

Table of Contents

- 1.0 Agency
- 2.0 Advice
- 3.0 Asbestos
- 4.0 Boundary disputes
- 5.0 Building Surveying
- 6.0 Buying
- 7.0 Complaints Handling Procedure
- 8.0 Conflict of interest
- 9.0 Customer service
- 10.0 Damage to roof
- 11.0 Damp
- 12.0 Dilapidations
- 13.0 Divorce
- 14.0 Dry Rot
- 15.0 Electrical Wiring
- 16.0 Failure to Action/Respond
- 17.0 Flooding
- 18.0 Homebuyers Survey/Valuation
- 19.0 Implementation of lease or deed of conditions
- 20.0 Inspection prior to purchase / works
- 21.0 Insurance
- 22.0 Land Compensation
- 23.0 Law/Title
- 24.0 Leaks
- 25.0 Level of Floor
- 26.0 Method of construction
- 27.0 Mine Workings
- 28.0 Mortgage
- 29.0 Mundic in Concrete
- 30.0 Not declared
- 31.0 Outbuildings
- 32.0 Overseeing a building project
- 33.0 Party wall disputes
- 34.0 Plan preparation
- 35.0 Planning and development
- 36.0 Probate
- 37.0 Project Management/Construction
- 38.0 Property/Estate Management / Factoring
- 39.0 Provision of costing
- 40.0 Purchase advice (searches)
- 41.0 Radon Gas
- 42.0 Rating
- 43.0 Recommendations for further investigation
- 44.0 Home Information Packs
- 45.0 Single Survey
- 46.0 Residential sales – vendor
- 47.0 Residential sales – purchaser
- 48.0 Property management – landlord

- 49.0 Property management – tenant
- 50.0 Surveys
- 51.0 Valuations
- 52.0 Professional advice
- 53.0 HIPS

3.0 Asbestos

3.1

C advises the Firm carried out a Mortgage Valuation on behalf of their mortgage lender. On moving into the property they discovered asbestos lagged pipe work, an asbestos immersion heater lead and asbestos soffits. The Firm advises there is no duty of care to C due to the price of the property. The roof space was full of stored items and the asbestos could not have been seen in the roof space or airing cupboard. The soffits are in condition and would not require comment in a Mortgage Valuation Report.

The Ombudsman found that the Firm did owe a duty of care to C; although to a lesser extent than a purchaser of a more modestly priced property. It was accepted the soffits would not have required commenting on. Based on the available evidence the property was furnished at the time of the inspection and therefore the Ombudsman could not be certain that the asbestos would have been seen. There was no evidence to suggest that the RICS procedures had not been followed in this instance. Therefore, no further action was required by the Firm.

3.2

C advises they requested the Firm to carry out a Scheme 2 Survey. C says after moving into the property it was discovered asbestos insulation boarding had been used for the garage ceiling. C would like the costs of its removal and the remedial works paid for by the Firm. C also complains of the way in which their complaint has been dealt with. The Firm advises that the asbestos could not have been identified visually and even if it had been it would not have affected the market value.

The Ombudsman found that on the day of the initial inspection the garage was full of stored items restricting access. With the garage door open the ceiling could not be viewed from outside. Therefore, only when it was being opened or shut would the Surveyor had been able to view in part the ceiling. However, it was found a Surveyor should be familiar with the possible presence of asbestos within the period the property was built. The Firm had not responded to C in a timely manner. The Firm was required to award a gesture of goodwill in recognition of this and any inconvenience cause.

5.0 Building Surveying

5.1

C commissioned a Building Survey Report but was unhappy with its contents. They believed the Report was only equivalent to a Homebuyer Survey and Valuation and requested a refund of the fee. C also pointed out several inaccuracies within the Report. The Firm offered to re-inspect the property but failed to do so. There was a long delay before the Firm addressed C's complaint and issued the Complaint Handling Procedure. C experienced a poor level of customer service.

The Ombudsman considered that the Building Survey Report provided more information than what would have been contained in a Homebuyer Survey and Valuation and the Firm was not required to refund the fee. However, the Ombudsman was of the opinion that there were several inaccuracies in the Report and C had experienced a shortfall in customer service. The Ombudsman required the Firm to make a goodwill payment and write a letter of apology.

5.2

C advises they requested the Firm to carry out a Building Survey. After moving into the property they discovered various defects including a leaking roof, a rotten front door, damp, a leaking kitchen tap, a faulty float valve in loft and dump valve in toilet. The Firm advises the Building Survey was carried out in accordance with the Firm's standard Conditions of Engagement.

The Ombudsman found that there was no evidence to suggest a faulty float valve in loft, dump valve in toilet and leaking tap were evident at the time of the inspection. It was considered probable that the damp was not present at the time of the inspection. However, it was found the reporting of the front door and the roof was not as accurate as it could have been. A gesture of goodwill was awarded in recognition of this.

5.3

C says that in the Building Survey completed by the Firm, the Surveyor failed to report a severe problem with damp in the dining room. C believes the Surveyor failed to test for damp in this room during the Survey. There was clear evidence of bubbles in the paintwork, paint lifting off the walls and wet patches. The Surveyor reported that the existing walls appear to have been renewed in recent years and are of plasterboard/plaster finish and decorated with no major defects. Upon occupation, it was clear this was not the case, as the dining room had large wet patches clearly visible. C wrote to complain and the Firm responded with an explanation C found unsatisfactory.

By way of resolution, C would like a contribution to the cost of repair work. C feels that if C had been made aware of these problems in the Survey C could have negotiated a reduction in the purchase price.

The Ombudsman concluded that the Surveyor should have reported the damp at the time of inspection, but there was no evidence that C would have been able to negotiate the purchase price of the property on the basis of damp. This was because the C had not taken such steps in light of the rest of the report.

In light of this review and all the evidence provided, propose that the Ombudsman requires the Firm to pay C a sum by way of a goodwill award in full and final settlement of this dispute.

The Ombudsman formally recommends that the Firm:-

- provides his clients with the correct pre-contract information and in the correct format prior to the inspection, in full accordance with the RICS Building Surveys in Residential Properties Guidance notes 2nd Edition.
- retains legible site notes and clearly notes, either on a sketch plan or in the site notes, what areas a damp meter reading has been taken when it conducts a Survey.
- submit Building Surveys in the format recommended by the RICS Building Surveys in Residential Properties Guidance notes 2nd Edition.

5.4

C commissioned a Building Survey on a period timber cottage prior to purchase. The Survey advised C that there were no exceptional issues and that the maintenance costs should not be excessive. Months later the gable end collapse due to extensive rotting of the timbers. It was later discovered that there was also extensive areas of rot throughout the front elevation.

The Surveyors Ombudsman concluded that whilst it was acknowledged that the Surveyor had limited access to the gable end during the Survey due to access being through a neighbouring property. The Survey could not have commented on the condition of the hidden timbers, a warning should have been included in the Survey that the rendering may have been concealing hidden problems. The property had been rendered with a cement render that is not suitable for timber properties; in addition there were a number of hollow areas located throughout the walls which should have alerted the Firm to the potential rot that the render may have been concealing. The Surveyors Ombudsman required the Firm to provide C with an apology and a goodwill payment towards the cost of remedial works.

11.0 Damp

11.1

The Firm undertook a building Survey and a valuation Survey at a property C was considering the purchase of. Following receipt of a satisfactory Survey report, C proceeded with the purchase of the property. However, it quickly became apparent that there were damp problems that the Surveyor failed to report. C contacted a number of damp specialists and received written reports from them, all confirming that rising and capillary dampness are present and would have present at the time of the building Survey. C began to complaint to the Firm and has fully exhausted their Complaint Handling Procedure in an attempt to get the matter resolved.

C would like the Firm to refund the Building Survey as C is unhappy at the quality of service received.

This case was not investigated as the Firm contacted C to resolve the matter with C direct. C confirmed that the matter had been resolved informally.

18.0 Homebuyers Survey/Valuation

18.1

C had a Homebuyer Survey and Valuation Report completed. After moving into the property, C discovered serious damage to the boundary wall and it had to be replaced. C believed the damage should have been mentioned in the Report and wanted to claim the costs from the Firm. The Firm explained that it did note damage to the boundary wall in the Report and this should have been enough to alert C to the fact that future expenditure was required. The Firm made a goodwill offer, which C declined.

The Ombudsman was satisfied that the Firm did mention the damage to the boundary wall in the Report. However, the Ombudsman was of the opinion that a shortfall in customer service had occurred. Nevertheless, the Ombudsman considered the Firm's goodwill offer to be reasonable. The Firm was required to fulfill its goodwill offer and write a letter of apology.

18.2

C advises they requested the Firm to undertake a Homebuyer Survey and Valuation. The Homebuyer Report noted no timber defects. On moving into the property an active infestation of woodworm was found in the roof space. The Firm accepted the woodworm is visible and the Homebuyer Report does not note any restrictions such as stored goods which would have prevented the Surveyor seeing the infestation. However, the Firm is of the opinion the remedial costs are not significant and the value of the property would not have been effected.

The Ombudsman found that although the woodworm was not significant it should have been reported with advice over the actions the client should take. A goodwill gesture was awarded in recognition of the Surveyor's failure to report adequately on the timber defects.

18.3

C advises they requested the Firm undertake a Homebuyer Survey and Valuation. After moving into the bungalow they instructed a Firm to undertake some alterations and discovered the converted first floor area was not adequately supported. C would like the Firm to pay for the structural works required. The Firm advises there were no indications at the time of the inspection of any movement. The Homebuyer Report noted the purlins and first floor joists were not built to current building standards. However, no

further recommendation was made. The Firm was of the opinion the inspection was undertaken to with the due skill and attention the RICS expects of its members.

The Ombudsman found that there was no evidence to suggest active movement which would suggest urgent works were required. Therefore, it was concluded a recommendation under urgent/significant should not have been made. However, the Surveyor reported that they could not ascertain whether there was active movement. Therefore, the Ombudsman considered this should have been reported under F1 Further Investigation. A gesture of goodwill was proposed recognition that the correct surveying procedures were not followed in full in providing the Homebuyer Survey and Valuation Report.

18.4

C purchased a property and as part of the mortgage and opted for a full Survey inspection. The report highlighted some points and recommended that C undertake a check for any damp and inspection of the roof and timbers in the property. The reports came back with no significant findings and so C went ahead with the purchase at the asking price.

After completion of the mortgage, C discovered a stream of water that runs directly underneath the house. As this was not mentioned in the Survey, C did not think it was significant. After a number of weeks C found that heavy rainwater was coming up through the driveway and running to the front of the house and down the street. C found the small stream was now pooling beneath the house and then forcing its way through the drive. The water is also causing damage to the drive. Once it was realised to be a regular and persistent problem, C complained to the Firm.

The Ombudsman noted that this was a Homebuyer Survey and that the Surveyor would not have been expected to lift the doormat to inspect underneath it. In any event, the damp expert did not locate damp at the property. In addition, the Ombudsman has concluded that the Firm has responded to C's complaint in a reasonable and timely manner.

In light of this review and the evidence provided, I propose that the Ombudsman requires no further action from the Firm.

18.5

C advises they instructed the Firm to undertake a Homebuyer Survey and Valuation. After moving into the property C discovered water ingress in the detached garage. C instructed another Firm to undertake an inspection of the garage. C has been informed the garage needs to be rebuilt. C would like the Firm to pay for the cost of the garage to be rebuilt. The Firm advises the inspection was carried out to standards the Royal Institution of Chartered Surveyors (RICS) expects of its members.

The Ombudsman found that between the inspection taking place and C moving into the property there had been flooding which could have caused water ingress which had not

previously been affected. The re-inspection undertaken by another Firm could not confirm that at the time of the original inspection if water ingress was present. The Ombudsman found it inconclusive whether or not water ingress was present during the Surveyor's inspection. No further action was required by the Firm. However, it was noted the Firm's Complaint Handling Procedure (CHP) was not sent to C until they asked for it. It was recommended the Firm send a client its CHP in line the RICS CHP Help sheet December 2007 when the Firm receives an expression of dissatisfaction from a valid complainant.

18.6

The Firm undertook a Mortgage Valuation as instructed by the lender. The valuation report produced stated the property construction as a precise measurement of 280mm cavity, faced with brick and render. C queried the accuracy of the statement regarding the construction with the Surveyor who confirmed it to be accurate.

C says that in reliance upon the report C purchased the property. Since moving into the property, the C found that the information given by the Surveyor, regarding the construction was incorrect. C discovered this after C applied to have cavity wall insulation and additional airbricks fitted at the property.

C first registered the complaint in writing and has exhausted the Complaints Handling Procedure.

The Ombudsman concluded that the purpose of the mortgage valuation was to satisfy the lender and that there was no diminution in value of a property of solid construction in comparison to that of cavity wall.

In light of this review and the evidence provided, Ombudsman requires no further action from the Firm in respect of this complaint.

18.7

C instructed the Firm to carry out a Homebuyer Survey and Valuation. When C received the Survey Report, C decided to go ahead with the purchase of the property. One of the defects mentioned in the report was a large crack to the rear elevation of the chimneystack. C decided to get three roofing contractors to issue quotes for the repair of the chimneystack and to rectify a small leak into the loft space. On receipt of the quotes from the roofing contractors, C saw that the roof was in poor condition. This was not mentioned in the Homebuyer Survey and Valuation Report prepared and neither was there a recommendation made to get the roof properly examined prior to exchange of contracts. C complained accordingly.

C says that based upon the report C managed to negotiate a sum off the agreed purchase price.

In light of the evidence presented for investigation and review, the Ombudsman concluded that the Surveyor reported in accordance with its obligations and it will be proposed to the Ombudsman that no further action is required by the Firm.

It will be recommended that the Firm ensures that it follows its own complaint handling procedure and acknowledges initial complaints within three working days.

18.8

C instructed the Firm to conduct a Homebuyers Survey and Valuation Report. On the strength of the report issued, C purchased the property. Upon moving into the property, C noticed that the gable wall had been rebuilt and had to be replaced, there had been some movement in the roof, causing a bulge to the wall and the extension contained defects. It was determined that the defects with the extension were hidden and could not be identified during inspection but the other problems should have been reported.

The Ombudsman directed that the Firm should make a goodwill payment and issue a letter of apology.

18.9

C had a leak from the toilet waste pipe which seeped through into the hall. C believed the leak was present at the time of the initial inspection and it should have been reported in the Homebuyer Survey and Valuation Report. The Firm stated that no significant damp meter readings were recorded and there was no staining to the hall ceiling. The Firm explained the leak was intermittent.

The Ombudsman was of the opinion that there was no trail of suspicion to suggest that the leak was present at the time of the initial inspection. As the leak was only intermittent it was not considered to be urgent and therefore would not need to be included in a Homebuyer Survey and Valuation Report. The Ombudsman considered the Firm had provided C with a reasonable level of customer service and no further action was required.

29.0 Mundic in Concrete

29.1

The Client instructed the Firm to undertake a mortgage valuation. The Client purchased the property. A short time later, the Client was forced to sell the property. The purchaser's mortgage valuation required a Mundic Block Test to be carried out. The test revealed the presence of Mundic block and a restriction was placed on the mortgage. The Client was obliged to reduce the purchase price to account for the cost of remedial work. The Client complained that the Firm had not made a Mundic Block Test a requirement when it had carried out a mortgage valuation. The Firm advised that it was

not required to do so having regard to the age of the construction and the limitation of the mortgage valuation inspection.

The Ombudsman directed that the Firm should take no further action.

51.0 Valuations

51.1

The Client instructed the Firm to undertake a mortgage valuation. On receiving the report, reference was made to the condition of the roof and that it was nearing the end of its useful life. The client obtained a quote to replace the roof but was unable to negotiate a reduction in price from the vendor or seek retention by the lender as the matter was not deemed urgent. The client moved into the property and several months later noted water was entering the property through the roof. Inspection of the roof void revealed a number of holes. The client also noted the presence of woodworm in the staircase and upstairs floors. The Firm referred to the limitation of the mortgage valuation report and made reference to the recommendation of having the roof checked prior to purchase. The Firm denied the presence of woodworm at the time of inspection.

The Ombudsman directed that the Firm should write a letter of apology for the shortfall in customer service and make a goodwill payment.

51.2

C advises the Firm undertook a Mortgage Valuation on a new build property. C's complaint is that the Firm under valued the property. The Firm advised the correct comparable evidence was used and the Mortgage Valuation was undertaken to the standard the RICS expects of its members.

The Ombudsman found that the valuer had taken into consideration all the factors as advised by the RICS at the time of the original valuation. C had not provided any substantive evidence which would demonstrate that the original valuation was incorrect. The Firm was not required to take any action in respect of the valuation. However, it was found that the Firm had not always responded within the timescales set out in its CHP. The Firm was required to provide an apology in recognition of this.