

## TERMS OF ENGAGEMENT

These Terms of Engagement apply to all valuations and valuation advice provided by Land & Property Services (LPS) to its clients unless they have been superseded by alternative terms specified in a Service Level Agreement.

### **The Client**

1. LPS only provides services to government departments and public sector bodies. We do not currently undertake work for private individuals, commercial organisations, charities, community groups or other voluntary bodies.
2. It will be assumed that the instructing Department or public body is the end user of the valuation report. Where this is not the case the true client must be revealed as the Valuer requires this information to ensure advice is fit for purpose and that there are no conflicts of interest.

### **The Purpose of the Valuation**

3. The Client must state the purpose of the valuation in order that the Valuer can advise on the appropriate basis of valuation. Where the purpose is statutory the instruction must refer to the relevant legislative provisions governing the valuation.
4. Where no statutory authority is quoted the Valuer will assume that none exists.
5. Where the Client declines to reveal the purpose of the valuation the Valuer's report may not be published or disclosed to third parties.

### **The Property to be Valued**

6. The Client must identify the property to be valued by providing a full postal address. Where the property is land only, or where boundaries are uncertain or are unmarked on the ground the property should be identified on a map indicating the area to be valued.
7. It will be assumed that machinery, trade fittings, furnishings and other equipment on the property are to be excluded from the valuation unless the instruction specifies otherwise.
8. In the case of tenanted property the Client should identify any improvements carried out by the tenant and state if these are to be disregarded in the valuation.

### **The Interest to be Valued**

9. The instruction must specify the interest in the property which is to be valued and should include either copy documents of title or provide a synopsis of title including details of any tenancies to which the property is subject.

10. The Valuer will not normally investigate title but will rely on the information provided by the Client. Where no information on title is available the Valuer will assume good title free from all encumbrances.

### **The Basis of Valuation**

11. The basis of valuation is determined by the purpose or classification of use to which the property is put e.g. whether it is owner-occupied, held as an investment, is a specialised property, is held for a specific purpose, or is surplus to requirements. The Valuer will advise on the appropriate basis of valuation in each case but will require the Client to confirm the purpose for which the property is held.

### **The Date of Valuation**

12. The date of valuation is governed by the purpose of the valuation. Unless specified in the instruction the Valuer will assume the date of valuation is the date the valuation is made.
13. The Valuer may not provide a valuation where the date of valuation is in the future. Where an indication of future value is required the Valuer will comment of past trends and the likelihood or otherwise that the trend will continue.

### **The Condition of Buildings**

14. The Valuer will carry out such inspections and investigations as are appropriate and possible in the particular circumstances. This will be confined to a visual inspection and will not extend to a building survey designed to establish details of any building defects or disrepair.
15. Unless informed to the contrary, the Valuer will assume that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated.
16. The Valuer will assume that inspection of those parts that have not been inspected would not reveal material defects.

### **Building Services**

17. The Valuer will not investigate the condition or efficiency of building services and associated plant and machinery. Unless informed to the contrary by the Client, the Valuer will assume that the services and any associated controls or software, are in working order and free from defect.

### **Planning**

18. The Valuer needs to establish whether the property has the necessary statutory consents for the current buildings and use, and whether there are any policies or proposals by statutory authorities that could impact positively or adversely on the value. This information will often be readily available, but on other occasions delays may be incurred in obtaining definitive information. Where a valuation is

required before such enquiries can be completed the Valuer will assume that the property is unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its use, nor its intended use, is or will be unlawful.

### **Contamination**

19. Where the Valuer has prior knowledge of the locality and experience of the type of property being valued, he or she will comment on the potential that may exist for contamination and the impact this could have on value and marketability. However, the Valuer will not normally be competent to advise on either the nature or risks of contamination, or hazardous substances, or any costs involved with their removal. Unless informed to the contrary the Valuer will assume that the property is free from contamination and hazardous substances.

### **Environmental Factors**

20. Property may be affected by environmental factors that are either an inherent feature of the property itself or of the surrounding area and which could impact on the value of the property interest e.g. historic mining activity, risk of flooding or presence of electricity transmission equipment. Where the Valuer has prior knowledge of the locality or where the presence of such environmental factors can be established in the course of a normal inspection, the Valuer will comment on the potential impact on value and marketability. However, detailed commentary on their effects is outside the Valuer's expertise. Unless informed to the contrary or their presence is evident from a visual inspection, the Valuer will assume the property is unaffected by adverse environmental factors.

### **Valuation Assumptions**

21. Unless otherwise expressly agreed, the Valuer shall, when making any valuation, estimate or apportionment requested by the Client, rely on the information provided by the Client or its legal or other advisors relating to tenure, tenancies and other relevant matters and shall assume that any defect in those parts of a building which were not inspected would not cause the valuation to be materially altered.
22. Unless special assumptions are agreed between the Client and the Valuer, any valuation will be undertaken in accordance with the RICS Appraisal and Valuation Standards 5<sup>th</sup> Edition.

### **Publication of Valuation Reports**

23. Prior consent in writing is required from LPS for any reproduction or public reference to the valuation or report.

### **Conflicts of Interest**

24. The Agency is occasionally instructed to act for both parties in a transaction, particularly where a transfer or lease of property is proposed between public bodies. When this happens both parties will be informed and permission sought

for either one valuer to act between the parties or for different valuers to represent each client's interest.

### **Charges for Services**

25. The cost of services is calculated on a full cost recovery basis with no cross subsidisation between categories of work or client. An hourly rate is applied for each grade of staff who works on a case.
26. Services to Exchequer clients i.e. NI Civil Service Departments, are provided on allied service terms. These clients are advised of the cost of the work but no charges are applied.
27. Services to non-Exchequer clients i.e. GB Departments, Non-Departmental Public Bodies, District Councils etc. are hard charged based on the hourly rate for the grade and any travel or incidental expenditure incurred. Invoices are issued quarterly, or monthly by agreement, and are payable by receivable order within 30 days of issue.

### **Standards of Service**

28. The Agency strives to deliver services to clients which fully meet their agreed requirements and which are fair, accurate, prompt and helpful. Clients are entitled to expect accurate valuations, impartial advice, a service that is timely and staff who are courteous. We regularly monitor and seek to improve client satisfaction.
29. Where a significant number of instructions are received from a client on a regular basis we will offer a Service Level Agreement, which will specify the service to be delivered and establish a means for joint monitoring of standards.

### **Complaints Procedure**

30. Any complaint about the quality of service delivered may be made to the District Valuer, Client Services Division, Queen's Court, 56-66 Upper Queen Street, Belfast. The complaint will be fully investigated and the Client will be provided with a report into the matter. If not satisfied with the outcome an appeal may be made to Commissioner of Valuation at the same address.
31. The Agency also has a published complaints procedure that applies to members of the public. Any third party member of the public dissatisfied with the VLA service may contact the Complaints Officer in the District Office who will seek to resolve the issue informally. If resolution is not possible a formal complaint may be made in writing to the District Valuer. If the complainant is not satisfied with the District Valuer's response they may further complain in writing to the Commissioner of Valuation. The Complaints Procedure is published on our website and printed copies are available on request.