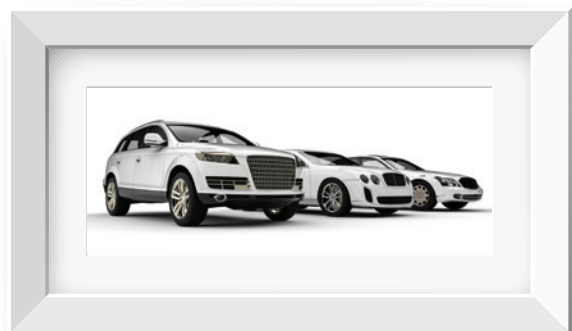
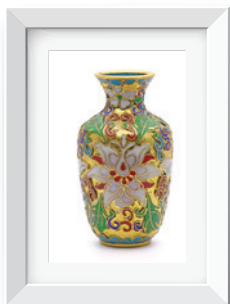
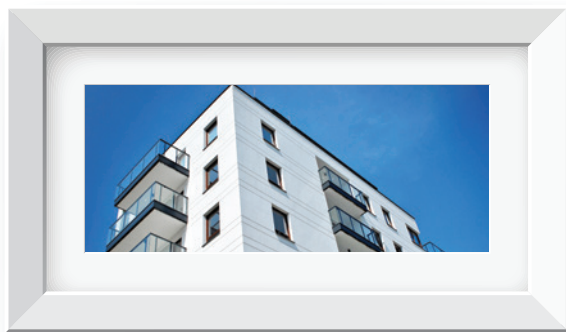


PROPERTY SERVICES REGULATORY AUTHORITY **ANNUAL REPORT 2019**





MISSION

The Authority's mission through regulation is to licence, supervise and regulate Property Services Providers (Auctioneers, Estate Agents, Letting Agents and Management Agents) and to protect the interests of the public in their interaction with property services providers by ensuring that high standards are maintained and delivered.

VALUES

PUBLIC INTEREST

The Authority is committed to carrying out its functions independently and in the public interest.

GOVERNANCE

The Authority is committed to compliance with high standards of governance and probity, and to conducting its business in an efficient and effective manner.

PROPORTIONALITY

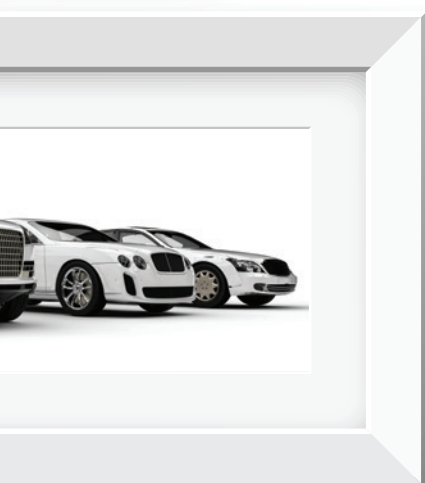
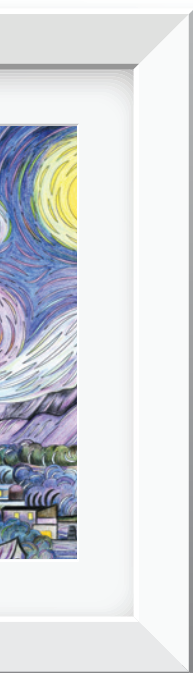
The Authority regulates proportionately through targeting resources at areas of risk.

CONSULTATION

The Authority is committed to collaborating with its stakeholders in the ongoing development and delivery of its services.

COMMITMENT TO STAFF

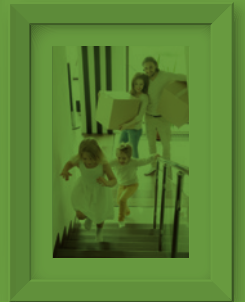
The Authority is committed to supporting its staff in delivering on its strategic goals and in developing fulfilling careers within the organisation.





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CHAIRPERSON & CHIEF EXECUTIVE STATEMENT



Geraldine Clarke
Chairperson



Maeve Hogan
Chief Executive

We are pleased to present the 2019 Annual Report of the Property Services Regulatory Authority. This report presents an overview of the activities and outputs of the Authority during the year.

2019 saw the Authority host its inaugural conference, 'Property Services, Facing the Future' which was positively received by the sector and those in attendance, either in person or remotely, through the livestream facility provided. We were delighted to welcome the Minister for Justice and Equality, Mr. Charlie Flanagan T.D. who opened the conference on the day as well as all of our prestigious speakers whose themed presentations engaged the audience.

A key milestone for the Authority in 2019 was the publication and launch of an independent report by Dr. Róisín Murphy, 'The Impact of Regulation on the Property Services Sector in Ireland', a culmination of a research project that commenced in 2018, producing bespoke research on regulation of property services in Ireland. Amongst its key findings, was the high level of support for regulation of the sector.

One of the significant projects completed during the year was the introduction of an online Additional Category licence application and Change of Property Services Employer licence application concluding the suite of online licence applications for property services providers. A further development relevant to the licensing function was the publication of a revamped version of the Register of Property Services Providers which is now a single register of those licensed to provide a property service.

We are delighted to report that 2019 saw the elimination of a backlog of historical complaints. The Authority also actively pursued investigations of reports of unlicensed activity resulting in three successful prosecutions and a High Court injunction against an unlicensed operator during the year. In addition the Authority secured its first prohibition of a former licensee from providing property services in the State.

Promoting public awareness of the work and role of the Authority remained a priority in 2019 which saw engagement through two media campaigns, attendance at events including the Ideal Home Show in Dublin and 50Plus Expos in Limerick, Athlone and Galway, whilst also attending the National Ploughing Championships in Carlow. These events provide a vital opportunity to meet members of the public and promote the role of the Authority.

2019 saw the conclusion of the terms of five members of the Board of the Authority who had served on the Board since its inception in April 2012. We would like to take this opportunity to sincerely thank them for their service, vision and commitment. We also welcome those Board members who joined the Authority during the year as well as acknowledging the continued support and dedication of those members who continued to serve on the Board.

The contribution of external Committee members, members of the Forum, licensees and their staff and all our stakeholders is also greatly appreciated.

Finally, we would like to sincerely acknowledge and thank the staff of the Authority for their on-going commitment to delivering high quality outputs for the organisation.

Geraldine Clarke
Chairperson

Maeve Hogan
Chief Executive

2019 A YEAR IN REVIEW



**FIRST HIGH COURT
INJUNCTION AGAINST
AN UNLICENSED
OPERATOR**



**PUBLICATION OF
RESEARCH REPORT
"THE IMPACT OF
REGULATION ON
THE PROPERTY
SERVICES SECTOR
IN IRELAND"**



**FIRST PROHIBITION ON A
LICENSEE TO TRADE**



**INAUGURAL
PROPERTY SERVICES
REGULATORY
AUTHORITY
CONFERENCE**



**157
COMPLIANCE AUDIT
INVESTIGATIONS
COMPLETED**



**3 SUCCESSFUL
PROSECUTION
PROCEEDINGS
AGAINST
UNLICENSED
OPERATORS**



**97.2%
CONTINUOUS
PROFESSIONAL
DEVELOPMENT
COMPLIANCE**



**5,416
LICENCE RENEWALS
PROCESSED**



**37,000
COMMERCIAL
LEASE RETURNS
PUBLISHED**



**APPROXIMATELY
1.94m
VISITORS TO THE PROPERTY
PRICE REGISTER**



**COMPLETION OF
FULL SUITE OF
ONLINE LICENSING
APPLICATIONS**

ABOUT US



PSRA Head Office, Navan, Co. Meath

The Property Services Regulatory Authority (the Authority) was established on 3rd April 2012 pursuant to the Property Services (Regulation) Act 2011 (the Act) and is the statutory body with responsibility for licensing and regulating the property services sector in Ireland.

The Act establishing the Authority provides for the licensing of a number of categories of property services providers (PSPs) namely:

- **Auctioneers**
Persons engaged in the auction of property other than land
(Licence Type A)
- **Estate Agents**
Persons engaged in the purchase or sale of land by whatever means
(Licence Type B)
- **Letting Agents**
Persons engaged in the letting of land
(Licence Type C)
- **Management Agents**
Persons engaged in the provision of management services on behalf of
Management Bodies
(Licence Type D).

The Authority's Chief Executive is Ms Maeve Hogan. The headquarters are based in Navan, Co Meath, with a second office in Bishop's Square, Dublin 2. At the end of 2019, in addition to the Chief Executive of the Authority, the PSRA had 30 staff members.

WHAT WE DO

The Authority implements the objectives of the Act and works to ensure that those licensed to provide property services meet the highest standards in service provision and that consumers are fully protected.

The key functions of the Authority include:

- **To supervise and regulate Property Services Providers (i.e. Auctioneers, Estate Agents, Letting Agents and Management Agents);**
 - **To operate a comprehensive licensing system covering all Property Services Providers;**
 - **To specify and enforce standards for the granting of licences to Property Services Providers (e.g. educational/training standards; levels of professional indemnity insurance), and; standards to be observed in the provision of property services by Property Services Providers (e.g. technical standards; appropriate ethical standards);**
 - **To administer a system of investigation and adjudication of complaints against Property Services Providers;**
 - **To administer a system of investigation of standards in the provision of Property Services;**
 - **To promote increased consumer protection and public awareness of property services in general;**
 - **To maintain and administer a Compensation Fund;**
 - **To develop a Code of Practice for Property Services Providers;**
 - **To maintain a Public Register of Residential Property Sales Prices; a Commercial Leases Database; a Public Register of Licensed Property Services Providers;**
 - **To act as the State Competent Authority for Money Laundering;**
 - **To assist the Minister in the development of policy in regulating the sector;**
 - **To undertake or commission research projects.**
-

BOARD AND COMMITTEES OF THE AUTHORITY

Board of the Authority

In appointing members to the Authority under the Act, the Minister for Justice and Equality must have regard to the desirability of the members' knowledge or experience in consumer affairs, business, finance, management or administration or any other subject which would, in the Minister's opinion, be of assistance to the Authority in performing its functions under this Act.

The Authority is independent in the exercise of its functions and is chaired by Ms. Geraldine Clarke, Solicitor, and the board members are those from within the property services sector, consumer interest representatives and an officer of the Minister.

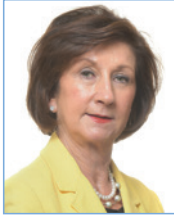
The Board consists of a Chairperson and 10 members, all who are appointed by the Minister for Justice and Equality.

On 2 April 2019, a total of five of the eleven Authority's members' terms of office ceased. Those members were Mr. Pat Davitt, Ms. Deirdre Fox, Mr. Martin Hanratty, Ms. Josephine Henry and Ms. Regina Terry.

Four members were appointed on 15 April 2019 and the Officer of the Minister was appointed on 4 June 2019. All five new members' term of office are for four years. The members of the board met six times during 2019. The table below details the members as at 31 December 2019, their role, appointment information and the number of meetings each member attended during the year.

Board Member	Role	Term of Appointment	Meetings Attended
Geraldine Clarke	Chairperson	28/11/2016 - 27/11/2020	6
Emer Byrne	Member	15/04/2019 – 14/04/2023	3
Edward Carey	Member	28/11/2016 - 27/11/2020	5
Ella Dunphy	Member	15/04/2019 – 14/04/2023	4
Hilary Griffey	Member	28/11/2016 - 27/11/2020	4
Aideen Hayden, Dr.	Member	28/11/2016 - 27/11/2020	6
Gordon Hughes	Member	15/04/2019 – 14/04/2023	3
Martin McDermott	Member	04/06/2019 – 03/06/2023	3
Paul Mooney	Member	28/11/2016 - 27/11/2020	6
Orla Moran	Member	15/04/2019 – 14/04/2023	4
Muiris O'Ceidigh, Dr.	Member	28/11/2016 - 27/11/2020	6

BOARD MEMBERS



Ms. Geraldine Clarke
Chairperson



Ms. Emer Byrne



Mr. Edward Carey



Ms. Ella Dunphy



Ms. Hilary Griffey



Dr. Aideen Hayden



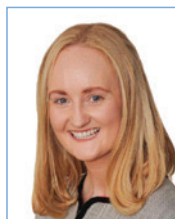
Mr. Gordon Hughes



Mr. Martin McDermott



Mr. Paul Mooney



Ms. Orla Moran



Dr. Muiris O'Ceidigh

Consideration of Major Sanction

Members of the Authority, Mr. Paul Mooney, Ms. Ella Dunphy, Ms. Orla Moran and Dr. Muiris O'Ceidigh (Quorum of the Board), met to adjudicate on a major sanction case. In relation to this matter, these members of the Authority met on two occasions for consideration and decision on the imposition of a major sanction on a licensee.

Members of the Authority	Meetings Attended
Ella Dunphy	2
Paul Mooney	2
Orla Moran	2
Muiris O'Ceidigh, Dr	2

Committees of the Authority

Audit and Risk Committee

Members of the Audit and Risk Committee were appointed or re-appointed to the Committee in May 2019. The Audit and Risk Committee is comprised of two Authority members: Dr Muiris O'Ceidigh (Chairperson) and Ms. Hilary Griffey with two independent members: Ms. Therese Carolan and Mr. Myles O'Reilly. There were 4 Audit and Risk Committee meetings in 2019.

Committee Member	Type of Member	Meetings Attended
Muiris O'Ceidigh, Dr.	Authority Member (Chairperson)	4
Hilary Griffey	Authority Member	3
Therese Carolan	Independent Member	3
Myles O'Reilly	Independent Member	3

Compensation Fund Advisory Committee

The Compensation Fund Advisory Committee is comprised of three Authority members: Ms. Hilary Griffey, Dr Aideen Hayden and Dr Muiris O'Ceidigh. The Advisory Committee considers applications for grants on the Compensation Fund and makes a recommendation to grant, part-grant or refuse to grant claims to the Board of the Authority. There were 2 meetings of the Committee in 2019.

Committee Member	Meetings Attended
Hilary Griffey	2
Aideen Hayden, Dr	2
Muiris O'Ceidigh, Dr	2

On one occasion, a compensation claim with the approval of the Compensation Fund Advisory Committee went directly to the Board of the Authority. This claim concerned interpretation of a point of law under section 78 of the Property Services (Regulation) Act 2011. A formal meeting of the Board of the Authority attended by four board members, Ms. Geraldine Clarke, Ms. Hilary Griffey, Mr. Paul Mooney and Dr. Muiris O'Ceidigh (a quorum) took place in advance of the Authority's decision. At this meeting both the Executive of the Authority and the legal representatives for the claimant made respective representations to the Authority regarding the claim for compensation. The decision of the Authority to refuse this claim issued some months after the Board's meeting.

STRATEGIC PLAN

The current Strategic Plan of the Property Services Regulatory Authority covers the period September 2017 to August 2020 and maps out the key issues which the Authority must address during this period. This plan continues to build on the work and progress made to date and provides a road map for the strategic direction of the Authority. The Strategic Plan focuses on:

- improving the organisational structures, systems, procedures, protocols, rules and regulations that have been established since the Authority commenced its work and which are fundamental to the long term functioning of the Authority, and
- ensuring that a robust regulatory framework will continue to apply in the sector.

The Strategic Plan outlines the role, objectives and direction of the PSRA and charts the progress made to date that will bring together greater uniformity and transparency in licensing and regulation of Property Services Providers and in the provision of information to consumers. It also sets out what the Authority expects to achieve and how as an organisation it intends to deliver on its goals.

The Authority adopted the following key goals in its Strategic Plan (2017-2020):

GOAL 1
MAINTAIN AN EFFECTIVE LICENSING SYSTEM

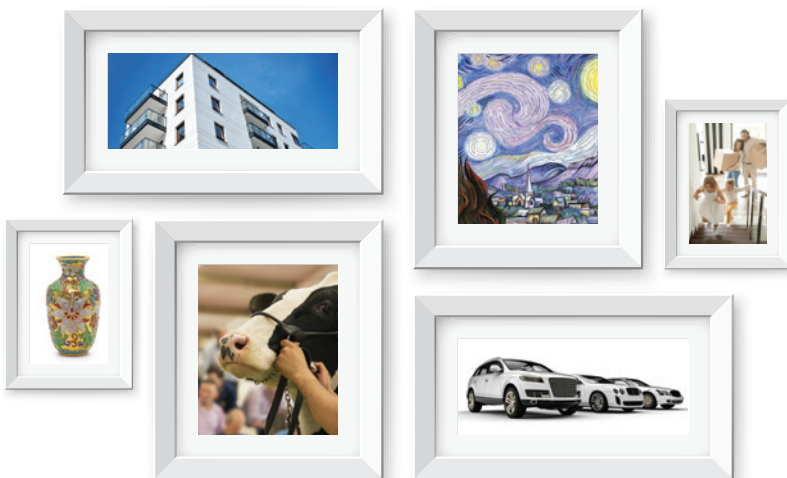
GOAL 2
MAINTAIN A SYSTEM OF INVESTIGATION AND ADJUDICATION

GOAL 3
PROMOTE SECTOR ENGAGEMENT AND PUBLIC AWARENESS OF THE AUTHORITY

GOAL 4
MAINTAIN PUBLIC REGISTERS

GOAL 5
DELIVER AN EFFECTIVE AND EFFICIENT ORGANISATION

During 2019 the Authority commenced work in drafting its next Strategic Plan to cover the period 2020 to 2023. In drafting the plan, the Authority consulted with a wide range of stakeholders, ensuring that the goals developed are inclusive of their views and experiences. It is expected that the next Strategic Plan will come into force in September 2020.



PROGRESS ON STRATEGIC GOALS



GOAL 1

MAINTAIN AN EFFECTIVE LICENSING SYSTEMS

Licensing

The Act provides that any person providing property services in Ireland must be licensed by the Authority and defines such services as:

- **The Auction of Property other than Land (Licence Type A)**
- **The Purchase or Sale of Land - by whatever means (Licence Type B)**
- **The Letting of Land (Licence Type C), and**
- **The Provision of Property Management Services (Licence Type D)**

The Authority issues four different types of licence, which correspond with the four types of property services defined in the Act. Any person may apply for one or more licence type. Licences are renewable annually.

In March 2019, the final phase of the online applications project undertaken by the Authority in conjunction with An Post (Licences.ie) and the IT Division of the Department of Justice and Equality was completed. This final phase introduced online applications for Additional Licence Category applications and Change of Property Services Employer applications. All types of licence applications and corresponding payments are now received electronically by the Authority, bringing a project that commenced in 2015 involving a number of phases to a successful conclusion.

The Authority’s licensing process continues to operate in an efficient manner with a total of 6,020 licence applications (new and renewal) processed in 2019. This compares to 5,950 licence applications (new and renewal) processed in 2018

New Licences

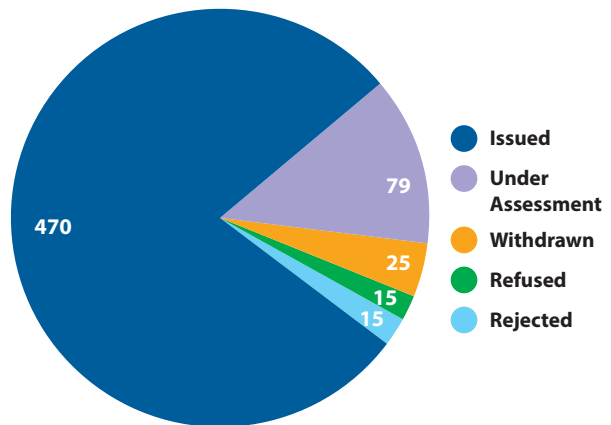
The Authority assesses new licence applications from those who wish to work in the property services sector subject to attainment of minimum qualification requirements.

In 2019 some 604 new licence applications were submitted to the Authority for consideration of which:

- 470 licences issued,
- 79 applications were under assessment,
- 25 were withdrawn,
- 15 were rejected and
- 15 were refused.

This is illustrated in Chart 1.

Chart 1 New Licence Applications Processed in 2019



This compares to 465 new licences issued in 2018 indicating a continued interest in a career in the property services sector.

The Authority assesses each licence application carefully and advises the applicant where an application is falling short of a qualification standard. Applicants are provided every opportunity to submit appropriate evidence of qualification in support of their application prior to the Authority making a final decision. It is for this reason that there were 79 licence applications at assessment phase at year end in 2019.

A small number of new licence applications were refused in 2019, with the most common reason for refusal identified as the applicant failing to meet the minimum qualification requirements. Applications are rejected where the applicant submits an application in error.

Licence Renewals

Licence renewal applications, including licence fees and Compensation Fund payments, are submitted online to the PSRA.

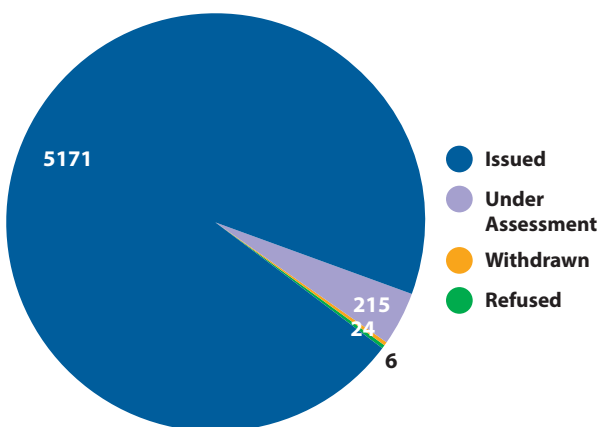
A significant proportion of licences have an expiry date of 5 July. This results in a peak period from May to July during which the Authority receives over 3,000 renewal applications. A dedicated licence renewal helpdesk reopened during the peak renewal period in 2019 to assist licensees in making their application. In addition, the Authority made available a facility to provide practical assistance in uploading renewal applications for licensees.

The total number of licence renewal applications processed in 2019 was 5,416. Chart 2 provides a breakdown of renewal applications processed by the Authority which includes:

- 5,171 renewal licences issued,
- 215 renewals under assessment,
- 24 renewals that were withdrawn by the applicant and
- 6 renewal applications refused by the Authority.

The reasons for refusal of renewal applications by the Authority include failure to provide sufficient accounting records and instances where an applicant was no longer tax compliant.

Chart 2 Renewal Applications Processed in 2019

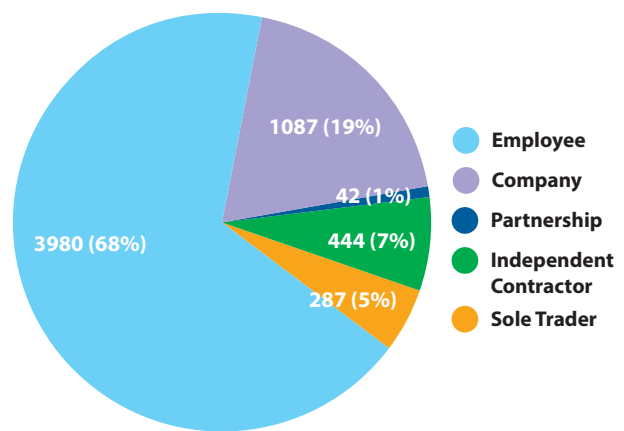


Overall Licensing Numbers

At the end of 2019, there was a total of 5,840 licence holders. This compares to 5,860 at year end 2018.

Chart 3 illustrates the distribution of licence types in 2019 by Employees, Companies, Partnerships, Independent Contractors and Sole Traders.

Chart 3 Distribution of Licensees by Category in 2019

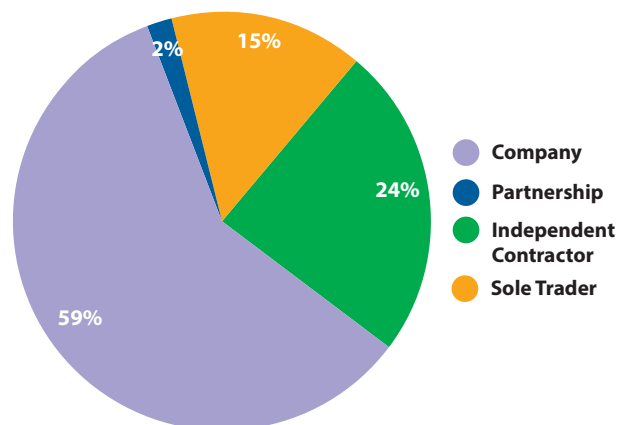


An analysis of the distribution of the 1,860 business licences active at the end of 2019 demonstrates that

- 59% of business licences were held by Companies,
- 24% were held by Independent Contractors,
- 15% were held by Sole Traders and
- 2% were held by Partnerships.

This is illustrated in Chart 4.

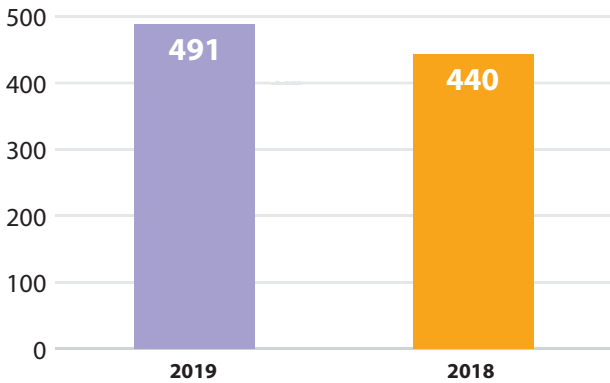
Chart 4 Business Licences Distribution by Category in 2019



Non-Renewal of Licence by Employers and Employees

The level of non-renewal of licences is outlined in Chart 5 for 2019 and 2018. In 2019, 491 licensees did not renew their licence, which compares with 440 in 2018. The non-renewals for 2019 is broken down into 100 businesses and 391 employees. The reasons for non-renewal vary but include non-renewal due to retirement, closing of business, emigrating and in some cases changing from one legal entity to another.

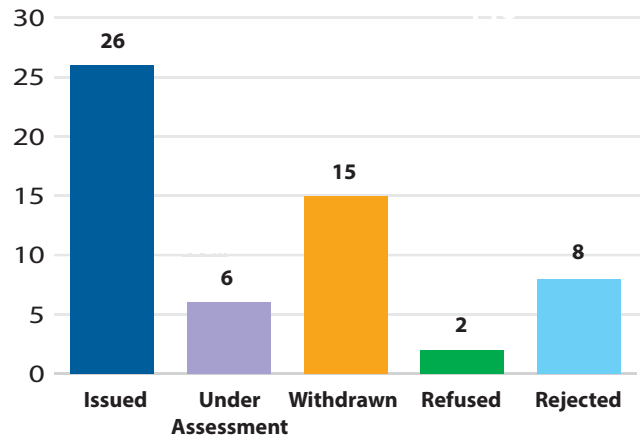
Chart 5 Licences Not Renewed



Additional Licence Category and Change of Property Services Employer Applications

From the introduction of the online application facility in March 2019 to year end, the Authority processed 57 Additional Licence Category applications. Chart 6 illustrates the position of these 57 applications at year end.

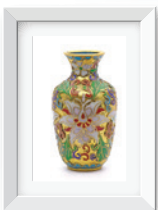
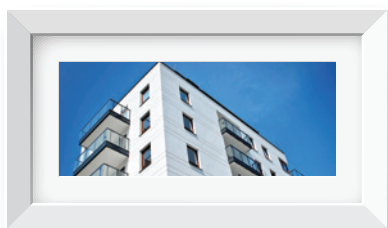
Chart 6 Online Additional Category Applications Processed in 2019



Change of Property Services Employer applications are submitted when an employee licensed under one business wishes to move their licence to another licensed business.

Licence Application Appeals

There was 1 licence application appeal in 2019 made to the Property Services Appeal Board (PSAB) which related to an employee’s application to add additional categories to their existing licence. At the end of 2019 the Authority was awaiting a decision from the PSAB in relation to this appeal.



Licence Type

As previously stated, at the end of 2019, there was a total of 5,840 active licences compared to 5,860 licences at the end of 2018. Chart 7 illustrates the distribution of 1,860 active business licences at the end of 2019 compared to the same category at the end of 2018 in each licence type. Categories of licence include single licence types and a combination of some or all licence types.

Chart 7 Business Licence Types in 2019

Type of Licence Issued	2019	2018
[A]	79	83
[A],[B],[C]	947	970
[A],[B],[C],[D]	311	295
[B],[C]	187	182
[B],[C],[D]	67	63
[C]	84	82
[C],[D]	63	60
[D]	82	91
Other Combinations	40	45

Chart 8 provides a breakdown of the licence types held by the 3980 employees at the end of 2019.

Chart 8 Employee Licence Types in 2019

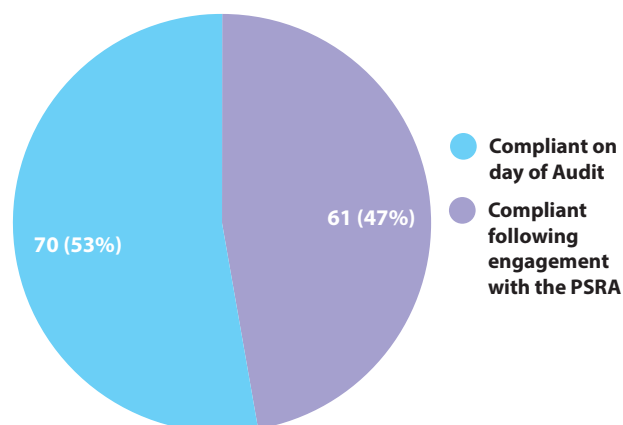
Employee Licence Types Issued	2019
[A]	155
[A],[B],[C]	1339
[A],[B],[C],[D]	757
[B]	141
[B],[C]	638
[B],[C],[D]	302
[C]	155
[C],[D]	169
[D]	276
Other Combinations	48

Competent Authority for Money-Laundering

The Authority is the State Competent body for Property Services Providers for the purposes of Part 4 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010. In line with this, the Authority carries out Anti-Money Laundering (AML) audits on licensed businesses.

In 2019, 131 AML audits were completed on licensed businesses which is illustrated in Chart 9. An analysis of completed AML audits shows 61 licensed businesses compliant with AML requirements. Where licensed businesses were found to be non-compliant, the staff of the Authority engaged with licensed businesses to advise of the necessary requirements under the AML legislation. Following this engagement, all 70 licensed businesses submitted the required evidence of compliance and subsequently were found compliant.

Chart 9 AML Audits in 2019



GOAL 2

MAINTAIN A SYSTEM OF INVESTIGATION AND ADJUDICATION

A central element of the Authority's regulatory powers is the investigation of Property Services Providers (PSPs). There are three types of investigations that the Authority can undertake, namely:

- the investigation and adjudication of complaints made against licensed Property Services Providers;
- the investigation of the illegal provision of property services by unlicensed Property Services Providers;
- the inspection of the standards in the provision of property services and statutory compliance by licensed Property Services Providers.

The legal framework and procedures for these types of investigations are set out in Part 7 of the Act. Briefly, these cover:

- the circumstances and the manner in which the Authority may commence an investigation of a licensee;
- the powers of entry and inspection of Inspectors appointed by the Authority to carry out investigations and the duties of such Inspectors;
- the duties of the Authority following the conclusion of an investigation; and
- the matters which the Authority must consider when coming to a decision on foot of an Inspector's report and in imposing sanctions.

Investigations and Adjudication of Complaints

Complaints against licensed PSPs can be made in writing to the Authority by members of the public for investigation. During 2019, the Authority received 202 complaints. This represents a 26% decrease on the 274 complaints received in 2018.

End of Year Status of Complaints

At 1st January 2019, there were 148 complaints on hand, of which 75 were regarded as historic complaints as they related to a period of more than two years from the current reporting year.

During 2019, the focus of the Complaints Unit was on

historic complaints and as a result, 73 of the historic complaints were dealt with and concluded by year end. In addition to the historic complaints concluded, 249 additional complaints were also concluded by year end.

Of the complaints received in 2019, 133 (66%) were concluded without a requirement for the appointment of an Inspector to conduct an investigation. In all such cases, the Authority explained the reasons as to why an investigation was not carried out. The most common reason for declining to investigate a complaint was that the subject matter of the complaint did not fall within the definition of "improper conduct" as defined in the Act.

By year end, there were 28 open complaint files on hand. Of these, 26 were at inspection phase and 2 were at initial assessment awaiting a decision on whether they were to be investigated.

The 26 cases at inspection phase relates to complaints where an Inspector was appointed and an investigation was in the process of being carried out. A total of 23 of these complaints were received in 2019.

Chart 10 provides an outline of all the complaints dealt with by the Authority in 2019 and the status of those complaints at year end.

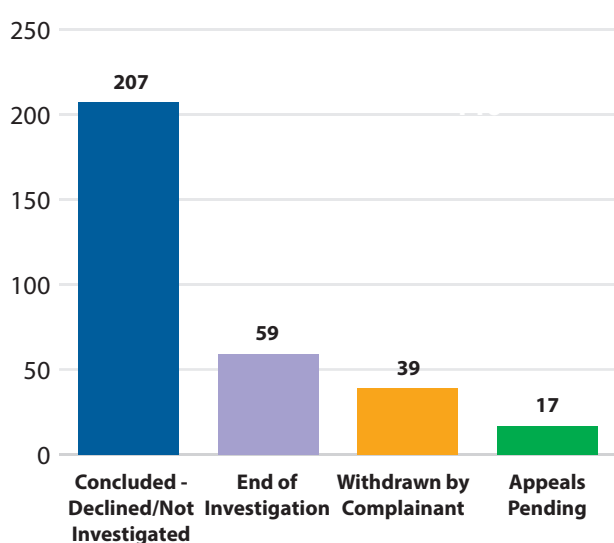
Chart 10 – End of Year Status of Complaints

End of Year Status of Complaints	Total
Complaints on hand at 1/1/19	148
Total complaints received in 2019	202
Total complaints concluded at year end	322
• Complaints concluded without requirement for investigation	207
• Complaints concluded after investigation	59
• Withdrawn	39
• Under appeal at year end	17
Open complaints at year end	28

Status of Complaints Concluded

Chart 11 represents all complaints concluded during 2019, 322 in total, broken down by status of conclusion. It reflects the significant progress achieved during the year in addressing both the historic complaint files and complaints received during the year.

Chart 11 Status of All Complaints Concluded in 2019 (all years)



Nature of Complaints

The nature of complaints cover a broad range of issues. Chart 12 illustrates the general breakdown of complaints categories received in 2019.

This Chart shows the most common categories into which complaints may be placed, based on the nature of the complaint. In interpreting the numbers in the Chart, it is important to bear in mind that a complaint may be multi-faceted and, therefore, may fall into more than one category. Accordingly, there may be a greater number of complaint issues contained within any one complaint received. This is evident in Chart 12 which relates to the total of 202 complaints received in 2019 but the issues contained within these complaints total 230. The Chart is a good indicator of the expansive nature of the complaints, which the Authority must assess and investigate.

The behaviours or omissions complained of in some of the categories, for example, service provision or ethical conduct, are open to interpretation. The complainant may genuinely feel dissatisfied or aggrieved at what transpired in their dealings with the Property Services Provider, but it may not fall under the definition of "improper conduct" in section 2 of the Act. This difference between the perception of a wrongdoing and

Chart 12 Expansive Nature of Complaints Received in 2019

Nature of Complaint	No. of Complaints Broken Down by Grounds
Service Provision (Complainant dissatisfied with service provided)	99
Retention of Money by Property Services Provider	49
Ethical Conduct (Complainant feels that the Property Services Providers behaviour was unethical)	19
Fee or Outlays (Complainant disputes the amount of fees charged or expenses/ outlays incurred)	8
Mis-information supplied to Customer	7
Letter of Engagement (Letter of Engagement was either absent or deficient in some way)	6
Other	42
Total:	230

what constitutes improper conduct largely explains the relatively high number of complaints, which the Authority declines to investigate as shown earlier in Chart 11. It should also be noted that these are allegations made by the complainant and no improper conduct may be said to have taken place until an investigation has completed and improper conduct found.

Complaint Sanctions Imposed

In 2019, 59 complaints were concluded after an investigation, of which there were 29 cases (49%) where no improper conduct was found. In 24 cases (41%) improper conduct was found and a minor sanction was imposed, and in 1 case a major sanction was imposed. The major sanction related to 6 cases against the one Property Services Provider.

An overview of sanctions imposed, illustrated in Chart 13, include:

Major Sanction

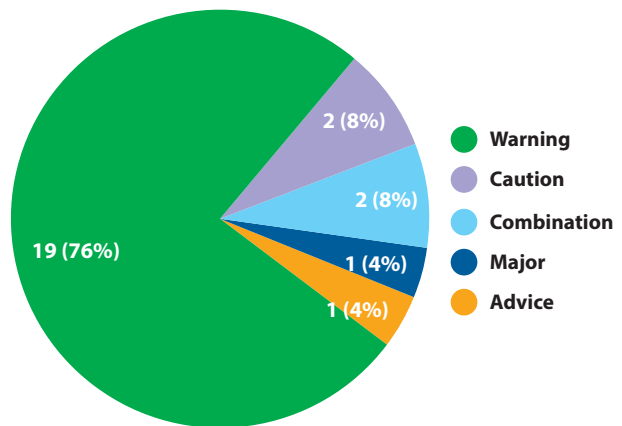
- The Authority directed a major sanction of permanent revocation of the licence, a payment of €50,000 to the Authority and a payment of €48,492.82 into the Compensation Fund, which was confirmed by the High Court. The sanction was in respect of cumulative breaches relating to the retention of client moneys.

Minor Sanction

- In 19 instances, a minor sanction of Warning was imposed in relation to section 43 of the Act, for non-provision of a letter of engagement; section 44 failure to retain records; and breaches of the Statutory Instrument Property Services (Regulation) Act 2011 (Client Moneys) Regulations 2012, section 16(1)(a), section 16(5) and section 16(6), accounting for moneys lodged to the relevant account.
- In 2 instances, a minor sanction of a Caution was imposed relating to section 44 failure to retain records and section 28(1)(b) holding themselves out as available to provide a property service without having the appropriate licence in force in respect of that property service.

- In 1 instance, a minor sanction of Advice was imposed relating to section 37(5)(a) breaches of the Act, with regard to the non-display of the licence number on an advertisement.
- In 2 instances, a combination of minor sanctions were imposed relating to breaches of section 43 not providing a letter of engagement; section 44 failure to retain records and section 37(5)(b) breaches of the Act, with regard to the non-display of the licence number in all business correspondence relating to the property service.

Chart 13 Complaint Sanctions Imposed in 2019



Complaint Application Appeals

During 2019 the PSAB received 39 appeals cases of which 38 were brought by complainants and 1 by a licensee.

There were 11 appeals carried forward from 2018 giving a total of 50 appeals before the PSAB during 2019. By year end one appeal had been withdrawn by the appellant and 32 considered by the Appeal Board.

The PSAB disallowed submitted appeals in 31 cases (94% of the total where a decision was reached) thereby affirming the decision of the Authority in each case. The PSAB overturned one of the Authority’s decisions in relation to a complaint case and remitted the case back to the Authority to be investigated. The Authority has since commenced an investigation into this complaint. Chart 14 illustrates a summary of the outcomes in the various appeals considered and dealt with by the PSAB.

Chart 14 Summary of PSAB Decisions During 2019

Outcome	No. of Appeals	Percentage of Total
Appeal Disallowed – Authority’s Decision Upheld	31	94%
Appeal Allowed – Authority’s Decision Overturned	1	3%
Appeal Withdrawn by Appellant	1	3%

At year end, there were 17 complaint appeals awaiting decision by the PSAB.

Investigation of Illegal Provision of Property Services

The Authority takes reports of unlicensed trading very seriously. Companies or individuals providing property services without a licence deprive their clients of the important consumer protections offered by the Act and this constitutes unfair competition for those who provide services in a law-abiding fashion. The Authority conducts investigations into companies or individuals suspected of unlicensed trading with a view to prosecuting or seeking a Court injunction directing the offending party to cease trading.

In 2019, the Authority successfully prosecuted three unlicensed Property Services Providers as summarised in Chart 15.

Chart 15 Prosecutions undertaken by the Authority

Case No.	Entity	Date	Court	Fine	Costs
1	Company	Unlicensed Trading	Castlebar Dt Ct	€500	€2,500
2	Company	Unlicensed Trading	Gort Dt Ct	Suspended Prison Sentence	€5,000
3	Sole Trader	Advertising and Holding Out as Available	Killarney Dt Ct	€650	€1,900

Case No. 1:

This case involved the unlicensed service provider pleading guilty to providing property services without a licence. Arising from the same investigation under section 89 of the Act, the Authority made an application to the High Court seeking an injunction ordering the provider to cease providing property services without a licence. The service provider gave an undertaking in open court to cease providing property services and to take specified steps to close down the business concerned. On this basis, and on the basis that it could reapply for the injunction should it prove necessary, the Authority was satisfied that there was no need to proceed further with the injunction application.

Case No. 2:

This case also involved the unlicensed service provider pleading guilty to providing property services without a licence. The defendant had previously been convicted of breaches of section 28 of the Act in 2018 but continued to operate illegally, resulting in a second prosecution and conviction in 2019. The guilty party subsequently indicated their intention to appeal conviction and costs to the Circuit Court. The appeal against conviction and sentence was subsequently dropped and on 16 October 2019 Galway Circuit Court affirmed the conviction and sentence imposed by the District Court.

Case No. 3:

This case involved the unlicensed service provider pleading guilty to advertising and holding themselves out as available to provide property services.

First High Court Injunction

In addition to prosecution proceedings, the Authority was granted its first High Court injunction, preventing the unlicensed property services provider from trading. On 9 December 2019 the President of the High Court, Mr Justice Peter Kelly, granted the Authority an injunction preventing the individual and company from providing property services without a licence. The injunction also prevents the individual and company from holding themselves out as being available to provide property services, or from advertising property services in any way. The injunction was sought following an investigation under section 89 of the Property Services (Regulation) Act 2011, into providing property services without a licence. While the order of the court prevents the unlicensed operator providing property services in perpetuity, the Court noted that its Order could be varied should the Authority grant a licence to the provider at a future time.

Unlicensed Reports

In 2019, there were 41 reports received of unlicensed trading. The status of these reports at year end were:

- 9 concluded following investigation;
- 4 at inspection phase;
- 25 cases were assessed and deemed that a property service was not provided;
- 3 at initial assessment awaiting a decision on whether an investigation is to commence.

In addition to the unlicensed reports received in 2019, there were a number of ongoing unlicensed reports from 2017 and 2018 which the Authority continued to deal with during the year and their status at year end were:

- 3 concluded following investigation (2 from 2018 and 1 from 2017);
- 2 at inspection phase (2017);
- 4 cases were assessed and deemed that a property service was not being provided or they did not require a licence.

Of the six cases at inspection phase, 3 remain before the Courts at year end.

Chart 16 provides an overview of the status of all unlicensed reports at year end.

Chart 16 Complaint Status of Unlicensed Reports At Year End.

Unlicensed Reports Status At Year End	Number of Unlicensed Reports
Concluded after initial assessment as did not require a licence or not providing a property service	29
Concluded after Investigation in 2019	12
Inspection Phase	6
Initial Assessment Phase	3

Inspection of Standards in the Provision of Property Services

The Authority conducts compliance audit investigations on all licensed businesses and recognises the benefit of these investigations. The compliance audit investigations process provides an important tool in educating and informing licensed businesses of standards required when operating as a licensee. Compliance audit investigations ensure compliance with the statutory provisions of the Act and its regulations and instills trust for clients when availing of the services of Property Services Providers. Compliance audit investigations are also a very effective means of engaging with licensed businesses and informing the Authority of issues at ground level.

In addition to staff of the Authority conducting audit investigations, the Authority re-engaged I.P. Forensics Ltd., following a tender process, to undertake compliance audit investigations on behalf of the Authority.

The Authority completed 157 audit investigations during the year and 283 investigations were ongoing at 31 December 2019. Chart 17 outlines the total number of licensed businesses per county, and the number of audit investigations carried out in each county in 2019.

There are approximately 1,800 businesses licensed by the PSRA of which 1,334 business audits have been completed since the commencement of audits in 2015.

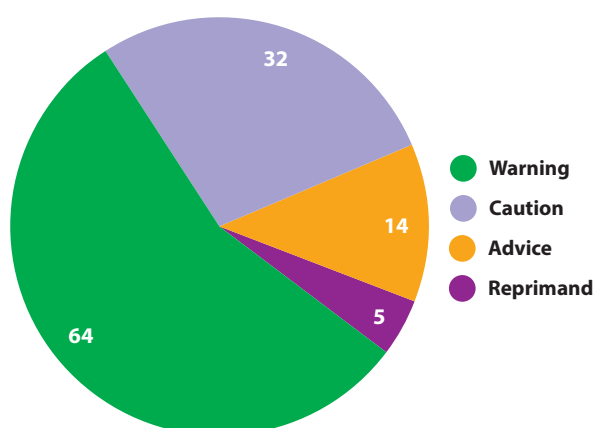
Chart 17 Number of Completed Compliance Audit Investigations in 2019 by County

COUNTY	No. of Licensed Property Services Providers (Businesses)	Number of Audits Completed in 2019	Number of Audits On-going at 31 December 2019
Carlow	18	2	0
Cavan	35	0	2
Clare	39	4	0
Cork	210	12	35
Donegal	58	3	7
Dublin	557	70	83
Galway	118	9	14
Kerry	64	5	4
Kildare	76	7	31
Kilkenny	36	4	0
Laois	32	2	6
Leitrim	20	4	3
Limerick	62	1	8
Longford	25	4	2
Louth	49	3	7
Mayo	59	10	9
Meath	46	3	1
Monaghan	21	0	2
Offaly	24	0	4
Roscommon	33	0	5
Sligo	40	6	4
Tipperary	60	4	11
Waterford	44	1	10
Westmeath	42	2	11
Wexford	46	1	18
Wicklow	46	0	6
TOTAL	1860	157	283

Audit Findings and Sanctions Imposed

The Authority acknowledges that 100 or 63% of licensed businesses audited in 2019 were in compliance with the audited sections of the Act. Breaches occurred in 55 cases or 35% of licensed businesses audited and minor sanctions were imposed in these cases. Chart 18 details the breakdown of minor sanctions imposed on 55 licensed businesses. In some cases, more than one minor sanction was imposed on a licensed business and as a result, the number of minor sanctions exceeds the number of businesses sanctioned.

Chart 18 Audit Minor Sanctions Imposed in 2019



As illustrated in Chart 18, the breakdown of minor sanctions imposed following the completion of audits in 2019 are as follows:

- In 5 instances, sanctions of Reprimand were imposed relating to breaches of Client Money's Regulations in respect of:
 - Inadequate financial processes and procedures in place.
- In 64 instances, sanctions of Warning were imposed relating to breaches of the Act and Client Money's Regulations in respect of:
 - Letters of Engagement – not completed or partially completed – not signed within timeframe;
 - Breaches of Client Money's Regulations relating to:
 - Licensee not keeping accounting records for 7 years;
 - Licensee withdrew moneys from the client account for purposes other than payments to clients;
 - Licensee holding moneys in the client account which is not client money;
 - Licensee not issuing statement of fees and outlays;
 - Licensee did not furnish to the accountant details of all client accounts held in a financial institution to enable the accountant complete the accountants report.
- In 32 instances, sanctions of Caution were imposed relating to breaches of the Act and Client Money's Regulations in respect of:
 - Non-display and production of licences;
 - Non-retention of records and offers in the provision of property services;
 - Advertising property for less than the advised market value;
 - Failure to maintain professional competence; and
 - Breaches of Client Money's Regulations relating to
 - Licensee did not have permission from the Authority to hold a client account in more than one financial institution;
 - Licensee did not withdraw monies to which he was beneficially entitled within the appropriate time frame.
 - Licensee holding moneys in the client account which is not client monies;
 - Licensee did not complete a balancing statement within two months of the date to which it relates;
 - Licensee did not hold all the minimum accounting records.
- In 14 instances, sanctions of Advice were imposed

relating to breaches of the Act and Client Money's Regulations in respect of:

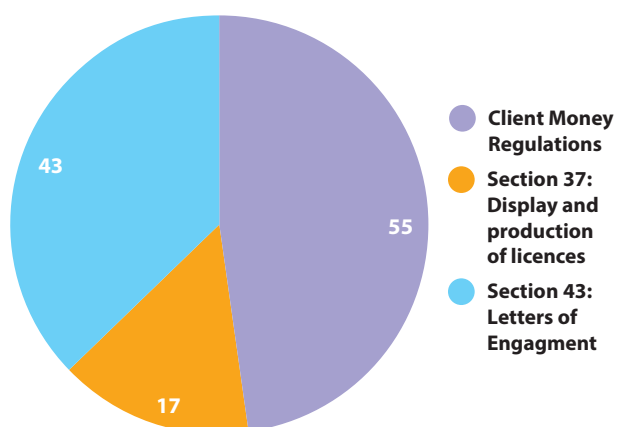
- Non-display and production of licences;
- Incomplete client files;
- Bank charges deducted from the client account;
- The licensee not having a bank account register.

There were no major sanctions imposed in relation to compliance audit investigations carried out in 2019.

Common Breaches

The compliance audit investigation findings for 2019 highlighted a number of common breaches in the sector as outlined in Chart 19. In some cases there was more than one breach in respect of businesses audited.

Chart 19 Compliance Audit Investigations in 2019 - Common Breaches Identified



Appeals Against Sanctions Imposed

During 2019, the PSAB received 1 appeal against sanctions imposed which was ongoing at year end.

Compensation Fund

The Authority administers the Property Services Compensation Fund established under the Act. The Fund is financed by annual contributions from the sector where the level of contribution payable into the Fund by a Property Services Employer is €200 per annum while that for an Employee is €50 per annum.

The Authority, where it is satisfied that a client of a Property Services Provider has sustained a loss as a result of the dishonesty of the Property Services provider and, subject to certain conditions specified in the Act, may make a grant from the Fund to the client. At 31st December 2019, the amount standing to the credit of the Fund was approximately €3.9 million. Some 80 claims on the Fund were received in 2019. Chart 20 outlines claims processed in 2019, of which a total of 11 claims were fully or partially granted relating to five former licensees. Four claims were refused and at year end there were 79 pending claims on the Fund.

Chart 20 Summary of Claims on the Compensation Fund During 2019

Compensation Fund Claims		Number of Claims
Compensation Claims On Hand at 1 January 2019		14
Claims Received in 2019		80
Grants made in 2019	€23,372.74	15
Claims Fully Granted		3
Claims Partially Granted		8
Claims Refused		4
Claims on Hand		79

Grants totalling €20,635.74 were made from the Fund for the year ended 31st December 2019 and there were outstanding commitments to make payments at year end of €2,737. This payment of €2,737 was approved by the Board at its meeting in December, 2019.

Appeals Against Compensation Fund Decisions

Decisions of the Authority relating to claims on the Compensation Fund are subject to appeal to the PSAB. Following decisions of the Authority declining to make grants to applicants from the Compensation Fund, three appeal cases were submitted to the PSAB. The three cases include:

Case One involved a decision of the PSAB which overturned a decision of the Authority declining to make

a grant from the Fund. The PSAB directed that a grant from the Fund be made to the claimant/appellant from the Fund. Following consideration of the decision of the PSAB, the Authority decided to appeal the decision, on a point of law to the High Court. The point of law relates to the Authority having no jurisdiction or discretion under section 78(3) to make a grant from the Fund in respect of a loss suffered as a result of the dishonesty of a person or entity who was, at the time of the alleged dishonesty, a former licensee. The case was heard before the High Court on the 22nd November 2019 with a decision pending at year end.

A High Court appeal on a point of law is the only mechanism contained in the Act by which the Authority may seek to overturn a decision of the PSAB.

Case Two also involved a PSAB decision which overturned a decision of the Authority declining to make a grant from the Fund and directed that a grant be made to the claimant/appellant. The issues involved in this case, and the company which caused the losses incurred by the claimant/appellant, were the same as in Case One. The Authority was preparing to appeal this decision to the High Court at year end on grounds identical to Case One.

Case Three was awaiting determination by the PSAB at year end.

Insuring the Compensation Fund

The Authority re-insured the Compensation Fund in October 2019 to protect the Fund and ensure that claims on the Fund can be met.

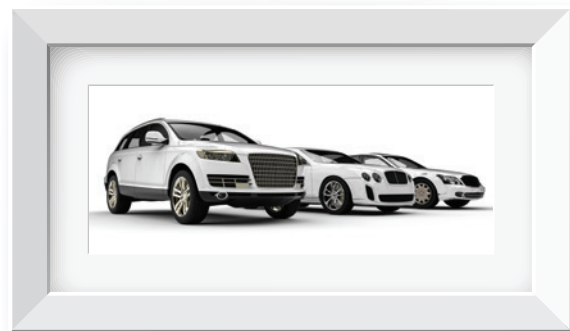
Continuous Professional Development (CPD)

The PSRA CPD programme commenced the 2019 season in February, with one event being held to accommodate licensees who had not completed their mandatory 5 hours PSRA CPD in 2018. Attendance at this event brought 2018 overall compliance to 96%.

Throughout 2019 a total of 30 PSRA CPD events were held nationwide, with events held in Cork, Limerick, Cavan, Galway, Dublin, Sligo, Mullingar, Kilkenny, Athlone and Waterford. At 31st December 2019, the

compliance rate for 2019 was 97.2% with a catch up event planned for early 2020 to accommodate licensees who had not completed PSRA CPD for 2019.

The scheme provides for five formal hours of CPD for all PSRA licensees delivered on behalf of the PSRA by the Institute of Professional Auctioneers and Valuers and the Society of Chartered Surveyors Ireland. The two main CPD categories of focus were Legislation and Regulation and General and Management. These two categories were broken down into a range of different modules that represent areas that are necessary to ensure a professional service is delivered. This mandatory programme will lead to greater public confidence in Property Services Providers delivering a professional competent service.



GOAL 3

PROMOTE SECTOR ENGAGEMENT AND PUBLIC AWARENESS OF THE AUTHORITY

The Authority avails of every opportunity to promote sector engagement and public awareness of the role and function of the PSRA.

Public Awareness

Media Campaigns

During 2019, the Authority organised two media information campaigns on national and local radio where the themes addressed included highlighting the consequences of using an unlicensed property services provider and the requirement to complete a commercial lease return form.

In October the Authority ran a week long radio campaign focusing on the importance of using a licenced property services provider and the protections offered to clients when using a licensed provider. The radio advert also encouraged people to check the Register of Licensed Property Services Providers.

In November the media campaign focus was on increasing tenants' compliance in completing commercial lease returns. The Authority conducted a targeted letter campaign in conjunction with a radio media campaign focusing on particular counties, reminding commercial lease tenants of their statutory obligation to submit details of their commercial leases to the Authority for publication on the public Register of Commercial Leases.

The importance of using a licensed letting agent or estate agent was also the target of a media campaign in August with a particular focus on raising awareness amongst college and university students seeking student accommodation. The PSRA worked directly with the Union of Students in Ireland (USI) distributing information directly to students through college starter packs and accommodation officer information packs, reinforcing the importance of using a licensed letting agent. Adverts regarding the PSRA and licensed letting agents were placed on Daft.ie and MyHome.ie during that period in an effort to target students and their families using these platforms to find accommodation. Simultaneously the Authority issued a press release highlighting the threat of bogus letting agents purporting to use a PSRA licence number.

Public Events

In line with the Communications Policy, the Authority endeavoured to continue its engagement with the public. In this regard, the Authority exhibited at the Home Buyers and Movers Advice Centre of the Ideal Home Show exhibition in Dublin in April 2019. Staff were inundated with visitors and our attendance proved to be a valuable exercise in the area of promoting the role and functions of the Authority.

The Authority increased its attendance at public events in 2019, by attending 50Plus Expos at three locations during the year in Limerick, Athlone and Galway. Each event, held over two days, afforded the Authority the opportunity to give a one hour presentation to the public on the role of the PSRA. These events proved very successful for the Authority with strong engagement with members of the public.

The Authority also took part in the National Ploughing Championship in Co. Carlow in September 2019 for the third consecutive year. The Minister for Justice and Equality, Mr. Charlie Flanagan, T.D. launched the PSRA 2018 Annual Report at the event.



Minister for Justice and Equality, Mr. Charlie Flanagan, T.D. with Ms. Maeve Hogan Chief Executive of the PSRA at the National Ploughing Championships 2019

Student Life Careers

During 2019, the Authority continued the development of a project in association with “Student Life Careers” which is an initiative for Transition, 5th and 6th year students to explore a world of career opportunities. This project involved creating a video promoting a career as a licensee and demonstrated the flexibility and advantages of working in the sector along with the prospects for career progression.

The PSRA’s final video, along with other industry videos, was launched by the Minister for Finance and Public Expenditure and Reform, Mr. Pascal Donohoe, T.D. at an event organised by Student Life Careers and the National Association of Principals and Deputy Principals (NAPD). It was made available to the public in April 2019 when launched on www.napd.ie and circulated throughout schools for students to access.



Left to Right:- Ms. Róisín Keenan (PSRA), Ms. Maeve Hogan (CEO PSRA), Minister for Finance and Public Sector Reform, Mr. Pascal Donohoe TD, Mr. Clive Byrne (Director NAPD), Ms. Síobhan Magner (Educational Training Boards Ireland) and Ms. Rita Kelly (CEO Student Life Careers) at the launch of Student Life Careers

Sector Engagement

The Authority continued to engage with the sector in 2019 through the publication of its newsletter, specific mailshots to licensees, updates to the website and the PSRA Forum. In addition, the Authority undertook specific sector engagement including:

Report: The Impact of Regulation on the Property Services Sector in Ireland

Following on from the survey of licensees conducted by the Authority in 2018 and in addition to the research undertaken by Dr. Róisín Murphy in that regard, the Authority launched the report ‘The Impact of Regulation on the Property Services Sector in Ireland’ in March 2019. This piece of research was the first of its kind and involved the largest known sample of Property Services Providers to be surveyed in Ireland. The results of the research influenced the drafting of the Authority’s next Strategic Plan which will be published in 2020. The key findings of the report can be seen in Chart 21 on next page.

Conference 2019

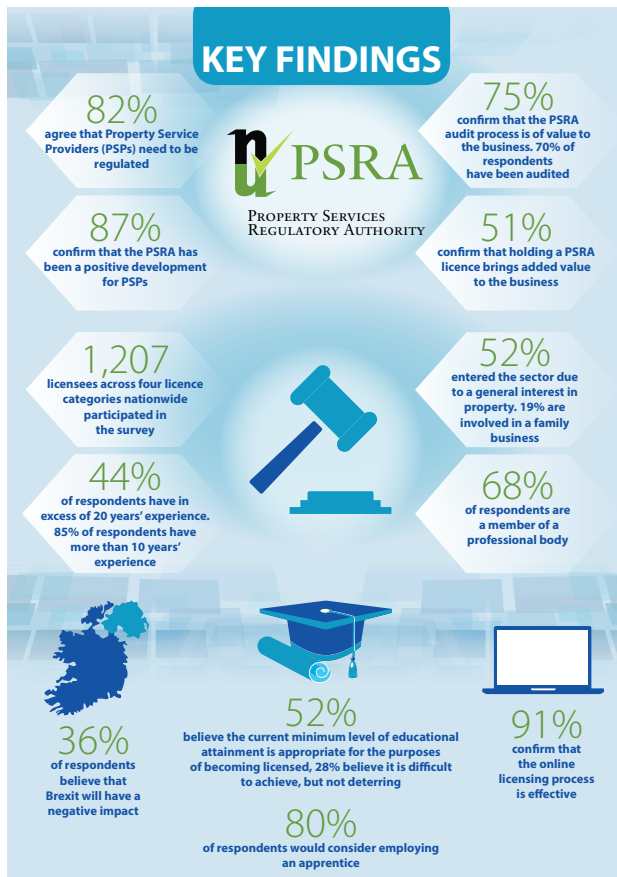
The PSRA held its inaugural conference “Property Services, Facing the Future” on Wednesday the 6th March, 2019 at the Croke Park Meetings and Events Centre.

The Conference was opened by the Minister for Justice and Equality, Mr. Charlie Flanagan T.D.. Speakers on the day included Mr. JP McDowell of Fieldfisher Solicitors, Mr. Mark Hayward of the National Association of Estate Agents (NAEA) PropertyMark (UK) and Det. Chief Supt. Gearóid Begley of the Criminal Assets Bureau among others.

The conference sessions focused on key areas of interest for licensees, including ethical conduct, mediation, anti-money laundering, protection of business interests, consumer protection and professional development. Feedback from attendees was extremely positive and the conference also attracted wide media interest.

A particular highlight of the conference was the presentation by Dr. Róisín Murphy of the key findings of the report, ‘The Impact of Regulation on the Property Services Sector in Ireland’.

Chart 21: Survey Results Infographic Chart



Minimum Standards Regulations- Focus Groups of Licensees

During 2019, as part of its strategy in developing, under section 95 of the Act, minimum standards to be observed in the provision of property services by licensees, a working group of the Authority, drawing on their wide sector expertise, worked to develop a draft statutory instrument (SI). Following completion of the draft SI, the Authority engaged with the sector inviting interested licensees and stakeholders to participate in a focus group on the contents of the draft SI. Due to the level of interest in sector participation, three focus group locations (Dublin, Cork and Athlone) were organised. The engagement and output from the focus groups positively influenced the contents of the draft regulations.

Consultations with stakeholders regarding PSRA Strategy

Work commenced on the development of the next strategic plan of the PSRA in August 2019. As part of this development, consultations were held with sector representative bodies including the PSRA Forum. This consultation process ensures that the strategic objectives outlined in this plan will reflect the views, perspectives and inputs of all key stakeholders. The next strategic plan is due to take effect in September 2020.



GOAL 4

MAINTAIN PUBLIC REGISTERS

Public Registers

The Authority publishes three public registers namely, the Residential Property Price Register, the Register of Licensed Property Services Providers and the Register of Commercial Leases.

Residential Property Price Register

The Property Price Register publishes the price, the date of sale and the address of each residential property sold in Ireland since January 2010. The property price sales information is received from the E-Stamping section of the Revenue Commissioners. This information is updated on a weekly basis on the Authority's website. In 2019 there were an estimated 1.94 million visits to the Property Price Register, making it the Authority's most visited register.

Register of Property Services Providers

The Register of Property Services Providers is published weekly on the Authority's website. The function of the Register is to inform the consumer of whether the Property Services Provider (PSP) they wish to engage is licensed, and therefore legally entitled to provide property services.

In previous years the Authority published four separate lists on its website which were updated weekly. In its former format and presentation, the Register caused confusion for users as licence information could be found on individuals and businesses across multiple lists.

During 2019, the Authority reviewed the publication, presentation and usability of the Register of Property Services Providers. In November 2019, the Authority commenced publishing a single register of current licence holders only. This new presentation format has received positive feedback from consumers and the sector.

As part of the review, the Authority also amended the information it publishes on the Register. The new Register of Property Services Providers contains the following information:

- Licence Number;
- Name of Licensee;
- The employer's business address. Separately the

employer's name and business address displays after the principal officer and or employee's name;

- Business Name, if applicable;
- Class of Provider e.g. Company, Partnership, Property Services Employer, Independent Contractor, Director, Secretary, Partner, Manager or Employee;
- Expiry date of the licence;
- Licence Type.

Register of Commercial Leases

There is a statutory obligation on tenants of commercial properties to furnish the following information in respect of commercial leases entered into on or after 3rd April 2012:

- The address of the leased commercial property;
- The date of the lease of the property;
- The length of the lease;
- The rent payable in respect of the property;
- The commencement date of the terms of the lease;
- The capital consideration (if any) to be paid by the tenant or landlord in respect of the commercial property the subject of the lease;
- The frequency of the rent review in respect of the property;
- The particulars relating to who is liable in respect of the rates, insurance, service charges and repairs in respect of the property;
- The net floor area, per each floor, of the property;
- The particulars (if any) relating to rent-free periods, fitting out time allowed, fit out allowances and capital contributions in respect of the property;
- The particulars relating to any break clause in the lease;
- Stamping Document Identification Number.

The requirement under section 88 of the Act provides that those who take out a commercial lease are legally obliged within 30 days to register further lease details on the Authority's commercial leases database.

The Authority continues its efforts to promote and encourage compliance in this area.

Chart 22 Percentage Compliance Rate by County

Percentage Compliance rate by County 2019 v 2018			
COUNTY	2019	2018	Change +/-
Carlow	65.29	63.76	1.53
Cavan	62.03	61.08	0.95
Clare	63.66	60.00	3.66
Cork	71.57	68.31	3.26
Donegal	64.28	61.45	2.83
Dublin	63.67	60.33	3.33
Galway	63.69	60.30	3.39
Kerry	64.90	61.43	3.47
Kildare	60.89	60.71	0.19
Kilkenny	69.89	71.35	-1.46
Laois	69.18	63.20	5.98
Leitrim	66.26	63.40	2.86
Limerick	56.03	54.09	1.94
Longford	60.91	58.27	2.64
Louth	59.42	57.88	1.54
Mayo	64.48	65.59	-1.11
Meath	61.51	61.99	-0.48
Monaghan	60.94	61.93	-0.99
Offaly	65.98	67.33	-1.36
Roscommon	60.57	61.21	-0.65
Sligo	60.77	59.20	1.57
Tipperary	70.33	67.51	2.83
Waterford	67.89	67.98	-0.08
Westmeath	61.72	62.21	-0.50
Wexford	65.80	65.04	0.76
Wicklow	59.86	59.33	0.53

In November, the Authority conducted a targeted advertising campaign in the south west of the country

to raise awareness amongst tenants of commercial properties of their statutory obligation to complete a return. A letter campaign was run in conjunction with this radio campaign. The campaign led to an increase in the number of returns in the targeted regions and it is envisaged that more targeted campaigns will continue during 2020.

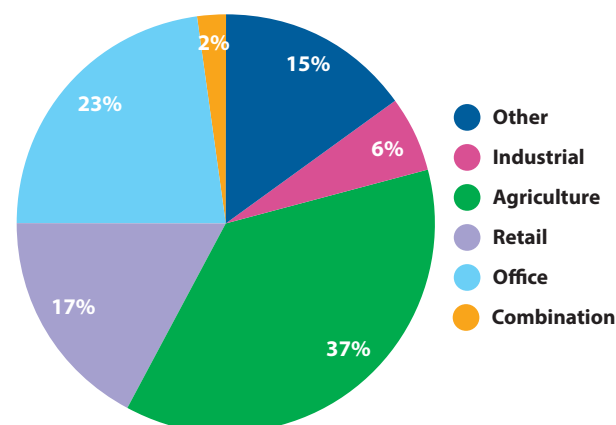
The Authority also engaged with business representative bodies regarding opportunities to highlight to their members the importance of making a return in respect of any commercial leases which they may hold and the benefits of the Register to them.

These efforts by the Authority had an impact on the level of commercial lease returns received and published in 2019. 5,099 lease returns were published bringing the overall figure of lease returns published on the Register since 3rd April 2012 to 37,000. These figures have resulted in the overall compliance rate nationally for submission of commercial lease returns reaching over 65% at the end of 2019.

Chart 22 provides a breakdown of the compliance rate by county at the end of 2019 in comparison with the end of 2018. It should be noted that there has been an increase in compliance in the south west region following the advertising campaign conducted in November.

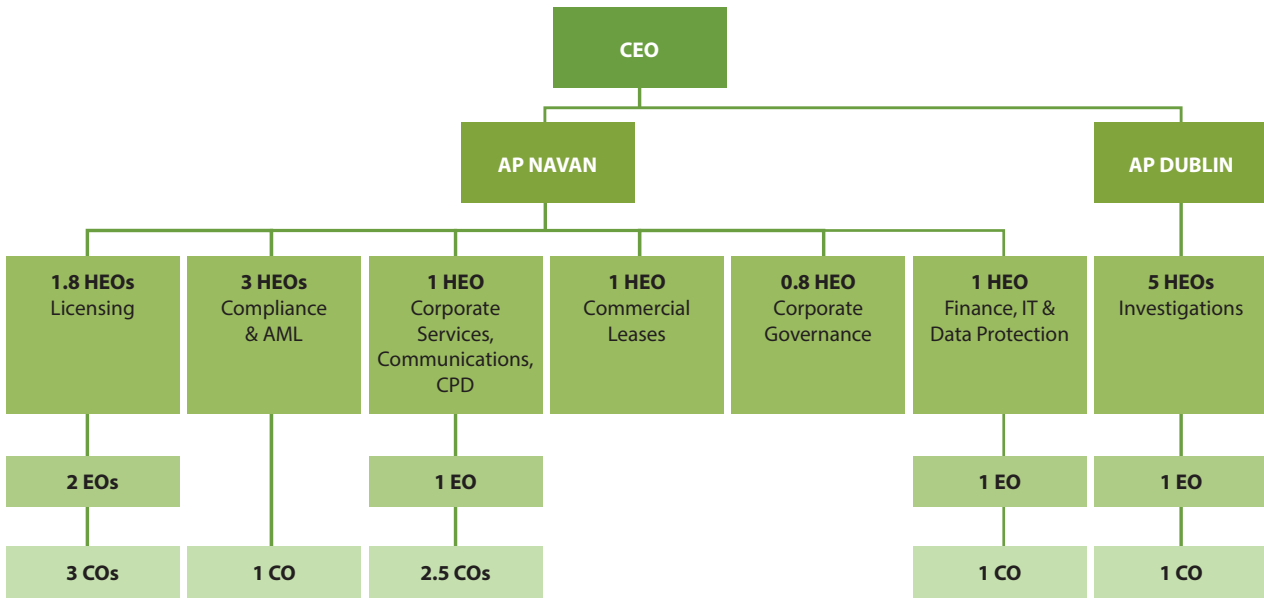
Chart 23 provides a percentage breakdown of lease returns by property e.g. agricultural, office, retail, industrial, other and a combination of one or more property types for all lease returns made to the Authority in 2019. The property type with the most returns made in 2019 was agricultural land with over 37% returns made.

Chart 23 Lease Returns by Property Type in 2019



GOAL 5 DELIVER AN EFFECTIVE AND EFFICIENT ORGANISATION

Chart 24 Staffing Structure at 31st December 2019



CEO - Chief Executive Officer AP - Assistant Principal HEO - Higher Executive Officer EO - Executive Officer CO - Clerical Officer

Staffing Resources

The organisational staffing structure is continuously monitored and benchmarked against stated goals and objectives.

As the activities of the Authority continue to expand, the capacity and structure are reviewed as appropriate and where any additional resources are required, the Authority liaises with Civil Governance and HR in the Department of Justice and Equality.

Additional permanent staffing was provided to the Authority in 2019 with the assignment of, 4 new Higher Executive Officers (HEOs), 2 new Executive Officers (EOs) and 1 new Clerical Officer (CO). A number of internal promotions occurred during the year where staff were retained by the Authority, 2 EOs promoted to HEO and 1 CO promoted to EO. The appointment of permanent additional staff has resulted in the Authority’s staffing structure as illustrated in Chart 24. The Chart takes into consideration, staff of the Authority who left during 2019 due to promotion, career break, retirement and transfers. Notwithstanding this, staffing resources continued to be one of the Authority’s ongoing priorities.

At year end, the Authority in addition to the Chief Executive had 30 staff members. The Staffing Structure Chart displays the full time equivalent staff by grade - 2 AP’s, 13.6 HEO’s, 5 EO’s and 8.5 CO’s.

Outsourced Resources

In 2019, IP Forensics Ltd. was re-appointed following a tender process to provide the necessary qualified resources to undertake investigations on behalf of the Authority. In addition to the compliance audit investigations undertaken, the outsourced Inspectors assisted in the investigations of complaints.

Temporary Clerical Officers (TCOs)

To assist the Authority during its peak licencing renewal time of June and July, the Authority was supported by 6 temporary clerical officers, totalling 48 weeks work. The availability to the Authority of these additional resources positively impacted on the processing time of licence renewal applications.

Financing the Authority

Each year the fees generated by the Authority are paid directly into the Exchequer and financial provision is

then made by the Exchequer to the Authority. The licence fee or licence renewal fee payable by a Property Services Employer is €1,000 per annum while that for an Employee is €100 per annum. In 2019, the Authority paid €2.25 million to the Exchequer.

Corporate Governance

Corporate Governance within the PSRA is guided by:

- Property Services (Regulation) Act 2011;
- Code of Practice for the Governance of State Bodies;
- Code of Business Conduct for members of the Authority; and
- Financial and Procurement procedures.

As a public body, the Authority complies with all relevant matters relating to corporate governance issued by the Department of Justice and Equality, the Department of Public Expenditure and Reform and with any other Government Department. There was an agreed Oversight Agreement in place with the Department of Justice and Equality for 2019 which was also reviewed during the year. The agreement can be found on both the Department of Justice and Equality and the PSRA websites. A copy of the Oversight Agreement can be viewed [Here](#)

The Oversight Agreement mandates ongoing compliance with the relevant requirements of the Code of Practice for the Governance of State Bodies and this was achieved.

The Authority is also responsible for preparing the annual report and financial statements and consider that the financial statements for 2019 are a true and fair view of the PSRA's financial performance and its financial position at the end of that year. The Authority has complied with all its obligations under tax law.

As the Authority falls under the remit of the Department of Justice and Equality, it is subject to an annual audit by the Internal Audit division of the Department. Separately, the Authority is audited annually by the Comptroller and Auditor General (C&AG) to ensure there are proper books of accounts, that processes are being maintained and procedures adhered to.

The Chief Executive is responsible to the Authority for

the performance of those functions provided for under section 19 of the Property Services (Regulation) Act 2011, including such information as required, regarding the performance of those functions. The Chief Executive presents at each meeting of the Authority an update relating to the Strategic Plan and the Risk Register. The Authority is fully committed to ensuring the PSRA maintains a strong culture of corporate governance across all its functions and responsibilities.

Public Spending Code

The Authority adhered to the relevant aspects of the Public Spending Code published by the Department of Public Expenditure and Reform throughout the year.

Operation of the Authority

The Chairperson of the Authority leads the Board and ensures its effectiveness through the organisation of its business and by setting its agenda. In addition to the Chairperson, there are ten other members of the Authority with a wide range of strong and complementary skills. Prior to each Authority meeting the relevant reports and papers, including financial performance data and detailed updates on the progress and implementation of the Strategic Plan where appropriate, are circulated to members of the Authority. The Board has the opportunity to discuss these reports and to receive updates from the Chief Executive who attends the Board meetings.

The key responsibilities of the Board include:

- Approval and evaluation of the annual plan and budget of the Authority;
- Issues of policy, such as the development of Strategic Plans, review of areas of work and compliance with codes of practice;
- Appointment of advisory committees or consultants;
- The charging and recovery of fees;
- The development and implementation of regulations;
- Administration of the Compensation Fund and decisions in relation to same.

The Board has approved a schedule of functions delegated to the Chief Executive of the Authority, which include:

- The issue and refusal of licences and related matters;
- Investigation of complaints, including appointment of Inspectors to investigate;
- Establishment and maintenance of the Property Price Register and the Commercial Leases Register;
- Applications to the High Court.

Performance Evaluation of the Authority

The Authority's self-assessment performance evaluation as required under the Code of Practice for the Governance of State Sponsored Bodies was undertaken by members of the Authority in 2019. The requirement for self-assessment performance evaluations are annually reviewed by the Chairperson of the Board. The findings of these assessments were presented at a meeting of the

Board on 11 December 2019.

Risk Management

The Authority operates a formal risk management policy and maintains a Risk Register in accordance with the Department of Finance guidelines, which is managed on an ongoing basis. The maintenance of the register is designed to ensure that risks are continually identified, assessed and necessary mitigating actions, subject to resources, are put in place. The Risk Register is a standing item on the Agenda of each Board meeting and is also discussed at meetings of the Audit and Risk Committee.

Chart 25 details the principal potential risks identified by the organisation for 2019 and the mitigation measures in place to reduce these risks:

Chart 25 Principal Risks Identified

Principal Risk identified	Mitigation Measures in place
Risk to the protections inherent in licensing system due to unlicensed operators	<ul style="list-style-type: none"> • Inspectors immediately appointed to investigate reported unlicensed operators in the State • Procedures in place to identify possible unlicensed operators where a renewal licence is not renewed • Outsourced Inspectors available for investigation of unlicensed operators. • Court Injunction process availed of when required • Prosecutions undertaken as required
Licences.ie unable to fulfil its function	<ul style="list-style-type: none"> • Contract in place with An Post • An Assurance document received from An Post and Justice ICT • Service Level agreement (SLA) in place with An Post for Licences.ie • SLA in place with Justice ICT
Dependence of Authority on DJE ICT	<ul style="list-style-type: none"> • IT Governance weekly tracking and reporting in place • Regular restoration of backups tested • Statement of assurance received from DJE ICT • Review meetings held with DJE ICT in relation to SLA • PSRA has controls around procurement of Mobile Devices and IT assets • IT User Access Controls - PSRA regularly review accesses
Number of/Large claim(s) on the Compensation Fund	<ul style="list-style-type: none"> • Compensation Fund insured • Procedures in place to notify underwriter of claims on Fund • Internal procedures in place for assessment of claims • Compensation Fund Advisory Committee established for assessment of claims • Legal advice sought regarding claims where precedents may be set • Management of legal actions on the Compensation Fund

Statement of Internal Control

The Statement of Internal Control of the Property Services Regulatory Authority for 2019 can be found in Appendix 1 of this report.

Freedom of Information (FOI)

The Authority comes under the remit of Freedom of Information (FOI) by virtue of the Freedom of Information Act 2014. The objective of the FOI Act is to ensure that official information is available to the public to the greatest extent possible, consistent with the public interest and the right to privacy.

The FOI Act provides that each person has the following rights:

- the right to access official records held by public bodies unless exempted under law;
- the right to have personal information corrected or updated where such information is incomplete, incorrect or misleading;
- the right to be given reasons for decisions taken by public bodies, where those decisions expressly affect them.

With a view to ensuring best practice in the administration of its statutory FOI function, the Authority has a member of its staff acting as FOI Officer to assist the public in using FOI procedures to optimum effect.

The Authority received four FOI requests in 2019. In assessing each request the Authority operated a policy of aspiring to grant the request, and subsequently applied the “harm” test followed by the “public interest” test in accordance with the provisions of the FOI Act. The strict time limits set out in the FOI Act were adhered to.

The four requests which were all made by members of the public related to personal and non-personal information. Chart 26 summarises the outcome of all FOI requests received in 2019. Two of these requests were refused as the Authority did not hold the requested information. The third request was refused but the information was granted outside the framework of FOI. The fourth request was refused as the information was already in the requesters’ possession. In all the cases, the Authority gave the requester a detailed explanation of its decision and the reasons for it.

FOI Appeals

There were no FOI appeals during 2019.

Data Protection

The Authority meets the six principles of the GDPR as personal data is:

1. Processed in a way that is lawful, fair and transparent;
2. Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
3. Adequate, relevant and is limited to what is necessary;
4. Accurate and kept up to date;
5. Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed;
6. Processed in a manner that ensures appropriate security of the data.

Chart 26 FOI Requests in 2019

File Ref.	Requester Category	Granted	Part-Granted	Refused	Refused and handled outside FOI	Withdrawn
1	Member of the Public			X		
2	Member of the Public				X	
3	Member of the Public			X		
4	Member of the Public			X		

The Authority has a Data Protection Officer who deals with subject access requests and data breaches as well as developing guidance and policies and procedures in the area of data protection.

In 2019 the Authority received two subject access requests. Both subject access requests were dealt with in accordance with the requirements of the Data Protection Acts.

The Authority had five data protection breaches in 2019 of which four were low level breaches and one medium level breach. The medium level breach was reported to the Office of the Data Protection Commissioner. All breaches were dealt with in accordance with the Authorities data protection procedures.

Protected Disclosures Act 2014

There were no protected disclosures during 2019.

Amendments to the Act

The Authority has previously submitted to the Department of Justice and Equality proposed legislative amendments to its primary legislation the Property Services (Regulation) Act 2011, the first of which relates to capping the maximum payment from the Compensation Fund and the second related to an amendment to the definition of major sanction to include a provision for an imposition by the Authority of an oversight regime on the licensee. At year end these amendments remained in the Department's Draft Bill.

Another area of the Act where a considerable amount of work was carried out during 2019 was under section 95 of the Act which provides for drafting of regulations on standards to be observed in the provision of property services by licensees under five pillars namely:

- Public Interest;
- Duty owed to Clients and Users and Potential Users of Property Services;
- Professional and Ethical Conduct of Licensees;
- Confidentiality of Client Information;
- Conflict of Interest.

The Statutory Instrument, once enacted will enable the Authority to investigate complaints in these areas. At year end, this regulation remained at draft stage.

The Authority also actively engaged throughout 2019 with the EU Commission through Civil Justice and Equality Legislation Division of the Department of Justice and Equality in addressing amendments to the Act in respect of the provision of property services by providers from EU member states. This engagement is to ensure that Ireland remains compliant with EU legislation. Engagement in this area will continue in 2020.

Public Sector Duty (Irish Human Rights and Equality Commission Act 2014)

The Property Services Regulatory Authority is committed to meeting our obligations under the Irish Human Rights and Equality Commission Act, 2014. Section 42 of that Act establishes a positive duty on public bodies to prevent discrimination, promote equality and protect the human rights of all those with whom they engage - staff, service-users and stakeholders alike. In 2019, the Authority carried out an organisational assessment as part of the Public Sector Duty. This assessment will feed into an action plan to be developed in 2020. Staff and members of the Board also attended a workshop on 'Unconscious Bias' during the year.

Environmental and Energy Issues

The PSRA must report annually on the energy consumption of the office and the initiatives undertaken to improve our energy performance. In this regard, the Authority continues to fulfil statutory and other obligations in relation to environmental and energy issues. All required data was submitted online to the SEAI (Sustainable Energy Authority of Ireland) on time. The PSRA, in accordance with S.I. 426 of 2014 (European Union (Energy Efficiency) Regulations), achieved a percentage reduction of 62.7% in energy usage by the end of 2018 in our Navan headquarters. This is above the required target of a 33% reduction in energy use by 31st December 2020.

The PSRA has eliminated the ordering of all single use plastics in accordance with the Government Decision dated 3rd January 2019.

An *energy performance officer* and *energy performance manager* have been appointed within the PSRA and they actively engage with the Energy Managers Forum and the Energy Performance Officers Forum of the Department of Justice & Equality.

APPENDIX 1

Statement of Internal Control



APPENDIX 1

STATEMENT OF INTERNAL CONTROL

Scope of Responsibility

On behalf of the Property Services Regulatory Authority, I acknowledge the Authority's responsibility for ensuring that an effective system of internal control is maintained and operated in the Authority. This responsibility takes account of the requirement of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the Statement of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in the Property Services Regulatory Authority for the year ended 31 December 2019 and up to the date of approval of the financial statements.

Internal Controls in Place

The Authority is satisfied that the systems, which it has in place, are reasonable and appropriate for the Authority's circumstances having regard to its size, level of expenditure, staff resources and the nature of its operations. However, the systems do not, and cannot, provide absolute assurance against material error.

The Property Services Regulatory Authority has adopted the Code of Practice for the Governance of State Bodies issued by the Department of Public Expenditure and Reform in 2016.

Capacity to Handle Risk

The Property Services Regulatory Authority has an Audit and Risk Committee (ARC) comprising two Authority members and two external members. I, as Chairperson of the Authority, am satisfied that the ARC discharged its role effectively with four meetings held in 2019.

The Board has reviewed and agreed the risk management policy which sets out its risk appetite and the risk management processes.

The Property Services Regulatory Authority's Internal Audit function is carried out by the Department of Justice and Equality (DJE) Internal Audit Unit under the oversight of the Audit Committee of Vote 24 (Justice and Equality). The role of DJE Internal Audit Unit is to provide independent assurance to the Accounting Officer on the effectiveness of the internal controls in place across the Vote.

The DJE's Internal Audit Unit carry out an audit on financial and other controls in the Authority each year.

Risk and Control Framework

The Property Services Regulatory Authority has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Authority and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the Audit and Risk Committee, in consultation with senior management. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. The Authority confirms that a control environment containing the following elements are in place:

- procedures for all key business processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems. The ICT division of the Department of Justice and Equality provide the Property Services Regulatory Authority with ICT services. In May 2019

they provided an assurance statement outlining the control processes in place at that time. An online licence application system is provided by An Post through Licences.ie on behalf of the Property Services Regulatory Authority. An assurance document regarding the security and controls of the system in place during 2019 was received from An Post in February 2020. A service level agreement was put in place with An Post in 2018.

- there are systems in place to safeguard the Property Services Regulatory Authority's assets, and
- there are control procedures in place regarding assessment and payments from the Compensation Fund.

Ongoing Monitoring and Review

The Property Services Regulatory Authority has in place an Internal Control Document which identifies risks to the Authority, the controls in place and the reporting and monitoring procedures.

The Authority takes the major strategic decisions and meets at regular intervals to monitor performance and plans. The executive management only act within the authority delegated by the Authority to give effect to the Authority's policies and decisions.

A detailed procedural manual has been prepared and put in place. Where possible, staff duties are appropriately divided taking account of the risks involved and the limited number of staff.

I confirm that the following ongoing monitoring systems are in place:

- Key risks and controls have been identified and processes have been put in place to monitor the operation of those key controls and report on any deficiencies,
- Formal procedures are in place for the purchase of all goods and services, for approval of invoices in respect of goods and services and authorisation of payment in respect of goods and services. Procedures in this regard have been strengthened during the year through the implementation of recommendations emerging from the internal audit report.

- There are regular reviews by the Chief Executive Officer of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.
- The Authority's financial and other control procedures are subject to an annual review by the Department of Justice and Equality Internal Audit Unit. The Department of Justice and Equality Audit Committee reviews the work of the Internal Audit Unit.
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned.

Assurances

Information and Communication Technologies

The Property Services Regulatory Authority avails of the shared ICT support service from the Department of Justice and Equality. A service level agreement is in place with the Department in relation to the ICT service and arrangements are in place to back up PSRA systems. An assurance document was provided by Justice IM&T regarding controls in place in 2019.

An online licence application system is provided by An Post through Licences.ie on behalf of the Property Services Regulatory Authority. This online system has greatly enhanced the efficiency and effectiveness of the licence renewal process and further developments are planned. An assurance document has been received from An Post regarding the security and controls of the system in place. A service level agreement was put in place with An Post in 2018.

Shared Financial Services

The Property Services Regulatory Authority avails of shared financial services under the Department of Justice and Equality. A letter of assurance regarding controls in the provision of shared services has been received from the Department of Justice and Equality.

The Property Services Regulatory Authority also avails of shared services from the Payroll Shared Services Centre (PSSC) under the Department of Public Expenditure and Reform. The service is covered under a service level agreement between the PSSC and the Department.

Procurement

I confirm that the Property Services Regulatory Authority has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2019 the Property Services Regulatory Authority complied with those procedures.

Review of Effectiveness

I confirm that the Property Services Regulatory Authority has procedures to monitor the effectiveness of its risk management and control procedures. The Property Services Regulatory Authority's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work and the senior management within the Property Services Regulatory Authority responsible for the development and maintenance of the internal financial control framework.

I confirm that the Authority conducted an annual review of the effectiveness of internal controls for 2019. The Authority has satisfied itself insofar as is practicable, that the systems of internal financial control instituted and implemented in the Property Services Regulatory Authority for the financial year ended 31 December 2019 are effective.

Internal Control Issues***Disclosures of Details Regarding Instances where Breaches in Control have occurred.***

No weaknesses with internal controls were identified in relation to 2019 that require disclosure in the financial statements.

Disclosures of Details of Material Losses or Fraud

There are no matters of fraud to report for 2019.



Geraldine Clarke
Chairperson



