebuyer Report - Level 3 Building Survey Report**

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### Confirmation of Appointment

We refer to your instruction received requiring **The Surveyor** to carry out and to prepare and deliver a **Survey Report** on the **Subject Property**. The **Survey Report** will be **Level 1 Survey Report**, **Level 2 Survey Report**, or a **Level 3 Survey Report**. The type of report will be specified in the **Instruction Email Quotation**, for which you will confirm acceptance of the Terms of Engagement electronically. We accept the instructions only on the basis that the scope, purpose, and conditions of the report are as set out in the **Instruction Email Quotation** and the Terms and Conditions for the **Survey Report**.

### The Service

These Terms and Conditions of Engagement should be referred to and used in conjunction with the **Instruction Email**, setting out the Client name and address, instruction type, reason for instruction and fee/price agreed. **The Surveyor** details are included in the **Instruction Email** and these Terms as per below.

The **Survey Report** requires disclosure of any previous business relationship we may have with you, your property, or your selling agent. If appropriate, disclosure has been made. The scope and extent of the inspection is detailed in the **Description of Service**, inclusive of the Terms and Conditions. The **Survey Report** will be prepared by a suitably qualified Surveyor who is a member of the Royal Institution of Chartered Surveyors (RICS) holding one of the membership grades: **AssocRICS**, **MRICS**, or **FRICS**. It will be prepared in an objective way regarding the condition of the Property on the day of the inspection.

Horizon Surveys Ltd is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct and all other applicable mandatory professional practice requirements of RICS, which can be found at [www.rics.org](http://www.rics.org). As a RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firms nominated RICS Responsible Principal is Chris Nichol, Building Surveyor. [Info@HorizonSurveys.co.uk](mailto:Info@HorizonSurveys.co.uk)

We are required by RICS to seek formal confirmation from you that you are satisfied that the **Survey Report** Terms and Conditions meet your requirements, and this will be deemed satisfied by you making payment for this **Service** or services, as stated in the Instruction Email by way of timed and dated verifiable email confirmation.

Complaints: **The Company** operates a Complaints Handling Procedure in accordance with RICS guidelines. A copy is available upon request.

Any reference to 'valuation' or 'valuations' in these Terms and Conditions relate to the **Valuation** element of an instructed **Service** and **Survey Report** where an optional additional valuation service has been selected by **The Client** and has agreed to be undertaken by **The Surveyor**, for which an additional fee has been agreed with **The Client**.

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The **Survey Report** as standard, does not include:

- A valuation
- Buildings insurance reinstatement
- Cost estimates

Some of these services may be provided, subject to a review of the subject property, age, construction, or Listed Building Status, as an additional service and are subject to additional terms and conditions and fees. We are unable to provide formal costings as part of the service provision.

## **Definitions**

**The Company:** Horizon Surveys Ltd with company number 15416984 and registered office at Office 5, 37 Victoria Road East, Thornton-Cleveleys, Lancashire, FY5 5BU.

**The Surveyor:** As confirmed to you at the time of booking the site inspection.

**The Client:** The person or persons detailed in the **Instruction Email** providing instructions for the **Service** and **Survey Report** to be provided for their own use. In this context, **The Client** and the customer have the same meaning.

**Instruction Email:** The type of report will be specified in the **Instruction Email** for which you will confirm acceptance of the Terms of Engagement. This is the email communication which the company will send to you **The Client**, to set out the details of the **Service** and **Survey Report** to be undertaken. We accept the instructions only on the basis that the scope, purpose, and conditions of the report are as set out in the **Instruction Email** and the Terms and Conditions for the **Survey Report**.

**Property:** An interest in a self-contained domestic dwelling as defined by The Town and Country Planning (Use Classes) Order 1987 (as amended) being classified as Use Class C3 which may also include small HMOs within Use Class C4. In the context of the **Service** and the **Property** to be inspected, property is also referred to and defined as **The Subject Property** as specified in the **Instruction Email**.

**Subject Property:** The **Property** interest which is physically inspected in performing the **Service** and carrying out the **Survey Report** which is detailed in the **Instruction Email**.

**Survey Report:** The report undertaken by the **Surveyor**, the format of which will follow a template as set out in the attached documents "**Description of the Level 1 Survey Report**"; "**Description of the Level 2 Survey**"; or "**Description of the Level 3 Survey**", as applicable.

**Description of Service:** The Royal Institution of Chartered Surveyors (RICS) publication documents which describe the extent of service for the Home Survey Level 1, 2 & 3 Report service.

**Valuation:** Unless otherwise stated in the report, the valuation, where provided as an additional service, will be for the interest in **The Subject Property**, of its existing tenure and title, use and form. **The Valuation** will, as an additional service, therefore, form a separately prepared **Valuation Report** alongside the **Survey Report**.

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**Valuation Date:** Shall be the Inspection Date of **The Subject Property** unless otherwise stipulated in the report.

**The Service:** **The Service** provided by the Company in arranging for **The Surveyor** to provide **The Client** with a **Survey Report** which may include a separate **Valuation Report** and advice as an additional service.

**Market Value (MV):** The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

**Statutory Definition of Market Value (capital gains tax, inheritance tax and stamp duty land tax):** Summary definition derived from legislation: 'The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price shall not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time.' (Source: section 272 Taxation and Chargeable Gains Act 1992. Section 160 Inheritance Tax Act 1984, Section 118 Finance Act 2003).

**Market Rent (MR):** The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Our assumptions of what are 'appropriate lease terms' for this property will be set out in our report.

**RICS Monitoring: The Company and The Surveyor** are regulated by the Royal Institution of Chartered Surveyors, (RICS).

Please note that our files may be subject to monitoring under the Institution's conduct and disciplinary regulations and will be provided to RICS on request.

## A: GENERAL TERMS

- 1) **The Client** wishes **The Company** to arrange for **The Surveyor** to provide the **Survey Report** being an opinion of condition of **The Subject Property** interest as specified by the **Client**.
- 2) Subject to additional and agreed instructions to the effect, **The Surveyor** shall provide to **The Client** an opinion of value within a separately prepared **Valuation Report** based upon an inspection of **The Subject Property** by **The Surveyor** who shall be a member of the Royal Institution of Chartered Surveyors (RICS), also a member of RICS Valuer Registration Scheme (VRS); and setting out the opinion of value of the relevant interest in the **Property**.
- 3) Where a separately agreed **Valuation Report** is to be provided it will be prepared in accordance with the RICS Valuation -Global Standards effective 31 January 2022, the RICS Valuation-Global Standard 2017: UK National Supplement effective 14 January 2019, and relevant UK VPGAs.

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- 4) **Introduction.** These Terms of Engagement set out the conditions upon which **The Company** and **The Surveyor** accept instructions and will apply in all cases unless any other arrangement is confirmed in writing by **The Company**.
- 5) **Appointment.** **The Client** appoints **The Surveyor** to provide **The Survey Report**, exercising reasonable skill and care.
- 6) **Performance Standards.** The Surveyor confirms that the survey will be carried out in accordance with the best practice guidelines for RICS professionals carrying out a Level 1 Condition Report, Level 2 Survey Report, and the Level 3 Building Survey Report service. The survey will comply with the RICS Home Survey Standard 1st edition, November 2019.
- 7) **Liability and Duty of Care.** **The Surveyor** owes to the **Client** a duty to act with reasonable skill and care in providing **The Survey Report** and complying with the **Client's** instructions where those instructions do not conflict with these terms or applicable laws and professional rules.

**The Company** and **The Surveyor** have no liability for the consequences, including delay in or failure to provide **The Service** or **The Survey Report**, of any failure by **The Client** or any agent of **The Client**: promptly to provide information or other material reasonably requested, or where that material is inaccurate or incomplete, or to follow our advice or recommendations.

We confirm that **The Company** holds professional indemnity insurance in respect of **The Survey Report** to be provided.

- 8) **The Surveyor.** **The Survey Report** is to be provided by an **AssocRICS**, **MRICS** or **FRICS** qualified member of the Royal Institution of Chartered Surveyors, who have the skills, knowledge and experience to survey and report on the Subject Property.
- 9) **Report Delivery.** Post inspection, **The Company** and **The Surveyor** aim to deliver the report within 5-7 working days. In an exceptional scenario, the report may take longer. The report will be sent to the Client's email address (or other agreed email address as applicable). **The Company** and **The Surveyor** cannot be held liable for any loss arising due to delay in Report delivery.
- 10) **The Client's Obligations.** **The Client** shall pay **The Company** in respect of the fee, to be agreed between **The Client** and **The Company** and detailed in the **Instruction Email**. The fee is payable at the time of **The Company** being engaged to perform **The Service**. Please note that such fee will not be treated by RICS as **Client** money and will not be subject to the protection of the RICS Client Money Protection Scheme.

**The Client** will be responsible for the timely provision of all information and reasonable cooperation, including that from third parties engaged directly by the **Client**, required by the **Company** and the **Surveyor** to assist in the performance of **The Service** and delivery of **The Survey Report**. We will assume that the information provided is complete and correct.

- 11) **Cancellation.** **The Client** can cancel this contract by notifying **The Company** in writing (e-mail or letter). The Client is liable to pay one of the following cancellation fees depending upon

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when the notice of cancellation is received. Where notice of cancellation received from The Client is:

- a) Before 2pm the day before scheduled appointment: £100.00 to cover administrative costs.
- b) After 2pm the day before scheduled appointment, but prior to inspection taking place: 50% of the agreed fee.
- c) After the inspection of the subject property: 100% of the agreed fee. And note:
  - i) **The Company** can cancel the contract if **The Surveyor** after arriving at the **Property**, concludes that it is of a type of property he or she has insufficient specialist knowledge to be able to provide the **Survey Report** satisfactorily. In case of this cancellation by **The Surveyor**, any money paid by **The Client** for the **Service** and **The Survey Report** will be refunded in full.
  - ii) **The Company** can cancel the contract if **The Surveyor** finds that **The Subject Property** is demonstrably different from that described by **The Client** at the time of providing instructions for the service. In case of this cancellation by **The Company** and/or **The Surveyor**, any money paid by the Client for the service and **The Survey Report** will be refunded, less a cancellation fee of £40.00 to cover administrative costs. In the event of **The Surveyor** having already attended the subject property, a refund of any monies paid by the **Client** for the service and the **Survey Report** will be reduced by 50% of the fee.
  - iii) The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 shall not apply to this contract which cannot be cancelled once **The Subject Property** has been inspected by The Surveyor. Once we have provided you with our report, you will lose the right to cancel during the 14-day cooling off period.
  - iv) **The Company** also has the right to cancel this contract, if for reasons beyond its control, it is unable to fulfil the contract. In this event **The Company** will provide a full refund of any fees paid.

- 12) **No-shows and Re-scheduling.** In circumstances where an appointment visit to access **The Subject Property** does not proceed due to factors beyond the control of **The Company** or **The Surveyor** and/or where the third-party appointee is not present or available, i.e. No-shows.

Where **The Surveyor** fails to get access to the property for any reason, 50% of the agreed fee will be payable to **The Company** by **The Client**.

**The Client** can re-schedule the agreed appointment by notifying **The Company** in writing (email or letter). **The Client** is liable to pay the following fees for late requests and/or no-shows:

- a) No fee: Rescheduling requests received by 2pm the day before scheduled appointment.

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- b) 25% of the agreed fee: Request received after 2pm the day before scheduled appointment, payable in addition to the agreed fee.
- c) 50% of the agreed fee: Request received on day of scheduled appointment, where this request is received by the **Surveyor** and **Company** before the access inspection has commenced, in addition to the agreed fee.

13) **Late Payments and Non-Payments.** All fees as required for the provision of **The Service** and **The Survey Report** will be paid by the **Client** to **The Company** prior to **The Service** being carried out.

All fees that remain unpaid for 14 calendar days from the due date will incur an additional late payment fee of £50.00.

Any payment outstanding for 28 calendar days after the due date will in addition be referred to a debt recovery process. Any additional costs incurred in employing such a process will be charged to the **Client**.

14) **Jurisdiction.** English law shall apply in every respect in relation to the service and the agreement with the **Client** which shall be deemed to have been made in England. In the event of any dispute arising in connection with **The Survey Report** or **The Valuation Report**, including any third party using **The Survey Report** and/or **Valuation**, the parties will submit to the jurisdiction of the English courts only. Please note that by agreeing to these terms, you agree, that any dispute shall be subject to **The Company's** Complaints Handling Procedure in **all** instances and **not** via pre action protocol.

15) **Miscellaneous Provisions:**

- a) In the event of one of the Terms and Conditions herein being held to be unenforceable, the remainder of the contract is not affected.
- b) **The Survey Report** will be conveyed to the **Client** electronically and in the event, that a printed hard copy report is required, the **Client** undertakes to arrange this at the **Client's** cost.
- c) Failure to follow the requirements set down by these conditions will invalidate **The Survey Report** and any additional valuation.
- d) **Dispute resolution:** In the event, that **The Client** has a complaint regarding the standard of **The Service** and/or **The Survey Report**, the **Company's** formal Complaint Handling Procedure will be followed. A copy of **The Company's** Complaint Handling Procedure is available upon request. Using the Complaints Handling Procedure will not affect the **Client's** legal rights.
- e) **Data Protection: The Company** takes its responsibility under the General Data Protection Regulations very seriously. Our Privacy Policy details how we collect, use, maintain and disclose personal data. A copy of our Privacy Policy is available upon request.

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- f) **Intellectual Property:** All intellectual property rights arising out of **The Survey Report** and any valuation associated with it shall be owned by **The Company**, excluding the personal Customer Information.
  
- g) **Referral fees:** **The Company** as a regulated firm and **The Surveyor** confirms that a payment has been or may be made, as part of a third-party commercial relationship. Both **The Company** and **The Surveyor** are satisfied that this does not constitute a conflict of interest.

## B. TERMS & CONDITIONS RELATING TO SURVEYS

### 1) Scope of the Inspection

- a) Generally, **The Surveyor** will consider his or her advice carefully, but is not required to advise on any matter the significance of which in relation to **The Subject Property** is not apparent at the time of inspection from the inspection itself.
  
- b) **The Surveyor** will inspect diligently but is not required to undertake any action which would risk damage to the Property or injury to themselves.
  
- c) **The Surveyor** will not undertake any structural or other similar calculations.

### d) Areas not Inspected

**The Surveyor** will identify any areas of **The Subject Property** which could not be adequately accessed or inspected during the inspection (relative to the Level 1 Condition Report Service, Survey Level 2 Homebuyer Report service and the Level 3 Building Survey Report service, standard scope of inspection specification), and as such these details are referred to in **The Survey Report**.

In the event, that **The Surveyor** is requested to re-visit **The Subject Property** to inspect areas that **The Surveyor** was unable to inspect during the original visit, due to reasons beyond **The Surveyor's** control, an additional fee will be payable.

### e) Flats or Maisonettes

Unless otherwise agreed, **The Surveyor** will inspect only the subject flat and garage (if any), the related internal and external common parts and the structure of the building or particular block in which the subject flat is situated. Other flats will not be inspected. **The Surveyor** will state in the report the limits of access and/or visibility in relation to the common parts and structure. **The Surveyor** will state whether he or she has seen a copy of the lease and, if not, the assumptions as to preparing obligations on which he or she is working.

### f) Environmental and Other Issues

(1) Particular noise and disturbance affecting **The Subject Property** will only be noted if it is significant at the time of the inspection or if specific investigation has been agreed between **The Surveyor** and **The Client** and confirmed in writing.

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(2) **The Surveyor** will report on any obvious health and safety hazards to the extent that they are apparent from elements of **The Subject Property** considered as part of the inspection.

**2) Ground Conditions**

**The Surveyor** will not be required to comment upon the possible existence of noxious substances, landfill or mineral extraction, or other forms of contamination.

**3) Consents, Approvals and Searches**

a) **The Surveyor** will be entitled to assume that **The Subject Property** is not subject to any unusual or onerous restrictions, obligations or covenants which apply to **The Subject Property** or affect the reasonable enjoyment of **The Subject Property**.

b) **The Surveyor** will be entitled to assume that all planning, building regulations and other consents required in relation to the **Property** have been obtained. **The Surveyor** will not verify whether such consents have been obtained. Any enquiries should be made by the **Client** or the **Client's** legal advisers. Drawings and specifications will not be inspected by the **Surveyor** unless otherwise previously agreed.

c) **The Surveyor** will be entitled to assume that **The Subject Property** is unaffected by any matters which would be revealed by a Local Search and replies to the usual enquiries, or by a **Statutory Notice**, and that neither **The Subject Property**, nor its condition, its use, or its intended use, is or will be unlawful.

**4) Content of the Survey Report**

The content of **The Survey Report** will be benchmarked against the RICS standard templates for RICS Home Survey Level 1, 2 and 3 Report Service as set out in the RICS Home Survey Standard 1st edition, November 2019. The description of the service document "**Description of the Level 1 Condition Report**", "**Description of the Level 2 Homebuyer Survey**" or "**Description of the Level 3 Building Survey**" have been provided to you with our confirmation of instructions by electronic mail in **The Instruction Email**.

**5) a) Before the Inspection**

This period forms an important part of the relationship between the **Surveyor** and the **Client**. **The Surveyor** will use reasonable endeavours to contact the **Client** to understand particular concerns about the property and explain (where necessary) the extent and/or limitations of the inspection and report.

**b) After the inspection**

**The Surveyor** will use reasonable endeavours to contact the **Client** after the inspection to discuss the major points and issues found. The content of this conversation will not in any way override the content of the report. The report will take precedence in all cases.

**6) Limitations**

Where advice or opinions are required outside the reasonable professional skill and expertise of the **Surveyor**, he or she will advise you on the need for further specialist involvement where we consider this to be necessary for the completion of your instruction(s).

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**7) Insurance Rebuilding Cost Assessment**

The **Surveyor** will provide an insurance rebuilding cost assessment only if this is agreed at the time of taking instructions and provided it is feasible to do so. The Reinstatement Cost figure (if requested in the **Client** instruction) for the permanent buildings is provided for insurance purposes and is not directly related to the market value of the property. The reinstatement cost will be calculated by reference to the indices and guidance published by the Building Costs Information Service (BCIS). The figure stated will only include Value Added Tax on professional fees (not on building costs) and will not take, into account, other potential or consequential losses such as costs of demolition, site clearance, provision of services, alternative accommodation, personal items or any other contents or contingent costs. If the property is built pre-1720, historic timber framed, Listed Building, System Built, or a one-off bespoke design we will be unable to provide a calculation as these properties sit outside the BCIS service and will require a more specialist insurance provider.

**8) Force Majeure**

Whilst every reasonable effort will be made to carry out the inspection at the date/time agreed, we cannot be held liable for any losses caused by matters outside our control, such as, but not exclusively: **Surveyor** illness; traffic/vehicle delay/breakdown; extreme weather conditions; or vendor unavailability.

**9) Miscellaneous**

a) Unless expressly provided, no terms in the agreement between the **Surveyor** and the **Client** is enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than the **Surveyor** or the **Client**.

b) **The Surveyor** shall, unless otherwise expressly agreed, rely upon information provided to the **Company** or the **Surveyor** by the **Client** or the **Client's** legal or other professional advisers relating to relevant matters.

c) Any document resulting from a survey or other inspection of a building will not purport to express an opinion about or advise upon the condition of un-inspected or concealed parts and should not be taken as making any implied representation or statements about such parts

d) Where the **Client** has instructed the **Surveyor** to make investigations which cause damage to the **Subject Property** on the basis that the **Client** has obtained the owner's consent, the **Client** will indemnify the **Surveyor** against any loss or costs or liabilities arising.

e) **The Client** may only rely upon the **Surveyor's** advice and report for purposes described in the **Instruction Email**, particulars of which have been communicated to the **Surveyor** in writing. If the **Client** wishes to rely upon such advice and **The Report** for any other purpose, the **Client** may only do so with specific written consent of **The Company** and **The Surveyor**.

These Terms and Conditions are based on the model Terms and Conditions of Engagement contained in the RICS guidance note.

f) **External Cladding Panels and Fire Safety** - Composite external panels which incorporate insulating material between inner and outer external wall faces such as aluminium composite material (ACM) panels have been extensively used in recent years as external cladding. Some panel cladding systems incorporate combustible insulation materials. The type of

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insulation and any fire checking of the panel system cannot be identified from a visual inspection. Where the existence of such panels has been reported, the type of insulation and installation is **outside the scope of The Survey Report**. Other elements of the Property and building will also have a bearing on overall fire safety, including, fire doors, fire stops in wall cavities, escape routes, alarms, and fire suppression systems. Such matters are **outside the scope of The Survey Report**. For buildings of more than two storeys it is essential that the Fire Safety Certificate, (EWS1), is supplied. For buildings of two storey height or less the **Surveyor** will make the assumption, that the cladding system is satisfactory. It is the responsibility of **The Client** to have any materials tested and if found to be not in compliance. **The Client** should make all necessary enquiries prior to any legal or financial commitment.

g) **Asbestos and other hazardous materials**: The construction of buildings, fixtures, fittings and plant or equipment may contain hazardous materials. Such materials are impossible to detect without specific tests and are beyond the scope of **The Survey Report**. No guarantee is given that such materials are not incorporated in any part of the property or fixtures. The service does not include an asbestos inspection and it falls outside The Control of Asbestos Regulations 2012.

## 10) **Limitation of Liability**

RICS recommends the use of liability caps to members to manage the risk in valuation and survey work. Our aggregate liability arising out of or in connection with this service, whether arising from negligence, breach of contract or any cause whatsoever, shall in no event exceed 15% of the Market Value of **The Subject Property** at the date of inspection, or the purchase price in relation to this report (whichever is the lesser). We will not be responsible for the first £2,000.00 of any claim. This clause shall not exclude liability for death or personal injury caused by our negligence.

**The Survey Report** is provided for **The Clients** use only, and we cannot accept responsibility if it is used or relied upon by anyone else, any other or third parties, unless this is expressly agreed by **The Company** and **The Surveyor**, in writing beforehand. None of the employees of **The Company**, partners, or consultants, individually, have a contract with you, the **Client** or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with the Services. For avoidance of doubt, the liability caps set out here also apply to valuations provided as an additional service.

- a) **The Company** and/or **The Surveyor** shall under no circumstances whatsoever be liable to the **Client**, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for loss of profit or any indirect or consequential loss, of any failure by the **Client** or any agent of the **Client**: promptly to provide information or other material reasonably requested, or where that material is inaccurate or incomplete, or to follow our advice or recommendations.
- b) **The Client** acknowledges and agrees that the obligation of the **Company** is to arrange for the **Surveyor** to provide the **Client** with the **Survey Report**. The **Client** hereby accepts that any claim for losses arising out of any matter in connection with the **Survey Report** or any acts or omissions of the **Surveyor** must be brought against the **Company**.

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The **Client** acknowledges, agrees, and accepts that the **Surveyor** shall have no personal liability whatsoever for or in relation to any such losses.

- c) None of the **Company's** employees, officers, partners, affiliates, or consultants individually has a contract with the **Client** or owes the **Client** or the prospective purchaser or vendor or any other party a duty of care or personal responsibility. **The Client** agrees not to bring any claim against any such individuals personally. To the extent that any part of this notification is a restriction of liability within the meaning of Section 1 of the Unfair Contract Terms Act 1977, it does not apply to death or personal injury resulting from negligence or fraudulent misrepresentation.
- d) These Terms of Engagement do not include any warranties, conditions, and other terms except as stated herein and as required by law. **The Survey Report** and any associated separately prepared valuation report will be provided after diligent consideration and research, but property values are subject to fluctuation and the valuation process is inexact and thus the **Surveyor's** opinion is subject to a degree of tolerance depending on the property and the availability of comparable evidence. **Valuations** are provided to assist the **Client** in making a prudent decision; they are not provided as any form of guarantee or warranty of value.
- e) Where loss is suffered by the **Client** for which the **Company**, the **Surveyor** and/or any other third party are jointly responsible, any recoverable loss by the **Client** from the **Company** will be proportionate to the **Company's** relative contribution to the loss suffered and subject to the provisions of this clause 10.
- f) Where the **Client** is composed of more than one entity, then each such entity's liability shall be joint and several.
- g) The **Client** acknowledges that the **Surveyor** shall have no liability for any inaccuracy in **the Survey Report** or service provision where this is due to an inaccuracy in the Information provided by the **Client** or third parties.
- h) The terms implied by Sections 3 to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from this Contract and the **Survey Report**.
- i) This Clause 10 shall survive termination of this contract.
- j) The **Client's** failure to follow the requirements set out in these Terms and Conditions will invalidate the **Survey Report** and service provision.
- k) Nothing in these conditions shall limit or exclude the **Company's** liability for:
  - i) Death or personal injury caused by its negligence, or the negligence of its officers, employees, agents, subcontractors, or consultants.
  - ii) Fraud or fraudulent misrepresentation.
  - iii) If the **Client** has agreed to accept reimbursement of the fee paid, or the **Company's** fee account has not been settled within two months of the date of the invoice, then it is agreed that the **Client** has placed no reliance on the **Survey Report**

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(including a separate valuation produced alongside the survey) and thus the **Client** or any permitted assignees will not be entitled to pursue any action for alleged negligence, breach of contract or breach of duty. This does not limit the **Company's** entitlement to the agreed fee.

m) All telephone or verbal discussions are prone to misinterpretation or misunderstanding by either party, especially in the interpretation of instructions, legal, technical, or descriptive matters as such no reliance may be placed by the **Client** upon any such discussions unless agreed outcomes are formally confirmed in writing by an authorised officer of the **Company**.

## C. VALUATIONS PROVIDED AS AN ADDITIONAL SERVICE

Where a valuation is to be provided as an additional service, as confirmed with **The Client** in the **Instruction Email**, the following terms and conditions will also apply:

### 1) Purpose of the Report

a) The **Client** wishes the **Company** to arrange for the **Surveyor** to provide separately to the **Survey Report** an opinion of the value of the Freehold or Leasehold or Commonhold interest in **The Subject Property** as specified by the Client.

b) **The Surveyor** shall provide to the **Client** an opinion of value within a separately prepared **Valuation Report** that is to be read and considered alongside the condition advice within the **Survey Report** (as per 1a above) based upon an inspection of the property by a named individual who shall be:

i) a member of the Royal Institution of Chartered Surveyors (RICS) holding one of the membership grades: AssocRICS, MRICS, or FRICS; and

ii) a member of the RICS Valuer Registration Scheme (VRS), setting out the Valuer's opinion of the relevant interest in the property.

The **Valuation** within the **separately prepared Valuation Report** will be prepared in accordance with the RICS Valuation - Global Standards effective 31 January 2022, the RICS Valuation - Global Standard 2017: UK National Supplement effective 14 January 2019, and relevant UK VPGAs,

c) **Confidentiality: The Valuation Report** is provided to the named addressee/s alone and solely for the purpose of the instruction to which it relates. The valuation may not, without **The Company's** written consent, be used or relied upon by any other or third party, even if that third party pays all or part of the fees or is permitted to see a copy of the **Valuation** or **Survey Reports**. If **The Company** provides written consent to a third party relying on the valuation, any such third party is deemed to have accepted the terms of **The Company's** engagement, and an additional fee may be payable. Neither the whole nor any part of the **Valuation** or **Survey Reports** or any reference to them may be included in any published document, circular or statement nor published in any way without **The Company's** written approval of the form and context in which it may appear.

d) **The Surveyor** shall have no known interest in **The Subject Property** or any other conflict that will prevent the **Valuation** from being undertaken in an independent, objective, and unbiased way.

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- e) The **Market Value** reported unless otherwise specifically agreed in writing, shall be in accordance with one or more of the following Valuation bases: Market Value (MV) or Market Rent (MR) detailed at the beginning of these conditions. (See "Definitions".) The value shall be provided in pounds sterling,
- f) The **Valuation Methodology** shall be the Comparable Basis of Methodology unless at the sole discretion of the Surveyor/Valuer and subject to the interest, bearing income, an Investment Methodology may be adopted which will be stated in the **Valuation Report**.
- g) **Flats-Building Insurance** will be for the subject flat only and it will be assumed that the **Client's** legal adviser will confirm that the Freeholder or Management company includes the flat in a block buildings insurance policy.
- h) **Access** to the property shall be the responsibility of the **Client** who should inform the **Surveyor** of any delay or any special arrangements to be followed together with contact information for the occupier, estate agent or other key holder.
- i) **The Client** will be informed of the inspection date and time and the report will be available normally within 7 -10 working days of the inspection or otherwise as agreed with the **Client** and is subject to all necessary information being made available to the **Surveyor** or subject to further discovery. Any anticipated delay in gaining access or delay in the report will be notified to the **Client**.

## 2) Reporting Assumptions and Limitations relating to provision of the Valuation Report

- a) **The Surveyor** will make reasonable assumptions which will be specified in the **Valuation Report**. However, if these assumptions are found to be incorrect, please advise us immediately as the valuation may require to be amended to take account of any newly disclosed, amended or discovered facts.
- d) **The Surveyor** shall, unless otherwise expressly agreed, rely upon information from the **Client** or the **Client's** legal or other professional advisers. It is the responsibility of the **Client** to ensure this information is accurate and to promptly advise the **Surveyor** if it is not.
- c) **External Cladding Panels and Fire Safety** - Composite external panels which incorporate insulating material between inner and outer external wall faces such as aluminium composite material (ACM) panels have been extensively used in recent years as external cladding. Some panel cladding systems incorporate combustible insulation materials. The type of insulation and any fire checking of the panel system cannot be identified from a visual inspection. Where the existence of such panels has been reported, the type of insulation and installation is **outside the scope of The Survey and the Valuation Reports**. Other elements of the Property and building will also have a bearing on overall fire safety, including, fire doors, fire stops in wall cavities, escape routes, alarms, and fire suppression systems. Such matters are **outside the scope of the Valuation**. For buildings of more than two storeys it is essential that the Fire Safety Certificate, (EWS1), is supplied. Where the nature of the cladding is considered, to be suspect, the **Surveyor** will report a Zero Value until the form EWS1 in Compliance is supplied. For buildings of two storey height or less the **Surveyor** will make the assumption, that the cladding system is satisfactory. It is the responsibility of The **Client** to have any materials tested and if found to be not in compliance, the **Valuation** may

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then require to be adjusted. The **Client** should make all necessary enquiries prior to any legal or financial commitment.

d) **Asbestos and other hazardous materials:** The construction of buildings, fixtures, fittings and plant or equipment may contain hazardous materials. Such materials are impossible to detect without specific tests and are beyond the scope of the **Survey Report**. No guarantee is given that such materials are not incorporated in any part of the property or fixtures. The service does not include an asbestos inspection and it falls outside The Control of Asbestos Regulations 2012.

e) **The Inspection** will, take into account, gardens, grounds, and permanent outbuildings, but will not include constructions or equipment with a specific or leisure purpose, including sauna, swimming pools or tennis courts and associated services and changing rooms. The Inspection will include the immediate gardens that belong to the property, but the Inspection specifically excludes any additional land such as pasture or amenity land.

f) **Measurement** - the **Surveyor** may measure the property during the inspection or take measurements or areas from plans provided by the **Client** or obtain such details from specialised data base information available to the **Surveyor** or from publicly available information at the sole discretion of the **Surveyor**. Outbuildings will not be measured on site unless they are considered by the **Surveyor** to contribute significantly to the reported capital value or reinstatement cost (if reported).

g) The Following Additional Assumptions will be made by the **Surveyor** in respect of the **Property**:

i) the ground is not affected by the existence of noxious or toxic substances or gases and has not been used for landfill or mineral extraction or other forms of contamination, and does not contain gypsum deposits;

ii) no high alumina cement concrete or calcium chloride additive or other potentially deleterious material including 'Mundic material' was used in the construction of the property or has since been incorporated;

iii) the **Property** is not susceptible to radon gas pollution, invasive or protected species, flood risk, high voltage equipment, cables or coastal erosion, unless specified in the report;

iv) the **Property** is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing, easements or way leaves or rights of way over the property and that good title can be shown;

v) the **Property** and its value are unaffected by any matters which would be revealed by local or environmental searches, and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, nor its use, nor its intended use, is or will be unlawful;

vi) the inspection of those parts which have not been included in the Inspection in accordance with these Terms and Conditions would neither reveal material defects nor cause the **Surveyor** to alter the valuation materially;

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vii) it is assumed that unless otherwise stated, roads, sewers, and services outside the curtilage of the **Property** are the responsibility of the Local Authority or other statutory body. It is further assumed, unless otherwise stated, that all services including drainage are connected and access and roads are unfettered, and in the case of the public highway, maintained at the expense of the Local and Highways Authorities;

viii) the **Valuation** is based on the assumption that the Property is being valued with vacant possession and, unless otherwise stated, for owner occupation; if the property is tenanted the **Client** is under a duty to inform the **Surveyor**;

ix) that further investigation into Planning Permission, Building Regulations, Permitted Development Rights, extensions and alterations, hazardous materials, onerous restrictions, or the like will not reveal anything sufficiently adverse as to materially affect the **Valuation**;

x) in the case of Leasehold Tenure, the **Surveyor** will assume that there remains a minimum of 85 years on the lease, and the Ground Rent and any Service Charges are reasonable unless otherwise detailed in the report;

xi) there are no archaeological remains, Scheduled Ancient Monument or liability to Chancel Repair and the property is not at risk of flooding or likely to suffer damage from unstable ground conditions;

xii) any other assumptions will be clearly stated in the report; however, the **Surveyor** shall be under no duty to verify these assumptions and the **Client** should ensure the assumptions are correct. If any of these assumptions are incorrect, then these should be discussed with the Valuer before any financial or legal commitment is made as the Valuer's opinion of value may change.

xiii) if the **Surveyor** has not been provided, or cannot obtain, an up-to-date EPC rating for this property, for the purposes of the Energy Act 2011, its valuation will be based on the assumption that the subject property will meet the minimum requirements laid down by legislation and that there will be no adverse impact on value, rental ability and marketability;

xiv) in the case of a newly constructed property, it has been built under a recognised builder's warranty or insurance scheme, or has been supervised by a professional consultant capable of fully completing the UK Finance Professional Consultant Certificate;

xv) there are no ongoing insurance claims or neighbour disputes, and the property is insurable under normal terms.

## h) Leasehold Properties

Where **The Subject Property** is leasehold, data including unexpired lease term, ground rent and any further relevant information should be considered and reflected in the **Valuation** based upon data that can be sourced on the day of inspection or beforehand from either the vendor or the selling agent as applicable following reasonable investigation. However, the **Surveyor** clearly cannot give any absolute assurance that, if verbally provided, such data is reliable verification. It will be a matter for your legal representatives as appropriate.

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Where **The Subject Property** is leasehold, and it is not possible to inspect the lease or details have not been provided, the following assumptions will be made, unless instructed to the contrary;

- i) The unexpired term of the lease is assumed to be 85 years, and no action is being taken by any eligible party with a view to acquiring the freehold or extending the lease term. RICS Valuation - Global Standards 2022: UK national supplement UK VPGA 11 Valuation for residential mortgage purposes UK Valuation Practice Guidance Applications (UK VPGAs) RICS Valuation – Global Standards 2017: UK national supplement.
- ii) There are no exceptionally onerous covenants upon the leaseholder.
- iii) The lease cannot be determined, except on the grounds of a serious breach of covenant in the existing lease agreement.
- iv) If there are separate freeholders, head and/or other subhead leaseholders, the terms, and conditions of all the leases are in the same form and contain the same terms and conditions.
- v) The lease terms are mutually enforceable against all parties concerned.
- vi) There are no breaches of covenant or disputes between the various interests concerned.
- vii) The leases of all the properties in the building/development are materially the same.
- viii) The ground rent stated, or assumed, is not subject to unreasonable review and is payable throughout the unexpired lease term.
- ix) In the case of blocks of flats or maisonettes of over six dwellings, the freeholder manages the property directly, or there is an appropriate management structure in place.
- x) There is a duty holder, as defined in the Control of Asbestos Regulations 2012, and there are in place an asbestos register and an effective management plan, which does not require any immediate expenditure, pose a significant risk to health, or breach Health and Safety Executive (HSE) requirements.
- xi) Where **The Subject Property** forms part of a mixed residential or commercially used block or development, there will be no significant changes in the existing pattern of use.
- xii) Where **The Subject Property** forms part of a development containing separate blocks of dwellings, the lease terms of the property apply only to the block. There will be no requirement to contribute towards costs relating to other parts of the development, other than in respect of common roads, paths, communal grounds, and services.
- xiii) Where **The Subject Property** forms part of a larger development whose ownership has since been divided, all necessary rights and reservations have been reserved.
- xiv) There are no unusual restrictions on assignment or subletting of the property for residential purposes.

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xv) There are no outstanding claims or litigation concerning the lease of the subject property or any others within the same development.

xvi) Where **The Subject Property** benefits from additional facilities within the development, the lease makes adequate provisions for the occupier to continue to enjoy them without exceptional restriction, for the facilities to be maintained adequately and for there being no charges over and above the service charge for such use and maintenance.

For the avoidance of doubt, the **Surveyor** will not be under a duty to purchase data from third parties or to read the lease documentation. If further information is provided to the **Surveyor** after the valuation has been completed and submitted, the **Surveyor** may reconsider the valuation and, if necessary, issue an amended report. But again, for the avoidance of doubt, the **Surveyor** will not be under any obligation to read the lease document and would only be expected to base a revised valuation on further information provided to the **Surveyor** by your legal representatives.

#### i) Flats and Maisonettes

Where The Subject Property is part of a building comprising flats or maisonettes, the following assumptions will also be made, unless instructed to the contrary: UK VPGA 11 Valuation for residential mortgage purposes, UK Valuation Practice Guidance Applications (UK VPGAs).

i) The costs of repairs and maintenance to the building and grounds are shared equitably between the flats and maisonettes.

ii) There are suitable, enforceable covenants between all leaseholds, or through the landlord or the owner.

iii) There are no onerous liabilities outstanding.

iv) There are no substantial defects, or other matters requiring expenditure (in excess of the current amount or assumed amount of service charge payable on an annual basis), expected to result in charges to the leaseholder or owner of the subject property during the next five years, which are equivalent to 10% or more of the reported market value. In respect of insurance, the following assumptions will be made, unless instructed to the contrary:

i) the property can be insured under all-risks cover for the current reinstatement cost and is available on normal terms.

ii) there are no outstanding claims or disputes.

iii) where individuals in a block make separate insurance arrangements, the leases make provision for mutual enforceability of insurance and repairing obligations.

iv) any landlord responsible for insurance is required to rebuild the property with such alterations as may be necessary to comply with current Building Regulations and planning requirements.

#### D. BUILDINGS INSURANCE REINSTATEMENT COST PROVIDED AS AN ADDITIONAL SERVICE

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The **Surveyor** can provide a building insurance reinstatement cost as an additional service to the survey subject to an additional fee.

The reinstatement cost will be confirmed, where requested and instructed prior to the inspection taking place, within the survey report.

If this is requested post inspection, there may be an additional fee quotation required as the surveyor may need to revisit the property to collect additional information.

The reinstatement cost is not related to the capital value of the building and property. It is the cost of rebuilding from scratch were the building to be damaged beyond repair.

The reinstatement cost is the cost of rebuilding a property including demolition of the original building, temporary support of adjoining buildings where applicable, materials, labour, professional fees, and Local Authority charges. It includes sums for boundaries, drainage, and significant outbuildings. The reinstatement cost will be reported as a single figure, not as a detailed schedule of all costs.

Specialist installations such as swimming pools are excluded.

The Surveyor cannot provide reinstatement costs for Listed Buildings, properties built pre-1720, system built Non Traditional properties or 'bespoke spec built one-off' properties, as these requires a detailed specialist assessment, which is beyond the scope of the Level 1, 2 or 3 service.



**Horizon Surveys Ltd**  
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Please sign and date this document.

**I/we The Client have read and understood the Terms of Engagement sent to us by Horizon Surveys Ltd.**

**Signed** \_\_\_\_\_

**Print** \_\_\_\_\_

**Date** \_\_\_\_\_

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