



## SurveyorSelect Risk & Business Management Questionnaire

Firm Name:  RICS Number:

Please tick your responses as either 'Yes', 'No' or 'WT' (working towards) - please add comments and provide information where appropriate.  
Note - we encourage minimal use of 'WT'

### SECTION 1 (STRUCTURES AND POLICIES)

1.1 a. Do you have a management structure which sets out the governance structure and designates the responsibilities of people in the firm?  Yes  No  WT

b. How is this communicated to staff?

c. Is this readily available and communicated to employees?  Yes  No  WT

1.2 a. Have you adopted a compliance plan which provides an overview of supervisory, management and risk issues within the firm?  Yes  No  WT

b. In particular, does the plan:

- detail the responsibilities of the person who is responsible?  Yes  No  WT
- state any deputy appointments to the above?  Yes  No  WT
- explain who is responsible for liaison with the RICS?  Yes  No  WT

1.3 a. Have you conducted a risk review for your practice within the last 12 months?  Yes  No  WT

- does the risk review include the setting of actions to improve the risk profile of the firm?  Yes  No  WT
- have these actions been implemented?  Yes  No  WT
- has another review been scheduled for next year?  Yes  No  WT
- are you accredited or in the process of becoming accredited to an ISO 9000 Quality Management System or are subject to any other form of external assessments?  Yes  No  WT

If yes please provide details:

1.4 a. Do you have an Anti-Money Laundering policy which has been reviewed in the last 12 months?  Yes  No  WT

b. Does the policy cover:

- reporting structures for disclosures to NCA?  Yes  No  WT
- CDD process for identity and risk assessment?  Yes  No  WT

c. Is your Money Laundering training up to date and conducted every 2 years?  Yes  No  WT

d. How/when are new staff introduced to procedures?

e. Do you regard any parts of your practice as being exempt from the Money Laundering Regulations 2007? If so, which one(s)?

Yes  No

f. Please name your MLRO?

## SECTION 2 (BUSINESS PLANNING AND MARKETING)

2.1 a. Have you adopted a business plan for the practice which has been reviewed in the last 12 months?

Yes  No  WT

b. Does it contain detailed objectives for the current year at least?

Yes  No  WT

c. Does it outline objectives for at least two years after that?

Yes  No  WT

d. How often is the plan reviewed?

2.2 a. Have you adopted a business continuity plan?

Yes  No  WT

b. Does the plan include:

• potential risks and the likelihood of their impact?

Yes  No  WT

• alternative office premises if needed?

Yes  No  WT

• access to IT systems if office is closed?

Yes  No  WT

c. Have measures been taken to address identified risks?

Yes  No  WT

d. Has the firm tested or checked the suitability of the business continuity plan?

Yes  No  WT

e. Do you have Business Interruption Insurance?

Yes  No

2.3 Have you adopted a risk register?

Yes  No  WT

## SECTION 3 (FINANCIAL MANAGEMENT)

3.1 Has the firm engaged in discussions or correspondence with the RICS at any time within the last 12 months regarding concerns about the financial stability of the firm?

Yes  No

3.2 Who is responsible for (please state their Name & Position):

• the financial management of the practice?

• compliance with appropriate Accounts Rule(s)?

3.3 a. Please state your year end date (DD/MM/YYYY):

b. Please state your gross pre tax profit (loss) of the firm:

• actual for the last financial year

• expected for the current financial year

c. What cash reserves does the practice hold?

d. What is your current total borrowing?

e. Has this changed significantly in the last three years?

Yes  No

f. Are net assets less than total borrowings?

Yes  No

g. Are VAT payments funded by loans?

Yes  No

**3.4** For the last three accounting years please provide the following information from your annual accounts:

	2013/14	2014/15	2015/16
Net profit (loss) after tax and before drawings:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total partner/principal drawings or member/director remuneration:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Net worth of practice (total assets less total liabilities):	<input type="text"/>	<input type="text"/>	<input type="text"/>

**3.5** Are finance control processes in place to agree and monitor:

- annual budgets for income, expenditure and capital items, including variance analysis?  Yes  No  WT
- P&L accounts and balance sheet?  Yes  No  WT
- cash flow forecast?  Yes  No  WT
- WIP controls?  Yes  No  WT
- effective credit control?  Yes  No  WT

**3.6** a. Is there an accounts manual (or an accounts section of the Office Manual)?

Yes  No  WT

b. If so does it address:

- authorisations for withdrawals from the client account?  Yes  No  WT
- authorisations for withdrawals from the office account?  Yes  No  WT
- processes for interim and final billing?  Yes  No  WT
- credit control and debt recovery?  Yes  No  WT
- credit limits for new and existing clients?  Yes  No  WT

c. Is the manual available to all relevant staff?

Yes  No  WT

d. How and when are new staff introduced to accounts procedures where applicable?

**3.7** a. Do you undertake 'three way' reconciliations of client account(s)?

Yes  No

b. Who usually signs these off?

c. Have there been any anomalies to your client account balances in the last three months?

Yes  No

If yes please provide details

**3.8** a. Do you clear outstanding client balances within a reasonable time?  Yes  No  WT

b. Please state the timescale?

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**3.9** Have you adopted a policy on the payment of client interest as required?  Yes  No  WT

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**3.10** a. Are duties segregated so that no one individual can open a new bank account without referral to others?  Yes  No  WT

b. Do employees receiving cash/cheques remit all moneys received and bank in full on the day of receipt or next banking day?  Yes  No  WT

c. Do all manually prepared cheques and other bank instruments drawn for £25,000 or more require two manually applied signatures added after the amount has been inserted with one signatory examining supporting documentation?  Yes  No  WT

d. Has your bank been advised of this procedure?  Yes  No

e. Where computer or machine prepared cheques or other bank instruments are used, is the supporting documentation examined and authorised before requisition for cheque or instrument is made?  Yes  No  WT

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**3.11** a. Purchasing - Are the duties of ordering, receiving and payment authorisation segregated so no one individual can control all of them?  Yes  No  WT

b. Can any one individual award a contract after tender without referral to others?  Yes  No

c. At which value are dual signatures required on payment authority forms?

**SECTION 4 (INFORMATION AND COMMUNICATION TECHNOLOGY)**

**4.1** a. Have you adopted an information security policy?  Yes  No  WT

Does this include:

- virus and firewall controls?  Yes  No  WT
- password protocols for terminals in the firm?  Yes  No  WT
- and any device taken outside the firm?  Yes  No  WT

b. How are these procedures communicated to staff?

c. How is this recorded?

d. If the firm is undertaking valuations, what tools do you use to verify or cross-check valuation figures e.g. Rightmove, Quest of other Automated Valuation models?

**SECTION 5 (PEOPLE MANAGEMENT)**

**5.1** a. Do you have a systematic approach to recruitment?  Yes  No  WT

Does this include:

- identity checks and credit checks on new joiners?  Yes  No  WT
- checks on new joiners?  Yes  No  WT

b. Do you conduct any ID checks on locums, consultants and temporary staff?  Yes  No  WT

c. If consultants are used, how is the Indemnity claims record of such consultants checked to ensure quality is maintained?

d. Do you outsource any HR functions?  Yes  No

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**5.2** a. Do you maintain induction training for new members of staff?  Yes  No  WT

b. Are all staff subject to regular, formal appraisals to set objectives which are then annually reviewed?  Yes  No  WT

c. Does this include:

- individual job responsibilities?  Yes  No  WT
- immediate training requirement?  Yes  No  WT
- key policies, processes and procedures?  Yes  No  WT

d. What supervision is undertaken on new employees during their probationary period?

5.3 a. Do you have a training policy which addresses all partners and staff?

Yes  No  WT

b. Is their work counter signed by a principal or line manager?

Yes  No  WT

c. Does the practice ensure that all staff & principles maintain their qualifications & ensure their knowledge is up to date?

Yes  No  WT

d. How is CPD checked? How much CPD Training is provided in-house

## SECTION 6 (SUPERVISION AND RISK MANAGEMENT)

6.1 Do you have an overall risk manager(s) for the practice?

Yes  No  WT

If yes, please state their name and position within the firm.

6.2 Is there a designated supervisor for each area of work undertaken?

Yes  No  WT

6.3 a. What department of the practice has the highest management to fee earner ratio?

b. What is the highest management to fee earner ratio?

1 Manager to  Fee Earners

6.4 a. What department of the practice has the lowest management to fee earner ratio?

b. What is the lowest management to fee earner ratio?

1 Manager to  Fee Earners

6.5 Do you profile the work that the practice will and will not undertake?

Yes  No  WT

6.6 Do you maintain details of the generic risks and causes of claims associated with the areas of work that are undertaken?

Yes  No  WT

6.7 Are records kept of all on-site visits?

Yes  No  WT

6.8 Are working papers, including survey & valuation files retained for at least 6 years?

Yes  No

6.9 Is a general risk assessment undertaken when new instructions are received which is recorded on the file or in a case management system?

Yes  No  WT

6.10 Do you operate a key dates management system whereby:

- key dates are defined by work types?  Yes  No  WT
- all key dates are noted on the matter file and in appropriate back up systems?  Yes  No  WT
- entries are monitored, including those relating to rent reviews?  Yes  No  WT

6.11 a. Does the firm have a conflicts and confidentiality policy?

Yes  No  WT

b. Does the firm have written procedures & checklists for the professional services provided?

Yes  No  WT

c. Do you screen for client conflicts of interests to ensure that they are identified and acted upon in an appropriate manner?

Yes  No  WT

<b>6.12</b> Are there processes and procedures to ensure the effective supervision of fee earning work?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
Please state which of the following are in place:	
• the controlled allocation of new work and reallocation of existing work, if necessary?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• checks on incoming and outgoing correspondence, including letters, emails and faxes?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• departmental, team and office meetings and communications?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• one-to-one meetings?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• arrangements for special treatment of high risk files?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>6.13</b> Do you operate an independent work audit or review process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>6.14</b> Is there an initial risk assessment on all instructions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>6.15</b> Is there a requirement that fee earners consider and report any changes to the risk profile while the matter is being progressed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>6.16</b> Is a concluding risk review conducted on all matters to consider whether there are issues that should be reported to the supervisor or risk manager?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>6.17</b> a. Does the practice analyse at least annually all risk assessment data generated within the practice and formulate suitable objectives as part of the strategic planning process to achieve suitable and documented improvements?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
b. Does the review include a consideration of:	
• any indemnity insurance claims?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• data generated by file reviews?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• an analysis of client complaints trends?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• client satisfaction surveys?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT

## SECTION 7 (CLIENT CARE)

<b>7.1</b> a. Do you document how:	
• enquiries from potential clients are dealt with?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
• decisions are made as to whether to accept new instructions?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
b. Who is responsible for all new contracts?	
• Are they referred to solicitors for legal advice	always <input type="checkbox"/> sometimes <input type="checkbox"/> never <input type="checkbox"/>
c. How and where is this information retained?	
<b>7.2</b> Do you systematically record and confirm client instructions and costs in all parts of the practice, including on-site visits?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>7.3</b> Does the firm update the retainer/Terms of Business for clients when there is a material change in the nature of the initial instructions and/or additional instructions are given?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>7.4</b> Does the firm systematically record and confirm in writing all minutes of client meetings regardless if instructions were taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
<b>7.5</b> a. Do you operate a written complaints handling process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
b. Does the process include:	
• responsibility for complaints handling?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> WT
Who is responsible for handling complaints?	
Who is responsible for the notification claims which is communicated to all staff?	

- a definition of what the practice regards as a complaint which is communicated to all staff?  Yes  No  WT
- the provision of appropriate information to the client on the availability of a complaints handling process and the Ombudsman?  Yes  No  WT
- an obligation within the practice to report all complaints received from clients?  Yes  No  WT
- a process to investigate and resolve complaints, where possible, and to take preventative action where appropriate?  Yes  No  WT
- a complaints and resolution log?  Yes  No  WT

7.6 Do you have a policy on the introduction of clients and enquiries to other surveyors or advisers?  Yes  No  WT

## SECTION 8 (FILE AND CASE MANAGEMENT)

8.1 a. Do the Principals control the process by which decisions are taken to accept and allocate instructions?  Yes  No  WT

b. How and where is this recorded?

8.2 a. Are there documented procedures to ensure that matters are progressed in an appropriate manner?  Yes  No  WT

b. In particular:

- the strategy for the matter is apparent on the file and kept under continual review?  Yes  No  WT
- in complex cases a project plan is developed and kept under continual review?  Yes  No  WT
- a timely response is made to telephone calls and correspondence from the client and others?  Yes  No  WT
- appropriate continuing cost information is provided?  Yes  No  WT
- clients are informed in writing if the person with conduct of their matter changes, or there is a change of person to whom any problem with service should be addressed?  Yes  No  WT

8.3 Do you have procedures in place to:

- list open and closed matters?  Yes  No  WT
- identify all matters for a single client and linked files (including lenders where relevant)?  Yes  No  WT
- record key information on the file?  Yes  No  WT
- ensure that you are able to identify and trace any documents, files, deeds or any other items relating to a matter?  Yes  No  WT
- safeguard the confidentiality of files and all other client information?  Yes  No  WT
- ensure that the status of matters and the action taken can be easily checked by colleagues?  Yes  No  WT
- ensure that documents are stored on the matter file in an orderly way?  Yes  No  WT

8.4 At the end of each matter do you:

- report to the client on the outcome and explain any further action that the client is required to take in the matter and what (if anything) the practice will do?  Yes  No  WT
- account to the client for any outstanding money?  Yes  No  WT
- return to the client any original documents or other property belonging to the client if required (save for items, which are by agreement to be stored by the practice)?  Yes  No  WT
- if appropriate, advise the client about arrangements for storage and retrieval of papers and other items retained (in so far as this has not already been dealt with, for example in terms of business) and any charges to be made in this regard?  Yes  No  WT
- archive and destroy files in an appropriate manner?  Yes  No  WT

## SECTION 9 (THIRD PARTIES)

- 9.1 Do you have a business relationship or a financial interest in any mortgage broker or solicitor?  Yes  No
- 9.2 Do you have a referral fee or shared commission arrangement with a third party organisation?  Yes  No
- 9.3 Are procedures in place to establish the existence of incentives on new build or refurbished properties, for example ensuring receipt of a CML disclosure incentives form?  Yes  No
- 9.4 If you are a member of a consortium or have entered into a joint-venture agreement please give details.

## DECLARATION

**DUTY OF FAIR PRESENTATION** Under English law, you owe a duty of disclosure to the insurer which includes your duty to make a fair presentation of the risk. A 'fair presentation' is one:

- o which clearly discloses all material circumstances which the insured's Senior Management, including persons responsible for the insured's insurance, know or ought to know following a reasonable search or which is sufficient to make the insurer ask questions about the risk. A circumstance is material if it would influence an insurer's judgment in determining whether to take the risk and, if so, on what terms. If you are in any doubt whether a circumstance is material we recommend that it should be disclosed;
- o which discloses information in a manner which is clear and accessible to a prudent insurer (i.e. no 'data dumping');
- o in which every material representation as to a matter of fact is substantially correct and every material representation as to a matter of expectation or belief is made in good faith.

Failure to disclose a material circumstance may entitle an insurer to:

- o in some circumstances, avoid the policy from inception and in this event any claims under the policy would not be paid;
- o impose different terms on your cover; and/or
- o proportionately reduce the amount of any claim payable.

This duty applies:

- o before your cover is placed;
- o when it is renewed; and
- o at any time that it is varied.

Your policy wording may also provide that this duty continues for the duration of the policy. You should contact us immediately for assistance if you are unsure whether information may be material, or if it comes to your attention that you may have not disclosed full and accurate information.

- Before signing this declaration please familiarise yourself with your 'Duty of fair presentation' which is outlined above. Please read the declaration carefully and sign at the bottom by ticking here, I/We declare on behalf of the Practice that the statements and particulars in this Proposal (and attachments if any) are true and that I/We have not misstated nor suppressed any material facts. I/We undertake to inform Underwriters of any material alterations to these facts occurring before completion of the Contract of Insurance. Signing this declaration does not bind the proposer or Underwriter to complete a contract of Insurance. We agree that we have a continuing obligation to notify insurers of any material matters during currency of policy.

### Data Protection

Any personal information you provide will be passed to Insurer(s) in relation to your application for Professional Indemnity Insurance Cover. It may be used by Paragon or Insurers' relevant staff in making a decision concerning your insurance application and for the purpose of servicing any cover which may be arranged and administering claims. Information may be passed to loss adjusters and reinsurers for these purposes. In the signing of this Proposal form or otherwise seeking insurance through us you are agreeing to the above terms.

Print Name:

Signature of Principal:

Date:



## CONTACT DETAILS FOR THE SURVEYORS TEAM

Should you require any assistance when completing this form or you simply wish to discuss your requirements then please do not hesitate to contact:

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